

Foreign Intervention: A Case for Humility

Christopher J. Coyne
George Mason University
Department of Economics
ccoayne3@gmu.edu

Dinner Address to the IHS Board of Directors in Honor of Jerry Fullinwider's
Retirement from the Board

September 25, 2014

1. Introduction

It is a pleasure to have the opportunity to talk to you tonight. The topic of my talk is fitting not only given current global events, but also because it was a topic of great importance to Baldy Harper. The opening lines of his wonderful 1951 article, "In Search of Peace," read as follows:

Charges of pacifism are likely to be hurled at anyone who in these troubled times raises any question about the race into war. If pacifism means embracing the objective of peace, I am willing to accept the charge. If it means opposing all aggression against others, I am willing to accept that charge also. It is now urgent in the interest of liberty that many persons become "peacemongers."¹

Harper's words are as relevant as when he first wrote them. My goal tonight is to urge all of you to fully embrace Harper's call. Being a committed peacemonger is a controversial position even

¹ F.A. Harper. 1951. "In Search of Peace," Foundation for Economic Education, Irvington-on Hudson, N.Y.
Available online: <http://www.lewrockwell.com/orig6/harper2.html>

among classical liberals and libertarians², let alone among members of the two mainstream political parties. Indeed, any pushback against the current “race into war” against supposed foreign threats is met with the exact type of criticism noted by Harper over six decades ago.³ Let me provide four reasons why I am highly skeptical of foreign military intervention.

2. Against Foreign Military Intervention

1. Foreign military interventions increase the fiscal scale of the domestic state

The United States government spends a significant amount of resources on military-related activities. Proponents of maintaining the status quo, or even increasing military spending, like to point out that as a percentage of GDP, military spending is in the 4-5% range. This makes it seem as if military spending is relatively small compared to overall economic activity. However, consider an alternative perspective.

In FY 2014 the U.S. government spent \$496 billion on the base defense budget used to fund the core operations of the Department of Defense. In addition to this base budget, an additional \$91.9 billion was allocated to Overseas Contingency Operations to fund the war in Afghanistan.⁴ The government spent another \$164.9 billion for defense-related agencies and functions including: Veteran’s Affairs (\$63.4 billion), The State Department (\$42.7 billion), Homeland Security (\$39.3 billion), the FBI which is housed in the Department of Justice (\$8.3 billion), and the National Nuclear Security Administration which is housed in the Department of

² See, for example, the recent articles by Richard A. Epstein, “The Pax Americana is Dead” (<http://www.hoover.org/research/pax-americana-dead>) and “Rand Paul’s Fatal Pacifism” (<http://www.hoover.org/research/rand-pauls-fatal-pacifism>).

³ See Andrew Bacevich. 2005. *The New American Militarism: How Americans are Seduced by War*. New York: Oxford University Press.

⁴ Source: <http://www.whitehouse.gov/sites/default/files/omb/budget/fy2015/assets/tables.pdf> (Table S-11).

Energy (\$11.2 billion).⁵ All together, the total FY 2014 expenditure on defense-related activities by the U.S. government is \$752.8 billion.

To provide some context, consider that defense-related expenditures are the second largest expenditure by the federal government following Social Security (\$852 billion, FY 2014). Further, military spending is much larger than expenditures on Medicare (\$513 billion, FY 2014) and Medicaid (\$309 billion, FY 2014).⁶ Military expenditures dwarf the budgets of other agencies including: the Department of Health and Human Services (\$79.8 billion), the Department of Education (\$67.3 billion), Housing and Urban Development (\$33.7 billion), and the Department of Agriculture (\$24.1 billion).⁷

Some argue that the U.S. government needs to maintain, or even increase, military spending due to looming threats from China and/or Russia. However, there is little reason to fret when one considers that in 2013 military expenditures by the U.S. government accounted for 37% of the total world military expenditures. To provide context, consider that the government of China, which I second to the U.S. government in military spending, accounted for 11% of the world's military expenditures. The share of military spending by other governments—Russia (5%), Saudi Arabia (3.8%), France (3.5%), and the U.K. (3.3%)—is minimal compared to the spending by the U.S. government.⁸ Indeed, if the U.S. government cut military spending in *half*, it would still be greater than that spent by the governments of China and Russia combined.

What about the cost of specific interventions? It turns out they are quite costly. According to Linda Bilmes at Harvard University's Kennedy School, "The Iraq and Afghanistan

⁵ Source: <http://www.whitehouse.gov/sites/default/files/omb/budget/fy2015/assets/tables.pdf> (Table S-11). Source of FBI Budget: <http://www.justice.gov/sites/default/files/jmd/legacy/2014/05/26/ba.pdf>

⁶ Source: <http://www.whitehouse.gov/sites/default/files/omb/budget/fy2015/assets/tables.pdf> (Table S-5).

⁷ Source: <http://www.whitehouse.gov/sites/default/files/omb/budget/fy2015/assets/tables.pdf> (Table S-11).

⁸ Source of all figures on global military expenditures: Stockholm International Peace Research Institute, Trends in world military expenditure, 2013. http://books.sipri.org/product_info?c_product_id=476

conflicts, taken together, will be the most expensive wars in US history – totaling somewhere between \$4 to \$6 trillion. This includes long-term medical care and disability compensation for service members, veterans and families, military replenishment and social and economic costs.”⁹ She goes on to note that the most significant portion of this bill has not yet been paid since it entails, among other things, servicing the debt and future medical costs. There can be no doubt that this will negatively affect the fiscal situation of the United States for decades to come.¹⁰ Note also that this does not include the current, and future, operations in Iraq to combat ISIS and future insurgent groups which will surely emerge.

An active foreign policy encourages a large military which, in turn, requires spending, which contributes to increases in the scale of government.¹¹ War financing can take place through taxation, the issuing of debt, or printing money. None of these options are desirable for those concerned with limited and stable government. Once in place, war-time taxes tend to persist even after the intervention ends.¹² Debt simply shifts the cost of present interventions off to future generations who must service the debt. Printing money to finance foreign interventions devalues the currency.

Those who claim to be for small government are often comfortable critiquing government expenditures and involvement in healthcare, education, and other areas of domestic life. Yet many of these same critics are also proponents of an active foreign policy which consumes

⁹http://www.hks.harvard.edu/var/ezp_site/storage/fckeditor/file/pdfs/centers-programs/centers/mrcbg/publications/fwp/MRCBG_fwp_2013-01_Bilmes_financial_legacy.pdf

¹⁰ See Kathy Ruffing and Joel Friedman. 2013. “Economic Downturn and Legacy of Bush Policies Continue to Drive Large Deficits,” Center on Budget and Policy Priorities <http://www.cbpp.org/cms/index.cfm?fa=view&id=3849>

¹¹ See Jeffrey Hummel. 2012. *War is the Health of the State: The Impact of Military Defense on the History of the United States*, Unpublished monograph. http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2151041

¹² See Ivan Eland. 2013. “Warfare State to Welfare State: Conflict Causes Government To Expand at Home,” *The Independent Review: A Journal of Political Economy* 18(2): 189-218.

significantly more resources and contributes to the growth of government on a variety of margins that these same individuals pretend to find undesirable.¹³

2. The military-industrial base threatens the dynamism of domestic markets

The provision of military defense by government to protect the person and property of citizens is often viewed as a productive activity because it creates an environment conducive to positive-sum activities by private citizens. This assumes, however, that all military-related activities are productive, value added, and neutral with respect to private economic activity. They are not.

Like all other government services, military production requires the transfer of resources—money, capital, labor—from the private market to the military sector. Resources used by the military-industrial base cannot simultaneously be used by private citizens. This is not simply a matter of one-to-one crowding out. Private markets are dynamic because participants can rely on competitive market prices and profit and loss to gauge the opportunity costs of alternative courses of action. In political settings, in contrast, the ability to rely on economic calculation is absent. Political decision makers can increase military-related outputs by investing more money in certain lines of production, but there is no mechanism to inform them if they are allocating scarce resources to their highest-valued uses. In other words, there is no way for policymakers to know if they are providing the right quantities and qualities of military outputs. Moreover, given the incentives in politics, which I will discuss in a moment, there is a tendency for overreach and overproduction.

The funding of military activities does more than simply transfer resources from the private to the military sector. Government expenditures create new, and often undesirable,

¹³ See David R. Henderson. 2011. “War is a Government Program,” Foundation for Economic Education, http://www.fee.org/the_freeman/detail/war-is-a-government-program

opportunities for profit. Like any other government program, military expenditures create vested interests who not only benefit from immediate government expenditures, but who also seek to influence and manipulate future political decisions for their own narrow benefits. The existence of what President Eisenhower termed the “military-industrial complex” is well known, but the implications are often neglected: much of the government spending on what is categorized as “defense” is really corporate welfare in disguise.

An entire industry of defense-related companies has emerged and grown due to military expenditures by the state over the preceding decades. Many of these companies are dependent on government-provided defense contracts for their survival. To provide one illustration of this, consider Table 1 which shows the 2013 revenues (defense and total) for the top 5 U.S.-based defense contractors:

| | 2013 Defense Revenue (in billions) | 2013 Total Revenue (in billions) | % of Revenue From Defense |
|------------------|---|---|--------------------------------------|
| Lockheed Martin | 40.5 | 45.4 | 89.3% |
| Boeing | 32.0 | 86.6 | 36.9% |
| Raytheon | 22.0 | 23.7 | 93.0% |
| Northrop Grumman | 19.5 | 24.7 | 79.1% |
| General Dynamics | 18.8 | 31.2 | 60.3% |

Table 1: Top 5 U.S.-based Defense Contractors, 2013 Revenues¹⁴

Three of the five companies rely on government expenditures on defense for more than three-fourths of their annual revenue. And this is just a small sample. There is a massive network of dedicated companies and subcontractors that have emerged to participate in, and perpetuate, the permanent war economy that began following World War II. The resources employed in this flourishing economy are not only monetary, but also human in the form of ingenuity and effort

¹⁴ Source of data: Defense News, “Top 100 for 2014,” <http://special.defensenews.com/top-100/>

that are redirected from satisfying private consumers to instead satisfying government officials who award contracts.

One result of the military-corporate welfare system is that equipment and hardware that the army says it does not need, or cannot use, continues to be produced because politicians want to claim that they are creating and maintaining jobs for their constituents. For example, members of Congress have voted to continue spending taxpayer money on building and refurbishing tanks even though military leaders say they cannot use them in actual combat situations due to geography and strategic constraints in locations where current military operations are taking place.¹⁵ This, and similar cases which permeate the military-industrial base, are pure make-work waste which provide little to no value in terms of defense and security to U.S. citizens.

Cronyism is rampant in the military sector. Consider the “revolving door” phenomena whereby those in former government positions move to the private sector. This allows private companies to more easily contact key people and navigate the labyrinth of bureaucracy necessary to secure lucrative military-related contracts. One report by *The Boston Globe* found that, between 2004 and 2008, 80% of retired three- and four-star officers relocated to the private defense industry either in consultant or executive roles.¹⁶ Another report by *USA Today* identified 158 retired generals and admirals who served as consultants to the military in their post-retirement as “senior mentors.” The report found that 126 had financial ties to defense companies and that 29 were full-time executives at defense companies.¹⁷

¹⁵ See Marjorie Censer. 2014. “The end of the tank? The Army says it doesn’t need it, but industry wants to keep building it.” *The Washington Post*, January 31. Available online: http://www.washingtonpost.com/business/economy/the-end-of-the-tank-the-army-says-it-doesnt-need-it-but-industry-wants-to-keep-building-it/2014/01/31/c11e5ee0-60f0-11e3-94ad-004fefa61ee6_story.html

¹⁶ Bryan Bender. 2010. “From Pentagon to the Private Sector,” *The Boston Globe*, December 26. Available online:

http://www.boston.com/news/nation/washington/articles/2010/12/26/defense_firms_lure_retired_generals/

¹⁷ Tom Vanden Brook, Ken Dilanian, and Ray Locker. 2009. “Retire military officers cash in as

In general, government programs and interventions create vested interests and promote cronyism. The military is no different. And given the significant expenditures on military-related activities, it should be no surprise that these perverse dynamics are rampant. Those on the right and on the left of the political spectrum often claim to be against corporate welfare. Yet when it comes to the military, they somehow pretend that these issues are irrelevant or unimportant. Given the size and reach of the military sector, this is a major mistake given the deleterious effects of these factors on a market economy.

3. Foreign military intervention is severely limited in what it can achieve

One might argue that the significant amount of resources spent on the military, including the waste, is worth it if military activities can yield significant benefits through foreign interventions. Indeed, we hear politicians make grandiose promises all the time about spreading peace, liberty, and freedom as if there are no constraints to achieving their stated ends. This “unconstrained vision” is nicely illustrated in a 2010 talk by then Secretary of State Hillary Clinton to the Council on Foreign Relations where she stated that, “Americans have always risen to the challenges we have faced. That is who we are. It is in our DNA. We do believe there are no limits on what is possible or what can be achieved.”¹⁸ The reality, however, is that the foreign interventions are very limited in what they can accomplish due to the complexities of the world and limits on human reason.

Economic, political, legal, and social systems are all complex systems, meaning that individual elements are interconnected in a manner that generates an outcome that is beyond the

well-paid consultants,” USA Today, November 18. Available online:

http://usatoday30.usatoday.com/news/military/2009-11-17-military-mentors_N.htm

¹⁸ Source of quote: <http://www.cfr.org/diplomacy-and-statecraft/conversation-us-secretary-state-hillary-rodham-clinton/p22896>

grasp of human reason. Or, to use a term often associated with F.A. Hayek, they are spontaneous orders that are the result of purposeful human action, but not human design. Proponents of foreign intervention tend to discard this reality and, instead, treat perceived problems as technical, engineering problems that can be solved with the right amount of expertise and resources. If you have ever heard a politician say, “we sent a man to the moon, therefore we can do [insert grandiose vision here],” you understand this point. Sending a man to the moon is an engineering problem. Nation building is not.

The problem with the unconstrained vision is that it overlooks the realities facing political decision makers. One set of constraints are knowledge constraints, or limits on human reason, which has two, related, implications. First, we cannot fully grasp the complexities of the world in our own society, let alone in other societies. Second, we don’t know how to go about designing a liberal society from scratch even under the best-case scenario. Policymakers typically attempt to circumvent these implications either by ignoring them or by attempting to mimic activities and outcomes in their own country—e.g., holding elections—so they can pretend they are spreading freedom and liberty by producing an observable output.

Those who hold the unconstrained vision seem to be completely unaware that it is the limits on their own reason that contribute to continued failures in foreign interventions. In the face of this total lack of self-awareness, they confidently promise citizens that “this time will be different.” Never do they consider that they lack the means to accomplish the desired ends. Moreover, objections which attempt to highlight potential constraints are dismissed as being “un-patriotic” and “un-American”.

Because foreign interventions are necessarily simplistic relative to the complex system they seek to shape, negative consequences are unavoidable.¹⁹ Due to the incentives they face, policymakers continually neglect the potential long-term unseen consequences and, instead, focus narrowly on the short-term visible aspects of foreign interventions. They overlook the crucial question – and then what? They simplify the problem situation in a black and white manner—“good” and “bad”—and set out to destroy those in the bad category without asking what happens even if they are successful.

These dynamics were evident in Libya where the enforcement of the no-fly zone was initially considered a major victory for the Obama administration and limited interventions more generally. This premature victory neglected the subsequent power vacuum and civil war that emerged which has imposed significant costs on both citizens of Libya and the broader region. These same issues are relevant in the context of current U.S. policy toward ISIS. Even if the multi-year mission to eradicate the group is successful, then what is the end game in Iraq and in the region?

In addition to these knowledge constraints, foreign interventions suffer from massive incentive problems. We have all stood in line at the DMV and U.S. Post Office. There is a reason these organizations are run so inefficiently. They are large-scale government monopolies not subject to market-based profit and loss. Defense is no different. It consists of multiple agencies with the same organizational form as the DMV or postal services but with a much larger budget and with high-tech weapons. The results are the same—waste, persistent resource misallocation, and inertia in policies and daily operations. Further, given the number of government agencies

¹⁹ For a list of some of these negative consequences, see Christopher J. Coyne and Steve Davies. 2007. “Nineteen Public Bads of Empire, Nation Building, and the Like,” *The Independent Review: A Journal of Political Economy* 12(1): 129-132. Available online: http://www.independent.org/pdf/tir/tir_12_01_08_coyne.pdf. See also David R. Henderson. 2014. “Richard Epstein’s Faulty Case for Intervention,” *Antiwar.com*, <http://original.antiwar.com/henderson/2014/09/17/richard-epsteins-faulty-case-for-intervention/>

involved in military activities, petty infighting is common as bureaus attempt to demonstrate their importance to secure greater budgets in the future.²⁰ The incentives inherent in the industrial organization of government bureaus are problematic when intervening abroad given the rapid changing circumstances on the ground relative to the lethargy of bureaucracy.

There are other fundamental issues with the democratic political system through which policies regarding foreign interventions are designed and implemented. For example, voters tend to be rationally ignorant of the specifics of foreign interventions. One recent poll indicated that U.S. voters have difficulty keeping track of the various locations that the U.S. government is currently bombing.²¹ To the extent that elected officials respond to the desires of voters, they may pursue policies that are at odds with the idealistic visions of those who design the initial intervention.

Many critics of President Obama are currently taking issue with his withdrawal of U.S. troops from Iraq, claiming that this move was responsible for the current situation with ISIS. Putting aside the simplicity of this narrative, it overlooks the fact that a majority of American voters supported troop withdrawal. For example, one Gallop poll asked “do you approve or disapprove of President Obama’s decision to withdrawal nearly all U.S. troops from Iraq by the end of the year?” Polling during October 29-30, 2011, indicated that 75% of respondents “approved” while 21% “disapproved.” When asked the same question in June 20-21, 2014, 61% of respondents “approved” while 34% “disapproved”.²²

²⁰ For a first-hand account of these dynamics in Iraq, see Peter Van Buren. 2011. *We Meant Well: How I Helped Lose the Hearts and Minds of the Iraqi People*. New York: Metropolitan Press. For another first-hand account of bureaucratic inertia and infighting, see Robert M. Gates. 2014. *Duty: Memoirs of a Secretary at War*. New York: Knopf.

²¹ See Ariel Edwards-Levy. “American’s Are Not Totally Sure Which Countries We’re Bombing,” Huffington Post, September 5, 2014. Available online: http://www.huffingtonpost.com/2014/09/05/americans-airstrikes_n_5772860.html?cps=gravity

²² Source of polling data: <http://www.gallup.com/poll/1633/iraq.aspx>. Assessed on September 15, 2014.

Policy is not designed in a vacuum. Just because policymakers know what they want to achieve abroad doesn't mean that they know how to go about doing it. Further, policies are implemented through a political process that entails bureaucratic inertia, vested interests who seek to influence policy for their own narrow gains, and rationally ignorant voters who often demand policies that are at odds with the grand visions of "experts." You are all familiar with these same exact issues with a plethora of domestic policies, such as education, health care, and many other areas of domestic life. I ask you: why do you expect it to be any different with foreign policy which is just as, if not more, complex?

4. Foreign interventions expand the scope of domestic state power

I have already discussed how foreign interventions contribute to increases in the fiscal scale of the state. But that is not all that they do. They also contribute to expansions in the scope of state scope. While scale refers to the size of government, scope refers to the range of activities the government undertakes. Baldy Harper was well aware of the potential for increases in the scope of government activities during times of war. In 1951 he wrote, "[b]y some strange twist of reasoning, fear of losing liberty drives persons to enslave themselves and surrender their liberty in the hope of keeping it. It is argued that this is necessary 'to protect the people'."²³ This same logic is used today to justify continuous expansions in government power. U.S. citizens now tolerate, and even accept, a variety of violations of their person, property, and privacy all in the name of protecting us from potential threats.

Driving this expansion in the scope of state power is the fact that foreign interventions contribute to movement toward a centralized managerial state. Centralizing tendencies are a

²³ F.A. Harper. 1951. "In Search of Peace," Foundation for Economic Education, Irvington-on Hudson, N.Y. Available online: <http://www.lewrockwell.com/orig6/harper2.html>

logical outcome of foreign interventions precisely because the federal government, and its agencies, are responsible for designing, implementing, and overseeing foreign operations. As the federal government increases its power, the political periphery loses power, which weakens the checks created by individual autonomy and dispersed political decision-making. Perhaps the most eloquent characterization of this process was provided by Randolph Bourne who noted that:

The State is the organization of the herd to act offensively or defensively against another herd similarly organized. The more terrifying the occasion for defense, the closer will become the organization and the more coercive the influence upon each member of the herd. War sends the current of purpose and activity flowing down to the lowest level of the herd, and to its most remote branches. All the activities of society are linked together as fast as possible to this central purpose...and the State becomes what in peacetimes it has vainly struggled to become—the inexorable arbiter and determinant of men’s business and attitudes and opinions.²⁴

This result of the dynamics identified by Bourne has been evident during times of war throughout U.S. history.²⁵ Since 9/11, debates have been raging regarding the extent of the government’s surveillance state and, most recently, the militarization of domestic policing. Often overlooked in these discussions is that these phenomena have deep-seeded histories in earlier U.S. foreign interventions.²⁶

Many argue that the tradeoff between liberty and security is necessary and assure us that it will be short lived.²⁷ According to this view, the government benevolently increases security during times of crisis and returns to its previous path either on its own accord or through judicial

²⁴ Randolph S. Bourne. 1964. “The State.” In, *War and the Intellectuals: Collected Essays, 1915-1919*. New York, Harper & Row, pp. 65-106.

²⁵ See Robert Higgs. 1987. *Crisis and Leviathan: Critical Episodes in the Growth of American Government*. New York: Oxford University Press; Michael Linfield. 1990. *Freedom Under Fire: U.S. Civil Liberties in Times of War*. Boston, MA: South End Press; William H. Rehnquist. 1998. *All the Laws but One: Civil Liberties in Wartime*. New York: Vintage Books.

²⁶ See Christopher J. Coyne and Abigail R. Hall. 2014. “Perfecting Tyranny: Foreign Intervention as Experimentation in Social Control,” *The Independent Review: A Journal of Political Economy* 19(2): 1-25.

²⁷ See Eric A. Posner and Adrian Vermeule. 2007. *Terror in the Balance: Security, Liberty, and the Courts*. New York: Oxford University Press.

review. However, there is reason to believe that this will not be the case, as the incentives facing politicians during times of war are to overreach and to target those minority groups that have the least protection. It is not that expansions in government power cannot be undone. However, expansions are likely to be sticky and last for long periods of time due to a variety of factors including: vested interests, bureaucratic inertia, and changes in ideology whereby expansions in the scope of government power become normalized in the lives of average citizens.²⁸

Proponents of foreign interventions assume that foreign interventions will strengthen the domestic polity by providing security and protection to citizens. It is crucial to remember that interventions abroad can, and do, undermine the freedoms and liberties of citizens at home. Quantifying the costs of lost liberties and freedoms is extremely difficult, but this is ever the more reason to be cognizant of this overlooked cost of foreign interventions. Once liberties are lost, they are often difficult, if not impossible, to regain.

3. Concluding Thoughts

I am what Baldy Harper called a “peacemonger” and I am proud of it. My skepticism regarding the effectiveness of foreign military interventions is based on a careful study of the constraints and incentives facing those in government, as well as an appreciation of the negative consequences that are associated with war. Foreign military intervention leads to the growth of the state, and erosion of liberty, on numerous margins. As James Madison eloquently put it:

Of all the enemies to public liberty war is, perhaps, the most to be dreaded, because it comprises and develops the germ of every other. War is the parent of armies; from these proceed debts and taxes; and armies, and debts, and taxes are the known instruments for bringing the many under the domination of the few. In war, too, the discretionary power

²⁸ See Robert Higgs. 1987. *Crisis and Leviathan: Critical Episodes in the Growth of American Government*. New York: Oxford University Press.

of the Executive is extended; its influence in dealing out offices, honors, and emoluments is multiplied; and all the means of seducing the minds, are added to those of subduing the force, of the people ... No nation could preserve its freedom in the midst of continual warfare.²⁹

My position is often characterized as being naïvely isolationist. This criticism suggests that I, and others who hold a similar position, are content to sit by the sidelines as the world crumbles around us. If “isolationist” implies that I prefer that the U.S. government not intervene in international affairs where there is a lack of clear evidence that it can achieve the desired end, then I am guilty as charged. I do, however, reject the charge that a deep suspicion of foreign interventions implies naivety regarding global affairs and the realities of the world.

I am fully cognizant of the fact that, as far as policy issues go, foreign policy is particularly messy and difficult. The consequences of military action are far reaching and affect the target country, neighboring countries, and the country carrying out the intervention. Our understanding of the specific manifestations of these consequences is often limited *ex ante*. Further, each and every occasion is highly unique, so there is no bright-line rule of when to intervene or to refrain from doing so. Given the complexities of the world, social scientists are unable to make specific point predictions about what will happen with particular foreign interventions. Instead, we are limited to making broad pattern predictions given the particular institutional arrangements and constraints involved.

Precisely because of the sheer complexities involved, I am predisposed against foreign military interventions. Just as the work of Ludwig von Mises, F.A. Hayek, James Buchanan, Gordon Tullock, and others leads me to be skeptical about the ability of government to achieve grandiose initiatives domestically, so too am I skeptical that government can do so

²⁹ James Madison. 1865. “Political Observations, April 20, 1795,” In: *Letters and Other Writings of James Madison*, vol. 4. Philadelphia, PA: J.B. Lippincott & Co. p. 485-505.

internationally where the complexities are often far greater. I do not deny that government can succeed or generate benefits abroad in specific instances, just like it can at home. However, for the reasons discussed above, I lack confidence that foreign interventions can generate net benefits systematically across cases of foreign intervention.³⁰

Where does this leave us? Let me suggest that a good starting point is to discuss the specifics of defense in a free society. As I mentioned at the outset, this topic is unsettled and controversial even among classical liberals and libertarians. From there we can move on to discussing whether the state is actually able to deliver on the desired end in a manner that maintains, rather than undermines, a free and prosperous society.

In closing, let me say that I realize that it is important to be aware of potential external threats to our liberties and freedoms. At the same time, it is crucial that we never forget that there is a significant internal threat to those same liberties and freedoms that we must battle on a daily basis—the State.

³⁰ On the high immediate costs of war and the uncertain long-run benefits, see Bryan Caplan. 2010. “The Common-Sense Case for Pacifism,” EconLog, http://econlog.econlib.org/archives/2010/04/the_common-sens.html