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A THEORY OF LIBERTARIAN
NATIONALISM¹

JESÚS HUERTA DE SOTO
KING JUAN CARLOS UNIVERSITY
MADRID

I
INTRODUCTION

The problem of nationalism and the existence of nations leads, in general, to great unease among today's libertarian thinkers. On the one hand, they acknowledge that nationalism has played a healthy leading role, creating, for example, a favourable atmosphere for the fall of the communist regimes of Eastern Europe and opposing, in some historical occasions, interventionist and centralizing statism. Moreover, some important European classical liberal leaders like Margaret Thatcher defended in the past the role of the nation as an irreplaceable element of equilibrium to combat the interventionist and centralizing trends which have become evident in the process of European unification. Finally, it may be observed how nationalist decentralization can bring a process of spontaneous competition into operation that tends to reduce the

¹ This paper is an updated and revised version of the one I published almost twenty five years ago with the title "A theory of liberal nationalism" in *Il Politico*, Pavia: University of Pavia, Year LX, no. 4 (175), October-December 1995, pp. 583-598. To my surprise (or not so much) it continues to be entirely applicable to current day problems related with nationalist movements and separatism in Spain and elsewhere.

regulatory and interventionist measures which originate from the central bodies of state power.²

However, on the other hand, it must be acknowledged that nationalism has had, on many occasions, important consequences which are contrary to the freedom of human beings. Thus, without needing to go back to the tragedies implied by the upsurge of national socialism in Germany and Italy during the first half of the last century, it is easy to recall the tragedy of war which took place between the nations of the former Yugoslavia or the way in which the different freedoms of choice have been trampled, for example, by the successive local Catalan governments. It seems, therefore, evident, that it is necessary to develop a theory of nationalism which allows these problems to be correctly analysed and explained and makes it possible for libertarians to adopt a consistent position on the problems posed by the concept of nation, nationalism, separatism and the relationship between different nations.

II

CONCEPT AND CHARACTERISTICS OF THE NATION

The nation may be defined as a subgroup of the social process of cooperation we can call «civil society». It is a spontaneous and living order of human interactions, which is constituted by a determined series of guided behaviours of a cultural, linguistic, historical, religious and, with much less importance, racial nature. From among all the behavioural habits which constitute the national essence, the tongue or language spontaneously shared by the national group usually stands out and constitutes one of the most important signs of national identity.³

² Thus, as an example, it may be seen how a healthy fiscal competition amount "Autonomous Communities" in Spain, has eliminated *de facto* inheritance tax between relatives in many of them, which means a very important improvement for many citizens of Spain. This result has been systematically challenged by the most interventionist local governments (like the Catalan one) with the support of the Central government of Spain in Madrid.

³ In this sense we should understand, for example, the reason of the title of Winston Churchill's *A History of English-Speaking Peoples*, four volumes, Cassel and Co., Lon-

The essence of the concept of nation which we have just described fits in with the theory on the origin, nature and development of social institutions which we owe to the Austrian School of Economics.⁴ In fact, the Austrian School explains the evolutive and spontaneous emergence of the social institutions (cultural, moral, legal, economic, linguistic) as the result of a decentralized process of human interactions, always led by some people who, in each historical circumstance, enjoy the greatest entrepreneurial alertness and perspicacity when discovering the most appropriate forms of behaviour to achieve their particular objectives. The types of behaviour which are successful and tested in a social process of trial and error, through learning and imitation tend to extend throughout the social body. This explains why social institutions are in a constant process of evolution and that, in the specific case of the nation, together with all the linguistic and cultural signs which constitute it, they are constantly changing, overlapping and competing with other national orders which also continuously emerge, grow, develop and, perhaps, may stagnate or even disappear when they are absorbed by other nationalities and languages which are more fruitful, advanced, rich or broad. In short, nations are simply evolutive social realities, basically united by a common language and other historical or cultural characteristics, which emerge spontaneously and through evolution and which constantly compete in a much broader (worldwide) 'market' of nations, with no possibility of knowing *a priori* what the historical destiny of each nation will be or, much less, which specific nations will prevail or subsist in the future.⁵

don, 1956-1958.

⁴ On the Austrian theory of the evolution of social institutions and the concept of society, understood as a spontaneous process, see Carl Menger, *Investigations into the Method of the Social Sciences with Special Reference to Economics*, New York: New York University Press, 1985, p. 158.

⁵ On the consideration of nations as spontaneous orders or subgroups of civil society which compete in the social process with other national orders, see Ludwig von Mises' book *Nation, State and Economy: Contributions to the Politics and History of our Time*, New York and London: New York University Press, 1983. This book is the English translation of the book originally published by Ludwig von Mises just after the First World War with the title *Nation, Staat und Wirtschaft: Beiträge zur Politik und Geschichte der Zeit*, Vienna and Leipzig: Manzschke Verlags-und Universitäts-Buchhandlung, 1919. Mises' suggestive ideas on nationalism were subsequently developed

It is important to acknowledge the intimate relations which exist between the juridical and economic institutions and the subgroup of civil society which we have called *nation*. In fact, society is simply a very complex process of human interactions, which are basically relationships of exchanges made by human beings using a tongue or language which is often common to them and which constitutes the basic substratum of any nation. Moreover, the human interactions are carried out in accordance with standards, rules or behavioural habits which constitute not only law in the material sense, but a whole constellation of guided behaviours of a moral type, rules of education, of courtesy, of dressing habits, of beliefs, etc., which, in the final analysis, constitute and are included in the concept of nation. The social groups which adopt guided behaviours most appropriate for obtaining the objectives they pursue will prevail over the rest through a selective and spontaneous process which is in constant change and evolution. The human being lacks the necessary information to consciously design these complex social processes, as they incorporate an enormous volume of information and practical knowledge constituted by what human beings who act in society are continually learning and discovering. Therefore, the use of coercion or physical violence to impose certain guided behaviours of a national type is condemned to failure, precisely for the same reasons which make it impossible, from a theoretical viewpoint, to coordinate life in society through coercive commands. In other words, the theorem of the impossibility of socialism discovered by the theorists of the Austrian School (Mises and Hayek) is fully applicable to the objective of forcing or violently imposing a determined result of the social process in the field of

in his outstanding book *Omnipotent Government: The Rise of the Total State and Total War*, New York: Arlington House, 1969 (the first edition was published in 1944 by Yale University Press). Ludwig von Mises was a unique and specially qualified witness of the historical events which resulted in the two world wars of the last century and which, with his normal discernment, he explains as a result of socialism and interventionism of nationalist origins.

nationalities.⁶ And this is something most nationalists are not able to understand.

The foregoing explanation, together with the constantly dynamic nature of any national reality, makes it impossible to accept the principle that a political state with specific fixed borders must correspond to each nation. In fact, if we understand the nation as a subgroup of civil society in continual evolution and experimentation, it is evident that there will always exist an important volume of human beings in the process of national experimentation that is, influenced, to a greater or lesser degree, by different national behaviours, without it being possible to know whether, in the final analysis, they will end up being absorbed by the culture of one nation or another, or whether they will finally constitute a new one. We know that nations are constantly competing, changing, evolving and overlapping, which, from the viewpoint of the conception of nationality as a historical reality of a dynamic nature, prevents them from being tied to a determined geographical space in a rigid and paralysed way. Any attempt to violently fix such a changing social reality as a nation within pre-established and fixed borders will only generate, in the final analysis, unsolvable conflicts and wars, with a great human and social cost which will ultimately endanger the existence of the national reality itself⁷. On the contrary, nationalities understood as subgroups of civil society may only have guarantees of survival in a competitive international process developed in an environment of freedom, with the essential governing principles that we analyse in the next section.

⁶ See my article 'Entrepreneurship and the Economic Analysis of Socialism', included in Gerrit Meijer (ed.), *New Perspectives on Austrian Economics*, London and New York: Routledge, 1995, pp. 228–253 (Chapter 4 of this book).

⁷ This is the only argument Ludwig von Mises concedes in his debate with Salvador de Madariaga: "It would be justifiable if Sr. Madariaga were to refute the claims of these linguist groups [Catalans and the Basques] on the ground that it is impossible to draw undisputed border lines and that their independence would therefore not eliminate but perpetuate the causes of conflict". *Omnipotent government: The rise of total State and total War*, Yale University Press, Now Haven, CT, 1944, Introduction, V, p. 16.

III

ESSENTIAL PRINCIPLES OF LIBERTARIAN NATIONALISM

There are four essential principles which govern a healthy, pacific and spontaneous relationship between the different nations: the principle of self-determination, the principle of complete freedom of trade between nations, the principle of freedom of emigration and immigration, and the principle of a non state spontaneous international monetary system like the classical pure gold standard. We will analyse each of these principles in what follows.

The principle of *self-determination* means that each social group (defined or not by its nationalities) must have, at all times, the possibility of freely deciding in which political state it wishes to be included. In other words, each subgroup of civil society must be free to decide to which political group it wishes to belong. Thus, it is possible that a single nation is, in accordance with the freely expressed will of its members, dispersed over several states. This is the case, for example, with the Anglo-Saxon nation, perhaps the most influential, lively and fruitful nation at the present time in history, which is dispersed over different political states of which the United States of America and the United Kingdom are, without doubt, the most important. The German-speaking nation may also be mentioned, with more than 100 million members distributed over three important European states: Federal Germany, Austria and part of Switzerland. It is also possible for different nationalities to form a single state. Thus, Switzerland includes a series of cantons which belong to three different nations, the German, the French and the Italian. Likewise, in the case of Spain, at least three national groups may be considered to exist: the Castilians, the Catalonians and the Basques.⁸

⁸ Perhaps the diagnosis of Fernando Pessoa is more exact, when he considers that there are three different nations in Iberia, Castilian, Catalanian and the Galician-Portuguese nation, included in two different states: Spain and Portugal. Pessoa does not refer to the Basque nation, perhaps because he considers it a nation in regression which has almost completely disappeared and been included in others. See his articles 'Para o Ensaio «Iberia»' and 'Princípios do Nacionalismo Liberal', included in Fernando Pessoa, *Obra Poética e em Prosa*, vol. III, Lello & Oporto: Irmão editores, 1986, pp. 979–1,009 and 1,125–1,136.

With regard to the principle of self-determination, it is, however, necessary to make two observations. In the first place, the decision as to whether or not to form part of a certain political state does not necessarily have to be an explicit decision (although neither should we discard the idea that, in certain historical circumstances, a secession may be decided by referendum, as has more recently occurred in the case of the Czech and Slovak nations). On many occasions, the decision to form part of a certain state is shown through custom, that is, through the wish of a certain nation to form part of and live with other linguistic groups within a specific state which has implicitly been upheld historically by the majority of its members. The second observation is that the principle of self-determination does not refer exclusively to the possibility that, applying the majority criterion, the human beings who reside in a certain geographical environment should decide whether or not they wish to belong to a certain state in accordance with their national affiliation, but such principle must also be applied in general, at all levels and for all the subgroups of civil society, whether or not they are linked together by their nationality. This means that the existence of nations which freely decide to become dispersed over different states is perfectly compatible with the principle of self-determination and, in addition, it must also be accepted that, within one same nation and state, minority groups decide to secede, separate or join another state, depending on their particular interests⁹. Therefore, it is necessary to avoid the situation where a certain national group, which has decided to secede from a state where it was in a minority, afterwards also use the systematic coercion which it previously suffered to subdue other then minority national or social groups contained within it.

The second essential principle which must govern the relationship between nations is complete *freedom of trade* between them. In fact, if nations are determined to fix specific geographical frontiers which separate them, place obstacles on freedom of trade and create interventionist regulations and protectionist measures, then, inevitably, the need to organize their economy and society on the basis of

⁹ Such would be the case of the important part of Catalonia that is beginning to be organized with the name of "Tabarnia" with the goal of being kept itself inside Spain.

the principle of self-sufficient autarky will emerge. Autarky is not viable from the economic standpoint as, today, with the high level of development of the international division of labour, no geographical area possesses all the scarce resources necessary to maintain a prosperous modern economy, meaning that a protectionist nation will be continuously pressed towards forcing the expansion of its borders in order to gain more economic, material and human resources. This means that protectionism in the national field inevitably generates the logic of conflict and war, which are justified by the aim to expand the borders and gain more markets and productive resources. Therefore, in the final analysis, National Socialism and protectionism destroys and sacrifices the national realities themselves in an inevitable war of all nations against all nations. It is easy to understand that the great wars have always originated from protectionist and national socialism and that, in addition, the national conflicts which we know today (in the Middle East, etc.) would disappear in an environment where there existed a common market with complete respect for private property and freedom of trade between all the nations involved.

In relation to this principle, the following economic law must be taken into account. Other things being equal, the smaller the state to which a nation is affiliated, the more difficult it will be for it to impose the centralist protectionism and socialist regulations which generate conflicts and the more it will be forced to accept free trade. This is so because the smaller the state in question, the more its inhabitants will feel the impossibility of acceding to foreign markets and resources if there is not a complete freedom of trade. And, to the contrary, the larger the state organization, both geographically and in human terms, the easier it will be to organize its economy from the point of view of autarky, without the citizens being able to clearly identify everything they are losing through the absence of free trade. Although this important economic law is a *prima facie* argument in favour of decentralization and the political organization of nations in the smallest units possible¹⁰ is an open question whether libertarians should always be

¹⁰ See, in this respect, the interesting article by Hans-Hermann Hoppe, 'Against Centralization', published in *Salisbury Review*, June 1993, pp. 26–28. And also Murray

in favor of secessions, even in those cases in which significant costs in terms of individual liberty are produced.¹¹

Freedom of trade is not sufficient if there is not a complete *parallel freedom of emigration and immigration* based on voluntary agreements and the rule of Law. If freedom to emigrate and immigrate does not exist, important disparities in income may continuously exist between some social groups and others, originating from the existence of a protectionist monopoly in the labour market (constituted, precisely, by the frontiers and regulations which prevent freedom of immigration). In the final analysis, all this may give rise to important disturbances and violence between different social groups. However, the freedom of emigration and immigration must, in turn, be subject to a series of rules and principles which prevent it from being used for coercive and interventionist ends contrary to the free interaction between human beings, social groups and nations. Thus, immigration must not be subsidized by the 'welfare state'. The people who immigrate must do so at their own cost and risk. If this is not the case, the compulsory transfers of income from certain social groups to others will attract artificial immigration like a magnet and this will not only abort the redistributive processes but will, moreover, cause important social conflicts. The great threat to the 'welfare state' constituted by immigration is perfectly understandable, as is the fact that the 'welfare state' is mainly responsible for the construction of barriers to immigration in modern times. The only solution for political cooperation between nations consists, therefore, in dismantling the «welfare state» and establishing complete freedom of immigration.¹²

N. Rothbard, 'Nations by Consent: Decomposing the Nation State', *Journal of Libertarian Studies*, vol. II, no. 1, Fall 1994, pp. 1–10.

¹¹ Relatively and significantly more socialist Scotland and Catalonia vis a vis their respective current central states would be interesting cases to be analyzed.

¹² On the beneficial consequences of the population increase and immigration, see the works of Julian L. Simon, especially his *Population Matters: People, Resources, Environment and Immigration*, London: Transaction Publishers, 1990, and also *The Economic Consequences of Immigration*, Oxford: Basil Blackwell, 1989. See also my article "A Libertarian Theory of Free Immigration", *The Journal of Libertarian Studies: An Interdisciplinary Review*, vol. 3, n°. 2, summer 1998, pp. 187–197. Reprinted in *The Theory of Dynamic Efficiency*, Routledge, edition, London and New York, 2010, pp. 112–119.

In the second place, freedom of immigration should not, under any circumstance, imply that the political vote will rapidly be granted to the immigrants, as this would lead to political exploitation by the nationalities involved in the corresponding emigration flows. Those who emigrate must be aware of what they are doing in moving to a new cultural environment, where they will presumably improve their living conditions, but this should not give them the right to use the mechanisms of political coercion (represented by the democratic vote) to intervene and modify the spontaneous processes of the national markets which they enter. Only when, after a long period of time, they are considered to have fully absorbed the cultural principles of the society which receives them, may the grant of the corresponding political right to vote be considered.¹³

In the third place, the emigrants or immigrants must be able to demonstrate that they accede to the social group which receives them in order to contribute their labour, technical or entrepreneurial capacity; in other words, that they will have independent means to live from, will not be a burden to charity and can, in general, support themselves.

Finally and this is the most important principle which should govern emigration, the emigrants must scrupulously respect, in general, the material law (especially the criminal law) of the social group which receives them and, in particular, the private property rights in force in their new society. In this way, the phenomena of massive occupation (such as, for example, the *favelas* in Brazil, which have been built on land belonging to third parties) will be avoided. The most visible problems provoked by immigration usually originate from the fact that there is no clear pre-existing definition and/or defence of the property rights involved, meaning that the people who arrive inevitably cause a significant number of external costs to those who are already there, which finally leads to out- breaks of xenophobia and violence with a high social cost.

¹³ This is the position of the majority of the population of Catalonia and of the Basque Country, whose nationality is basically of Castilian origin and whose political rights are indisputable, as they have resided in these geographical regions for generations since their grandparents massively emigrated there looking for jobs.

These conflicts are minimized or even completely avoided precisely to the extent that the process of privatization of all national resources is completed.

The fourth and last principle of libertarian nationalism refers to the need of avoiding monetary nationalism in any of its forms. Only an international (and spontaneous) monetary system that cannot be manipulated by nationalists and politicians (like the classic pure gold standard) could avoid competitive devaluations and put a limit to protectionism and National Socialism in a chaotic environment of flexible exchange rates. The euro, provided is not destroyed by Mario Draghi's and his acolytes' quantitative easing policies imported from the dollar area, can act as a proxy of such a monetary international standard disciplining the different national-states of the Eurozone and forcing them to implement the necessary liberalizing and austerity reforms.¹⁴

IV ECONOMIC AND SOCIAL ADVANTAGES OF LIBERTARIAN NATIONALISM

Provided the principles which we have set out in the preceding section are fulfilled, the ideas of nation and nationality, far from being prejudicial to the process of social interaction, are highly positive from a libertarian viewpoint, as they enrich, reinforce and deepen the spontaneous and pacific process of social cooperation. Thus, for example, let us consider an environment in which the four basic principles mentioned are applied, particularly the principles of freedom of trade and freedom of emigration, as is the case of the European Union. It is clear that, in this environment, no state-nation alone may adopt interventionist measures or measures of institutional coercion. And, at the same time we see how nationalism in Europe can act as a true escape valve against the socialist and interventionist forces embodied in important sectors of the eurocracy, such as those represented in the past by Jacques

¹⁴ Jesús Huerta de Soto, "An Austrian Defense of the Euro and the current Antideflationist Paranoia", *Atlantic Economic Journal*, vol. 13, n° 1, March 2015, pp. 5-20.

Delors and today by Jean-Claude Juncker and other Eurofanatics. We must remember that, when it is attempted to establish more restrictive regulations or higher taxes in a certain state or region, investments and citizens immediately tend to flee from that area and move to other states or nations with rules which are less interventionist and more favourable. The fact that the so-called Euro-sceptic liberals (at least since Margaret Thatcher) have defended the libertarian nationalism model against the centralism of Brussels in the European Union is not, therefore, a whim or contradiction, as the competition between nations in a free trade environment tends to make the most libertarian measures and regulations of each of them extend and be applied to the rest, by the force of their competition between them. On the other hand, the intuition of the socialists and interventionists who defend the creation of a powerful federal European state, heavily centralized in Brussels, may now be understood perfectly. In fact, no interventionist measure (in the labour, social or taxation fields) will be successful if it is not imposed simultaneously in all the states and nations belonging to the European Union. Therefore, the Socialists (nationalists or not) have no alternative but to move the centre of gravity of the political decisions away from the state-nations towards the centre of Europe, giving an increasing number of powers and prerogatives to the political institutions in Brussels, to the detriment of their respective state-nations whose role is reduced more and more to a minimum expression. This has been precisely the true and deeper reason of the Brexit which can have in the medium and the long term a very healthy influence increasing the international and intraregional institutional and economic competition, outside and inside the rest of the European Union.

Another example is Spain itself. It is evident that freedom of trade and immigration exists between the different regions and nationalities of Spain. This has led to the fact that, the competition between different areas has provoked a certain deregulation, which has not advanced further due to the great socialist bias of the different political parties (including those of Catalonia), which are heavily interventionist and centralizing. Thus several Autonomous Communities, under the leadership of those of Madrid, the Basque Country and Navarra, have eliminated inheritance tax, (of

around 30%) to which the rest of the citizens of Spain (including specially those of Catalonia) are still subject. And up to now, almost four thousand corporations (including some of the most important ones) have fled Catalonia toward Madrid and other freer Autonomous Communities, under the threat of Catalonia highly socialist and separatist national government.

Mention must also be made of the case of Navarra, and the Basque Country which, for historical reasons, have a single and purely local administration, collect their own taxes and provide all public services. In the final analysis, this model of 'entirely decentralized administration' could and should be extended to the rest of the regions and nationalities of Spain.

V

THE ROLE OF THE STATE IN LIBERTARIAN NATIONALISM

The model of competition between nations in an environment subject to the four principles mentioned (self-determination, freedom of trade, freedom of immigration and an international monetary system like the classic pure gold standard) should be extended both upwards and downwards on the scale of the different levels of the state organization. This is the case, *upwards*, in relation to the state-nations which constitute the European Union within the model of libertarian competition we have explained. The competition between nations will ineludibly lead to increasing liberalization, putting more and more limitations and difficulties to the regulatory socialism of Brussels. But the application of the model must also be defended *downwards*, that is, in relation to the regions and nations which constitute the different states of Europe. This would be the case, for example, with Spain and the process of the autonomous communities which, in our opinion, must be culminated in an *entirely decentralized administration* for each of the regions and nations of Spain that so choose (with its contents in accordance with the most decentralized model of the Community of Navarra).

What would be, therefore, the role of the state in the libertarian system of competing nationalities which we defend? If the state is

to have any role, it must be precisely that of the juridical incarnation of the four basic principles which make voluntary and pacific cooperation between the different nations possible. Thus, in the case of Spain, the Crown and State will only find their *raison d'être* if they guarantee and assure the essential principles of libertarian nationalism including the complete freedom of trade, enterprise and emigration, within single areas and between different ones. And the same may be said, within a wider scope, of the only legitimate *raison d'être* of the European Union which is fully in accordance with its original founding spirit included in the Treaty of Rome. Moreover, the principle that no state organization should have attributions and competencies which may be assumed by smaller state organizations which are lower on the political scale should be fully implemented. This implies that the higher we rise on such a scale, the more the specific political contents of the state organizations should decrease, with competencies which are increasingly of a strictly jurisdictional nature (human rights court, engaged basically in the defence and guarantee of property rights and the principles of freedom of enterprise and trade). To these jurisdictional competencies, as an additional security valve, competencies regarding the establishment of the maximum (never minimum) limits of regulation and taxation which may be imposed by the lower political organizations should also be added. In short, the question is to prevent the decentralized regions from subduing their citizens with impunity despite the formal existence of freedom of trade and immigration between the different areas. Therefore, it is convenient that, in addition to the spontaneous processes of competition between different nations which will *normally* lead to the dismantling of interventionist measures, maximum limits of regulation and taxation which are fixed by the states and higher political organizations should exist, in such away that only downward competition is permitted with regard to taxes and regulation, and the decentralized entities cannot, under any circumstance, exceed the maximum levels of taxation and regulation previously established.¹⁵ Therefore, the process of legal harmonization estab-

¹⁵ This mission, therefore, of the states, included exclusively within the jurisdictional field of defence of personal rights and freedom of trade, is to prohibit, for

lished in the European Union, through which the most interventionist measures of each country are usually imposed on the rest, must be abandoned and substituted by a process of deregulatory competition between the different nations, in which the European Union only plays a jurisdictional role (protection of personal and property rights and vigilance of the freedom of trade and immigration) and, as a maximum, only establishes limits for the capacity of economic, social and fiscal intervention and regulation of each member state.

VI

LIBERTARIAN NATIONALISM VERSUS SOCIALIST NATIONALISM

It is easy, therefore, to understand that the origin of the present evils which are generally associated with nationalism originate in failure to apply the four basic principles of libertarian nationalism which have been analysed. In other words, that nationalism ceases to be a positive force for the pacific process of social cooperation and becomes a seedbed of conflicts and sufferings precisely when it ceases to be libertarian and becomes an interventionist or socialist nationalism.¹⁶ That is to say, the error is in socialism, in interventionism and the systematic use of coercion, and not in nationalism *per se*. Although it must be acknowledged that, on many occasions, the interventionists and socialists resort to and prostitute the idea of nation to nourish and justify their coercive measures. It may be fully understood that the origin of the prob-

example, linguistic regulations, limitations on commercial hours, inheritance taxes. and other measures of coercive intervention which have recently been taken in Catalonia and some other Spanish regions and which, in view of their special nature, are less affected by the beneficial effects of inter-regional competition.

¹⁶ Precisely the essential problem with Catalanian nationalism and separatism lies in the great (even majority) influence socialism and last wing socialist parties have on it. This more than century old traditional influence of socialism in Catalanian nationalism has its origins in the great number of workers who emigrated to Catalonia to work in its industries as well as on the protectionism traditionally defended by Catalanian industrialists against the relatively more free trade oriented Castile.

lems and conflicts is in socialism and interventionism, and not in nationalism, by analysing any specific case of national conflict. For instance, the conflict created by nationalistic governments in the educational field originates from the fact that education is public, it is financed by taxes and the decision as to which language it will take place is political, thus systematically coercing broad sectors of the population. In an environment of freedom of education (with a school voucher or some similar system which guaranteed the citizens freedom of choice), the whole educational conflict created by national governments in the language area would completely disappear. As Ludwig von Mises concluded «The way to eternal peace does not lead through strengthening state and central power, as socialism strives for. The greater the scope the state claims in the life of the individual and the more important politics becomes for him, the more areas of friction are thereby created in territories with mixed population. *Limiting state power to a minimum, as liberalism sought, would considerably soften the antagonisms between different nations that live side by side in the same territory.* The only true national autonomy is the freedom of the individual against state and society. The «statification» of life and of the economy leads with necessity to the struggle of nations».¹⁷

VII

IS IT POSSIBLE FOR THE NATIONAL SOCIALISTS TO BE CONVERTED TO LIBERTARIAN NATIONALISM?

The analysis of libertarian nationalism which we have made up to now has, moreover, the virtue of providing very powerful arguments to the defenders of the nationalist ideal who have so far misinterpreted its requirements and expressed it, to a greater or lesser degree, through interventionism or socialism.

Thus, it may be argued to a nationalist who truly loves the idea of her nation that there are only two models of cooperation between the different nations: either the model based on the principle of freedom of trade, immigration, self-determination and the

¹⁷ Mises, *Nation, State and Economy*, op. at., p. 96.

classical pure gold standard, which we have already seen, or the model based on protectionism, intervention, monetary nationalism and systematic coercion. It is, more-over, easy to explain to any nationalist that the model of coercive protectionism (economic, linguistic and cultural) and interventionism against other nations is inevitably doomed to failure. The autarky to which it gives rise generates the dynamics of war and destruction which, in the final analysis, enormously weaken or even destroys the nation it seeks to defend. The protectionist model of relations between different nations is not, therefore, at all viable. The only viable alternative, which should be recognized by the nationalists themselves, is that nations must compete on an equal level based on libertarianism and the principles of freedom of trade and immigration.

Subsequently, assuming that freedom of trade and of immigration between nations is accepted, a further step may be taken in the theoretical argument with the nationalist, explaining that, if he chooses to be, within the scope of his own nation, an interventionist and protectionist nationalist (that is, a socialist to a greater or lesser extent), his regulatory measures will be doomed to failure if he does not somehow have them applied simultaneously in all the nations with which he is competing in a broad geographical area. In other words, it is absurd to establish regulatory and interventionist measures in a sole state-nation (for example of the European Union) without the same intervention being imposed, through a directive or rule from Brussels, on the rest of the state-nations and regions of the Union. Therefore, the nationalist with interventionist and socialist fancies, if she pursues his or her objectives of intervention with perseverance and efficiency, will ultimately only achieve the transfer of the centre of gravity of the political and economic decisions from the nation s/he claims to defend to the political centre of the state or the broadest political organization to which his or her nation belongs (Madrid or Brussels). That is, we again realize that the socialist intuition of people like Jacques Delors, in the past or Jean Claude Juncker and other Eurofanatics in the present is completely logical when, in the final analysis, they seek a continuous reinforcement of the powers of Brussels. But what seems paradoxical and contradictory is that many nationalist leaders have also defended, to the detriment of

their own nations, the expansion of the state power centres when they have pursued interventionist-type policies.

From this perspective, it is easy to understand how a great part of the responsibility for the centralism of Madrid originated from Catalanian nationalism itself, which, historically, when seeking and obtaining privileges in its favour (of a protectionist nature etc.), has never doubted to come to Madrid to make 'pacts' and obtain state laws which are binding on all the rest of Spanish regions, ultimately increasing the power of the capital to the detriment of the nation which it claims to defend.¹⁸ Nobody is, therefore, historically more responsible for the centralism of Madrid than the short-sighted (interventionists and protectionists) Catalanian nationalists themselves.¹⁹ And this paradoxical historical result seems to be being repeated in relation to the wider field of the European Union, to which the leaders of the different regions and nationalities ingenuously resort, thinking that it will lead to a reduction in the power of the state-nations, without realizing that the federal reinforcement of the Union leads to the expansion of a centralist power, the power of Brussels, which may finally be much worse. Thus, the ingenuous nationalists, who defend the expansion of Brussels to the detriment of the state-nations, and the ingenuous European enthusiasts, whose socialist intuition leads them to reinforce the power of Brussels, become strange fellow travellers, without either of them realizing that this takes place both at the cost of a continuous weakening of the Spanish national idea and of its most important symbols, such as that constituted by the monarchy itself, and at the cost of a progressive weakening of the national

¹⁸ This is what happened historically when Catalanian protectionism was imposed on the free trading Castile, or in the case of the promulgation of the bankruptcy law, made to measure to meet the requirements of Catalonia after the bankruptcy of the Bank of Barcelona, or, more recently, in the political support often provided to different interventionist governments in Madrid to the detriment of the rest of Spain, thanks to the support received from Catalanian nationalism.

¹⁹ As Ludwig von Mises has correctly shown, 'within a system of interventionism the absence of inter-state trade barriers shifts the political centre of gravity to the federal government'. See *Omnipotent Government*, op. cit., p. 268 onwards, which sets out the reasons why, from the point of view of economic theory, measures of intervention and socialisation in a free trade environment are always detrimental to the nations which constitute the state and favour the political centre of the latter.

ideal at a regional level (whose decisions are of increasingly less importance in comparison with those taken in Brussels).

In this field, as in others, we see how the erroneous and ingenuous interests of nationalists and socialists converge and damage the true libertarian spirit which should govern the pacific, harmonious and fruitful relations between different nations.

In any case, we must not renounce the use of rational argument with the nationalists with interventionist tendencies, as those for whom the nationalist ideal prevails over interventionist or coercive ideology may finally understand that what are most contrary to the idea of the nation which they defend are interventionist policies in all spheres (economic, cultural, linguistic, etc.), which, up to now, they have favoured.

Perhaps one of the most plausible explanations for interventionist nationalism comes from the inferiority complex, weakness and lack of self-confidence of many nations. And this is why precisely the nations in greatest regression and, therefore, most lacking in confidence are those which react most violently against their own fate. In principle, we could say that the greater the state of regression of a nation (having been absorbed by others which are freer, richer and more dynamic), the more violent will its death rattle be (as shown by the case of the Basque nation and, to a lesser extent, by that of the interventionism of the Catalonian nation in the linguistic and other fields). A nation which is sure of itself, which believes in its future and which does not fear competition on an equal level from other nations, will be a nation in which the spirit of libertarian cooperation which we have described in this article will prevail.²⁰

²⁰ 'A nation that believes in itself and its future, a nation that means to stress the sure feeling that its members are bound to one another not merely by accident of birth but also by the common possession of a culture that is valuable above all to each of them, would necessarily be able to remain unperturbed when it saw individual persons shift to other nations or languages. A people conscious of its own worth would refrain from forcibly retaining those who wanted to move away and from forcibly incorporating into the national community those who were not joining it of their own free will. To let the attractive force of its own culture prove itself in free competition with other peoples — that alone is worthy of a proud nation, that alone would be true national and cultural policy. The means of power and of political rule were in no way necessary for that'. Ludwig von Mises, *Nation, State and Economy*, op. cit., p. 76. Rarely

CONCLUSION: IN FAVOUR OF A LIBERTARIAN NATIONALISM

The conclusion of the analysis of libertarian nationalism which we have made in this paper has allowed us to clarify to what point the policy of the Euro-sceptics initiated by Margaret Thatcher in relation to the European Union is consistent and correct, as opposed to the ingenuous enthusiasm of the European politicians with socialist tendencies. Let us defend, therefore, nations in an environment of freedom of trade, market and immigration, as this is the best life insurance against control, coercion and interventionism. Likewise, let us make the short-sighted nationalists of each state see that anything which is not the development of the national ideal in an environment of complete freedom will, ultimately, be detrimental to the idea of nation which they claim to defend. The lack of self-confidence and confidence in the value of the cultural and linguistic principles of their own nationality leads them to impose by force linguistic, cultural and economic protectionism which, in the final analysis, weakens their own nation and endangers the process of libertarian competition with other nations. The nation may only be developed and fortified in an environment of freedom and the sooner the nationalists become aware of these essential principles, the sooner they will abandon the tragic policies which they have adopted up to now, to the detriment of their own nations and of the other nations with which they are forced to live. Libertarian nationalism is not merely the only conception of nationalism compatible with the development of the nations, but also constitutes the only principle of harmonious, pacific and fruitful cooperation between all social groups for the future.²¹

have words of greater content, courage and exactitude been written than these of Ludwig von Mises in relation to the concept and ideal of libertarian nationalism.

²¹ Either Catalonia will be libertarian or it will never be independent. Only through the complete recognition by the nationalists themselves that the current socialist nationalism is a "cul de sac" without any future will the separatist movement convert Catalonia is an island of liberty, a model that, contrary to what is happening now, is able to attract an increasing amount of individual talents and corporations and that eventually could even be converted in an example for the rest of the world.