



**Episode 317- Ross Ulbricht and the Future of the Internet**

**Guest: Derrick Freeman**

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**WOODS:** I'd like you to start off for the sake of some of the listeners who are unfamiliar with the case or with the details of the case with the background to what's going on tomorrow. In particular, tell us about what Silk Road was and what it is that Ross Ulbricht is accused of doing in connection with Silk Road.

**FREEMAN:** Silk Road is like an eBay that exists on the dark web. It's a website where people can buy and sell mostly drugs, and they used the currency Bitcoin to do that. Now, Ross Ulbricht is the alleged operator of this website. He's not alleged to have sold any drugs, but he did allegedly operate this website, and so the government has found it in their interest to charge him with the crimes of facilitating this drug trafficking. I think this is heinous because basically any person who has a website that's used for illegal purposes could be dragged through court. That's a very dangerous precedent.

**WOODS:** All right, so that's why the case would be of interest not just to people who are interested in Bitcoin or not just to libertarians, but to anybody who's interested in Internet freedom. The concern would be that if there's a conviction here, then it will have a chilling effect all throughout the Internet. Is that what you're saying?

**FREEMAN:** Yeah, exactly, precisely. There are websites where people buy and sell things like Craigslist, which is known to have prostitution on its website sometimes, but we don't drag the whole Craigslist office through federal court.

**WOODS:** So what do you think the difference is? Why don't they go after Craigslist? And why do they go after Silk Road?

**FREEMAN:** Well, Craigslist doesn't have a philosophical background based in libertarianism. It doesn't afford users any more freedoms than they would have normally at a yard sale or something. Silk Road is very different because it was bold in its claims and its services. It provided drugs over the Internet that people could acquire safely, semi-anonymously, and that's a pretty big deal. I mean, that's never happened in the history of humanity before. So I

think it's because what the website was able to do that the government wants to stop it, but they are making the same fallacy that they always make. You can't just take out a kingpin, like in the old days of the mafia. You took down the Silk Road, or the FBI took down the Silk Road, and another one appeared in its place just a month later. Now there are dozens of copycats, and so this problem, if you want to call it a problem, is not going away.

**WOODS:** Tell us about Ross's defense. What is he saying? I'm actually completely in the dark on this. Are they going to try to claim that he's not the owner of the site? Or are they going to claim that he is, but it's not his responsibility?

**FREEMAN:** The defense has argued from the beginning that Ross is not Dread Pirate Roberts as alleged by the prosecution. Dread Pirate Roberts is the code name for the actual operator of the Silk Road, but no one knows his or her true identity.

**WOODS:** Even if he's not Dread Pirate Roberts, is he claiming that he had no connection to Silk Road at all, or is he not saying anything about his connection to Silk Road?

**FREEMAN:** That's right. He's not saying anything about his connection to Silk Road. It's my understanding at this point that he is maintaining his innocence completely and wholly. No connection.

**WOODS:** Okay, this is a tricky thing here, because I personally don't know one way or the other what his involvement is. My own view is the view of, let's just say somebody well known in the Bitcoin community, which is that if he is Dread Pirate Roberts, then all right, he was providing a voluntary service that people voluntarily used, and that it's morally wrong for politicians to interfere with. So good for him. And if he's not Dread Pirate Roberts, then he deserves the best legal defense he can possibly get. That's obviously not the view that his legal team is going to want, but as a libertarian, that's the way I look at it.

**FREEMAN:** I see it the same way. He's either an innocent man facing life in prison on some pretty serious charges, or he's a hero. Listen to what DPR said, that's Dread Pirate Roberts. He said this in *Forbes* just a month before Ross was arrested. He says, "I am proud of what I do in relation to the Silk Road. I can't think of one drug that doesn't have at least some harmful effects. That's not really the point, though. People own themselves. They own their bodies, and it's their right to put into their bodies whatever they choose. It's not my place or the government's or anyone else's to say what a person does with their own body. Giving people that freedom of choice and the dignity of self-ownership is a good thing."

**WOODS:** All right, so in other words, what you have here is somebody who, whoever this person is, has a full-fledged theory, a full-fledged philosophy—is not just saying, I just like to allow people to buy things, and that's the end of it. He's thought this through from the point of

view of self-ownership. By doing this, whether you like it or not, you're putting a giant bull's-eye right on your forehead from the point of view of how the government is going to react to this. Because, as you say, that's not the philosophy of Craigslist. Craigslist doesn't have a philosophy.

Let me ask you this: what is the deal with the whole murder-for-hire allegations, that he is alleged to have engaged in—attempted, anyway—about a half dozen hits on perceived enemies? This allegation came out, then they backed off from it, and now they are going to apparently allow the evidence for it to be introduced even though he's not being accused of it anymore.

**FREEMAN:** That's right. So this is a real mess. First of all, you're going to have to take the government's word for it. So I don't know. I don't trust the government when they make these types of allegations. But they have no evidence. Essentially they have the evidence that they can present saying that they took a copy of his hard drive, and he had made some of these murder-for-hire sales. No one has been harmed. No evidence of anyone being harmed has been presented. But the judge in this case has allowed the prosecution to bring up these arguments even though there's no evidence. So the judge in this case believes that Ross is somehow so dangerous that he's this kingpin having people murdered, and used that as a justification not only to have this brought up in court without evidence, but also to prevent Ross and his defense team from knowing the witnesses that are going to be called against him. He just found out his accusers on Friday, and we're recording this on Monday, and he's facing trial tomorrow, Tuesday, January 13. That's a big deal. I think this is a precedent that was set in the days of the Magna Carta, that you have the right to face your accuser, but Ross doesn't, and it's because of these murder-for-hire charges, which I don't know if there's any precedent for that an allegation could be made without evidence, and that's accepted by the judge?

**WOODS:** And it seems to me—and this is speculation—that these charges are the perfect kind of charge to use to make somebody appear toxic to the general public. It's one thing—all right, you're involved with drugs. That's not going to make you popular with your third-grade teacher. But to accuse somebody of something like this is to make that person completely radioactive. And then when you later say, well, we're not actually going to charge him with this, the damage has been done, and I suspect that was the point.

**FREEMAN:** If anyone's still wondering if Ross actually hired hit men, consider this post on his LinkedIn profile. "I want to use economic theory as a means to abolish the use of coercion and aggression amongst mankind. I am creating an economic situation to give people firsthand experience of what it would be like to live in a world without the systematic use of force." He doesn't sound like a hit man to me.

**WOODS:** Well, it doesn't. It's not metaphysically impossible, of course, but the whole thing stinks the more you look at it, the more you look at the details, the more you look at the government's behavior in the case. In fact, what kind of treatment was he subjected to when he was initially put in custody?

**FREEMAN:** I don't know. He was arrested at the San Francisco public library while he was on his computer. The government took his computer. They took his hard drive, made a copy, and they were able to access his private keys to steal his Bitcoin, and so all of about \$80 million of his personal money has been stolen by the government. That's just part of his treatment. He's been kept in isolation up until the point of this trial.

**WOODS:** Yeah, that's what I wanted to talk about: he was in solitary confinement for quite some time.

**FREEMAN:** I don't know much about his treatment while behind bars.

**WOODS:** Well, let me turn to something else I've got right here. I am looking at an article that reiterates something I've seen a number of times. His family put their home on the line to secure his bail, and I understand that it's like maybe a couple of dozen people who have been willing to put major financial assets on the line for this guy, they are so convinced that what he's being accused of can't possibly be true. And then you have the work of his mother, Lyn Ulbricht, who has been quite outspoken in being an advocate for her son. In fact, I wanted to talk to her, and that would have worked if I'd been in touch with her two months ago. But I think she's being advised by legal counsel that with the case coming to trial, and it's so close to it that she'd better not continue doing interviews. But she had been doing a number of interviews. She's been extremely high-profile. She's actually doing what I would want my own mother to do in this case. I am going to get my mother in contact with her if this should ever happen to me because I would want a mother like Lyn Ulbricht engaged in this type of work. But I assume you followed that aspect of the case, too—the work that she's been doing. Has she just simply been going around demanding that her son is innocent? What's been her public face on this general subject? How has she been approaching it?

**FREEMAN:** I've been amazed and inspired by Lyn's support for her son. She's steadfast in her belief that he is innocent, and she travels the country giving speeches at conferences and mingling with Bitcoin and liberty crowds to drum up support for Ross in this case. She's been on the trail for I guess it's about a year and a half since the arrest occurred in 2013, and she's developed a website [freeross.org](http://freeross.org), where hundreds of thousands of dollars in Bitcoin support has come in and continues to come in for this case.

**WOODS:** Well, I'm certainly going to link to [FreeRoss.org](http://FreeRoss.org) on the show notes page for today, which is [TomWoods.com/317](http://TomWoods.com/317).

Tell me what you and perhaps a number of other people are about to do. You're talking to me from New Hampshire right now, but you won't be in New Hampshire as of later today. What's going on?

**FREEMAN:** That's correct. I am taking a train down to New York City where I will be participating in a demonstration for a week. There are other individuals who are going to be participating, but no one is in charge. The point is that every individual is on his own presenting his image to the public. I want to saturate the outside of the courthouse with the message that Ross is facing 30 years to life for a victimless crime, and I want to present that message to the public so that the area outside the courthouse is perfectly aware what's going on inside. Now there are others who are going to be handing out jury nullification information. I think that's also a very important effort, but separate and distinct from what I am doing. Those people will be handing out pamphlets filled with information about the concept of jury nullification to passersby. And then there will be another group of people who are producing media from inside the courtroom. They'll be taking notes on what happened in the trial and reporting back. TheLibertyBeat.com will be producing a daily summary.

**WOODS:** Ah, okay, so let me make sure and write that down. I'll put that on the show notes page, too. I assumed that somebody would in effect be live blogging the trial, and so in effect that's what would be happening with a daily report.

**FREEMAN:** That's correct.

**WOODS:** I talked to James Babb last week on this show about the jury nullification, the jury rights project that he's engaged in, and he was at pains to make clear that this is something that he's been working on that's been going on long before Ross's trial, and it will continue during the trial, and it will continue after the trial. I think the reason to point that out is not just to say, hey, everybody, this is a long-term educational process to get people knowing about jury nullification; it's also to make sure that they can't be accused of jury tampering. In other words, he's trying to make the point that we're not trying to influence this particular jury. We're trying to influence potential jurors in general of whatever case that may come before this court.

**FREEMAN:** That's right, and that's very important because there was an arrest that occurred in 2012 at this very courthouse of a man named Julian Heicklen. He was doing the same thing—handing out jury nullification information—and was arrested. Now, his charges were eventually dropped, and that's because he was not handing out information in relation to a particular case before the court. I think that's why James wants to make it very clear that, yes, he has been doing this for years. You can look it up online. He's been handing out jury nullification information for I guess about half a decade now, and it will continue after this trial. So he is very clear that he is not there for any one case, but to inform the entire public about jury

nullification. Now, I won't be doing any of that. I do want to inform the public about a particular case.

**WOODS:** Right, of course, it doesn't seem like a coincidence—the timing of your trip down there. Are you going by yourself?

**FREEMAN:** There will be—I am traveling alone, but there will be a convoy of porcupines—people who have moved to New Hampshire for the Free State Project. There will be a convoy of them headed down to New York City later tonight.

**WOODS:** This is a bit of a personal question. You're not obligated to answer it. But did you ever know Ross personally?

**FREEMAN:** No, I never knew Ross. I wish I did. He's a hero. If he did what he's alleged, he's a hero, and if he did not, then he's been through quite a lot, and I want to hear his story personally.

**WOODS:** What else—you mentioned his LinkedIn profile. What else can we know about him as an individual just based on whatever Internet trail he may have left?

**FREEMAN:** Even though he alleges his innocence that he's not the Dread Pirate Roberts, I think it could be revealing if he is the Dread Pirate Roberts, and I am not saying one way or another, but in his latest interview, Dread Pirate Roberts explained that what he's doing is really part of a larger transformation driven by peer-to-peer technology and the Internet as a whole. The people now can control the flow and distribution of information, the flow of money. Sector by sector the state is being cut out of the equation and power is being returned to the individual. I don't think anyone can comprehend the magnitude of the revolution we are in. I think it will be looked back on as an epoch in the evolution of mankind. So he's a pretty big dreamer—this Dread Pirate Roberts person, and it seems like given the quotes from Ross's LinkedIn profile and other places, he has a similar mentality, if not the same person.

**WOODS:** Is there anything you want to close with? Anything I didn't get to that you want to tell people about?

**FREEMAN:** Yeah, I think the most important thing is the precedent of transferred intent. That's what the prosecution's case rests on. Ross has never sold any drugs. It's only alleged that he operated a website where other people sold drugs. If that precedent is allowed to stand, then anyone who sold drugs on a government road, well, the government should be indicting itself. The post office should be indicting itself for the drugs that they delivered. This concept of transferred intent is absurd.