

Decentralization and Freedom



Benefits of Decentralization

- “. . . political freedom arose in Western Europe precisely because of the fragmentation and differentiation that reigned there historically. A multitude of small jurisdictions made it possible for people to flee from places where oppression reigned to more liberal places. Tyrannical rulers thus found themselves forced to allow more freedom.” (Frank Karsten and Karel Beckman, *Beyond Democracy*)
- “Decentralization leads to a more robust, resilient organization. Centralized authority provides a jugular vein which, when attacked, can greatly damage or destroy the entire system. If you topple the head of a pyramidal organization, the structure may collapse.” (Butler Shafer, *Boundaries of Order*)
- “. . . all of the worst tyrants in world history were impassioned enemies of decentralized political power. Adolf Hitler himself devoted an entire chapter of *Mein Kampf* to a vitriolic denunciation of federalism and states’ rights in Germany. Hitler denounced the alleged “fragmentation” and “impotence” of the “so-called sovereign states” and praised his predecessors for all but abolishing state sovereignty or states’ rights in Germany. He considered this to be a great victory in what he called the “struggle between federalism and centralization.”” (Thomas DiLorenzo, *The Problem with Socialism*)
- “Andreas Antonopoulos argues that unlike centralized systems, decentralized institutions are resilient and incorruptible. “There is no center, they do not afford opportunities for corruption. I think that’s a natural progression of humanity.” (Matt Ridley, *The Evolution of Everything*)
- “The curious task of economics is to demonstrate to men how little they really know about what they imagine that they can design. To the naïve mind that can conceive of order only as the product of

deliberate arrangement, it may seem absurd that in complex conditions order, and adaptation to the unknown, can be achieved more effectively by decentralizing decisions and that a division of authority will actually extend the possibility of overall order.” (Friedrich Hayek, *The Fatal Conceit*)

- “For if socially produced brutality, be it on an individual or mass scale, is largely nothing but the spontaneous result of the critical volume of power generated whenever the human mass reaches a certain magnitude, it can be prevented only through a device that keeps power-breeding social size at a sub-critical level. This can be accomplished in two ways: through the increase of the controlling power to the level of the challenging power, or through attacking the problem at its root by bringing about a decrease in social size.” (Leopold Kohr, *The Breakdown of Nations*)
- “The citizen of a small state is not by nature either better or wiser than his counterpart in a large power. He, too, is a man full of imperfections, ambitions, and social vices. But he lacks the power with which he could gratify them in a dangerous manner, since even the most powerful organization from which he could derive his strength – the state – is permanently reduced to relative ineffectualness. While the wings of his imagination remain untouched, the wings of his vicious deeds are clipped. A small-state individual may still murder, attack, or rape, but not in the voracious and unbalanced way possible in large numbers.” (Leopold Kohr, *The Breakdown of Nations*)

Historical Examples of Decentralization

- “The existence of these hundreds of small units [Greek city-states]. . . seems uneconomic nowadays . . . But certain of the small units created the beginnings of movements which transformed the world, and ultimately gave Man his present control over Nature . . . It was the small unit, the independent city-state, where everybody knew all

that was going on, that produced such intellectual giants as Thucydides and Aristophanes, Heraclitus and Parmenides. If these conditions were not in part responsible, how is it that philosophy, science, political thought, and the best of the literary arts, all perish with the downfall of the city-state system in 322 BC, leaving us with the interesting but less profound and original work of men such as Epicurus and Menander? There's only one major poet after 322: Theocritus of Cos, a lyric genius of the first rank, who nevertheless (unlike Sappho) wrote much that was second rate also, when he was pandering to possible patrons like the rulers of Alexandria and Syracuse. The modern nation that has replaced the *polis* as the unit of government is a thousand times less intellectually creative in proportion to its size and resources; even in building and the arts and crafts it lags behind in taste, and relatively in productivity." (Kathleen Freeman, Greek City-States)

- "Europe was the first place to experience per capita economic growth over a long period of time. This allowed a growing population to escape the misery of poverty that had been the lot of most up until this time. Why did this happen in Europe? Geographic factors played a role, but Ludwig von Mises put his finger on the essential point – the idea of freedom took hold first in Europe. Many point to the fact that power was decentralized in Europe which allowed for greater freedom. Radical decentralization (after the fall of Rome) led to multiple competing polities. This made it imprudent for any prince to intrude too much on individual property rights. Decentralization created the conditions for the European Miracle. Decentralization and the competition between polities allowed people to move to areas where the rulers were least obstructive." (Ralph Raico, History the Struggle for Liberty)
- "The paradoxical result of the constant occurrence of warfare during the Middle Ages was the simultaneous prevalence of peace. We fail to realize this because history records primarily disturbances of peace

rather than the existence of peace. As a result we see the medieval wars as we see the Milky Way, which appears so dense with stars only because we view this disc-shaped galaxy from its outer regions at a horizontal angle. Hence, we know all about a war between Bavaria and Tyrol in some specific year while ignoring the fact that at the same time there was peace in Bohemia, Hungary, Carinthia, Salzburg, Flanders, Burgundy, Parma, Venice, Denmark, Galicia, and where not? The war picture of the Middle Ages is thus one of bubbling numerous little waves washing over this and that region, but never unifying its particles into the proportions of a tidal wave rolling over the entire continent. And what strikes one upon closer study are less the wars than the frequent conditions of peace. As many a nostalgic traveller through Europe discovers, the Middle Ages built much more than they destroyed—which would hardly have been possible if our war picture of that era were correct.” (Leopold Kohr, *The Breakdown of Nations*)

On the Problems of Large Social Units

- “The bigger the unit you deal with, the hollower, the more brutal, the more mendacious is the life displayed. So I am against all big organizations as such, national ones first and foremost...” (William James)
- “The bigger a democratic state is, and the more heterogeneous the population, the greater the tensions that will arise. The various groups in such a state will have little hesitation to use the democratic process to plunder from and interfere with other people as much as possible for their own gain. The smaller the administrative units, and the more homogeneous the population, the greater the chance that the excesses of democracy remain limited. People who know each other personally or feel related to each other, will be less likely to rob and oppress each other.” (Frank Karsten and Karel Beckman, *Beyond Democracy*)

- “The closer a State comes to the ultimate goal of world domination and one-world government and paper money, the less reason there is to maintain its internal liberalism and do instead what States are required to do anyway, i.e., to crackdown and increase their exploitation of whatever productive people are still left. Consequently, with no additional tributaries left and domestic productivity stagnating or falling, the empire’s internal policies of the bread and circuses and its foreign policies of war and domination can no longer be maintained. Economic crisis hits, and an impending economic meltdown will stimulate decentralizing tendencies, separatist and secessionist movements, and lead to the breakup of the empire.” (Hans-Hermann Hoppe, From Aristocracy to Monarchy to Democracy)
- “. . .neither the problems of war nor those relating to the purely internal criminality of societies disappear in a small-state world; they are merely reduced to bearable proportions. Instead of hopelessly trying to blow up man’s limited talents to a magnitude that could cope with hugeness, hugeness is cut down to a size where it can be managed even with man’s limited talents.” (Leopold Kohr, The Breakdown of Nations)
- “. . .it is not submissive disposition that leads to the misery of tyranny, but tyrannical power, growing in proportion to the size of the community, that leads at a critical magnitude to the condoning spirit of submission. Submissiveness is thus not a human quality that could be explained to a significant extent as the result of upbringing, tradition, national character, or the mode of production. Like most other social attitudes, it is the adaptive reflex reaction with which man responds to power. Its degree varies directly with the degree of power, just as its opposite reaction, the assertion of freedom, varies inversely with it. Where there is power, there is submission, and where there is no submission, there is no power. This is why, historically, the seemingly most freedom-loving peoples have accepted tyranny as submissively as the seemingly most submissive

ones, or why it is safe to say that even Americans would submit if our federal structure permitted the accumulation of the necessary volume of governmental power. For, as young Boswell confided so touchingly to his London Journal, ‘when the mind knows it cannot help itself by struggling, it quietly and patiently submits to whatever load is laid upon it’. (Leopold Kohr, The Breakdown of Nations)

Is Decentralization a Utopian Idea?

- “Imagine a feudal serf, legally bound to the land he was born on and to the social position he was born into, toiling from dawn to dusk with primitive tools for a bare subsistence which he must share with the Lord of his manner, his mental processes enmeshed with fears and superstitions. Imagine trying to tell this serf about the social structure of 20th century America. You would probably have a hard time convincing him that such a social structure could exist at all, because he would view everything you described from the context of his own knowledge of society. He would inform you, no doubt with a trace of smug superiority, that unless each individual born into the community had a specific and permanently fixed social place, society would speedily deteriorate into chaos. In a similar way, telling a 20th century man the government is evil and, therefore, unnecessary, and that we would have a far better society if we had no government at all, is likely to elicit polite skepticism. . . especially if the man is not used to thinking independently. It is always difficult to picture the workings of society different from our own, and particularly a more advanced society. This is because we are used to our own social structure that we tend to automatically consider each facet of the more advanced society in the context of our own, thus distorting the picture into meaninglessness.” (Lind and Morris Tannehill, The Market for Liberty)

Recommended Readings

The Breakdown of Nations – Leopold Kohr

Beyond Democracy – Frank Karsten and Karel Beckman

From Aristocracy to Monarchy to Democracy – Hans-Hermann Hoppe

Boundaries of Order – Butler Shaffer

History the Struggle for Liberty – Ralph Raico (Audio course available for free here: <https://mises.org/library/history-struggle-liberty>)