

# FREE-MAN'S PERSPECTIVE

How Life, Liberty & Sanity Can Win

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## Locke's Natural State, Redefined & Proved



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John Locke was not a radical man by nature. He was bookish and serious. He avoided conflict. But he was also a capable and honest man, and he followed the truth where it led.

Locke's first treatise on government was a point-by-point refutation of a then-popular book by a man named Robert Filmer.

Locke was highly secretive about writing his second treatise, so we have to guess a bit to arrive at his reasons, but I think it is fair to say that a detailed examination of what was wrong presented him with

the very obvious challenge of figuring out what was right.

Locke's brilliant tool for finding the right was to turn away from the political wranglings of his day and go back to human origins; to understand man in his original state and to specify what was right for him, before he was overrun with unnatural edicts, impositions and fears.

So, Locke began his analysis with a thought experiment on the “state of nature.” This wasn't purely an imaginary exercise; Locke was an avid student of history, as well as science and contemporary events. He brought a full life of learning and all of his considerable abilities to the task.

The exposition on the state of nature below is not Locke's, it is my own, inspired by Locke. It has now been 322 years since Locke's version was published... 330 years since he wrote his first draft. We now have much more information to work with, as well as thoughtful analyses of Locke's work by many capable and sincere people. I think this is a good time to reformulate a set of thoughts on the state of nature.

I should point out that in this discourse I will very frequently use the terms “man” or “mankind” as a generic reference to humans of both sexes. I do that both for convenience and because that is how Locke wrote: I felt better about not changing his voice when it wasn't especially necessary.

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## The State of Nature

To understand human organization clearly, we must first specify the original state of men, separate from power, impositions, traditions and enforcements.

The mass of edicts that we find surrounding us now cannot be considered normal to us. The reason for this conclusion is simple: The rules imposed on men change all the time. The rules of Sumerian civilization, Egyptian civilization, Greco-Roman civilization and all the rest were *far* different from modern rules. Therefore none of these rulesets can be called “natural to man.”

So, if we are to consider what arrangements of life are best for mankind, we must start with man's original state, before regimes and rules were imposed upon him, obscuring our view.

Many deists specify a first state that included only Adam and Eve. Geneticists often specify the number of original humans at less than one hundred. But in either case, this primal state involved a shockingly low number of people, especially given the habitable area on this planet, which is in the range of 20 billion acres.

In this primal condition, all men were in a state of perfect freedom to order their actions without asking permission and without any dependency upon the will of any other man. Their only bounds were those that the natural world placed upon them.

### NATURAL EQUALITY & MORALITY

A state of absolute freedom is also a state of absolute equality: all are equally free.

In their primal state, all men are born to the same relationship with nature. They are equal to one another without subordination or subjection. They interact, if they choose to do so, as natural equals, and with equal rights to the use of our planet.

Humans have always been – by construction – conscious beings who observe their own thinking. The ability of man to have conversations with himself and to make willful decisions made him the first *moral* being on Earth: a creature who can be either divided against himself or true to himself.

So, while men in their primal state were perfectly free to do as they wished, as moral beings they could not transgress against their equals without also transgressing against themselves.

This is why every serious moral teacher since antiquity has arrived at a version of our Golden Rule. The formulation “do to others as you would have them do to you” arises from our basic nature, and not from any external command.

Through the whole of recorded thought, under every type of civilizational structure, all serious men and women have come to this one moral conclusion; a conclusion drawn out of man's natural state, which continues within us.

This natural and moral state instructs every conscious being that, being equal and independent, no one ought to harm another in his life, health, liberty, or possessions.

Being furnished with like faculties, sharing in one community of nature, there can be no natural subordination among us. No man can have a right to aggress upon another and destroy or abuse his life or the fruits of his life.

Our natural faculties oblige us to behave beneficially toward other, co-equal, men. This is not an external standard to be *imposed* on men, but a natural, inherent obligation that is *recognized* by men. It arises not from external demands, but from our internal natures... from the structure of our consciousness.

## MEN & BEASTS

It is clear that man has natural abilities to improve himself: to learn, to grow, to produce, and to improve. These willful activities of men cannot, as we have discussed, rightly be opposed by other men. But what of animals?

It may well have been that the first problems men faced in their primal state involved animals. Animals do occasionally injure or kill humans. They have very frequently destroyed human work. What is man's proper response to these transgressions?

Again, it is important to begin with primal conditions:

The beast, having only preset instincts to guide it, cannot reason and cannot be effectively communicated with. When the beast destroys human production, no moral crime can be implied: the beast is capable of neither morality nor immorality.

The beast is a different type of being than a human. It has limited capacities and no real capacity for improvement. Again, this is a condition bestowed on them by nature.

So, given that man is capable of improving himself, those in communication with him, and the natural environment in general, he is to be given priority.

Priority, however, does not imply a right to abuse or to wantonly destroy.

Two further conclusions can be drawn here:

1. Men who do not improve themselves and the world abandon their natural primacy above the beasts. Primacy comes from being a net creative and beneficial force in the world. Men who debase themselves, corrupt their moral natures and destroy should not be regarded as holding primacy above the beasts. (Primacy rightfully returns to them if they change their ways.)
2. Men who abuse the natural world – and especially those who inflict pain upon animals – exclude themselves from the ranks of beneficial humans and make themselves transgressors against nature.

While animals cannot be our moral equals, they are our equals in the ability to feel pain and to suffer physically. They may not feel internal anguish, but they can clearly feel physical pain. So, to inflict physical suffering upon a beast is to transgress against our own nature as well.

Thus we may not willfully injure a beast except in necessity, and we, as the reasoning beings, should act to prevent such cases. The beast simply cannot; it is up to us to prevent suffering in the world.

Again, as the only parties on this planet capable of responsibility, it falls to us to look out for the beasts – they are not capable and we do receive benefit from them.

#### ANIMALS AS FOOD

The question of our morality in eating animals was never a simple one, even in the primal state. Two conclusions, however, are very clear:

1. If we are to eat animals, we are also obliged to generally look after those animals. They are not capable of long-term considerations or complex understanding – they have only instinct to guide them. By making use of their bodies, we oblige ourselves to contribute to their long-term benefit; especially in those ways of which they are incapable. If we do not care for the lives of the beasts, it is immoral for us to make use of them.
2. If we do use the bodies of the beasts, we are obliged to avoid inflicting pain upon them. They are clearly capable of physical suffering. If we wish to avoid such suffering ourselves, we must also avoid inflicting it on the beats.

As the only reasoning beings present, the responsibility for using the planet beneficially falls to us. As regards the beasts, we, the capable parties, should act to avoid problems with them. But since they cannot be reasoned with, nor effectively changed, we may forcibly restrain them from causing harm. In necessity we may have to kill beasts. As the more capable members of the natural world, however, we should prefer other means.

#### MORALITY & DEFENSE

(We will eliminate accidents and misunderstandings from this discussion. All reasonable and communicative humans can resolve those conflicts.)

By all accounts, men transgressed against men from our earliest days. So if, while enjoying a natural right to live as he wishes (prevented only from violating the equal rights of others), a man in his primal state was encroached upon, what was he to do?

The man who steals another's production is both violating the natural rights of another and transgressing his own nature. He thus diminishes his moral right to natural liberty.

Again: man is a conscious (and hence moral) being. He judges himself by living up to his own desires or by failing to live up to them.

The man who wishes to be treated kindly but refuses to treat others kindly, makes himself immoral. No external standard is involved: only his own nature, desire, will and actions. He is the sole party involved, and in this case he makes himself undeserving of his natural-born rights.

It is then clear that the man who deserves his natural rights should have primacy over the man that discards his natural rights.

Thus all men in their natural state are right to restrain those who invade the rights of others.

The execution of this law of nature is put into every man's hands, and every man has a natural right to stop violations of natural rights.

## RESTRAINT

Unlike beasts, however, men – even those who are transgressing – remain capable of change and improvement.

Even while being forcibly stopped from violating another's life or property, the permanent damage or death of a violator should be avoided wherever possible. Unlike a destructive beast, a destructive man may be reformed and may later become a great benefit to other men.

For example, when men come upon a burning building they try, if they are able, to save objects of value. The principal is the same here: The destructive man may be stopped by whatever means necessary, but since human capacities are of great value, care should be taken to salvage them if possible.

This salvage effort, of course, should not be a license for further destruction: The first issue is to stop damage the destructive being is causing.

Once further damage has been prevented, however, salvage is to be preferred over death. Human potential should not be wantonly wasted.

Here is a condensed passage from Locke, making the same points as those above:

*In transgressing the law of nature, the offender declares himself to live by another rule than that of reason and common equity. And so, he becomes dangerous to mankind. Every man may restrain, or where it is necessary, destroy, and so may make the offender repent the doing of it, and thereby deter him, and by his example others. Every man has a right to punish the offender, and to execute the law of nature.*

## USE OF THE EARTH

The first men, in their natural state, had equal rights as to the use of the natural world.

Humans, however, require exclusive use of parts of the natural world. We all require our own food, for example. By eating it, we remove it from all other men and render it useless to them. Furthermore, this is a condition which we cannot escape; if we do not eat, we soon die, and all our capacities die with us.

We also require our own beds to sleep in, places of shelter, clothes to wear, tools to use, land for growing crops, and so on. It is inherent in the nature of man to require exclusive property.

The purpose of property of course – which ought never be forgotten in discourse – is to preserve and improve human life.

The natural world, from which property comes, is unowned in its primal state. It lies dormant, unused and unimproved by any conscious will. Plants grow as they are programmed to do; animals move and act as they are programmed to do.

Man, however, has the capacity of will: He may reason, compare, make projections, and act to create and secure benefits to himself, to fellow men, and to the natural world in general.

By infusing portions of nature with his unique creative and productive capacities, a man turns those parts of nature into his property. And once made one's own, no other man has a natural right to that property. The infusion of man's higher abilities into the natural world turns unowned nature into owned property.

In the same way, a man has no natural entitlement to any portion of the world with which he has not mixed his productive capacities. Mere words or claims are insufficient for ownership: actual creative and productive energies are required for the transformation of matter into property.

This private use of nature has secondary justification: its utility. An acre of fallow ground will generally produce some small amount of food and other useful materials, but a cultivated acre of land will commonly produce one hundred times as much. Thus the mixing of humanity's unique capacities with nature – turning it into property – produces a greatly increased utility to humanity as a whole.

This general utility, however, is not a primary justification. It serves primarily to show that mixing of human capabilities with nature enhances nature, and thus enhances life.

From this it can also be seen that willfully improving nature is better than not improving nature.

By neglecting or refusing to mix our higher capacities with the natural world – by adhering as closely as possible to the lifestyle of animals – we transgress against nature itself.

Nature has outfitted us with higher capacities than those of animals or plants. To avoid using those capacities is akin to cutting down plants before they bear fruit. We, who are capable of learning, of complex thought, of invention and willful production, of foresight and concern... it is incumbent on us to do these things.

Plants and animals are unable to think ahead. If they are ever to be intelligently and benevolently guided, such guidance must come from us.

Furthermore, by refusing to use our productive capacities, we deprive other men of our innovation and production.

Sadly, men can be dominated, injured and trained against the use of their higher capacities. Those so injured need repair. Those so injuring others are to be condemned in the strongest terms and opposed with vehemence.

## SCARCITY

In our earliest days, with very few humans and a gigantic world, scarcity was not a concern. Food might be temporarily scarce in one place or another, but men were surrounded on all sides by an empty world, which they could use as they wished.

Once, however, men multiplied on the Earth, and especially in choice locations, scarcity became a

problem. Distribution and trade became necessities.

## SPECIALIZATION & TRADE

In time, men learned that using the natural world to enhance life was by no means a limited and simple process. There seemed no end to the improvements which they could make: They could irrigate dry land, greatly improving its production of food. They could build better shelters, greatly improving their comfort, efficiency and enjoyment of life. They could create sailing vessels, vastly improving their ability to explore, discover and communicate with distant humans.

Once this *ability to create abilities* was understood by men who were naturally free, they very quickly invented animal husbandry, fishing, weaving, leather, woodworking, pottery, music, masonry, metal-working and much more.

At this point, however, it became clear that specialization was required. One man, however talented, could not master all these crafts at once. Yet, he would naturally prefer to enjoy the advantages of them all.

So, humans began to specialize. One group, for example, might specialize in farming, and spend great effort improving every aspect of the food-growing process: experimenting with new seeds, water distribution methods, details of planting, weeding, harvesting and so on. The same process, of course, was undertaken by other groups, who specialized in wood-working, pottery and so on.

Each group of specialists, however, desired the specialties of the other groups. The farmers in our example would also desire leather and metal and pottery and fish.

In order to accommodate the many specialists and their desires, mediums of trade were developed, which we commonly call money. The preference for this medium of trade very quickly fell to substances that were valued for themselves, divisible, recognizable, portable, and which didn't degrade over time. Gold and silver, of course, became the preferred mediums of exchange, fitting all five requirements quite well.

## MONEY & CORRUPTION

When all men are specialists, all become unequal in many ways. Not naturally unequal, of course: all men are naturally free and naturally equal in regards to the natural world and mankind in general. They do, however, become unequal in property.

Over time, men began to regard the trading medium (again, usually silver or gold) as an end in itself. This occurred as they took their eyes off of nature: their attention strayed from their natural freedom and their natural abilities to improve the world. They lost focus on their moral nature as well.

Many errors arose when men became overly focused on money as a value in itself.

When men regard their purpose as obtaining a medium of trade rather than inserting their creative abilities into the world, they ignore their natural abilities. They begin to desire and love the tool of trade rather than the root abilities that make trade and its tools valuable. In short, they reversed the hierarchy of creation and importance. They substituted objects of derived value for the source of actual value: they valued the created thing above its creator.

A man who begins with the understanding that he and men like him are the only fountains of value in the world (beyond the low, base level provided by nature), tends to be conscious of his natural freedoms, his natural rights and his natural responsibilities. He regards specialization as valuable and

money as an excellent tool, but as a derivative, not a primary.

The man who makes money his paramount interest reverses the natural order of priorities. Creation – the central and ever-necessary human superiority – is dethroned by money gathering, and the rest of the priorities reorganize beneath it.

Production and creativity – whether we appreciate them or not – always stand at the root of human benefit and progress. So, once a sufficient number of men seek to grasp things, rather than producing and creating things, growth and expansion will fail.

The process of decline can be highly complex and lengthy, but it always leads to lack and collapse. Being that it strikes directly at the fountain of creation, it could hardly be otherwise.

The enthroning of grasping above creating alters the function of men's minds, and degrades the basic mechanism of production. This process leads to inevitable decline.

## ENVY

The human impulse which cements this reversed hierarchy of importance is envy.

The more ubiquitous the use of money, the easier it is for people to lose their bearings and to focus on money and its value, directly. A money-based society accompanied by envy moves toward destruction.

Those people who seek money for its own sake alter their character structures in the process. Turning away from their inherent natural value and focusing instead on external values (like money), they value and judge others by those same external values. As a result, they will both envy those who possess more of the trading medium than they do, and look down on those who have less. Soon enough, many such people gain an emotional boost from dominating others, or at least enjoy the fact that they are rich and their neighbor is not.

The poorer neighbor will then grow in envy and in anger. Or, he or she will accept lower status as “their role in life,” which is deeply unhealthy for a being who is naturally everyone's equal.

The root of this is the expulsion of natural creativity from one's center of focus; devaluing man's essential, productive nature, then replacing it with derivatives.

## PRIMAL ORGANIZATION

Great arguments among men regard human organization. Based upon mankind's primal state, however, there is little reason to argue about such things.

Men in their natural state are free to cooperate with each other, or not cooperate, as they each see fit. However, since each man possesses immense abilities, and since cooperating is considerably more rewarding than refusing to cooperate, it is a sensible and natural choice.

As mentioned earlier, mistakes and misunderstandings are not hard to resolve for reasoning beings who are focused on creation.

If the goal of improving life remains their chief focus, the various parties can easily invent solutions to their conflicts. It is only when the creation of value is dethroned and replaced with grasping, that disputes become difficult to resolve.

What then of the intentional aggressor? This is a problem that has faced men since their earliest days.

As mentioned before, all men have a right to stop aggression as required. They may do this by

whatever means they find necessary, save that they should prefer to avoid permanent damage or death where possible and practical.

Stopping aggression is an act of justice toward the damaged parties, but it is also an act of defense for the rest of humanity, some of whom are almost certain to be future victims of the aggressor, should he or she not be stopped.

Clearly, in the state of nature, defense is everyone's natural right and everyone's responsibility. Every man is an enforcer.

In this condition, where every human is an enforcer of natural rights and a punisher of aggression, the aggressor faces a difficult situation. Every person they encounter is 'authorized' to restrain them.

This situation would tend to expel aggressors from groupings of creative men and women. They could, of course, regain the acceptance of beneficial humans by repairing the damage they had done, repairing themselves, and convincing others – by deed – that they had reformed.

It is important to understand that cooperation provides its own reward. The man living alone in the wilderness lives a much less satisfying life than the man who cooperates beneficially with others. The benefits of comradeship, specialization and trade belong to the cooperative and are withheld from expelled individuals.

Benevolent and creative life thus repulses aggressors and rewards them again if they return to cooperative living. It is a virtuous and self-healing system.

#### THE LIMITS OF NATURE

The only inherent limit to such human organizing is that of human capacities. Most humans can interact richly and intelligently with about 150 people at a time, but not more than that number.

Above 150, men are not able to project the desires, feelings and reactions for the entire group of individuals. Natural interaction can go no farther. Organizations larger than that must operate on a different, non-natural basis.

Always, large groups require coercion to operate. Intermediate benefits and penalties must be substituted for the primary goal of creating a specific new value. Rules are instituted: stark, impersonal edicts, which drive out richer and better human interactions.

Rules – alien, external commands – further contrast with the virtuous primal organizing by destroying equality. Rules divide men into two unequal groups: Those who make and enforce the rules, and those who either obey the rules or are punished.

This punishment for the violation of external rules dethrones human reason and judgment.

In their natural state, men are punished only for causing actual damage to the natural world: a set of conditions that all men see equally, interact with equally and may respond to equally.

It is easily seen that when subjected to rules, men are punished for transgressing the mere will of other men, rather than transgressing nature itself. But, as bad as that may be, the condition of being subject to rules (being *ruled*) involves yet more degradation:

While under the reign of rules, men are instructed to ignore and mistrust their own higher capacities. They are, in fact, punished for holding to those higher capacities.

When men are induced to turn against their higher capacities (whether by punishment, reward, or some

combination thereof), they dim, and eventually petrify, their best streams of consciousness.

Being held in a condition of rule-subjection, men become apathetic and forsake their own wills. After all, their higher capacities no longer matter, and contrasting their natural abilities with their current operation is painful.

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## Proof: Reversion To The Natural State

The great objection to Locke has always been that he was merely imagining some pristine set of first conditions and infusing them with his pet doctrine. In fact, this objection existed even as Locke was writing. In the 14<sup>th</sup> section of his 2<sup>nd</sup> *Treatise*, he writes:

*It is often asked as a mighty objection, where are, or ever were there any men in such a state of nature?*

The truth is that most people ask this question because the implications of Locke's work troubles them. Nonetheless, the question is valid.

Locke begins his answer by making the fascinating point that princes and rulers of independent governments remain in a state of nature, with no master over them. He then proceeds to say that many people of his time still lived in wilderness conditions, and went on to say that: *in the woods of America... they are perfectly in a state of nature.*

In discussing this, however, it is crucial to understand that Locke was not referring to what most of us might currently regard as "America." These references were to the wild North American continent of the 1600s; a hundred years before the American Revolution.

Locke, in fact, refers to America more than a dozen times in his 2<sup>nd</sup> *Treatise*. He goes as far as saying:

*In the beginning all the world was America.*

This sets up an excellent and testable hypothesis:

**If Locke is correct about the state of nature, men taken out of the ruled world and placed in an isolated, unruled setting should revert toward Locke's "state of nature."**

### EXAMINATION OF THE EXPERIMENT

Before we can proceed with an experiment, however, we must first verify that we can set it up fairly. Let's do that:

Although the American continents were discovered just prior to 1500 AD, the first successful civilian settlement in North America was in 1607. (The Spanish had settlements as far north as Florida prior to that time, but they were primarily military in nature.) Settlement was slow at first, and didn't really take off till the middle of that century. By 1650, for example, the populations of the most significant areas were:

Virginia	27,000
Massachusetts	20,000
Connecticut	8,000
New Netherland (now New York)	5,000

Thus far our experiment looks to be a fair one: these settlers were easily few enough to be considered to be living in a wilderness. For the setup to hold, however, these settlers would have to be “unruled,” or at least unruled to such an extent that an honest variance can be seen.

Fortunately, the North American settlers benefitted from an English policy known as *Salutary Neglect*.

The early North American settlements were religiously and commercially based. They were not closely connected to governments and military operations. Furthermore, they were a very long way from the seats of power, in a day when messages took weeks or months to get from one side of the Atlantic to the other.

The high point of this salutary neglect began in 1722, when a Whig named Robert Walpole became the king's chief minister. The Whigs held what we might call libertarian opinions, and Walpole wanted to govern loosely, to avoid government meddling, and to let natural forces bring prosperity to England.

Under Walpole, vigorous government bodies like the Board of Trade and the Privy Council became quiet. Many of the existing regulations upon American trade were simply forgotten or ignored.

In addition, Walpole appointed a young man named Thomas Holies Pelham to the position that oversaw not only the American colonies, but France and southern Europe as well. Young Pelham, also the Duke of Newcastle, spent his time dealing with France and enjoying the perks of his office; he more or less ignored the colonies.

This high point of salutary neglect lasted, more or less, until 1760, after which the revolution promptly began. It would thus seem that the American populace was subject, at least substantially, to a state of being unruled.

This establishes the necessary conditions for our experiment. The occupants of the North American wilderness were not entirely separated from government impositions on their natural state, but they were far freer in that way than any group since, as well as for a long time prior.

## THE RESULTS

The occupants of this American wilderness famously declared independence and broke away from Great Britain, but that is not, in itself, good enough evidence for this experiment. There have been many revolutions throughout human history; the issue here is *why* did they declare independence? To serve as evidence for this experiment, their reason had to be “because of a reversion to their natural state.”

Also, if we are to be fair, we must consider Locke's effects upon these people. If they were merely enamored with Locke's work and following his ideas, our results are tainted. While it may also be true that people who were already reverting to their natural state would cling to Locke – who expressed what they were already feeling – this experiment requires some significant evidence that cannot be traceable to Locke himself.

So, let us begin with evidence prior to the publication of the 2<sup>nd</sup> *Treatise* in 1690:

There are endless stories of American settlers pushing back against authority, and often quite

forcefully. This began with the Jamestown colony (the first of them all), and continued up to, through, and after the American Revolution.

(If you would like to read a history of this period, I recommend *Conceived in Liberty*, a four-volume work by Murray Rothbard.)

The Rhode Island colonies provide an excellent example of such “natural state reversions” prior to 1690:

In 1636, a preacher named Roger Williams, who advocated a complete break with the Church of England, was banished from Massachusetts Bay and founded the Rhode Island Colony, which became a haven for other religious refugees from the Puritan community. In 1637, a more-or-less Baptist leader named Anne Hutchinson purchased land on Aquidneck Island from the local Native Americans, establishing a settlement in what is now Portsmouth, Rhode Island. Still others followed.

Complete religious freedom was declared by the people of Aquidneck Island in 1641.

In 1641, this same Anne Hutchinson became convinced that government itself was contrary to the scriptures. She persuaded her husband to quit his minor governmental post, “because of the opinion, which she had newly taken up, of the unlawfulness of magistracy.”

Note that Mrs. Hutchinson's objection was not with any particular magistrate, but with magistracy itself. Her biographer, Winifred Rugg, explain it this way:

*She was supremely convinced that the Christian held within his own breast the assurance of salvation... For such persons magistrates were obviously superfluous. As for the other, they were to be converted, not coerced.*

The people of Aquidneck were derided by people still tied to the British government as the *Isle of Errors* and *Rogue's Land*. They were bitterly persecuted for a long time.

Their persecution, however, has no bearing on our evidence, which clearly supports the hypothesis that men, removed from the coercion of rulership, revert toward Locke's “natural state,” or something very much like it.

Also in the years prior to 1690 (actually beginning in the 1650s), large numbers of Quakers not only held, but doggedly promoted, ideas that we would call politically libertarian and religiously liberal.

A Quaker named Mary Dyer was hanged for her opinions in 1660 in Massachusetts. In response, a Quaker historian named George Bishop (living at that time) wrote this to the authorities of Massachusetts Bay:

*Your bloody laws were snapped asunder by a woman, who, trampling upon you and your laws and your halter and your gallows and your priests, is set down at the right hand of God.*

Quakers were bitterly persecuted during this period for being (in the words of Massachusetts authorities), *malignant promoters of doctrines tending to subvert both our church and state*.

These events (and there were many others) clearly support the hypothesis that men, removed from coercion, tend to revert to their natural state. And this, decades before Locke wrote his treatise.

Now we turn to evidence from the 18<sup>th</sup> century:

Samuel Adams, almost certainly the most persistent and involved man of the American Revolution,

very specifically considered the wilderness of North America an asylum: a place men ran away to – a last refuge. In one place, he writes this:

*Men of Virtue throughout Europe heartily wish well to our cause... Liberty seems to be expelled from every other part of the globe & the prospect of our affording an Asylum for its friends in this new world, gives them universal joy.*

In a letter dated December 28, 1770, Adams writes about:

*This little part of the world - a land, until recently happy in its obscurity - the asylum...*

It is also clearly Samuel Adams' opinion that this asylum bred freedom-lovers. In January of 1771 (before the Boston Tea Party, Declaration of Independence and Revolutionary War), Adams wrote the following in the Boston Gazette:

*Nothing, in my opinion, can convey a more unjust idea of the spirit of a true American, than to suppose he would even compliment, much less make an adulating address to any person sent here to trample on the rights of his country; or that he would ever condescend to kiss the hand which is ready prepared to rivet his own fetters.*

In September of that same year he writes:

*Perhaps there never was a people who discovered themselves more strongly attached to their natural and constitutional rights and liberties.*

These ideas were not limited to Sam Adams and his friends. George Washington – not a natural radical and a man with whom Adams did not always agree – has the same opinion and uses the same word. In one place he says:

*I had always hoped that this land might become a safe and agreeable asylum to the virtuous and persecuted part of mankind, to whatever nation they might belong.*

And in another:

*... who have assisted in protecting the rights of humane nature and establishing an Asylum for the poor and oppressed of all nations and religions.*

John Adams (a younger cousin of Samuel Adams) contrasted Americans with people held in subjection to governments. This is a passage from a letter he wrote in April of 1776:

*Fear is the foundation of most governments; but it is so sordid and brutal a passion, and renders men in whose breasts it predominates so stupid and miserable, that Americans will not be likely to approve of any political institution which is founded on it.*

It is very clear from the many writings of Thomas Jefferson (which I will not quote here) that he considered the North American wilderness a place where men regained familiarity with their natural freedoms.

I will conclude with the thoughts of Edmund Burke, a member of the British Parliament, from a speech in the House of Commons on March 22, 1775:

*The colonies in general owe little or nothing to any care of ours, and they are not*

*squeezed into this happy form by the constraints of watchful and suspicious government, but, through a wise and salutary neglect a generous nature has been allowed to take her own way to perfection.*

So, Edmund Burke – a serious and informed observer, then present – agrees that neglected men in the North American wilderness changed, and for the better.

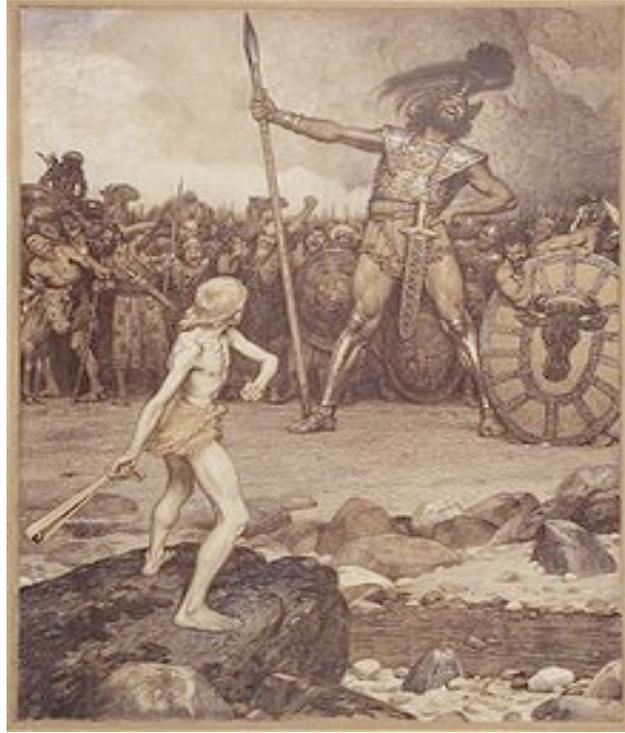
I think it fair to say that the hypothesis stands: Men removed from coercion revert toward what Locke calls their “natural state.”

Living by their own wills puts men in direct contact with nature and their natural place in it. They begin to face the man next to them directly; class distinctions wane; processes that were once regulated and restricted are thrown open to anyone who can do them; old ways fade, nature is exposed and men confront reality directly, not through filters and edicts.

This is precisely what happened in the wilderness of the Americas, with immense benefit to the people involved, and especially to those of us who have followed.

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# A Digital Currency Primer



There are only two real forms of business in the modern West. The first is traditional business: small, medium, and large businesses that thrive by providing quality products, paying attention to the needs of their customers, adapting to gain better results, and so on.

The second form are the giant corporations that work with governments to gain monopoly situations, allowing them to suppress competition and to reap outsized profits. And the greatest of all monopolies is the currency monopoly.

I chose the David and Goliath image above purposely: Digital currencies are very much facing off against the great Goliath of our time.

## THE BASICS

Digital currencies come in three basic types:

**Warehouse Accounts.** Account based systems place the backing for their currency (gold, silver, or some other inherently valuable commodity) in a protected warehouse, and sell that gold to their customers. People are then invited to create accounts and to electronically trade ownership of the gold over the Internet. In actual practice, you would log into your digital currency account and transfer a certain amount of gold to your friend's account.

The warehouse account arrangement is precisely the same as transferring money between two traditional bank accounts, except that the currency (unlike dollars, pounds, etc.) is actually backed by something of real value.

**Warehouse receipts.** Paper money began as receipts for gold or silver stored in a warehouse. People found it convenient to trade these receipts rather than weighing out metals. Over time that system became corrupted and turned into modern money.

Warehouse receipts are digital coins, each worth a specific amount of gold (held in the warehouse). You transfer them over the Internet as email attachments or instant message, or by almost any method – they are cryptographic strings of letters and numbers. Properly, they are digital bearer certificates.

**Finite digital coins.** This is a new model of digital currency. Like the warehouse receipts immediately above, they are digital bearer certificates; digital coins. However – and identically to dollars, Euros, etc. – they are not backed by anything of value.

The unique thing about these digital coins is that only a certain number of them can ever be created. This is guaranteed by the cryptographic code that produces them. (They are also fairly difficult to produce.) The fact that no one can just print up a pile of these digital coins makes them effective trading pieces; they may not be backed by gold, but they are unique, limited, verifiable, and so on.

I plan on going into more detail on digital currencies in future issues. I hope this primer has given you a solid basis for those discussions.

#### EXCHANGING

There are quite a few digital money changers who will change fiat currency (Yen, dollars, etc.) into digital currencies. You'll have to pay a few percent for the exchange, but it can be done quickly. You can also just sell people things and get paid in digital currencies. Either way, obtaining digital currency is fairly easy.

As an aside: If you've ever dreamed of a job that allows you generate a good income while sitting in some exotic place with a laptop, this is it. Just don't be a US citizen or live in the United States: the US government is more or less at war with all new forms of currency.

#### BETTER MONEY

Digital currencies are simply better money. Whenever it is that the great currency monopolies break, these newer, better currencies will develop in exciting new ways. Right now they are in the position of David facing Goliath.

Great new ideas are always opposed, especially by monopolists.

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See you next month.

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