

# **Contra Reisman**

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## There He Goes Again!

Well, George Reisman (or should I say Herr Doktor Doktor Reisman) is on a roll with what appears to be an anti-Carson theme, so it looks like I'll be getting some more free publicity.

I should mention that after seeing so many of Reisman's almost comically bowdlerized misreadings of my work (and worse, his continuing reassertions of them in the face of my corrections), I begin to wonder whether his obtuseness is just a pose: whether he's not instead following a deliberate strategy of counting on the far greater readership of his venues, and knowingly repeating arguments that have been shown to be erroneous, in the confidence that most of his readers will be familiar only with his own assertions and not my responses. Certainly anyone willing to take the trouble to read both Reisman's review of my book in *JLS* and my own rejoinder to Reisman will have ample reason to doubt either his reading comprehension skills or his sincerity, and never to accept his characterization of anyone else's work without seeing it firsthand for themselves.

I have some hope that this strategy of Reisman's, if it is indeed his strategy, will backfire. The people who accept his grossly distorted version of my positions, as presented in his review article, without bothering to read even my rejoinder, are likely to be firmly in Reisman's camp anyway. On the other hand, anyone who out of curiosity follows up a Reisman's bizarre misreadings with a reading of my rejoinder will never trust him again.

Quasibill's comment on an earlier thread seem to bear this out:

To be honest, it was the utter vapidness of Dr. Reisman's critique of your book that convinced me that there was something to be learned from your arguments.

Not that Reisman makes many good arguments (I think he takes Rothbard's prediction about experts specializing where they are weakest as a challenge to live up to), but his inability to address your arguments on the merits combined with his resort to ad hominem and vitriol were telling indicators of where the truth in the debate lay.

I'm still not a fan of mutualist property and banking theory, but I've learned a lot by reading your critiques of the standard Misesian position.

So despair not, your exchange with Reisman has at least one partial convert to show for it!

Reisman's criticisms do more to promote my ideas among thinking people than anything I could possibly write. So bring it on!

I spent a lot of time in my rejoinder pointing out as many of Reisman's errors and mischaracterizations as my space constraints would permit, and I don't have the time or energy to repeat all of them. All I can say is, if you're interested it's easy to click on the links above and read both Reisman's review and my rejoinder in their entirety and see for yourself. And if you can't be bothered to do that, please don't pretend that you know jack shit about my position on anything.

This time, in any case, Reisman's target is mutualist property theory (his remarks are also crossposted on his personal blog). He's no longer calling me a "Marxist," as he did by my count ten times in his review for *JLS*. So I guess that in itself is a marked improvement in his historical literacy in recent months.

Now he's attacking my positions under the label "mutualism," although he apparently has at best a weak grasp on the existence of individualist anarchism in the nineteenth century, its actual tenets, or the extent to which it has been addressed (often somewhat positively) by Rothbard and many of his followers. After reading Reisman's reference to "what [Carson] calls 'individualist anarchism,'" I can't help but think of a befuddled Montgomery Burns' encountering some (to him) newfangled phenomenon: "I'm beginning to like this so-called 'iced-cream.'" Or: "Ahoy! Ahoy!... I suspect you need more practice working your telephone machine."

But what strikes me most about Reisman's attacks is less their substance than their tone. As I say, he acts as though the history of individualist anarchism is something that just recently dropped into his lap. And in confronting it, he distances himself not only from Rothbard's halfway friendly treatment of it, but from the Rothbardians' entire critique of historical capitalism and from all of their points of agreement with New Left historiography.

What we're left with is pure right-wing Mises, without any admixture of Rothbardian leaven. The degree to which he has become a self-parody of the extreme Austrian right can be illustrated by these quotes from his review article, in which he takes extreme umbrage at any suggestion that workers might possess Hayek's "distributed idiosyncratic knowledge," or be capable of significant innovation in an economy of cooperatively owned enterprises:

Here Carson, the "individualist" anarchist shows himself to be quite the collectivist, attributing to the average person qualities of independent thought and judgment that are found only in exceptional individuals...

Carson is simply unaware that innovation is the product of exceptional, dedicated individuals who must overcome the uncomprehending dullness of most of their fellows, and often their hostility as well.

Egad! Maybe he should write a book of management theory entitled *My Struggle Against Stupidity, Lies, and Ignorance*. Austrian economics, indeed!

Of course, this last bit of frothy-mouthed rug chewing comes less from Austrianism, even its far right fringe, than from the outer fringes of Randoidism. The source of Reisman's antipathy to the Untermenschen outside Galt's Gulch is suggested by the fact that he lists Rand ahead of the Austrians in his intellectual influences. That's not to say that Rand fits in the intellectual box constructed for her by right-wing Randoids like Reisman; some Objectivists like Chris Sciabarra have refined aspects of her thought into indispensable tools of libertarian analysis, and some Austrians like Roderick Long are appreciative of her genuine contributions. In any case, the aspects of Randianism that Reisman stresses don't mesh very well with the mainstream of contemporary Austrian thought, and only imperfectly with the Old Man himself.

Reisman, interestingly, expresses a suspicion of me...

I cannot help but suspect that what Carson is actually opposed to is not at all force, fraud, or actual injustice in the history of mankind but the existence of large inequalities of wealth and income, whatever their basis.

...that mirror-images my own suspicions of him. I cannot help but suspect that what Reisman actually *supports* is not free market principles as such, but "the existence of large inequalities of wealth and income, whatever their basis."

As I wrote in my rejoinder to Reisman's review, I suspect he is forced for tactical reasons to distance himself from the last forty years of Rothbardian critiques of state capitalism. I was struck by the parallel between Friedrich Engels and George Reisman, in the extent to which they found it necessary to retreat strategically from so many of the positions of their own respective sides, in order to maintain some defensible ground. I quote at length:

On the matter of primitive accumulation, there is an amazing parallel between Reisman and that most vulgar of vulgar Marxists, Friedrich Engels. Engels, in *Anti-Dühring*, argued that the process of primitive accumulation would have taken place in exactly the same way without any state expropriation whatsoever, solely through the effects of success and failure in the free market. Essentially, Engels retreated from Marx's entire body of work on primitive accumulation, in which he described the massive expropriation of the peasantry, "written in fire and blood." Engels, in effect, embraced the "bourgeois nursery tale" of primitive accumulation, ridiculed by Marx and Oppenheimer alike, in which the present distribution of property reflects an endless series of victories by the industrious ant over the lazy grasshopper. Marx himself, for that matter, was on the defensive about the logical implications of his history of primitive accumulation. Why? There was an entire school of radical classical liberals and market-oriented Ricardian socialists who argued that state robbery and state-enforced unequal exchange were the causes of economic exploitation. As Maurice Dobb wrote in his introduction to Marx's *Contribution to the Critique of Political Economy*:

*"...the school of writers to whom the name of the Ricardian Socialists has been given ... who can be said to have held a "primitive" theory of exploitation, explained profit on capital as the product of superior bargaining power, lack of competition and "unequal exchanges between Capital and Labour."... This was the kind of explanation that Marx was avoiding rather than seeking. It did not make exploitation consistent with the law of value and with market competition, but explained it by departures from, or imperfections in, the latter. To it there was an easy answer from the liberal economists and free traders: namely, "join with us in demanding really free trade and then there can be no 'unequal exchanges' and exploitation." (Marx 1970, p. 13)"*

And as I commented in my book, this "easy answer" was exactly the approach taken by Thomas Hodgskin and the individualist anarchists of America. The greatest of the latter, Benjamin Tucker, reproached as merely a "consistent Manchester man," wore that label as a badge of honor. Engels was facing something similar, in Eugen Dühring's "force theory" of economic exploitation. He was forced to retreat from Marx's history of primitive accumulation, because he found the implications of that history politically and strategically intolerable. I suspect Reisman is forced to repudiate it for similar reasons.

I suspect, furthermore, that Reisman is forced to repudiate all of Rothbard's insights, especially his points of agreement with the New Left, on the history of state capitalism, for the same tactical reasons. Acknowledging the role of the state in creating the present corporate economy would destroy his romantic Galt's Gulch fantasy of big business as an "oppressed minority." In short, Reisman is forced to destroy much of Austrianism in order to save it.

At times, my suspicions go so far as doubting the genuineness of his ostensible lack of reading comprehension or ability to grasp unfamiliar arguments. Reisman's critiques of my work follow a rather disturbing pattern. He originally makes a criticism of my book that displays a seemingly total lack of reading comprehension or a total unwillingness to respond to what I actually said. But after I rub his nose in his bowdlerized misreading, he continues to talk past me, making the same assertions over and over as if I'd never said a word.

I've seen some past material of Reisman's that displays a considerable capacity for following nuanced thoughts and appreciating fine distinctions (i.e., his contrast of the "esoteric" and "exoteric" doctrines of Bohm-Bawerk), so I have reason to suspect that his pose of intellectual ham-handedness is just that: a pose.

Anyway, now to his substantive points.

First, Reisman quotes from his original review article:

Thus, for example, if I, a legitimate owner of a piece of property, legitimate even by Carson's standards, decide to rent it out to a tenant who agrees to pay the rent, the property, according to Carson, becomes that of the tenant, and my attempt to collect the mutually-agreed-upon rent is regarded as a violent invasion of his [the tenant's] "absolute right of property." In effect, Carson considers as government intervention the government's upholding the rights of a landlord against a thief.

This is question-begging. What constitutes aggression or theft depends on the prior definition of property rights. I have argued that no system of property rights rules, whether Lockean, mutualist, or Georgist, can be logically deduced from the axiom of self-ownership. According to the arguments of "Hogeye" Bill Orton, from which I have borrowed extensively, such property rights rules are conventional. And as I have argued myself in elaborating this principle, the choice between such rival sets of rules can only be made on consequentialist grounds: on the extent to which they tend to promote other values that we consider fundamental. This was the point of contention between Roderick Long and myself in his review article (in which he argued with far more effectiveness and less pissiness than Reisman) and my rejoinder.

Reisman continued, in his review:

He believes he has the right to prohibit me and the tenant from entering into an enforceable contract respecting the payment of rent and that such action is somehow not a violation of our freedom of contract and not government intervention.

The term "enforceable" is the crux of the matter. The enforceability of a contract, in any society, stateless or otherwise, depends on the willingness of third parties to accept its validity. In a local community where the majority consensus is for title based on occupancy and use, any attempt to enforce title based on Lockean principles will ultimately cost more than it's worth. For that reason, the mutual defense associations and free juries in a Tuckerite or Warrenite community would likely have exclusionary clauses for occupants seeking aid against landlords in Lockean communities, and anarcho-capitalist defense agencies would likewise exclude enforcement of landlord claims against occupants in mutualist communities. Both would refuse to defend property owners against rental collection in Georgist communities. And in sparsely settled areas, the default position would likely be some form of de facto occupancy and use, since the costs of excluding squatters from vacant land would likely exceed any return on its value.

Following in the same vein in his blog post, Reisman attempts to portray the Ingalls-Tucker property doctrine in the context of a simple breach of contract:

Here there is a mutually and voluntarily agreed upon rental contract, but after taking possession, the new occupant decides that he is the owner of the land and will not pay any “absentee landlord rent,” which Carson believes it is his absolute right to decide. Has he not obtained another’s legitimate property and is now refusing to pay for it? And, having taken it, and both refusing to pay for it and refusing to give it back, is he thus not stealing that property?

Would he have been able to obtain the use and occupancy of the land if it had been known or suspected that this is how he would behave, once having obtained it? Obviously, he would not have been able to, and the assurance of his not behaving in this way is a written and signed enforceable rental contract.

In a society where property is established by occupancy and use, obviously, it would be a pretty obtuse would-be landlord who did not “know or suspect” that something like this would occur. Reisman considers the hypothetical operation of occupancy and use tenure not in the context of a legal system organized on that principle, but in an atomistic fashion, with individual cases operating in the context of a larger society based on the present rules.

He ignores my repeated stress on the principle that no system of property rights rules can survive without a local consensus on those rules, reflected in some body of law, which the local population is willing to enforce in civil disputes. Owner-occupancy, like Lockean absentee landlordism, would only be viable in a community where a majority of people were agreed on those rules. So any landowner who entered into a rental agreement with a tenant, like an employer entering a contract by which his employee agreed to sell himself into slavery, would do so knowing that the contract would be considered null and void on its face. By the very fundamentals of mutualist property laws, a contract to treat someone else as the real owner of a property which one occupies oneself would be considered repugnant.

I don’t, however, dispute the possibility that a person might make contractual agreement to quit a piece of land on certain terms. I have raised that possibility myself in the case of mortgaging real property to a mutual bank. The question is by what civil remedies the contract would be enforced. A parallel case is that of bankruptcy, as Lysander Spooner considered it. Certain remedies are allowed the creditor (i.e., seizure of existing assets), while others are denied (i.e., debtor’s prison or any claim on the future income of the defaulting debtor). In a libertarian society, bank accounts and moveable assets might be forfeit in the event of a default on an agreement to quit one’s property, and assorted sanctions by third parties (including a refusal to enter into further agreements with the party in default) would be likely; the sanctions and universal shunning of those who defaulted on their “obs” in Eric Frank Russell’s “And Then There Were None” is a pretty good illustration of the principle. In short, the injured party would have access to many remedies short of being treated as actual owner of a property which he did not occupy.

And I have also repeatedly stressed, in quite conciliatory terms, the possibility for peaceful co-existence between such rival systems of property rights rules. In a panarchy or “anarchy without adjectives,” there would have to be some sort of meta-agreement between communities based on different systems of property, in which each one agreed not to attempt to enforce property rights

claims in another community that were at odds with the local rules. David Friedman has envisioned similar meta-agreements on questions other than property, in which (say) a protection agency in the Jerry Garcia People's Collective refused to defend members against prosecution for adultery against members of the Sword of Jehovah Covenant Community.

Reisman also ignores the fact that the boundary between Ingalls-Tucker and Lockean rules is fairly blurry. As I've pointed out before, the thought of Tucker himself underwent some evolution on just how he imagined his usufructory property system operating. At times, he made a simple equation of rent to taxation, and argued that tenants should simply stop paying rent *en masse*. At others, he seemed to view building rent as legitimate, and to believe that free access to vacant land would drive rents down the level of building rent alone, while mutual banking would drive building rent down to simple amortization costs. But in the latter case, arguably most vacant land would likewise be considered unowned under a radical application of Lockean rules.

All of Reisman's arguments on property so far can at least be plausibly written off as legitimate misunderstandings of a topic with which he isn't very familiar. But he proceeds to an argument which puts the needle on my disingenuousness meter off the end of the dial:

Non-use is alleged justification for legitimate property being seized, and, as I've shown, not just land but also homes and apartments, and by implication, automobiles, clothing, and everything else that is not being used by its owner.

Huh?! Surely anyone even vaguely acquainted with the history of political economy should be aware that philosophies that treat property in land as fundamentally different do so for a reason: the almost totally inelastic supply of sites. That state of affairs has led not only mutualists and Georgists to see land as different, but even Locke himself—ever heard of the Lockean Proviso, Herr Doktor? If Reisman wants to reject such arguments for treating property in land differently, that's fine. Rothbard made some pretty good efforts at countering the Georgist argument from scarcity, although I don't think he succeeded. But I have a hard time believing that Reisman is addle-brained enough to sincerely believe that there's a danger of Tuckerites or Georgists applying their scarcity-based theories of property in land to moveable property. Anyone making such an argument in a freshman Great Ideas paper would justifiably earn a big red "F."

Others in the comments thread have raised questions about the difficulty of determining how much of a tract was "used," how much labor must be mixed with a given amount of land to establish ownership, and the potential difficulties encountered by those going on extended vacations or letting land lie fallow in a crop-rotation system. The proper answer, of course, is that such questions would be settled by convention in a local community where the juries setting the rules would be motivated by a desire to minimize inconvenience. And the reliance on convention in working out the practical application of mutualist doctrine is no greater than is the case with Lockean doctrine; one could just as easily question just what constitutes sufficient admixture of labor for Lockean homesteading, or what is necessary to construe abandonment or relinquishment of claim on a piece of property. In fact David Heinrich, the same commenter who raises questions about an extended vacation, discusses constructive abandonment of apartment buildings in terms that considerably undermine Reisman's moral indignation about "squatters" in the main post.



## George Reisman's Double Standard

One man's "neighbors" is another man's "armed gang"—to George Reisman, anyway (he cross-posts it to his personal blog, as well).

To get the superficial stuff out of the way first, I can't help noticing Reisman is putting "iced-cream"—er, "mutualism"—in quotes, as though it were something I just invented. I'd like to take credit for it, I really would, but I don't think I'd get away with it. Reisman ought to do a Google on Proudhon, Warren, Tucker, et al. It's a good thing I'm not a Galambosian, or I'd be paying royalties on the "philosophy of thieves."

Reisman makes enough allusions, however distorted, to arguments I made in my last response, and to arguments I and others made in the comments at his Mises Blog post, to indicate that he at least attempted to follow the debate.

But he seems to have gotten fixated on the idea that the main application of mutualist property theory would be by cuckoos in the Lockean nest, waiting to surprise unsuspecting landlords after they sign a lease. He still doesn't grasp the idea that it's a rival, internally consistent set of private property rules that could only exist in a society where majority consensus backed it up. He assumes most of the present system into existence in his hypothetical scenario, with mutualist property relations being introduced only through individual perversity. He changes one little thing in a system that, in every other particular, is the present one. Ever see that episode of *The Honeymooners* where Ralph imagined how he'd live as a rich man? "And I'd put a telephone on the fire escape, so I could handle my big business deals if I had to sleep out there when it was hot." I suspect Reisman of a similar lack of imagination.

He presents a hypothetical case:

Thus, to elaborate on the case I presented in my last post, "Mutualism: A Philosophy for Thieves," let us imagine that our legitimate land owner—legitimate even by Carson's standards—has spent several years clearing or draining his land, pulling out stumps, removing rocks and boulders, digging a well, building a barn and a house, and putting up fences to keep in his livestock. It is this land that he agrees to rent to a tenant, or, what is not too different, sell on a thirty-year mortgage, which he himself will carry, on the understanding that every year for thirty years he will receive a payment of interest and principal.

The tenant or mortgagee signs a contractual agreement promising to pay rent, or interest and principal, and takes possession of the property. Being a secret mutualist, however, he thereupon proclaims that the property is now his, on the basis of the mutualist doctrine that, in Carson's words, "occupancy and use is the only legitimate standard for establishing ownership of land."

This is a clear theft not only of the land, but also of the product of labor. A worker has toiled for years and is now arbitrarily deprived of the benefit of his labor, and this in the name of the protection of the rights of workers!

Of course, this case is irrelevant. Mutualist property rules could only exist on a stable basis if there were a local consensus on them, embodied in some code of libertarian common law. And under those circumstances, it would be a singularly obtuse would-be landlord who entered into such an agreement knowing the local legal system. It would make about as much sense as

somebody in Canada, around 1850, making a contract in which somebody else sold himself into slavery for \$10,000. He'd be laughed out of court if he attempted to enforce the contract; if he pleaded hardship for losing his money, the likely response would be that life is *necessarily* hard for someone that stupid.

On the other hand, a closeted mutualist tenant who attempted to surprise his landlord in such a manner, in a Lockean-consensus community, would fare about as well as an absentee landlord attempting to collect rent in a Tuckerite-consensus community.

Here's an opposing case for you: Imagine I'm renting a house under a Lockean property system, and get permission to plant a garden on it. I invest a lot of effort in composting and green manuring, and even spend money on granite dust, greensand, rock phosphate and the like to improve the soil. When I get done with it, what was hardpan clay has been transformed into rich, black, friable soil. And when I cease renting, I lose the value of all the improvements I made. That's the sort of thing that happens all the time under Lockeanism. But I suspect that Reisman would say that I made the improvements with my eyes open, and am entitled to no sympathy because I knew what the rules were. I certainly doubt that he's shedding any tears over the invested labor that the South Central Farmers are in danger of losing.

The difference is, when it happens under the system he's defending, it's just life; when it happens under the system he's demonizing, it's an outrage.

Here's another example of the same double-standard:

Mutualists pretend that there will be communities in which such behavior is accepted and routine, and chide opponents for their lack of knowledge of anthropology for not understanding this. They do not care to admit that the only thing which can enforce such a practice is the threat of physical force against those who would put an end to it, i.e., for all practical purposes, the existence of some form of tyrannical state. Yes, mutualists are "anarchists" who turn out to be statist!

And just how could *Lockean* practice persist unless it was enforced by similar threats against those who would put an end to it (what Reisman calls a "state")? To put it in more neutral language, neither the Lockean nor the mutualist property system could function without the willingness of the majority of one's neighbors to recognize one's rights claims under that system and to back them up with what they perceive as defensive force, if necessary. If such a consensus, backed up by the power of the community, is a "state" under mutualism, then it's also a "state" under Lockeanism.

Reisman continues:

It is possible to see why this must be so by starting with a condition in which there is no government. In this state of affairs, our exploited worker-victim easily proves to his neighbors that a "lying, thieving mutualist" has stolen his land and deprived him of the benefit of years of work. If his neighbors have neither been lobotomized nor castrated, they will probably contemplate lynching this "mutualist." In any case, they proceed with our victim to his land and are ready forcibly to evict the "mutualist." What will stop them from doing so and thus putting an end to any practice of Mutualism's depraved concept of "property rights"?

The only thing that will stop them is the threat or actuality of greater force exerted by mutualists, i.e., by a mutualist armed gang. If the mutualist gang has its way, it

constitutes a de facto mutualist state, which must continue in existence indefinitely in order to uphold the mutualist concept of “property rights.”

See, when there’s a consensus on Lockean rules, and neighbors band together to enforce each other’s rights under those rules, it’s a defensive action on behalf of all that’s right and holy. When neighbors band together to enforce a consensus on mutualist rules, on the other hand, it’s a band of thugs.

But *any* system of property rules requires a majority consensus of people willing to enforce each other’s rights under that system, and such a majority will tend to view attempts to enforce any rival system as “aggression.” In the one case, Reisman calls it a “state” or “armed gang.” In the other, he doesn’t. All Reisman proves, in so doing, is that he likes one system and hates the other—something we already knew. Refusing to admit any parallel in the cases just demonstrates a tribalistic emotional attachment to his own set of rules; it certainly does nothing to validate those rules.

Reisman simply starts from the assumption that the system of rules he favors is right and proper, and that other systems of rules are pernicious. He then uses loaded terminology, both god-terms and devil-terms, to describe analogous phenomena in the respective systems. I believe it’s called begging the question.

Perhaps I’m overpsychologizing things, but Reisman seems almost pathologically deficient in the empathy or imagination, or whatever it takes to put oneself in someone else’s place sufficiently to be able to understand, on its own terms, an argument he disagrees with.

But at least he seems to be attempting to engage, however feebly, arguments that have been made in response to his last statement—and not just reasserting his original statements. That’s a definite improvement.

**Addendum.** George Reisman isn’t the only person who has attempted to challenge me with hypothetical scenarios. I’ve been asked more than once, in various discussion threads at Mises Blog and here, how a mutualist property system would handle this or that case. The short answer, in many cases, is “I don’t know.”

Manuel Lora, an anarcho-capitalist, put it quite well in reference to his own system:

I cannot provide an answer for every conceivable question regarding the organization of society. At best, one can offer opinions but not guarantees. And that does not mean that an answer would not exist, it’s just that right now, it’s impossible to know what it is. Furthermore, we could have several answers and even overlapping answers. With government, there is only one way to do things. Freedom is unknown, yet no less valid if we’re today unable to answer questions about a reality that does not exist. [via iceberg]

I can, however, put forth certain principles that would likely govern its practical application. Most importantly, any libertarian common law code based on mutualist property rules would be worked out *in a mutualist community*, the community being one made up overwhelmingly of small property owners who see their own property as the basis of security and independence, and see the distributive ownership of property in general as a bulwark of social stability against polarizing inequality and class conflict. The main evil to be prevented by their law code, accordingly, would be the concentration of large amounts of property in a few hands (particularly

exclusion of homesteaders from large tracts of vacant land, or large-scale ownership of many rental properties by a single landlord).

For situations short of this, such as the one Reisman brings up in his latest post, the practical application of mutualist principle would be worked out by the local community in such a way as to avoid stepping on their own toes; and the majority of people in a community of small property owners would hardly wish to live in fear that their property might be seized by a squatter as soon as they went on vacation or let some of it lie fallow for a year. In other words, their application of mutualist law would be on the principle that the law is made for man, rather than the reverse.

For hard cases like the one Reisman presents, there is a variety of ways a jury of sympathetic neighbors might deal with it in a mutualist legal system, without undermining the central values of mutualist property law. I already discussed one possible way: the community might be willing to enforce a contractual agreement for a post-transfer payment for transfer of possession, by all means *short of* dispossessing the new owner: the remedies of the injured party might extend to seizure of movable assets, shunning or exclusion from mutually organized social services, and the like (for a picture of how this might work, recall the story about the lazy guy who repeatedly skipped out on his “obs” in Russell’s “And Then There Were None,” and wound up starving because nobody would do business with him). This would be no more an impairment of the specifics of such a contract than the absence of debt slavery for bankruptcy is an impairment of debtors’ obligations in our society.

On the other hand, the community might be willing to evict an occupant and restore the land to the original owner in cases where fraud was involved in the transfer of possession, on the grounds that the transaction was rendered null and void. Such fraud would be equivalent to violent dispossession, in which case the community would be justified in the use of force to restore the original owner. (I got this suggestion from Joshua Holmes, aka Wild Pegasus, in the comments to Reisman’s post).

I can also imagine, consistent with mutualist principle, a local jury enforcing a contract to pay amortization costs of labor and improvements in return for a transfer of possession. There’s no reason they could not do this, consistent with mutualist principle, and still refuse to enforce an extended rental agreement.

A mutualist community might do any, or all, or none of these things, or some that I haven’t thought of. I just don’t know.

It’s interesting that critics portray such practical discretion as backtracking or inconsistency, when no system could exist without it. Lockean systems, for example, involve largely conventional provisions for constructive abandonment and salvage, adverse possession, etc., none of which can be derived in all its specifics from the basic principles of Lockean theory. As Sheldon Richman commented, *any* system, for its practical application, requires large elements of seemingly arbitrary convention.

Mutualism, on the other hand, is judged in the worst possible light, on the assumptions that neighbors either would be looking for the first opportunity to screw each other over, or would apply some cartoonish version of pure mutualist principle with no discretion or common sense whatever.

As I pointed out above, in a mutualist community any landowner who sought to negotiate payment for a transfer of possession would do so in the awareness of what the legal code allowed and did not allow. It would be decidedly odd, in such a community of small landowners, if the common law did not make some provision for the transfer of possession and recouping of

improvement outlays (perhaps one of the expedients I listed above, or perhaps some other) other than a thirty year mortgage or an extended rental. I also wonder about the specifics of the hardship case that motivated the owner to dispossess himself of the property he had worked so hard to develop; whatever the specifics, I find it unlikely that a community of congenial neighbors with a vigorous tradition of mutual aid would fail to provide any means of hardship relief short of the alternatives Reisman mentions. Shawn Wilbur, for example, said this in a comment on an earlier post:

It's not hard to imagine a mutualism that includes summer homes and caretaking arrangements. On the other hand, i live in a town where something like half of the real estate is in the hands of a handful of folks, who live off the needs of a much larger group of folks for a place to live. that's a very different situation. The concentration of real property here has consequences that make certain kinds of basic personal security and justice much harder to attain. A mutualist society would undoubtedly attempt to reorganize itself along other lines.

## More Howlers from Reisman

George Reisman was interviewed on his article "Mutualism: A Philosophy for Thieves" on FMNN eRadio with John St. George ("Chemical Ali" Massoud tipped me off to this). The website's blurb about the interview has the campy feel of *Reefer Madness*, or a 1950s FBI propaganda film on "International Communism": "THE MUTUALIST: Ever lurking, ever searching to simply 'squat' and take your land. Is this the next step from Eminent Domain?"

Of course, Reisman gives mutualist property rights theory the same clueless overall treatment as he did in "Mutualism's Support for Exploitation of Labor and State Coercion." His hypothetical scenarios all involve, not mutualism as a coherent set of property rules enforced by majority social consensus in a locality, but as the private philosophy of some individual con artist attempting to scam an unsuspecting landlord in a Lockean society. And the need for mutualist owner-occupiers to appeal to the consensus of their neighbors for enforcement of their property rights is characterized as dependence on a state or "band of thugs" for enforcement—even at the same time Reisman shows Lockean enforcers enforcing their property rights by the very same sort of appeal to their neighbors. I've already dealt with his ham-handed treatment, at length (see the synopsis of links to the debate at the bottom of this post).

But here are some more howlers you might enjoy:

*Q. Does mutualism have its roots in socialism or communism?*

A. I'd say it's about eighty percent Marxism. It accepts Marx's theory of how wages and profits are determined. See, Marx claimed that profit income is stolen from the workers, that property... that workers should have all the income that results. They are the producers, allegedly, and the businessmen aren't.

This is the level of knowledge of nineteenth century political philosophy I'd expect from a B-student in an undergrad Western Civ class. It would be a lot more accurate to say that the entire socialist movement, including Marx, Proudhon, and free market radicals like Hodgskin and the

American individualists, all accepted the radical Ricardian theory of how wages and profits were determined.

The mutualists say you don't need socialism, the problem [of profits] would be addressed if the government... didn't do anything that stood in the way of banks being formed that would create a flood of new and additional money that would drive interest rates down close to zero. The mutualists think that expanding the quantity of money can permanently reduce the rate of interest and then indirectly the rate of profit pretty close to zero, and they think the only reason that this doesn't happen is the government is restricting the ability of the banking system to create money.

OK, breathe deeply now. Take a look at this passage from my rejoinder article, made directly in response to the sort of misreading Reisman makes above:

On money and banking issues, Rothbard made the mistake of interpreting the Greene-Tucker system of mutual banking as an attempt at inflationary expansion of the money supply. Although the Greene-Tucker doctrine is often casually lumped together (in a broader category of "money cranks") with social crediters, bimetallists, etc., it is actually quite different. Greene and Tucker did not propose inflating the money supply, but rather eliminating the monopoly price of credit made possible by the state's entry barriers: licensing of banks, and large capitalization requirements for institutions engaged in providing only secured loans. Most libertarians are familiar with such criticisms of professional licensing as a way of ensuring monopoly income for the providers of medical, legal and other services. Licensing and capitalization requirements, likewise, enable providers of credit to charge a monopoly price for their services.

In fact, Rothbard himself made a similar analysis of the life insurance industry, in which state reserve requirements served as market entry barriers and thus inflated the cost of insurance far above the levels necessary for purely actuarial requirements.

Now, as I see it, there are only three possibilities: 1) Reisman just goes on repeating his assertion without ever having bothered to read my response to it; 2) he read my response but is unable to understand how it contradicts what he wrote; or 3) he's deliberately persisting in a conscious mischaracterization. So he's either lazy, lacking in reading comprehension, or a liar. I'd really prefer to believe #1 or #2 because, despite all my online wrangling with him, he doesn't seem like a bad guy—more clueless than malicious.

But for crying out loud, before you criticize something, make sure you've got a clue about what you're criticizing! I've been criticized by Lockeans who actually *understand* my position (see Roderick Long's review article in *JLS*), and believe me, they're a lot more effective than Reisman. It takes a lot less work for me to make fun of a critic who comes up with howlers like these, than to put the effort into answering effective criticisms by someone who understands what he's criticizing. And some people who never heard of mutualism before they saw Reisman's article have followed the trackbacks to my responses, compared what I actually said to his clownish mischaracterizations of it, and wound up thinking the worse of him. Frequent commenter quasi-bill, who still disagrees with me on the nature of property rights, learned in that very way never

to trust Reisman's account of anything. I'm just afraid people will suspect I'm *paying* Reisman to write this stuff. He's certainly not doing himself any favors.

I feel like I've lifted up a rock and seen what's crawling under it.

My immediate reaction was to say "likewise"; but I thought better of it, because I don't really see Reisman that way. More than anything, I'm a little taken aback by his utter revulsion, his *delenda est*, root-and-branch attitude. It's as though he just suddenly discovered the broad segment of free market libertarian thought in this country that has taken a radical view of land. He's not only writing off me (big deal) and Warren and Tucker; he's writing off Henry George, Bolton Hall, Oppenheimer, Nock, Frank Chodorov, Spencer Heath, etc., etc. It's not just that he disagrees with me on the nature of property rights in land (that's entirely legitimate), it's that he's entirely incapable of seeing the Lockean and other more radical strands of classical liberalism as common members of a larger category. There have been plenty of radical Lockean in the Rothbardian camp (including Rothbard himself) who've seen these "land cranks" as fellow travellers (if misguided ones) in the free market movement, and appreciated their contributions in areas where they agreed. Reisman, on the other hand, really does act like he's turned a rock over. But I don't see how a "professor emeritus" who's a prominent libertarian figure can be so abysmally ignorant about the history of his own movement.

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Kevin Carson  
Contra Reisman  
December 14, 2006

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