



## Episode 939: Do We Need the State for Defense?

Guest: Bob Murphy

**WOODS:** Right now we're going to talk about the other half of this story. Last time we talked about private law. We'll talk about private defense today. Now, if you go way, way, way, way back in the history of *The Tom Woods Show*, you and I covered these exact topics before, but not in this punchy, awesome way. Also, I –

**MURPHY:** We did it the boring way first, and then Tom was like, Let's try to be interesting this time.

**WOODS:** Yeah, exactly, like 800 episodes later, I said, You know, on second thought – I do want to tell people, if you are checking your feed, it's true that it used to be the case that you could access every single *Tom Woods Show* episode through your podcatcher. The problem is that the feed gets to be so big that it just causes a lot of headaches and problems and it gets clogged and then the episodes stop showing up in people's apps. So you have to cut the feed down at some point, so we've got the most recent 301 episodes. Who knows why it has to be that number?

But anyway, if you want all the episodes, they are always and forever at [TomWoods.com/episodes](http://TomWoods.com/episodes). That's where you can find them. You can find the YouTube version, although I don't know why anybody listens on YouTube. There's no video. But I do it, because, what the heck? But you should be listening through iTunes or some podcatcher. But anyway, [TomWoods.com/episodes](http://TomWoods.com/episodes) where you get all the episodes if you are shedding tears about the loss of the feed. I totally get it, but I've had problems with the feed before, we were starting to have them again, and it is a nightmare when that starts to happen. So I said, All right, we're exercising the nuclear option. We're doing what all other podcasts do. We're limiting the feed to 301 episodes.

All right –

**MURPHY:** So some people were just getting too much Tom Woods. They couldn't handle it.

**WOODS:** Yeah, they couldn't. The Internet, apparently, cannot handle it.

**MURPHY:** [laughing] Too big for the Internet.

**WOODS:** That's right. So there is some way I can — it doesn't — look, why am I even getting — it doesn't even matter. This has nothing at all to do with what we're talking about, except that the last time we talked about this is so long ago you can't even get it through iTunes anymore.

**MURPHY:** Well, you could segue and say, If the private sector can't even handle my podcast having 302 episodes, you're telling me they're going to handle nuclear weapons?

**WOODS:** There you go. See? You're making the arguments for me. All right, I'm playing devil's advocate here with my old friend, Bob, and we're going to talk about private defense, because they say, Well, I see how the private sector could provide shoes, good sir; I do not, however, see how it could provide military defense. Well, it's not obvious, and in fact, let's just be perfectly honest and blunt about it: it sounds stupid and ridiculous. So if you're sitting around in a group of people who are all limited government people, they have never even heard of anarchocapitalism before, and you just say, Well, I think there's no need for a military budget because the private sector can provide that, they would think you were a raving lunatic.

So I'm going to pretend to be one of those people. I'm some guy at like a Republican Party cocktail event, okay? And Murphy has been invited to be the guest speaker on business cycles. So after that's all over, we're mingling, and I say, Murphy, that was a great presentation, and I like what you had to say toward the end. You made some joke about taxation. And that's really funny. I love the "taxation is theft" thing. But of course we need to have taxes for the military, so we've got to do that, right? So now, Bob, you're in this social situation, ten people surrounding you, a smart-alecky guy with a drink who doesn't actually expect you to say, No, we don't need taxation. What are you going to say in that situation?

**MURPHY:** Well, the honest answer is I'm just going to say, Ha ha ha, and I'm going to go get a Coke or something.

**WOODS:** Darn right. That's what I'm doing.

**MURPHY:** Yeah. I won't say "darn right." I will not actually throw my principles under the bus; I just choose not to defend them in a small setting like that where there's going to be personal conflict.

**WOODS:** Yeah, that's — but that's what I — I mean, it's not like you don't want to defend what you believe in, but it's like in that setting, there's not — this is not a setting where I'm going to be able to educate you. This is not a setting where I'm going to be able to give you the explanation that you need. This is only a setting in which I will be made to look ridiculous, and I'm going to choose the battlefields on which I fight. That's my method.

**MURPHY:** And in so doing, we show that private, voluntary considerations really minimize conflict and aggression, you know?

**WOODS:** All right, all right, I'm not going to let you keep doing this.

**MURPHY:** [laughing]

**WOODS:** All right, but so now let's instead say –

**MURPHY:** Okay.

**WOODS:** – you're sitting around with some college kids and, you know, they're like College Republicans, but they'll be the first to admit they don't know everything and they're here to learn.

**MURPHY:** Right.

**WOODS:** And they hear Murphy saying something about taxation is theft and somebody says, "But Murphy, obviously of course we need the military, so how are we going to fund that?" All right, now this is a kid who is not a smart aleck and he genuinely wants to know your opinion. How would you start easing him into the "it's going to be private armies"? How are you going to ease him into that?

**MURPHY:** Huh. Well, I think I would – you're right, there's a stumbling block here. And to be honest, this was the thing that when I first read Rothbard and I realized he wasn't just a small-government guy – wow, he doesn't just want to privatize the post office; he wants to – what? And I thought it was absurd, and I actually yell out to my parents, "Look, this guy" – I mean, I wasn't throwing him under the bus; I just kind of – I thought it was hilarious, like someone actually took it that far. This is interesting. But I didn't agree with him. And so for people who are in that camp and they're like, "Come on, how could that possibly work?" you said earlier, Tom, that, Come on, it sounds stupid. I think it sounds reckless, is what it sounds to me, you know what I mean? It's yeah, you can see the logic of it, but whoa, that's really risky. Are you sure we want to go out that far?

Okay, so let's try to just explain how this could work, because I think part of the problem is people can't even conceive of it. It makes sense to say yeah, privatize schools or the post office or even roads. Yeah, especially now with the E-ZPass stuff, you can see how a private road would work and it's kind of funny that some people think that's such an insurmountable burden or boundary for the free market. But you're right; with armies that seems kind of hard; how would that work? So I think the first thing you need to do is have a clear conception of what the legal system would be like in that kind of a world, and then really, military defense is pretty straightforward. So I'll give the quick thing first for people who have just never heard it before, and then you can hit me, Tom, if you want, in terms of some of the subtleties.

So the big picture is I think that insurance companies would play a large role in this. So imagine we've got a free society. There's no taxation. Everything is privately funded. So in that kind of a setting, something like New York City – you know, Manhattan is a sitting duck right now for foreign invasion. And so the insurance companies that are underwriting those big buildings – so that's billions and billions of dollars of potential property damage there, and if part of what they're on the hook for is, in the event that some foreign navy rolls up and starts blasting the buildings or bombers start dropping bombs or troops come in and seize the property, that this policy will

indemnify the owner. Now those insurance companies have an incentive. Instead of just sitting there and running the probability, saying, "We're sitting ducks; what is the chance that next year some army's going to come in and destroy or seize the property?" they realize, Wait a minute; if we spent money, we can greatly reduce the chance that's going to happen.

So the principle's the same. Just like a fire insurance company might have special incentives for you to install sprinklers and smoke alarms and things like that and to have arrangements with the local fire department – that's going to be private in this kind of a world – by the same token, and insurance company that has those kinds of arrangements with companies that have surface-to-air missiles and armored troop carriers and things like that and long-range bombers and they can set up mines in the harbor and so forth, that company's going to be able to charge less for a policy promising to indemnify you as the skyscraper owner in the event of a military conquest because they realize no, we're paying the money here and that's probably not going to happen.

And so that's, from my view, the general mechanism by which large-scale defense of very wealthy regions would be undertaken. I don't think it would just be a bunch of guys holed up in their individual houses with AK-47s or something. I mean, there could be that, and that would actually be a pretty big deterrent. I think a lot of people underestimate the deterrent power of that. But in terms of could it even be conceivable that you would have a large-scale repulsion of a sophisticated, first-world army, I say yes, and the funding mechanism I think would be primarily through insurance companies.

So I'll stop there. I know there's a lot of objections, questions that would raise, but I'll give you a chance to respond.

**WOODS:** All right, well, first of all, I want to clear away an objection that comes up a lot because I think it's not productive, which is to say: how would some little, tiny anarchocapitalist hamlet have resisted the overwhelming force of the Nazis? And the answer is it wouldn't, probably, but that would be true of small states as well, so that doesn't invalidate what Bob is saying in and of itself.

**MURPHY:** Yeah, France didn't stand up too well to the Nazis either, and they certainly didn't rely on anarchy to defend themselves. They famously made some foolish strategic decisions about what their defense was going to look like and that didn't work out well. So if anything, that's an example of saying, Yeah, if you have the state monopoly in charge of your military defense, if they put a lot of their eggs in one basket, then if that happens to be wrong they're in trouble; whereas if it's decentralized, you're not going to have your whole defense resting on this one line we're going to do and, oops, we didn't realize how mechanized they'd be and they're going to go right around that. We hadn't thought of that. That's not going to happen.

And as you say, it's not just a matter of, Hey, states sometimes get conquered too. I would say, for any given region, any group of people that are in a certain area, if they organize their defense through voluntary means, they will be stronger than if they anoint some group to be the monopolists in charge who can then tax them and spend money and there's very little feedback from the market price system as to what

they're doing. So I would not just simply say, Well, it's a crapshoot either way. My claim is no, for any group, if they're voluntary and private sector, they're going to be much stronger militarily than if they're not, just like you say having have a free market in agriculture doesn't guarantee that your people will never starve to death. There could be a comet strike or something that changes the soil or whatever, and no matter what, everyone dies. But my point is you hurt yourself by having the state be in charge of agriculture. So by the same token, putting the state in charge of military defense in no way makes your region stronger militarily.

**WOODS:** All right, let's get into what one of the objections would be. Even just to say that insurance companies will take care of it wouldn't answer the objection of some who would say, What about the free rider problem? Why would everybody feel compelled to get this insurance? As long as enough people have insurance – well, let's see. No, but insurance would make you whole after some type of an invasion, let's say, and if you didn't have it, you wouldn't get the insurance. You wouldn't get payment from an insurance company to rebuild or whatever. So does that in and of itself solve the free rider problem?

**MURPHY:** Not necessarily. So the way the free rider problem would manifest itself in the little sketch I did there is you'd say, Okay, so we're in a new equilibrium where all the insurance companies are charging a lot of money because they have to use the premiums to go out and pay to keep a corps of infantry well trained – you know, snipers and whatever and the guys who operate the SAM sites and the pilots flying the fighter jets and blah, blah, blah. And then in that environment now, because the chance of a foreign invasion is greatly reduced, why wouldn't one of those insurance companies who represents 5% of the total market, why wouldn't they undercut, just charge less in their premiums, and then stop funding the stuff and say on the margin, whether we fund it or not, there's still going to be enough here to repulse the average state army? So that's the way it would manifest itself.

And so to there I would say, okay, number one, fine, but notice it's not an equilibrium for there to be no defense. We can all recognize it would be silly for all the companies to be sitting there and saying, Yeah, we could spend a billion dollars and totally defend ourselves pretty adequately, but we can't – you know, there's negotiations and we're just going to sit here and get taken over and lose a trillion dollars of market value of our property. No, that can't possibly be a Nash equilibrium if that's the way you want to think about it as an economist.

And so yes, there's a bargaining issue and there would be cheating and so on, but that's why I like casting it in terms of big insurance companies, that they could have mergers and so on and cut deals with each other and they could even do contracts like saying, Okay, let's do a thing here where if at least five of us chip in enough and promise to spend such and such, then it kicks in and we all do it. So it's not that one company's going to go out on a limb and spend a bunch of money funding tanks and whatever and everybody else is going to sit back. They would all sort of know what they're doing and maybe even have long-term contracts with each other. You could do things like that.

But again, the important point is it clearly would not be "rational" or the solution to a prisoner's dilemma or what have you for the whole society to just sit there and do nothing when, if they just spent 1% of their output, they could totally defend

themselves. That clearly would not be – you would not need to worry that they're going to get invaded. At worst, you would need to worry about, Oh, some company's going to spend a lot and some other company's going to free ride and that's not fair, but there's all sorts of ways they could try to shame or advertise the fact that we're the ones funding this.

The last thing I'll say, Tom, is when it comes to this stuff, I think the free rider problem is exaggerated. So if you're talking about like the U.S. in World War II, there's plenty of cases where the stuff they were doing – like protecting your shipping from foreign fleets. That's clearly something that you can contain and just apply to the people who pay for it, to have your naval warships escorting merchant ships or whatever in hostile territory, clearly you can just convoy and guard the people who are paying you. If you have infantry and a rival land-based army is coming in and invading, certainly the people on the perimeter, they all have to pay you, or else you're going to pull your defense back.

So really, the only kind of classic case of where it's hard to limit the defense to the people who are paying is something like if you have a way to protect from incoming ballistic missiles, you have some kind of thing that shoots it down – yeah, if New York City's going to be free from incoming nuclear missiles, the fact that some guy on 42nd Street doesn't pay that month, there's no way you're going to let him get hit by the missile but none of his neighbors. So that's true, but again, with millions of people living in that area, I don't think the outcome's going to be nobody pays for it, we don't have missile defense because of the free rider problem. At worst, it's going to be some people pay, some people don't, but we have an adequate system.

**WOODS:** What about the concern that you would be concentrating, to be sure in the same way that has been done in a state except just in private hands, a huge amount of firepower, and maybe some people might be worried that that would be turned against the people the same way it would be turned against them by the state? In other words, people who have the same fear of capitalism that we have of the state would be wary of this.

**MURPHY:** Right, so I am very sympathetic to somebody who's worried about the concentration of power, and I would say right, exactly, so that's why clearly, if you support the use of military force whatsoever, you clearly want it to be distributed among 20 companies that compete with each other rather than putting it in the hands of one group. So I'm not in other words downplaying or pooh-poohing the idea that it is dangerous when you start going down the path of arming people and giving them really powerful weapons under their disposal, that they might turn on you and try to use it to take advantage of their erstwhile customers. I agree with that.

But again, if that's the kind of thing you're worried about, clearly it's not a solution to take all those weapons and put them in the hands of a single group and then say, And by the way, we don't even get to stop funding you. You get to tell us how much we owe you in our taxes to pay for it, but every four years, you'd better watch out because we're going to have systems pick two people and we get to vote for one of them and so you'd better keep us happy because that's a pretty big check on your behavior.

Whereas in a private, decentralized system, if one group – the insurance companies start getting reports about how one of these groups, Whoa, there's conscripts. We thought they were hiring people, but no, they're actually using their guns to enslave 12-year-old boys and have them serve in this first response unit in case foreign troops land – that's going to be bad for business. The insurance companies, they're going to get complaints from 300 people on Twitter within an hour of that story breaking and they're going to cut the contract with that group and say, "Whoa, sorry, we had no idea," and they're going to give it to some other group. So the idea that these groups would then grow and take over, I mean, yeah, it's not impossible, but the incentive structure is such to really minimize that because it's competition and there's different groups. The same group that's funding them is not the same group that controls the weapons.

And also, as we talked about in the previous episode of *The Tom Woods Show*, Tom, the judges, these are all completely separate frameworks. It's not the same group is in charge of the law as well as military defense. So if some group really is violating the law, all the private judges in that world are going to be rendering their opinions, so it's going to be crystal clear that this is an outlaw agency. Whereas right now, the state gets away with stuff because the legal system gives it this aura of legitimacy.

**WOODS:** Right, okay. Now, that's a key thing, that the way the public thinks about the state as opposed to I would think of the private sector – we have not been taught that we entered into a social contract with ACME Defense Company, and we have not been taught to salute its flag and to do any of that stuff with them. So we would be much, much more skeptical of what it's doing and its claims and so on than we are of the state. So I think that's a big thing.

**MURPHY:** Right, I mean, if you find a dead mouse in your Coke bottle, you flip out. You get a million-dollar judgment from them. You get a hair in your soup, you're outraged. Some guy slips on the sidewalk and they say the restaurant owner didn't adequately shovel it because it snowed, he can get sued. So the American public is very fickle, and in some cases, I would say irrationally so, like unfairly so about what happens. Look what happened with United when they dragged that guy off. Whatever you think about that case, I'm just saying that's what happens. Your stock price plummets when you use too much force in a given situation in the view of the American public.

So the idea that, Oh yeah, ACME, we nuked an island with a bunch of school kids on it and killed hundreds of thousands or tens of thousands of people, maybe we didn't need to do that – that's going to be evaluated much differently if it's a private company doing it and it had ten competitors, the other ones who found themselves able to achieve the same goal without dropping the atomic bomb. Whereas in the current system, it's just like, no, that's what the U.S. did, and so are you for the U.S. or are you against it?

**WOODS:** All right, maybe this in a way comes back to your "Wouldn't Warlords Take Over?" article that you referred to but we didn't really discuss in the last episode, because maybe people might be afraid that you have a bunch of insurance companies and they insure you the same way you get insured against all kinds of things that could happen to your house and your possessions. Well, one thing is that acts of violence

could happen to you, and in particular, an organized act of violence known as war could happen. And so therefore, the insurance companies, rather than just sitting back and paying out to everybody, they're going to try and contain the damage and stop it and direct some kind of a defense against it.

Okay, but I think people fear that that ACME company and the Joe Johnson company and all these other companies, that maybe one of them does go rogue for some reason. Maybe one of them thinks that maybe this chaos of war is a great time for it to try to establish itself as a state or something. And I think people feel like that's just not – yeah, maybe the likelihood of this is not as great as people think it is, but do I really want to roll the dice and test this?

**MURPHY:** Right, so you're correct that if you're saying, Yeah, there's these private agencies, there's 20 of them, and they all have some pretty powerful firepower and they each have 1,500 guys who are full-time trained killers on their payroll and, what, my local community patrol organization is supposed to stand up to any one of them? And maybe during peacetime, yeah, they're all playing by the rules, but if there's a massive invasion that breaks out, I bet you they could get away with doing some stuff they wouldn't normally – That's all true. I agree with that.

But by the same token, if you take those 20 agencies and put them all in the hands of a single group and then, oh, if there's a war – I mean, states don't have a great record of respecting people's rights and staying within the limits of their circumscribed power according to constitutions and what have you during war. That's when states expand. So yes, what you put your finger on is a real thing and it's a concern, but it's hardly an argument against breaking up the military power and distributing it among competing groups.

And also too, if people say things like, Well, geez, I go look over in Somalia when their state fell and there's rival warlords and I didn't see them all reading Rothbard and offering ounces of gold to each other and going to private arbitration. Well, okay, but that state fell because it was so horrible and corrupt, so by various metrics – I think Ben Powell's done some work on this, that yes, Somalia, under what you might truly call anarchy or statelessness, let's say to be more precise, was not a great place to live, but it was actually better than Somalia under a state.

So with all these things, you've got to do apples to apples. Clearly, I would rather live in the United States with its state system rather than under even stateless Somalia, but by the same token, I'd rather live in the state system of the United States rather than Somalia under a state. So you're really not telling me anything about the nature of the state versus voluntarism; you're telling me the nature of the people in the United States and their value system compared to people in Somalia and their value system around that same time period.

So I have every reason to think if Texas seceded and lots of different counties and stuff started breaking off and it was very small, limited political power over people, I don't think it would turn into rampant shooting and guys going around in pickup trucks just mowing people down. I don't think that's what would happen.

**WOODS:** Well, let me now drop a nuclear bomb on you, so to speak, by raising the –

**MURPHY:** No, that's impossible. I would just pay you enough not to.

**WOODS:** Yeah, but okay, but I think that's going to make this even more interesting, because this to me is the most difficult question of all. Because maybe you could make an argument that an insurance system and whatever would have the right incentives and everybody would be protected more or less. But who's going to keep an eye on nuclear weapons?

Now, you say to me, "Woods, in the current system" — I know you never call me Woods, but that's how we talk on this show, okay? You say, "Woods, we've had a system where states are in charge of nuclear weapons, so it's not like angels are in charge of them now." And I would say, "True, and it's a terrible shame they were ever used. But they were only used on that one occasion in those two cities. I mean, okay, that's not the best track record in the world, but it's not the worst. They're not the worst conceivable track record. And we now have much, much more dangerous weapons and they have not been used."

So who keeps an eye on them, or does everybody get to have a nuclear weapon? And if no — or if yes, you could technically have a nuclear weapon but you'd be a huge liability and no insurance company would take you on — or whatever kind of crap — But maybe I'm rich and eccentric enough that I just don't care. I think it would be awesome, in the same way that a serial killer — a brooding kid who is rejected at school and he just wants to go mow some people down, maybe this is the ultimate way to give your middle finger to the world, is just to go down in history as the guy who destroyed civilization. You think that's not possible? You think protecting their reputation or being concerned that they won't be insured or whatever is going to be enough to stop people like that?

**MURPHY:** Okay, so quick answer is no, not reputation by itself would stop everybody from that. So you're right. I actually think in what I'm calling a free society, there probably wouldn't be nuclear weapons, or there certainly wouldn't be things mounted on ICBMs that could take out foreign cities. I just don't think — there might be small tactical ones, perhaps, to be used on the battlefield in case conventional forces are getting overwhelmed. Even there I'm not sure conceivably, but in terms of would these small, free societies have the ability to wipe out 100 million people, I really don't see that happening.

And the mechanism is because of my understanding or my vision of how the legal framework would be, that just like right now a surgeon has to have medical malpractice insurance to be able to do brain surgery in a reputable hospital, by the same token, I think in a modern commercial society that's much like ours, that people would have this basic type of insurance package where if they're convicted in a reputable courtroom of committing some sort of property crime or other types of crime, then this third party would indemnify the victim and then it would be up to the company to kind of get square with the actual aggressor.

Again, if that sounds weird to you, that's how medical malpractice insurance works. If the doctor kills you or does something bad to you on the table, you get paid by the insurance company and then it can deal with the doctor itself and maybe stop covering him and so on. But the victim gets compensated right away. Or just like with

having collision insurance when you're driving an automobile, you have an insurance — it's not just insurance to give you your car back, but if you hurt somebody else or wreck somebody else's car, you have to have coverage to pay them. So that principle I think would be more generalized.

And so in that kind of a setting then, I think most people would not have the ability to own a nuclear weapon, because no insurance company would cover them, because they'd say if you use that wrong or if somebody breaks in and steals that from you and uses it, we might be on the hook. If we're pledging that if you murder somebody and the court agrees that we're going to pay their estate a million dollars, well, then, we're not going to sign off on you having the ability to kill a million people. That's crazy. That would bankrupt us.

So I think that's the way these things would be constrained, and so I think legally speaking, the private defense agencies or whatever term you want to use would not be allowed to have nuclear weapons, just because they'd be too dangerous. So that's the quick answer to you. I don't think they would be allowed. And it's not just a matter of reputation. I mean, it would just be — So you could say what happens if you can't get insurance coverage and you do it anyway? Well, they could have things like no one's going to rent you an apartment, you're not going to be able to live anywhere, no one's going to hire you, the utility company —

**WOODS:** But wait, but why? Why wouldn't they? You don't think there are enough crazy people in the world? There are insane people in the world who do crazy, horrible things all the time.

**MURPHY:** Right.

**WOODS:** And I mean, so you're telling me I couldn't get one of them who owns a building to give me a place to live? Or I couldn't coordinate this, where my crazy friend buys a building, my other crazy friend gets an interest in an electric company, and my other crazy friend is growing me some food, and we all work together and we make this thing happen? If we want to destroy the world, we're going to do it because there's no state to stop us.

**MURPHY:** Okay, so if three people getting together are able to destroy the world, it's kind of amazing that with 7 billion people right now, that hasn't happened yet. And I don't think it's because of the — I mean, the TSA is not the ones keeping us safe from airline travel, right? The government did its own tests to put fake stuff through or whatever and it's ridiculous, like a 90% failure rate. So I don't think it's because of all the crack counterterrorism groups and so on that are preventing the proliferation of nuclear weapons and that's what's keeping the world safe. You're making it sound like all you need is three committed people and it's hopeless. I don't think that's true.

And again, there are very strong mechanisms by which, in a free society, they would try to deter that and stop it from happening. So the three people who are going to cut the deal together — you're saying someone's going to own the utility company. That's pretty expensive to generate your own power to do that and to take over the utility — So I realize you're being provocative and you're throwing stuff out there, but that's kind of like saying, why wouldn't somebody just buy a car company and do this, or why

wouldn't somebody just buy the computer software company? I mean, these are big things. It'd be I guess better to say couldn't they go out in the woods somewhere and build it themselves.

**WOODS:** Yeah, I get that; I guess I'm just thinking that there would be – I mean, wouldn't you imagine that an anarchocapitalist society would be fantastically wealthy? So there would be a lot of super wealthy people, and wealthy people can be eccentric because they get the idea that, I'm wealthy, I have the ability to do almost anything I want, and I'm better than these stupid peons who are beneath me, and I want to be like a movie villain. That's the only thing that's going to give any meaning to my pointless life, is just blowing the whole you-know-what up. Blowing the whole thing up. I just – I don't know. I don't see how you – I'm not convinced.

**MURPHY:** Even there, okay, but you're taking it for granted – I think in most – in the legal framework – In other words, if we're in a society where everybody agrees – You're right, Tom. If there were somebody doing that and we had really solid intelligence and knew there was this guy in his basement building this thing and he planned on wiping out humanity, or wiping out all the people he went to high school with or whatever. And so therefore if we were entertaining the idea of a free society and property rights and the nonaggression principle, but you know what? That all goes out the window because of this one thing –

Well, if that's what the value system was of 99% of the population, then in their legal system, it would be legal for a judge to rule based on all that intelligence and stuff – and it's really air tight. This isn't just we have a speculation. I mean, this is clear and present danger. We're not screwing around here. We know this attack's coming next Thursday. Then it would be legal for the people to go in there and dismantle the operation, and it would be much more humane than what would happen right now if the FBI or somebody went in there because it would be bad for business if yeah, you went in there and you ended up killing the guy's kids or something, that they would do it when he was out shopping or something. They wouldn't wait till he was in there, and they certainly wouldn't surround the place and send in weapons that were banned in international warfare and killed a bunch of kids claiming they were helping people. They wouldn't do the kind of stuff that the U.S. government does all the time.

So I'm not conceding to you that yeah, you're right, the free society would have no means of stopping this person. The legal system might very well – because that would arguably be construed as an act of self-defense. So forget nuclear weapons. Suppose you're on the street, some guy comes up to you, he pulls a gun out, he cocks it, he points it at your forehead and he's getting ready to pull the trigger. The standard libertarian doesn't say no, you've got to sit there and wait until the bullet pierces your skin, and now he's initiated aggression you can do something. That's not what most people would say. So by the same token, this contrived example you're building, I don't think everybody would just have to sit there and say, Oh man, the moment you detonate that bomb, we're going to arrest you so fast. I don't think that's what they would do.

**WOODS:** All right, fair enough. Now, bear in mind I am playing devil's advocate here, but on the question of the nuclear weapons – I mean, when I ask you questions, a lot of times I kind of know the answer or I know the answer fully or I know it a little or I

want to hear your take on it. But when it comes to this, I really don't – I didn't really feel like I did have a good answer. And this is – you know, this is the destruction of the world, potentially, and I think I probably ought to have a good answer on that before I go, you know, shoot my mouth off about this stuff. So I figure we bring Murphy on here, we see if there's some kind of a reasonable response.

**MURPHY:** [laughing] Yes, well, I hope that I've given you a reasonable response.

**WOODS:** You know where you will get a lot of reasonable responses?

**MURPHY:** [laughing]

**WOODS:** Yes, that's right. We're segueing into a discussion of the Contra Cruise here on *The Tom Woods Show*. It's like worlds are colliding.

**MURPHY:** Yeah, I think that the private judge might say that is impermissible. I don't know if that's legal, what you just did.

**WOODS:** And some of them are saying I don't even know Tom has another podcast. That's right. Bob and I have our own podcast called *Contra Krugman*. Remember that? [ContraKrugman.com](http://ContraKrugman.com)?

**MURPHY:** Yeah.

**WOODS:** And based on that, we have a cruise we do and we're doing another one this year, the Contra Cruise, and it is a blast. Don't take my word for it. Watch the video of how great last year's cruise was. We have a whole page up about it, a whole site, really, at [ContraCruise.com](http://ContraCruise.com). We have already surpassed – we have blown past the number of people we had on last year's cruise, so you better hurry up and reserve your spot because it is seven days of hilarity and making great friends and having a wonderful time. So check that out at [ContraCruise.com](http://ContraCruise.com). Notice how wonderfully smoothly I went from nuclear annihilation to a seven-day vacation?

**MURPHY:** Well, I think that the audience needed that. They're sitting there fretting over planet Earth itself being wiped out, and so, you know, how do you guys calm down and relax after that?

**WOODS:** Yeah, see? There's a method to my madness. I got them all riled up, and now I'm telling them how to go relax. Go on the Contra Cruise with Bob and me and with out special – I mean, look, we've got Michael Boldin of the Tenth Amendment Center; we've got the great Dave Smith, a comedian who's been on this show a couple times; and we have Scott Horton, the great foreign policy expert. We've got Tatiana Moroz, Jordan Page for music. We've got you and your band, and we've got your father who also sings. This is nuts.

**MURPHY:** Yeah, let's not forget the legendary Pat Murphy. He doesn't just play country clubs. He goes on cruises now. I mean, the guy, he's expanding.

**WOODS:** Yeah, he's a madman. It's going to be amazing. So ContraCruise.com. All right, we're going to leave that there. If people want to read more about this crazy topic, what do you recommend they do?

**MURPHY:** Okay, so my pamphlet that I wrote in grad school is called *Chaos Theory*. That's where I would point people. I mentioned the last time we talked, Tom, that – unfortunately I don't know exactly what the volume number and such is, but I do have a forthcoming article in the journal, *Libertarian Papers*, that's going to address this issue. I'm responding to Joseph Michael Newhard had written a piece for them in Volume 9, Number 1, 2017, where he had said that a libertarian society that obeys the nonaggression principle scrupulously is a sitting duck for foreign invasion, and so I was responding and saying no, I disagree. I think that's the strength of a free society is that they actually obey property rights. Things like the calculation problem that so plagues the state when it tries to provide work or produce food or cars, similarly, taking away market prices and having monopoly provision actually cripples the defense of a certain region, other things equal. And so I just say that no, actually, the free people, they would be strong because they would be so principled. Because they wouldn't use the option of annihilating the children in foreign cities, that's why actually they'd be safer in the long run.

**WOODS:** You know, Bob, I've come to the conclusion – this is going to sound really patronizing, but I think you are a better guest on this show now because of *Contra Krugman*. I think because of our banter we've developed, because on *Contra Krugman*, half the time we've got this thin gruel we have to deal with, so we have to make it up through personality, and so –

**MURPHY:** Yeah, it's funny. It's almost like a podcast that doesn't just talk about Paul Krugman actually has other possibilities.

**WOODS:** [laughing] Yeah. Yeah, so, anyways –

**MURPHY:** You're saying like *Contra Krugman*, like when they guys are getting ready to go up and they're swinging two bats at once and then they get up there and now all of a sudden – that's kind of what Krugman is to us, that we really have to work to make that interesting, and so we come over here and talk about nuclear weapons. I mean, come on.

**WOODS:** Well, but I think also it's just because it's the same hosts every single week, so we get into kind of a groove, whereas here, you used to come on like once every two months or something. But now you and I have a routine all worked out, and you know, we – Now, when you're on my show, I like your incredible restraint, because on *Contra Krugman*, we sometimes make fun of each other, whereas on this show, you understand I'm in charge and only I may make fun.

**MURPHY:** [laughing]

**WOODS:** And that's very, very good of you. But if I'm ever on the *Lara-Murphy Report*, I will sit back and let you and Carlos say whatever you like.

**MURPHY:** Okay, all right. Duly noted.

**WOODS:** [laughing] All right, I am looking forward to seeing you in the relatively near future at the Mises University program, and then of course after that at the Contra Cruise. All right, thanks, Bob. Appreciate it.

**MURPHY:** Thanks for having me.