

# Communities, Contracts and Libertarianism

by

Lazarus Long

## Introduction

An examination of voluntary associations, true social contracts and how they can arise in a libertarian society.

Libertarians have long disagreed with the idea of a social contract, by pointing out that in a representative democracy, a social contract does not require assent by both parties. Assent is assumed, and the only way out of the contract is to leave the country. A contract is an agreement made without coercion and with mutually acceptable terms. This idea will be examined in close depth later in the article.

## Community

A community(for the purposes of this discussion) can be defined as:

An association of people with similar values. These values serve to form the norms of the community and such laws that are created in the community are based on those values and serve to preserve the norms. The laws, as such, reflect the mores of the people that enact them. As these laws represent the common values of the people they serve to form a social contract between the members of the community. A community need not be defined by geographic borders.

Sociologists have found that communities tend to lose their cohesive values when their population exceeds a range of 350 to 500 people. The differences in values is not great but enough that two or more communities will arise from those differences or the community will be split into conflicting factions.

Voluntary communities are a special subtype of community and can be defines as: a community that permits individuals that find themselves at variance to the values of the community, to withdraw(opt out). Such action may require the fulfilment of obligations with regards to any social contract before the opting out is complete. These obligations may involve repayment of any debt, return of any commonly held resources, etc. Rights are defined by agreement and protected by the social contract.

This opting out does not have to be a total withdrawal from a community, but instead, may allow a member of a community to opt out of a particular service or custom that all members of the community are expected to participate in... It may be a case where everyone is expected to support the community education system...a person may opt out of that system and use an alternative method of education. They would then be exempt from any fees that go to support the community education system; at the same time, they would forgo any claim to expectations of service from that system.

## Can there be a valid Social Contract?

The term Social Contract is bandied about with reckless abandon in many debates. Is there such a beast and is it a valid contract? The answer is, yes, there can be a social contract...if the following conditions are met.

1. It must be between consenting members of a community and entered into without duress.
2. It must have an escape clause.

If a person enters into such an agreement with other people and this group of people-in-agreement form a community, then this is an example of a valid contract.

## Lesser Contracts

Contracts, made on behalf of the members of a community by the community leadership, between other communities or agencies are /lesser contracts/. An example of a lesser contract is a general agreement between two communities to use a specific arbitrator for dispute resolution between the communities. Since it is formed by general consent and not entered into directly by the individual, it has less weight and influence on the life of the individual. In other words, it may not have as close an adherence to the value system of the individual that his contract with the members of the community does. There may be portions of the agreements that are not compatible with the values of the individual member, yet have been agreed to as a compromise in order to reach agreement with the other community. It is still a valid contract, but it is also one that may cause the individual to consider carefully how he interacts with members of the other community since he is still bound through his community to honour those terms even if they do conflict with his own values. In such a case, an individual may choose to only engage in economic transactions that run little risk of requiring the use of this agreement, or he may choose to transact through a another member of the community, one who may not have the same qualms about dealing with this external contract.

## Non-Subscribers

As members of a social contract, the rules of interaction are clear to members of a community. The rules are still fairly clear for interaction with a community that has an arbitration agreement. However, with non-subscribers to any contractual agreement, the rules are not clear. One way of dealing with this type of situation is to use a /golden rule/ method of dealing with non-subscribers. That is..for person \*A\* to act in a manner consistent with his own value system and to make the assumption that non-subscriber \*N\* will act in the same manner. This of course, can change as the values of \*N\* become apparent.

A community, in the absence of agreement with \*N\* can choose to treat \*N\* in any fashion it desires. However, treating \*N\* as a member of the community would be dealt with is likely to be the default option. That is, if action \*C\* is a transgression of the rules of the community, \*N\* would be treated the same as if he were a member of the community. However, this default action may be modified by the Justice System of

the community if the actions of \*N\* were made as a result of being in ignorance of the rules of the community and \*C\* was a transgression that was not general to most communities. An example of this would be a stranger entering a community \*U\*, and lighting a cigarette in the street. Community \*U\* has a rule about the consumption of tobacco products in common areas. The stranger, while breaking the law, is not maliciously breaking the law and since his actions would be considered non-actionable in most communities, he may be cautioned or more likely, a member of the community would inform him of the transgression without initiating official action. However, nothing prohibits Community \*U\* from acting in any other way with non-subscribers, however since other communities may take their cue on how to deal with members of Community \*C\* from the actions of Community \*U\* toward's non-subscribers, it may be prudent for \*U\* to act with prudence.

### Communities and Libertarianism

Voluntary communities are the epitome of libertarianism. Since the laws of the community are ones arrived at through consent and there is no coercion involved with members being able to opt-out of the community if they so choose, the voluntary community would seem to be the logical result of libertarianism. The social contract arrived at by this voluntary consent is valid and would be difficult to argue against by any libertarian, even though the the terms of the contract may not seem libertarian in nature.

For example, a community may choose to forbid certain activities by members of a community such as the consumption of alcohol. It may restrict the apparel of members of the community to a certain standard. These rules would seem oppressive, but in a voluntary community, they are not oppressive since the members of that community have agreed on those rules. Anyone who changes their mind is free to leave the contract. They may even remain physically within the bounds of the community in some cases...depending on the nature of the agreement. However, they would not be able to receive the benefits of the contract as the contract may specify that non-subscribers within the physical boundaries are ineligible for protection by the local protection service, or they may find that shopkeepers may be reluctant to serve them.

This may seem discriminatory but it can not be seen as unlibertarian, since the choice is that of the individual and I believe that it would be difficult for any libertarian to argue that any contract that is both voluntary and allows the individual to opt out of the agreement at a later date, is coercive.

If enough people choose to opt out of that community, the community will either split into two or more communities, or it members may choose to reconsider those rules that are the cause of people to opt out and choose to alter or revoke the troublesome rules. Again, this is a method of changing law that should be quite acceptable to libertarians, as it is nothing more than the libertarian's own theory of market choice.