

# Black Markets and Green Market Anarchy

H.B. Dillon Williams IV

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Black markets and agorism are an integral part of the way free people are going to save the world from unrelenting economic oppression and environmental damage. What constitutes black market activity? What is agorism and how does it subvert the state? How does agorism promote ecological sustainability? These questions are best answered by looking at the work of monumental left-libertarian theorist Samuel Edward Konkin, III.

Konkin first coined the term agorism in the 70s. It is a philosophy of radical market anarchism which supports direct action and the creation of alternative institutions within black and gray markets as opposed to what Konkin labeled white and red markets.

*Black Markets* are defined as the buying, selling, or exchanging of goods and services deemed illegal by the state. (Buying psychedelic drugs, buying/selling sex services, etc.) *Gray Markets* are defined as the buying, selling, or exchanging of goods and services that are themselves legal and regulated by the state, but which are procured through illegal, non-state-regulated markets. (Buying otherwise legal drugs but without a prescription, hiring labor for cash to build something on your property and ignoring building codes and permits, etc.)

Conversely, *White Markets* are defined as the legal buying, selling, or exchanging of goods and services as deemed so by the state. (Buying a car and paying sales tax on your purchase, buying drugs from a pharmacist who fills a prescription, etc.) *Red Markets* are defined as the buying, selling, or exchanging of goods and services in a legal and state-regulated fashion, but employing violence in the process. (Military interventions, confiscation of property by police, cartelized business transactions, factory farms, etc.)

White and red markets contribute (both directly and indirectly) to violence, while black and gray markets contribute directly to freedom (when carried out through peaceful exchange). Many black market entities do in fact use violence, like cartels and gangs; in these capacities they are operating like a state in a red market. As these gangs rise in opposition to state monopolies, their positions of power are often largely attributable to the state's criminalization of the goods and services they deal in. It is the state's criminalization which allows black market actors to charge a higher price for distribution. Often, especially in the case of cartels, they do not operate within a free market, but in fact in a highly regulated one. They sometimes play a pivotal role in the continued regulation of these markets using violence against would-be competitors.

Distinguishing these four markets was part of Konkin's larger agorist worldview of the classes which made up society: The producers, the parasites, and those who are partly both. He under-

stood that only free, productive people keep the economy running to meet the needs of society, and that it was individuals in government and their powerful allies in big business who steal and oppress. Thus, agorism sits on the radical left, not to be confused with less nuanced interpretations of anarchism like anarcho-capitalism, which typically fail to identify the corrupting influence of the capitalist class.

Because the government maintains a monopoly on law and security, participants in illegal markets have nowhere to turn for redress of wrongs committed against them. The growing need for black market “judicial” remedies will give rise to alternative institutions, with examples ranging from the Mafia to different ethnic and religious community courts.

### **You’re a Criminal and You Don’t Even Know It**

It can be discouraging learning that the best path to freedom is through black market activity. Black markets seem dangerous, reckless, and unnecessary. But many already participate in black and gray markets unknowingly.

Some examples include: Farmers markets and flea markets; Buying things on Craigslist and paying cash; Working for cash and not reporting it to the IRS (“under the table”); Subletting (renting out an extra room in your house or apartment, or renting from someone in such a manner without reporting it); Barbers, stylists, mechanics, tattoo artists, phone unlock and repair, electricians, plumbers, manual laborers, Uber drivers, free agent taxis, street vendors, and babysitters who all frequently work for cash “off the books”; Buying things with Bitcoin; Illegal drug purchases; Returning to one’s country or state from abroad with prohibited goods (“smuggling”); Trading goods and services as favors and not using money at all (“bartering”); Backyard gardening; Keeping livestock without proper zoning and permits.

Getting involved in black and gray markets is economically empowering, and allows greater accessibility to a wider variety of products and services. Prices in black and gray markets are sometimes lower and more negotiable. More competition means more choice. This is not only good for the consumer, but also the producer, who finds himself with a larger clientele. Black and gray markets offer life-saving accessibility to otherwise difficult to procure goods and services, as in the case where a person is able to buy a gun and skirt state-mandated waiting periods and background checks.

Agorism itself may be a relatively new philosophy, but it is a part of a timeless tradition of rebellion that’s been present throughout history, with many fascinating examples.

Taking a page from libertine historian Thaddeus Russell, author of *A Renegade History of The United States*, the Italian Mafia is a main reason why gay clubs were first able to open in many cities, most famously *Stonewall* in New York City. *Stonewall* was also known for its ethnic diversity, attracting Blacks and Latinos as well as Italians when it was purchased in 1966 by Fat Tony, a mafioso working with the Genovese family. The economic incentive to operate these clubs made entrepreneurs in the Gambino and Genovese crime families indifferent to the social stigma involved. And because of this, an ostracized community found a safe space to express their individuality and unique culture.

### **Green Market Anarchy as a Logical End**

Following Konkin’s conclusions about producers and parasites to their logical end, I considered the ecological implications. As Konkin notes, there are entities that are economically self-sustaining and those that are not. One goal of market anarchists is to achieve a society where economically unsustainable entities are being supported only through voluntary and peaceful

means. This obviously excludes states, but not mutual aid networks providing social welfare services.

Basic tenets of capitalism like subsidization of business and enclosure of commons allow parasitic entities to thrive and waste resources. If anarchism leads to a society where production is financially sustained by those responsible for managing resources, this necessarily implies a transition to one where all entities are *environmentally* self-sustaining: Green market anarchy.

It seems both a likely trend of freed markets and a worthy goal of anarchists to achieve a society which restores natural resources to the fullest extent possible. A free society is one where we leave the earth with enough resources for our children to prosper. As anarchists, we should be suspicious of anyone too comfortable with destroying earth's limited resources without restoring them. Why would environmental looters respect our rights if they don't respect their own property? This is another reason we oppose the state — government itself pollutes and it enables private pollution on a grand scale.

Agorism's emphasis on direct action is relevant to environmentalism — rather than wait for political action and waste precious time, we must begin acting now. Austrian economics reminds us that time has value, and if there is one natural resource the state wastes most, it is time. We cannot get it back or restore it; all we can do is attempt to utilize our remaining time in the most efficient manner possible.

#### **Bill Gates's "Carbon tax" vs. The Agorist Solution**

Bill Gates recently weighed in on why he believes alternative energies aren't developing more quickly:

"There's no fortune to be made. Even if you have a new energy source that costs the same as today's and emits no CO<sub>2</sub>, it will be uncertain compared with what's tried-and-true and already operating at unbelievable scale and has gotten through all the regulatory problems. Without a substantial carbon tax, there's no incentive for innovators or plant buyers to switch."

Gates couldn't have sounded more like a capitalist if he tried. He is pointing out the politically-subsidized economies of scale aiding the oil industry and the regulatory hurdles increasing start-up cost which make alternative fuels artificially more expensive, relative to fossil fuels. All of these state interventions in the marketplace are necessary to keep oil the preferred source of energy. Yet, contrary to Gates's statements on alternative energies failing to gain traction, the market has been developing them even with all these obstacles. Interestingly enough, Gates even suggests further taxation as a solution rather than the obvious remedy: Removing oil's subsidies.

Gates believes that the government just needs more money and power. He doesn't seem to be aware that more government power and revenue will only result in more government sales of vital resources to the highest bidder. The solution is never going to lie in Washington, D.C or any other capitol. All around the world entrepreneurs are developing solutions to these problems, where the issue is serious enough to create an economic incentive. The global demand for a free currency created Bitcoin, and the universal need for self-protection led to 3-D weapons printing technology. The growing demand for environmentally sustainable solutions will be met by the market as well, and continued regulation makes it more likely for these solutions to arise in black markets first.

In the war of the people against the empire, the people are winning, as technology, knowledge, and capital are becoming increasingly decentralized. With the economy decentralized, the environment will be more effectively protected. Large-scale damage will be less possible without

capitalist dominance and solutions will develop under freed market conditions. The transition to environmental sustainability will be the logical end of agorist, anarchist means.

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