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# Market Anarchism FAQ

Center for a Stateless Society

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# How Do Market Anarchists See Property?

The issue of property is a contentious one among market anarchists, as it has been historically within the greater anarchist tradition. Ever since Proudhon's claim that "property is theft," anarchists have argued about the proper resolution to the question of land ownership actually is. To free market anarchists, the answer is a bit more concise. Generally market anarchists are friendly to personal land-tenure. They see individual possession of land as non-exploitative in and of itself and an absolute tenet, as even Proudhon posited, to "liberty." Positions among free market anarchists can range: Mutualists believe in private property so long as it is based on personal occupancy and use; Cousins to the mutualists, the Georgists, envision a system of land-tenure in which people live in contractual communities whose public goods are financed from land rent; Rothbardians generally see rights to property as "human rights" that belong to all human beings.

If readers are interested in finding out more on market anarchist views of land tenure and some of the property regimes we'd recognize as legitimate in an anarchist society, you'll find C4SS's Mutual Exchange Symposium titled *Discourse on Occupancy and Use: Potential Applications and Possible Shortcomings* quite informative.

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should involve the act of providing the service at a smaller scale, at a more competitive ideal firm size, properly controlled and “regulated” by unionization of the working members within those firms. This “dual-power economy” would disengage, as far as possible, from the formal capitalist market economy, and increasingly create, over time, its competition within the black and gray market — leaving agorists substantially liberated to organize, produce, labor and exchange however they wish in this untaxed, non-state regulated counter-economy.

## How Would Dual Power and Agorism Create a Free Society?

“Dual power” can be nicely summed up by the popular Wobly phrase of “building the structure of the new society within the shell of the old.” Proponents of a dual power strategy share a belief in developing, at the grassroots level, an “alternative social infrastructure” that piece-by-piece replaces our statist, capitalist, society. Simply put, this revolutionary tactic involves competing with the state by building and utilizing counter-institutions that allow us to live in the type of non-oppressive world we want (as much possible) in the present. Dual power is seen as another form of civil disobedience and/or nonviolent direct action in agorist circles, but with the capability of vastly restructuring our society for ourselves and one another, while the state is left out to dry.

Insofar as *how* agorism may be used to create a free society, agorists believe that by using markets that operate outside the state’s purview (black and gray markets), a new economy is created alongside the existing “official” economy, slowly eroding the latter. Agorism was developed by Samuel Edward Konkin III, the late radical Rothbardian theorist, as a counter political-economic philosophy.

Examples he and modern day agorists share in vision include communities built around excess networks of producer and consumer cooperatives, small enterprises, mutual aid institutions, do-it-yourself collectives, community gardens, and credit unions that both do and do not directly conflict with capitalist institutions. If a monopoly is in operation with diseconomies of scale, dual-power

Adherents of anarcho-capitalism believe a capitalist, laissez-faire economic system is desirable for maximum freedom and human flourishing. Market anarchism does not seek to prescribe a desirable economic system. Instead, market anarchists recognize that not everyone in a free society will desire to engage in a profit-oriented market, and alternative *voluntary* economic systems, such as cooperatives, gift economies, and communes, may flourish. While market anarchists may often advocate market exchange, pluralism and decentralization are also of great significance. As long as these different voluntary economic systems can peacefully coexist, market anarchists take no issue with such alternatives.

## What's the difference between "market anarchism" and "anarcho-capitalism"?

By Kelly Vee, originally published as *Anarcho-Capitalism vs. Market Anarchism*.

The difference between market anarchism and anarcho-capitalism is contentious, and somewhat semantic. Anarcho-capitalists choose to use the word "capitalism" because they believe it denotes a laissez-faire system of economics, free from government control. Market anarchists are far more critical of capitalism, as they believe the term "capitalism" does not denote a truly freed economic system. Market anarchists avoid using the word "capitalism" because it often refers to our current, unfree economic system, dominated by corporations and vast income inequality. Market anarchists say that "capitalism" places too much emphasis on *capital*, implying rule by the owners of the means of production, a form of oppression which market anarchists oppose. Many market anarchists believe that in a freed society, the world would look very different from how it looks now under state capitalism. They believe that freed markets would not result in corporate domination and hierarchical firm structure. If such firms did exist, they would be few and far between. As Gary Chartier and Charles Johnson write in *Markets Not Capitalism*, "Market anarchists believe in market exchange, not in economic privilege. They believe in free markets, not in capitalism."

"We can no longer blind ourselves to the fact that concentrated economic power has become as reckless and ruthless and coercive as concentrated political power.

We can no longer attack subsidies for the poor while supporting even greater subsidies for the rich.

We can no longer speak of protecting freedom in the world by turning the world into protective hamlets. We can no longer oppose tyranny by emulating it.

We cannot speak of individual freedom and free communities, self-reliance and self-responsibility, while honoring the assembly line, promoting urban demolition, and making fetish of commodities. We cannot speak of honest work while honest working people are alienated from the work and treated as mere extensions of their machines.

We cannot attack the abuses of arrogant and bureaucratic labor leaders without attacking the abuses of arrogant and bureaucratic industrial and business leaders.

We cannot speak of a land of liberty and a national-security state in the same breath — we must defend freedom at home if we are ever to have freedom in the world.

We cannot speak of a sweet land of liberty when the very land is soured by greed of those who turn the landscape into real estate, who turn the rivers into open sewers, who see in every living thing nothing but a dollar in the process." —Karl Hess, *Dear America*, 1975.

"Our goal is not to assume leadership of existing institutions, but rather to render them irrelevant.

We don't want to take over the state or change its policies. We want to render its laws unenforceable. We don't want to take over corporations and make them more "socially responsible." We want to build a counter-economy of open-source information, neighborhood garage manufacturing, Permaculture, encrypted currency and mutual banks, leaving the corporations to die on the vine along with the state.

We do not hope to reform the existing order. We intend to serve as its grave-diggers." –Kevin Carson, *Why Import Evgeny Morozov When Tom Franks and Andy Keens are Out of Work??*

"The solution is not to seize the state, to seize control of the hierarchies controlling the dominant political and economic institutions, nor to displace the existing ruling class in control of them. So long as these hierarchies exist, they'll simply create new ruling classes to replace the old ones. The only solution is to secede from their rule, to bypass them, to make them obsolete, to build a new society in which they are no longer needed." –Kevin Carson, *Meet the New Baas, Same as the Old Baas*

quired to build the first widget. The lower the entry costs, the more likely the dominant firm will find itself playing whack-a-mole, constantly having to resume the price war as competitors try to enter the market. That means that regularly selling below cost becomes a normal cost of business, raising the level of overhead for a dominant player trying to keep others out. In an environment where capital outlays to enter are low and the competitors keep coming and coming, that's a good way to go bankrupt.

Now consider, against this background, the fact that the capitalization costs required for market entry are not just a given. One major effect of government regulation is to raise capitalization levels, entry costs, and overhead in ways that protect incumbent producers and secure monopoly rents to them. It's a lot cheaper to shut out lower-cost competition if you've got a big buddy outlawing low-cost forms of production. Once again, the monopolists find a friend in the regulatory state.

As for exclusivity contracts, their effectiveness depends on the entry costs of becoming a supplier. Exclusivity contracts would present an opportunity for new entrants to collect a premium for being the first to serve the unmet needs. And they also offer a premium for defection by incumbent suppliers: If you're one of five suppliers for an industry, and the other four already have exclusivity contracts with the dominant incumbent player, which do you think offers the most promise: To become the fifth with an exclusivity contract, or to cut a deal with the new entrant?

All the envisioned monopoly strategies rely on the assumption that challengers would not adapt and develop workarounds ("the enemy usually has a plan, too – the dirty SOB!"). A primary effect of regulations is to criminalize those workarounds.

Monopoly is great, if you can just find a way to prevent competitors from entering the market and selling stuff cheaper than you. And when you penetrate behind the "progressive" aura of the regulatory state, you generally find it doing just that.



got a stable oligopoly market. The Nader Group once estimated oligopoly markup at about 25% of total price in industries where half of output was controlled by four or fewer corporations. But how do you get an oligopoly market like that in the first place? Strategic underpricing is a lot more effective if the market is already divided up between a small number of big players — and this state of affairs seldom arises naturally.

The corporate revolution of the late 19<sup>th</sup> century presupposed several forms of massive state intervention: Railroad land grants, which made possible integration of the entire U.S. into a single market, and cartelization of industries through patent exchange and pooling.

But even after the economy became dominated by giant corporations, argues Gabriel Kolko in *The Triumph of Conservatism*, attempts to establish cartels by purely private means were largely failures. The big trusts immediately began losing market share to smaller and lower-cost competitors.

It was this inability to maintain cartels by private means alone that sparked the Progressive Era's regulatory state, as corporations turned to government to suppress competition.

The tendency of cartels to break down into ruinous price wars was the reason for the “unfair competition” provisions of the Clayton and FTC Acts. Charging prices under cost was classed as unfair competition. According to Kolko, it was this provision that first made possible stable oligopoly markets in which firms competed in terms of brand-name image and fluff rather than price. That's right: The “Progressive” regulatory state was really working for the folks it regulated.

Ever hear the expression “Baptists and Bootleggers?” The biggest advocates for keeping a county dry, and the biggest source of campaign funds for temperance politicians, are the people who make money selling bootleg whiskey.

The effectiveness of strategic price-cutting to shut out competition also depends on entry costs — the size of the capital outlays re-

## What is C4SS?

The **Center for a Stateless Society (C4SS)** is an anarchist think-tank and media center. Its mission is to explain and defend the idea of vibrant social cooperation without aggression, oppression, or centralized authority.

In particular, it seeks to enlarge public understanding and transform public perceptions of anarchism, while reshaping academic and movement debate, through the production and distribution of market anarchist media content, both scholarly and popular, the organization of events, and the development of networks and communities, and to serve, along with the Alliance of the Libertarian Left and the Molinari Institute, as an institutional home for left market anarchists.

## Definitions and Distinctions

By Robert Shea and Robert Anton Wilson, originally published in *The Illuminatus! Trilogy* (New York: Dell, 1975) pp. 622–23.

**FREE MARKET:** That condition of society in which all economic transactions result from voluntary choice without coercion.

**THE STATE:** That institution which interferes with the Free Market through the direct exercise of coercion or the granting of privileges (backed by coercion).

**TAX:** That form of coercion or interference with the Free Market in which the State collects tribute (the tax), allowing it to hire armed forces to practice coercion in defense of privilege, and also to engage in such wars, adventures, experiments, “reforms”, etc., as it pleases, not at its own cost, but at the cost of “its” subjects.

**PRIVILEGE:** From the Latin *privi*, private, and *lege*, law. An advantage granted by the State and protected by its powers of coercion. A law for private benefit.

**USURY:** That form of privilege or interference with the Free Market in which one State-supported group monopolizes the coinage and thereby takes tribute (interest), direct or indirect, on all or most economic transactions.

**LANDLORDISM:** That form of privilege or interference with the Free Market in which one State-supported group “owns” the land and thereby takes tribute (rent) from those who live, work, or produce on the land.

**TARRIFF:** That form of privilege or interference with the Free Market in which commodities produced outside the State are not allowed to compete equally with those produced inside the State.

## How does market anarchism prevent the economy from being taken over by monopolies, without anti-trust regulations and other restrictions on corporate abuses of power?

By Kevin Carson, originally published as *Monopoly: A Nice Trick If You Can Do It*.

One question that’s frequently raised about market anarchism: How to prevent the economy from being taken over by monopolies, without anti-trust regulations and other restrictions on corporate abuses of power?

Without anti-trust laws, the argument goes, the firms in an oligopoly or cartel could simply lower prices when a competitor tried to enter the market, and then raise them again when the competitor went out of business.

Oligopoly firms could also, it’s argued, use their market power to restrict competition in other ways, like making exclusivity contracts to prevent a would-be entrant to the same industry from obtaining the suppliers and outlets it needed to function.

The problem with this argument is that it assumes a great deal of what it needs to prove. Sure, prices are a lot stickier when you’ve

distributes income upward to the classes that control it. The welfare state is a way of giving just enough of it back to the hardest-hit to prevent destabilizing levels of homelessness and starvation from imperiling the system.

**CAPITALISM:** That organization of society, incorporating elements of tax, usury, landlordism, and tariff, which thus denies the Free Market while pretending to exemptify it.

**CONSERVATISM:** That school of capitalist philosophy which claims allegiance to the Free Market while actually supporting usury, landlordism, tariff, and sometimes taxation.

**LIBERALISM:** That school of capitalist philosophy which attempts to correct the injustices of capitalism by adding new laws to the existing laws. Each time conservatives pass a law creating privilege, liberals pass another law modifying privilege, leading conservatives to pass a more subtle law recreating privilege, etc., until “everything not forbidden is compulsory” and “everything not compulsory is forbidden”.

**SOCIALISM:** The attempted abolition of all privilege by restoring power entirely to the coercive agent behind privilege, the State, thereby converting capitalist oligarchy into Statist monopoly. Whitewashing a wall by painting it black.

**ANARCHISM:** That organization of society in which the Free Market operates freely, without taxes, usury, landlordism, tariffs, or other forms of coercion or privilege. “Right” anarchists predict that in the Free Market people would voluntarily choose to compete more often than to cooperate; “left” anarchists predict that in the Free Market people would voluntarily choose to cooperate more often than to compete.

## Additional Definitions and Distinctions

By Gary Chartier.

### 1. State-enforced artificial scarcity

Scarcity created or exacerbated by the state. Scarcity raises prices. Natural scarcity results from genuine material costs of production (affecting both effort and raw materials) and from natural, material limits on the replicability of goods. Natural scarcity is unavoidable. Artificial scarcity obtains when access is constrained even when a good is naturally abundant. It can only be created by actual or threatened aggression—the state’s *métier*. When the state engrosses land and thus keeps it from being homesteaded, when it limits access to health care by enforcing licensing requirements, when it limits access to land by enforcing zoning rules, or when it enforces “intellectual property” rights, it makes things more scarce than they would otherwise be, and thus more expensive.

### 2. (Artificial) property rights

Putative property rights created by fiat. There are good reasons, on multiple theories of property, for people to control their own bodies and the physical objects they acquire through voluntary transfer from others or which they homestead. The rights they exercise in these cases can be regarded as “natural” (even if there’s an important sense in which someone might see them as rooted to some extent in convention). Natural property rights result from natural scarcity: they flow directly from the actual, material possession of finite, rival goods. Defense of these rights is entailed in

are extremely expensive so that only the rich can afford to buy them and then hire people for wages, is something the state had a huge role in creating. As we see a technological shift toward lower-cost, general-purpose capital assets (essentially a reversal of the shift from affordable craftsmen’s tools to expensive machinery that resulted in the wage/factory system in the first place), much of the rationale behind dependence on wage labor will disappear. The lower the cost of subsistence, and the lower the capital outlay for becoming a producer, the more blurry the boundary between being employed/in business and unemployed/out of business will become. And the lower the costs of subsistence and the lower the costs of capital equipment for self-provisioning in the informal sector, the more the share of total provisioning that will shift from wage labor to the informal sector.

**4. Eliminating a safety net for the poor is an experiment unproven in modern society. The government-mandated safety net is certainly not a model of cost-efficiency but are you willing to take the risk that if we eliminate it, we won’t end up with a society in which our children will see people on the streets dying of starvation or with cancer writhing in agony?**

Writers like Kropotkin and E.P. Thompson describe elaborate self-organized safety nets — cooperatives, mutuals, friendly societies, etc. — created by workers for themselves. These met a huge volume of needs. But their effectiveness was limited by the fact that they existed in a society — like ours — of privilege and artificial property rights. The effectiveness of the self-organized welfare state was limited by the resources of an exploited class. In a freed market, where labor is not burdened by such parasitic rent extraction by the privileged, the working class would have a lot more resources to devote to a mutual/cooperative welfare state.

In general, artificial scarcities and artificial property rights are the main source of the overclass’s ill-gotten wealth, and the main reason for the underclass’s poverty. Government systematically re-

subsistence. As I mention below, these same forms of exploitation drastically reduce the material resources and leisure available to working people for developing their own self-organized solidaristic safety net.

**2. If this room were filled with chronically unemployed people: people with IQs under 90, who are old and/or with severe heart disease or cancer, how would you explain to them that you oppose a government safety net: No unemployment, subsidized housing, health care, or public transportation?**

Government policies (like those mentioned above) promote inflation of land values, and make housing more expensive by restrictions on building techniques. Subsidized housing is a way of ameliorating the most destabilizing effects of this for the worst off, without killing the golden goose for the politically connected real estate industry. Since the subsidies go directly to the real estate folks, they're making money at both ends.

Healthcare costs are jacked up by all sorts of artificial scarcity rents and privileges.

Subsidized public transportation would be far less necessary if subsidized monoculture and sprawl didn't first make cars a necessity and make feet and bikes useless.

**3. In the pre-industrial age, it was possible for most willing workers to find sustainable employment. But in the information age, being willing isn't enough. In the modern era, can you point to one of the world's 200 nations that have no government-mandated safety net and yet doesn't have huge numbers of people living painfully destitute lives while others live in grandeur?**

The very concept of "sustainable employment" reflects an economic model created by the state in the first place. Much of the current dichotomy between grandeur and destitution reflects scarcity rents on forms of artificial property enforced by the state. The mass-production industrial model, where product-specific capital assets

the very act of possession. By contrast, artificial property rights are rights established, not by homesteading or transfer, but by actual or threatened violence—by theft (as in the case of the enclosures) or engrossment, for instance, or through the creation of "intellectual property" claims which give one person or group claims on the justly acquired property of others. Artificial property rights require the creation of artificial scarcity, and require the invasion of others' natural property to enforce.

3. Entry barrier

An institutional factor that limits access to a given market by imposes capital outlay requirements or raising overhead costs over and above the material requirements inherent in the production process, thereby artificially lowering the number of competitors, rendering the production process artificially less efficient, and raising the returns to those allowed to participate in it. An occupational licensing rule, for instance, is a barrier to entry into a given occupational market. Entry barriers not only lower the intensity of competition within an industry and enable oligopoly pricing, but also artificially increase the ratio of factor inputs to output, and thereby inhibit the natural deflationary effects of technical progress.

4. Cartel

A group of firms seeking to cooperate to boost profits by minimizing price competition among themselves and excluding potentially competitive new entrants from the market or markets in which they function. Realistically speaking, it will consistently be tempting for a firm participating in a cartel to defect from the cartel by underselling other cartel members, thus boosting its profits and reducing theirs; it will also be tempting for outsiders to challenge cartel arrangements—as, for instance, in virtue of the opportunities competing with cartelists with high profit margins might present. Thus, in the absence of a monopoly maintained by force or substantial social pressure, a cartel arrangement is likely to be unstable.

5. Monopoly price

A price charged in virtue of monopoly status. A monopoly occurs when a firm or a group of firms operating in a given market forcibly exclude other entrants from the market. While forcible exclusion is itself unjust to those excluded, a monopoly is also problematic for at least one other reason (there are doubtless more): a monopoly enables the seller to target price to the buyer's ability to pay, and thereby distribute just enough of the benefit of technological progress to the buyer to make it worth her while to buy a new good or improved variant of an old good. The seller is able to appropriate the rest of the advantages of progress—as opposed to the natural state of affairs in which equilibrium price reflects the cost of production rather than the buyer's ability to pay, and market competition quickly distributes all the fruits of progress to society at large. The maintenance of a monopoly is thus persistently disadvantageous to consumers.

#### 6. State-enforced monopoly price

A price resulting from a monopoly maintained by the state. A private firm can, in principle, maintain a monopoly by forcibly excluding competition itself. But the maintenance of a monopoly by the state is advantageous for a monopolistic firm for several reasons. Most importantly, while a firm forcibly excluding competitors from a given market is easy to identify as a nakedly self-interested aggressor likely to be resisted by force and publicly shamed, the perceived legitimacy of state action makes it possible for the state's maintenance of a monopoly to seem like a way of serving the public welfare, whether the maintenance of the monopoly is driven primarily by ignorance on the part of state actors or by their active collusion with firms in search of monopoly profits. In addition, because the state's activities are funded by taxes, a firm can externalize the cost of maintaining its monopoly status on to taxpayers.

#### 7. Corporate welfare

Direct or indirect supports for businesses' incomes offered by the state. Direct subsidies are the most obvious example, but anti-

## How does market anarchism address the need for social safety nets?

By Kevin Carson, originally published as *On Breaking Your Legs and Giving You Crutches: Responses to a Liberal*.

The questions below, which I received from a liberal curious about left-libertarianism, are fairly typical. The common thread running through the left-libertarian response is that most of the evils currently remedied by the state result from state intervention in the first place.

**1. If government provided no safety net for the poor, what would happen to the 100+ million Americans with an IQ under 90, to the millions of Americans who can't work because of cancer, heart disease, etc., to even the millions with graduate degrees who can't find a job, and to America as a country?**

Government policies increase the basic threshold of subsistence for the worst off enormously, making comfortable poverty impossible (see, for example, Charles Johnson, "Scratching By," *The Freeman*, December 2007). If government didn't enforce absentee title to vacant and unimproved land against "squatters," building codes whose main economic effect is to criminalize cheap vernacular building technologies or new low-cost/high-efficiency techniques the incumbent contractors don't want to compete with, licensing regimes that impede independent production by unlicensed cabs, home daycare and the like, there would be a huge reduction in the marginal cost of both survival and comfortable

in decentralization while encouraging those we view as oppressed to reject the social relations they are participating in.

competitive measures like tariffs and other import restrictions, licensing and accreditation requirements, and “intellectual property” privileges might also be thought to qualify as instances of corporate welfare in a more extended sense.

#### 8. (Genuine) free market

A market freed—liberated—from systematic forcible interference with just acquisition and free exchange. The most obvious such interference is the network of taxes, regulations, and privileges maintained by the state; widespread interference by non-state actors—organized crime families, for instance—could also render a market unfree.

#### 9. Absentee landlordism

A set of social arrangements featuring continued ownership of land by someone who does not personally occupy and use it for the purpose of renting it to others; regarded as illegitimate in at least some cases by proponents of personal-occupancy-and-use standards for determining when justly acquired land has been abandoned. Even in a society in which occupancy-and-use standards weren't enforced, there might well be significantly less absentee landlordism absent various impediments to becoming an owner are removed as state-secured privilege is eliminated.

#### 10. Full product (of labor)

The full amount to which a worker is entitled for her work—likely to be denied to her if forcibly secured privileges require her, in effect, to pay tribute to the holders of monopoly privileges.

## What is market anarchism?

The Molinari Institute web site defines market anarchism this way:

Market anarchism is the doctrine that the legislative, adjudicative, and protective functions unjustly and inefficiently monopolised by the coercive State should be entirely turned over to the voluntary, consensual forces of market society.

Perhaps more succinctly, market anarchism is advocacy of replacing the state with civil society while pointing to free market economics to explain the workability and/or desirability of such.

However, the ideological preference for market society is not as important as the methodological imperative for decentralization and political pluralism. In an anarchistic society not everyone will be market-oriented; there will even be those who oppose the profit motive altogether. So long as we can agree to respect each other we welcome the peaceful evolution and experimentation between different models of social organization.

person or group of people has all the information necessary to coordinate everyone else. We're still growing, learning and developing. Systems which allow innovators to prove to us their ideas in practice without forcing it on everyone else is a fundamental concept of liberal inquiry and an open society."

For this process to work successfully one must acknowledge a vital feature of market anarchist thought: choice is more than a nominal choosing. By rendering more autonomy to the individual in putting their values into place on a decentralized scale and experimenting we aim to out-compete exploitative or unjust forms of social organization. With this ability also comes the responsibility to create ontological entities (other humans) with the ability to fully comprehend the systems which they are participating in.

If one violates this principle it may become acceptable to intervene physically, for example if one raises children to accept sexual exploitation which they nominally choose to remain under such conditions because they are incapable of the analytical power necessary to understand what they are participating in. However, so long as humans are being developed to understand what orders they are participating in for what they really are we should respect individual choice, autonomy and the evolutionary arc toward justice that such an experimental system would foster.

If you believe queer individuals have much to teach humanity about who we are, like we here at C4SS do, we should try to convince participants of Hoppe's community that they are complicit in their own and/or others' oppression and to leave such unjust social orders, but we don't support legislating or ruling them into more progressive values.

In short, not everyone will share one's values in a free society. Some people are going to retain traditional values with regard to the family, sexuality, religion, etc. So long as they don't purposefully constrict their offspring so that they are unable to make value decisions regarding how to live (possibly providing a rumspringa, etc.) we should essentially respect the discovery process inherent



## What's with the socially conservative strain of anarcho-capitalism coming out of the Mises Institute and Hans-Hermann Hoppe?

If you're an outsider to the libertarian tradition you might be baffled by some of the positions of some of the libertarian anarchists like Hans-Hermann Hoppe at the Ludwig von Mises Institute. Liberty is about the emancipation of humans from oppressive forms of organization, so what is the deal with someone who claims to support liberty but thinks queer influence is a net negative for society?

**Imagine anti-authoritarian politics as consisting of two levels: at the foundational/methodological level we are all unified by a commitment to create space for diverse decentralized communities to make value decisions for themselves. Above this foundational level are the ideological preferences of the community one would like to be a part of.**

As Ross Kenyon writes, "Some communities will operate within the gender binary, be strictly vegan, be members of a certain religion, be different or no degrees of collectivized, allow or disallow firearm possession amongst countless other value decisions. This is the beauty of the voluntary association principle enacted: no one

## What is a state?

Most market anarchists argue that states are coercively-imposed territorial monopolies for the provision of defense and dispute resolution services. More plainly, they are protection rackets with good PR.

The most basic function of any state is to protect the lives of its citizens. However, individuals are not given the ability to choose who they will have protect them. They are forced to purchase this protection from their local monopoly who will take their money for the service whether the individual wants it to or not. If they resist, they will be jailed or worse.

One of the ways market anarchists approach this issue is to ask, "should a service ever be forced upon someone at gunpoint?" We, of course, oppose such acts of brutality on ethical grounds and also assert that such forcible interference with consumer choice creates horrible incentive problems. Why should a state treat you nicely if they can get away with not treating you nicely?

A state is not governance based upon the consent of the governed, but conquest under a false pretense of legitimacy.

## What will a stateless society look like?

We envision a world without privilege, exploitation or domination. A world without institutionalized coercion, slaughter and injustice. In short, Liberty.

However, the specifics of how a society without centralized political authority will look are far more difficult to predict. One of the major arguments for freedom in the classical liberal tradition was originally put forward by F.A. Hayek in what has become known as “the knowledge problem.” He argued that no single individual or group of individuals has all of the economic information necessary to centrally plan an economic system (or potentially any social system for that matter). To assume this pretense of knowledge is to commit the fatal conceit of rational constructivism. To work most effectively and safely, systems require a decentralized approach – economically speaking, this means individuals making decisions for themselves and exchanging their legitimate produce voluntarily for mutual gain, which results in the price system.

Since market anarchists recognize that consensual institutions will inevitably be shaped by market and other social forces, we can say that Hayek’s knowledge problem will, in a stateless society, even impact “governance” in the sense of how enterprises provide dispute resolution and security services. We can’t predict the details of how free people will choose to organize provision of these services. The forms of such organization would be an open-ended matter, subject to free experimentation and resulting diversity.

as equals on a local level. We need civil associations strong enough to provide a glimmer of a way out of the rubble; to outperform and render unnecessary the heavy hand of statism which we have all experienced.

Anarchy is about creation, about actively building a peaceful and non-exploitative world; not any sort of fetish for destructive chaos as we are pejoratively painted.

Write, teach, learn, make art, build vibrant and beautiful communities which actively reflect one’s values and spread our ideas and institutions the world over. Show everyone there is a market anarchist alternative free and delightful; show them it’s possible!

being levied against just people. These images can be very powerful. If one has the courage to behave in this way, by all means, one is (hopefully) helping to change public opinion; so long as you look like a victim and not a jerk. Be wise and make sure one is getting mileage out of the financial, legal and personal woes which are sure to follow.

Agorism is another method of disobedience market anarchists use to subvert and starve the state. It is the practice of counter-economics: keeping one's transactions primarily in the black and gray markets in order to avoid taxation which is wasteful and funds atrocities as well as to avoid the regulations which allows big companies to muscle out small producers.

#### Agorist Market Theory

Left-libertarians also support anti-state labor struggle by which working class people struggle for better conditions and treatment at their place of employment through organizations such as the Industrial Workers of the World. We view this as a normal part of the market and as the process by which wages are discovered, no different from entrepreneurs bartering for any other good or service. More preferable when possible is for laborers to start their own enterprises in co-ops and collectives in an effort to "build the new society within the shell of the old," as the old wobbly expression goes.

Our mission at the Center for a Stateless Society is primarily educational.

We want people to know why we are market anarchists and why we think it is worthwhile to spend time and labor on this project. We expend the bulk of our energy communicating to the public at large the philosophy, economics and politics of market anarchism.

We encourage people to start forming relationships and social structures which actively reflect their values. If the state were to collapse and no better idea were widespread enough to replace it, people will seek to try again at statism rather than to participate

Moreover, Anna Morgenstern's *Anarchism: Necessary but not Sufficient* and Charles Johnson and Roderick Long's *Libertarian Feminism: Can This Marriage Be Saved?* make the case that even once the oppression of state rule is over, cultural forms of oppression unconnected to the state will still linger which desperately need to be challenged and overcome. Statism is the biggest hurdle but not the only one which we will need to confront in a stateless world.

## Is market anarchism utopian?

That depends on what you mean by “utopian.”

Market anarchists believe that systems of arbitrary authority are a great danger (and harm!) to society and all peace-loving and productive people. Rather, it is much less realistic to think that institutionalized monopoly privilege and rulership can be entrusted to corruptible human beings, even under democratic rule.

As Edward Abbey famously said, “anarchism is not a romantic fable but the hardheaded realization, based on five thousand years of experience, that we cannot entrust the management of our lives to kings, priests, politicians, generals, and county commissioners.”

If by “utopian” one means offering an unworkable, almost mystical vision of an absolutely perfect society, then no — market anarchism is not utopian. We offer a goal of a much better world where people will still make mistakes, natural disasters will still happen and so forth. It would be a world without the vast harms created by government, though. These harms are so great that getting rid of them might seem like a vision of perfection in comparison to what we have now.

## How will we get to a stateless society?

Ain't this the million dollar question!

The state is a parasite which grows until it kills its host organism. We view this power-based model of organization as ultimately doomed to collapse under its own weight leaving us regular folk wondering what to do now.

There are many strategies market anarchists propose to help hasten the state's demise and create a more wholesome world.

Generally market anarchists are very dubious of electoral politics. Some, especially those who identify as voluntaryists, view participation in the existing political structure as inherently immoral and counterproductive. Their motto “if one takes care of the means, the end will take care of itself,” means that by participating in an illegitimate political order one is implicitly granting it the moral authority to exist. However, many market anarchists are grateful for the educational effect that political campaigns hold. Most Americans think about politics in the context of elections. It is a language and tradition which they understand. Ron Paul will probably never be president nor will substantial change come through the rigged American political project, but his 2008 campaign probably created more market anarchists than any other single action in American history.

As far as civil disobedience goes, the Free State Project participants in New Hampshire are certainly the leaders. The objective of civil disobedience is to force the state's hand into treating you with its absurd power, to show the average person some great injustice

Conservatives are generally far worse on this front than libertarians but both groups shy from committing anything which smells like class warfare.

Roderick Long has recast this idea of vulgarity into the more descriptive and less polemical right and left conflationisms. A right conflationist is someone who defends existing property relations as being close enough to a free market to be considered legitimate. A left conflationist is someone who conflates existing holders of wealth as evil or undeserving a la “**eat the rich!**” The truth lies, as in most things, somewhere in the murky middle ground.

(And, as Jeremy Weiland is fond of saying, “let the free market eat the rich!”)

## Are market anarchists for or against capitalism?

That depends on what one means by the word “capitalism.” Some market anarchists label their views as “anarcho-capitalism,” while others prefer to identify with “anti-capitalism” or “libertarian socialism.” Still others reject both the labels “capitalism” and “socialism” as too hopelessly distorted in the public consciousness to be used meaningfully in reference to what they advocate.

While there is some ideological diversity that goes along with those three different approaches to labeling market anarchism, they tend to agree on some broad essential prescriptions.

The reason for this disagreement within market anarchism about labels is a flaw in the way capitalism and socialism are conventionally defined by the general public. Non-anarchists who identify as socialists tend to define the economic status quo as “capitalism.” Non-anarchists who identify as free market advocates tend to agree with the socialists that the status quo is “capitalism.” Both typically agree that the status quo is a result of the alleged “free market economy.”

Market anarchists, however, typically disagree that the economic status quo is a result of a free market economy and instead tend to attribute systematic economic injustice to market intervention by the state — that is, to divergence from the free market ideal of absolutely zero state intervention in the economy.

Market anarchists have adopted different labels and bodies of rhetoric to explain their views to a general public that can have passionate views associated with the words “capitalism” and “so-

cialism.” No matter whether one calls oneself a “socialist” or a “capitalist,” there will be a segment of the public that assumes the market anarchist supports an unjust status quo they oppose — or perversely wants to make it worse.

## What do you mean by “vulgar libertarianism?” What is “conflationism?”

Vulgar libertarianism refers to those who treat the existing marketplace as one which closely approximates how a freed market would look. Kevin Carson quotes *Studies in Mutualist Political Economy* in his essay *Contract Feudalism*:

Vulgar libertarian apologists for capitalism use the term “free market” in an equivocal sense: they seem to have trouble remembering, from one moment to the next, whether they’re defending actually existing capitalism or free market principles. So we get [a] standard boilerplate article... arguing that the rich can’t get rich at the expense of the poor, because “that’s not how the free market works”— implicitly assuming that this is a free market. When prodded, they’ll grudgingly admit that the present system is not a free market, and that it includes a lot of state intervention on behalf of the rich. But as soon as they think they can get away with it, they go right back to defending the wealth of existing corporations on the basis of “free market principles.”

Libertarians will often condemn the existing aspects of state power and interference in the market but then leap to the defense of those who benefit from the existing order in the same breath.

century libertarian feminists should show us—and should help to illuminate (to both libertarians and feminists) in the history of Second Wave feminism—is that the libertarian critique of state power and the feminist critique of patriarchy are complementary, not contradictory. The desire to bring together libertarianism and feminism need not, and should not, involve calling on either movement to surrender its identity for the sake of decorum. This marriage *can* be saved: as it should be, a marriage of self-confident, strong-willed, compassionate equals.

To full autonomy for all!

(And in many ways, we're hesitant to be too vocal here in defining these struggles because we are primarily allies. We support these movements as necessary and liberatory. We want people whom feel oppressed to challenge and build new institutions which are more inclusive, and we'll gladly lend a hand in this process, but we are careful as to make sure that we allow those who have been marginalized to speak most loudly. Consider this a respectful acknowledgment of our privilege as primarily heterosexual, white men, and our intention of not dominating the conversation. It is hard to find a balance here because we also seek to speak out on these matters in solidarity but we acknowledge the importance of the goal of creating a safe space and learning from those with different lived experiences. We strive to strike an appropriate balance in this regard. We hope you feel we are doing an adequate job.)

For more on this topic, please read Carol Moore's *Woman vs. the Nation State: A Manifesto* and Charles Johnson's *Women and the Invisible Fist*.

## How do market anarchists regard other tendencies within anarchism?

While we espouse a certain approach to anarchism by no means do we believe it to be the only valuable vista into human social organization. In this way, we separate our decentralist methodology from our market ideology.

Market anarchist methodology is very influenced by the voluntaryist ideals of libertarian politics in America. This idea at its core is one of decentralization, pluralism and radical federalism. We want empowered people in all communities to have meaningful influence and power to shape their own lives, even if they prefer not to utilize a market system. In fact, non-market systems could very well be better than the market means that we understand and appreciate.

We would very much like those with alternatives to our models to be able to experiment to the fullest extent possible in the hopes of us all living better. At the moment, however, we hold an *ideological* preference for market society, and so long as other anarchists respect our ability to organize in such a way on an even footing with all other communities, **we welcome our methodological allies.**

Not everyone will choose communities which share the same values under an anarchistic methodology. There will be communities of communists, private property enthusiasts, members of one industrial union grand, primitivists, religious communes,

conservative communitarians, communities organized both with the gender binary and without, nuclear families and polyamorous chains, gift economies, ethnic/nationalistic forms of organization and countless other models. Voltairine de Cleyre wrote:

“To those unfamiliar with the movement, the various terms are confusing. Anarchism is, in truth, a sort of Protestantism, whose adherents are a unit in the great essential belief that all forms of external authority must disappear to be replaced by self-control only, but variously divided in our conception of the form of future society. Individualism supposes private property to be the cornerstone of personal freedom; asserts that such property should consist in the absolute possession of one’s own product and of such share of the natural heritage of all as one may actually use. Communist-Anarchism, on the other hand, declares that such property is both unrealizable and undesirable; that the common possession and use of all the natural sources and means of social production can alone guarantee the individual against a recurrence of inequality and its attendants, government and slavery. My personal conviction is that both forms of society, as well as many intermediations, would, in the absence of government, be tried in various localities, according to the instincts and material condition of the people, but that well founded objections may be offered to both. Liberty and experiment alone can determine the best forms of society. Therefore I no longer label myself otherwise than as “Anarchist” simply.”

Many of these experiments will fail, and good thing for it. In the long run with real and substantial social choice available the best forms of organization will be shown to be so and should become more universally adopted. This is not to command the living to sit back and watch oppression happen, but there is a delicate line between respecting choice and allowing for one’s voluntarily-chosen oppression. Market anarchists tend to avoid paternalism if at all possible, considering individual choice and responsibility to be an extremely important component of anarchism, but there are

and libertarians still often hold reactionary beliefs regarding feminism.

Mainstream libertarians tend to focus on the thin aspects of oppression meaning that their primary concern is equality before the law. Of course it’s very important that women and members of the LGBTQ community have access to civil institutions in an equal manner, but as the Situationists would say, “the personal is the political.” How we treat one another and how our culture works is profound and meaningful.

We sometimes use the language of markets often to describe social interaction, and the market is an incredibly powerful way at satisfying human needs and encouraging cooperation. However, the market only supplies what we demand, so if we have patriarchal values then the market will supply this desire. In this way, the libertarian mission to the world is ultimately cultural; aiming to change what we value and how we treat one another in the absence of direct prohibition or subsidy by state power. In the words of C4SS members Charles Johnson and Roderick Long:

Libertarianism and feminism are, then, two traditions—and, at their best, two *radical* traditions—with much in common, and much to offer one another. We applaud the efforts of those who have sought to bring them back together; but too often, in our judgment, such efforts have proceeded on the assumption that the libertarian tradition has everything to teach the feminist tradition and nothing to learn from it. Feminists have no reason to embrace a union on such unequal terms. Happily, they need not. If libertarian feminists have resisted some of the central insights of the feminist tradition, it is in large part because they have feared that acknowledging those insights would mean abandoning some of the central insights of the libertarian tradition. But what the example of the 19<sup>th</sup>



## How does market anarchism interact with feminist theory?

Left-libertarians take seriously the critiques of feminists who are attempting to dismantle patriarchy, rape culture, sexual violence and intimidation, the gender binary, (inter)sex hegemony, etc. While we certainly prefer to not have the state involved in fixing these errors, that means that it is up to us to challenge the oppressive aspects of our society which punish, marginalize and silence those who suffer under the dominant culture.

The relationship between libertarianism and feminism has not always been so chilly. 19<sup>th</sup>-century libertarians – a group which includes classical liberals in the tradition of Jean-Baptiste Say and Herbert Spencer, as well as individualist anarchists in the tradition of Josiah Warren – generally belonged to what Chris Sciabarra has characterized as the “radical” or “dialectical” tradition in libertarianism, in which the political institutions and practices that libertarians condemn as oppressive are seen as part of a larger interlocking system of mutually reinforcing political, economic, and cultural structures.

The withering of this attitude among libertarians is most likely a result of the alliance free market thinkers made with conservatives during the Progressive Era, interwar years and the Cold War. This alliance transformed conservatives toward market liberalism and libertarian thought toward more conservative personal values,

points at which even this principle can be titled where a legitimate case for intervention can be made.

As much as humanly possible we aim to stick to our *methodological principle of decentralization and radical federalism and welcome all of those who do as well, even if specific ideology divides us.*

## Don't market anarchists support wage labor, which is completely unanarchistic?

Market anarchists generally reject all forms of paternalism which deny the ability of free people to make reasonable decisions about their own lives. If someone wishes to trade their labor for a price they find acceptable, we wouldn't use force to prevent it.

However, market forces naturally undermine exploitation. Market anarchists tend to see economic domination of working people as the product of statism and not the market. In a free society without Benjamin Tucker's Four Monopolies over land, currency, patents and tariffs, the economic dependency proletarians have upon capitalists is virtually destroyed. Capitalism, in the sense of an unjust status quo characterized by state-driven monopolization of capital, depends upon a captive labor force whose better options are destroyed or precluded by state intervention in the market on behalf of a parasitic elite.

When people can work for themselves or in a horizontally organized workplace, they generally prefer it. Wouldn't all of us prefer colleagues over bosses? In order for a capitalist firm to exist in a free society it would typically need to offer a much better deal to its workers, who would otherwise flock to better opportunities elsewhere — opportunities that are currently strangled in the cradle by the state.

So while market anarchists typically do not have an *a priori* moral opposition to wage labor, we have strong moral objections

## Privatization is for neoliberals, right?

It definitely can be. Privatization has become a shorthand way of describing the process of selling public or state assets to corporate interests for pennies on the dollar.

Legitimate privatization would mean returning control of those assets to those who were forced to pay for it (taxpayers) and/or to those who currently occupy it as workers.

This isn't an area of much dispute amongst the factions of market anarchism, as both the left-libertarians and the anarcho-capitalists like Rothbard support syndicalist privatization for the most state-dependent of industries.

We market anarchists seek mutualization — not privatization; worker and taxpayer control — not corporate sweetheart deals.

market players like Walmart, whom desperately needs the state to externalize the large costs of its goods' transport. For more information, please read Kevin Carson's *The Distorting Effects of Transportation Subsidies*.

Any alternative which involves indirect forced labor is not nor could it ever be anarchistic. There are many other practical arguments as well, and details about the ones mentioned, in Walter Block's paper, *Free Market Transportation: Denationalizing the Roads*.

to the currently existing statist monopoly capitalism which makes wage labor a nearly inescapable trap.

In other words, opposition to the wage system in the sense of an unjust system of oppression doesn't mean that some sort of anarcho-cops have to arrest people that voluntarily agree to work for or hire somebody else. By abolishing the state, we abolish state-driven monopolization of capital so that there would no longer be a "wage system" in which one's only choices are working for somebody else or starving.

## Is market anarchism derived from classical liberalism or socialism?

Both! Often, market anarchists don't find these philosophies, properly contextualized, to generally be at odds.

Classical liberals (a.k.a. market liberals) advocate a free market economy. Socialism seeks a world where the means of production are owned by workers. Many market anarchists believe that freed markets lead to that world. The state-granted monopoly privileges and rents deigned to the purchasers and wielders of political power removed, the amount of economic opportunity available to working class people would outpace the bureaucratic and artificial economies of the existing corporate-dominated marketplace.

We believe that market anarchism should please almost all people influenced by these two complementary traditions.

## But what about the roads?

This is of those “gotcha!” questions that when asked libertarians are supposed to shrivel up and concede the point that in a free society we would all just lay in the mud and cry.

Road provision needs to be addressed from several angles.

The first point that needs to be brought up is that the central planning of transportation or anything else is inefficient due to what F.A. Hayek refers to as ‘*the knowledge problem*.’ The individuals directly responsible and affected by projects should be the ones planning it, not a top-down and distant bureaucratic entity. The costs of acquiring all of the local information necessary to calculate such a complicated endeavor is insurmountable.

People who invest in developing infrastructure should not be allowed to force everyone inside of an arbitrary geographical area (like the United States of America) to subsidize its construction and maintenance either. Why should you have to pay for a road you will never see in St. Augustine, Florida? A port in Galveston, Texas? The people who want such development should bear the full cost of their actions and allow consumers to support or not support their plans at the point of consumption (i.e. voting with one's dollar).

Kevin Carson and Noam Chomsky have both posited the extremely negative dislocating effects of state transportation infrastructure. By socializing the costs of the transportation of goods amongst all people, rather than amongst those who produce and consume the goods, there is far less of an incentive for consumers to consume locally. As a result, this series of policies artificially suppresses local industry and benefits distant producers. This is to some degree responsible for the unnatural centralization of major

## Do market anarchists buy into the “bourgeois nursery tale” of primitive accumulation?

Good market anarchists don't. Here at C4SS we acknowledge that capitalism and modern private property rights are the product of state usurpation of preexisting peasant property rights and continuous state intervention in the economy for the benefit of the elite. This has caused a snowball effect over the centuries which has led to existing property relations, which Kevin Carson refers to as “the subsidy of history.”

The growth of modern urban centers and the Industrial Revolution required very cheap labor to occur. In destroying the peasants' relatively autonomous chosen lifestyles through state action like The Enclosure Acts, they had no choice but to accept dismal and dangerous working conditions in the incredibly filthy emerging metropoli. This is not to say that technological innovation, emerging economies of scale and the lowered transaction costs of urban centers didn't also encourage the move from the countryside to the cities, only that *the transition from feudalism to capitalism was not a purely economic set of phenomena.*

If libertarians leave this historical perspective out of their philosophy, they are missing a key piece of the puzzle as to why our modern world looks the way it does. If this process is integrated into libertarian thinking they'll find that their sympathies often lay far nearer to the Left than they may have initially suspected.

## Since market anarchists support free trade, are they pro-globalization?

That depends on what one means by “globalization.” Free trade solely among and by giant corporations that are themselves the result of massive state intervention in the market is not what market anarchists advocate. Market anarchists don't support additional restrictions on trade, and at least wouldn't oppose genuine liberalization of trade — but, more importantly, market anarchists support removing the massive framework of state subsidies to politically-privileged monopoly capitalist enterprises which forms the whole context “free trade” occurs in right now.

For example, if “globalization” is a euphemism for subsidized American agriculture getting access to developing world markets where they can dump their surplus at a loss and create a dispossessed labor market which will flood urban centers and depress wages, we tend to think anti-globalization people are justified in opposing “globalization.”

## Which theory of value do market anarchists subscribe to?

Some market anarchists endorse the labor or cost theory (LTV) of value while others have come to the conclusion that the subjective theory of value (marginalism) has more descriptive power. The (market anarchist) LTV stipulates that labor or the costs of inputs is the primary determinant of price and that deviations from this “natural price” is the result of state action or scarcity rents occurring due to imperfect competition. Marginalists see price as ultimately reflective of marginal utility, or how much the individual market actor in question values one additional unit of a product at a given time.

The theory of marginal utility, which is based on the subjective theory of value, says that the price at which an object trades in the market is determined neither by how much labor was exerted in its production, as in the labor theory of value, nor on how useful it is on a whole (total utility). Rather, its price is determined by its marginal utility. The marginal utility of a good is derived from its most important use to a person. So, if someone possesses a good, he will use it to satisfy some need or want. Which one? Naturally, the one that takes highest-priority. Eugen von Böhm-Bawerk illustrated [marginal utility] with the example of a farmer having five sacks of grain. With the first, he will make bread to survive. With the second, he will make more bread, in order to be strong enough to work. With the next, he will feed his farm animals. The next is used to make whisky, and the last one he feeds to the pigeons. If one of those bags is stolen, he will not reduce each of those activ-

ities by one-fifth; instead he will stop feeding the pigeons. So the value of the fifth bag of grain is equal to the satisfaction he gets from feeding the pigeons. If he sells that bag and neglects the pigeons, his least productive use of the remaining grain is to make whisky, so the value of a fourth bag of grain is the value of his whisky [sic]. Only if he loses four bags of grain will he start eating less; that is the most productive use of his grain. The last bag of grain is worth his life.

Virtually all economists are marginalists. Our own Kevin Carson doesn't see them as two separate theories however. He has written extensively in the first part of *Studies in Mutualist Political Economy* that the insights of marginalism should be integrated as an additional component of classical political economy (LTV) and not as a standalone doctrine. He claims that the truth is akin to scissors: the top blade is marginal utility, which is the most influential short term factor, and that in the long run competition is always driving price toward cost with the bottom blade, never reaching it though due to the fluid nature of economic equilibrium. Which blade of the scissor is actually doing the cutting is hard to know for certain.

Others have responded at length and in criticism of this alleged synthesis in the *Journal of Libertarian Studies*, such as our adviser Dr. Roderick T. Long and The Mises Institute's Robert Murphy. The Anarchist FAQ also addresses the question at length. We encourage you to read up on the literature impartially before making a decision; suffice it to say though that there are market anarchists who support different theories of value.