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## Libertarian Forum: A Resource for UnCapitalists?

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July 25, 2005

Thanks to Mises.Org, The Libertarian Forum's archives are now mostly online through 1984 (hat tip to Wally Conger). That journal was started by Murray Rothbard and Karl Hess in 1969, at the time of their split with the YAF and attempted alliance with the New Left, and chronicled libertarian movement politics into the 1980s.

Although Rothbard and Hess have some claim to being called *the* anarcho-capitalists, there's a lot in their work that's relevant to anti-capitalists. During the late 1960s, Murray Rothbard attempted a strategic alliance between the "isolationist," small government Old Right and the New Left. That alliance culminated in a walk-out of the radical libertarian/anarchist caucus from the 1969 YAF convention in St. Louis, and a meeting with similar libertarian dissidents from the SDS. The high point (or low, depending on your point of view) of the event was Hess addressing a combined audience of YAF-SDS insurgents in combat fatigues and a Wobbly pin.

Rothbard's attempted coalition with the New Left produced, among other things: his writing for *Ramparts*; his own periodical *Left and Right*; his collaboration with New Leftist Ron Radosh

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Retrieved on 4<sup>th</sup> September 2021 from [mutualist.blogspot.com](http://mutualist.blogspot.com)  
*This post originally appeared July 25, 2005 at Uncapitalist Journal.*

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(now, alas, one of David Horowitz's neocon crumb-bums) in editing *A New History of Leviathan* (a critique of 20<sup>th</sup> century corporate liberalism); and his contributions to the James Weinstein/William Appleman Williams project *Studies on the Left*. Even after Rothbard's break with the New Left, it continued well into the Seventies with Hess' hippy-dippy phase: his book *Community Technology*, his *Neighborhood Government* (coauthored with David Morris), and his "Plowboy Interview" in *Mother Earth News*.

It also resulted in some great writing by Rothbard and Hess in the first couple years of *Libertarian Forum*. For example, these 1969 passages by Karl Hess Hess should give pause to vulgar libertarians who identify "free market" principles with pro-corporate apologetics, as well as those on the left who dismiss all libertarians as "pot-smoking Republicans":

The truth, of course, is that libertarianism wants to advance *principles* of property but that it in no way wishes to *defend*, willy nilly, all property which now is called private.

Much of that property is stolen. Much is of dubious title. All of it is deeply intertwined with an immoral, coercive state system which has condoned, built on, and profited from slavery; has expanded through and exploited a brutal and aggressive imperial and colonial foreign policy, and continues to hold the people in a roughly serf-master relationship to political-economic power concentrations.

Libertarians are concerned, first and foremost, with that most valuable of properties, the life of each individual. That is the property most brutally and constantly abused by state systems whether they are of the right or left. Property rights pertaining to material objects are seen by libextarlans as stemming from

The final goal would be a society in which (in Benjamin Tucker's words) "the natural wage of labor in a free market is its product," and all transactions—whether trade or gift—are voluntary exchanges of labor-product between producers.

and as importantly secondary to the right to own, direct, and enjoy one's own life and those appurtenances thereto which may be acquired *without coercion*...

This is a far cry from sharing common ground with those who want to create a society in which super-capitalists are free to amass vast holdings and who say that that is ultimately the most important purpose of freedom. This is proto-heroic nonsense.

Libertarianism is a people's movement and a liberation movement. It seeks the sort of open, non-coercive society in which the people, the living, free, distinct people may voluntarily associate, dis-associate, and, as they see fit, participate in the decisions affecting their lives. This means a truly free market in everything from ideas to idiosyncrasies. It means people free *collectively* to organize the resources of their immediate community or individualistically to organize them; it means the freedom to have a community-based and supported judiciary where wanted, none where not, or private arbitration services where that is seen as most desirable. The same with police. The same with schools, hospitals, factories, farms, laboratories, parks, and pensions. Liberty means the right to shape your own institutions. It opposes the right of those institutions to shape you simply because of accreted power or gerontological status.

As examples of the concerns of such a "people's libertarianism," Hess proposed a series of questions for the libertarian movement to address, of special interest to the poor and powerless:

Libertarians could and should propose specific revolutionary tactics and goals which would have specific meaning to poor people and to all people; to analyze

in depth and to demonstrate in example the meaning of liberty, revolutionary liberty to them.

I, for one, earnestly beseech such thinking from my comrades.

The proposals should take into account the revolutionary treatment of stolen 'private' and 'public' property in libertarian, radical, and revolutionary terms; the factors which have oppressed people so far, and so forth...

Let me propose just a few examples of the sort of specific, revolutionary and radical questions to which members of our Movement might well address themselves.

–Land ownership and/or usage in a situation of declining state power... And what about (realistically, not romantically) water and air pollution liability and prevention?

–Worker, share-owner, community roles or rights in productive facilities in terms of libertarian analysis and asspecific proposals in a radical and revolutionary context. What, for instance, might or should happen to General Motors in a liberated society?

Of particular interest, to me at any rate, is focusing libertarian analysis and ingenuity on finishing the great unfinished business of the abolition of slavery. Simply setting slaves free, in a world still owned by their masters, obviously was an historic inequity. (Libertarians hold that the South should have been permitted to secede so that the slaves themselves, along with their Northern friends, could have built a revolutionary liberation movement, overthrown the masters, and thus shaped the reparations of revolution.) Thoughts of reparations today are clouded by

- The elimination of all corporate welfare and government subsidies, and the provision of roads and utilities on a cost-basis to those who use them (which would of course mean a radical decentralization of the economy, an end to suburban sprawl, and the growth of small-scale production for local markets).
- The nullification of all property titles based on government grants of large tracts of land, never actually appropriated by the grantee's direct occupancy and use; and the homesteading of all such unowned land on the basis of "the land to the tiller."
- The elimination of all legal barriers to the formation of mutual banks, by which working people can mobilize their own low-interest credit for cooperative enterprises, self-employment, etc.
- The elimination of all patent laws, which enable large corporations to cartelize their industries by controlling modern production technology among themselves.
- The treatment of scarce resources like aquifers, fisheries, mines, and old-growth forests as a socially-owned commons, with access regulated by the local community.
- The replacement of environmental and other regulatory laws with cost-based fees for access to natural resources, and common law tort damages for pollution and other impositions of cost.
- A totally free and unregulated market between the worker-controlled large enterprises, consumer and producer co-ops, social service mutuals, family farms and small businesses, and the self-employed.

has been cartelized and protected from competition, through government regulation.

Rothbard himself suggested as much himself at times: “[O]ur corporate state uses the coercive taxing power either to accumulate corporate capital or to lower corporate costs.”

And certainly some of Rothbard’s heirs have developed a very radical analysis of state capitalism. For example, Walter Grinder and John Hagel proposed a libertarian class theory in which the ruling class clusters around the central banks and the large corporations affiliated with them. And Joseph Stromberg has put a Misesian spin on left-wing theories of monopoly capital and imperialism (in “The Role of State Monopoly Capitalism in the American Empire”).

As Brad Spangler argued, the nominally “private sector” corporate beneficiaries of state capitalism are just as much a part of the statist ruling class as those officially drawing a government salary:

...one robber (the literal apparatus of government) keeps you covered with a pistol while the second (representing State-allied corporations) just holds the bag that you have to drop your wristwatch, wallet and car keys in. To say that your interaction with the bagman was a “voluntary transaction” is an absurdity. Such nonsense should be condemned by all libertarians. Both gunman and bagman together are the true State.

So, it seems to me, we have (in the work of Rothbard and Hess in their leftish phase) the working basis for a revolutionary coalition of free market libertarians and libertarian socialists:

- Syndicalist seizure of large enterprises (the Fortune 500 might be a useful proxy) by radical industrial unions.
- The devolution of government services, as quickly as possible, to local, cooperative ownership.

concern that it would be taken out against innocent persons who in no way could be connected to former oppression. There is an area where that could be avoided: in the use of government-‘owned’ lands and facilities as items of exchange in compensating the descendants of slaves and making it possible for them to participate in the communities of the land, finally, as equals and not wards.

In an article in the same issue (“Confiscation and the Homestead Principle”), Rothbard dealt with Hess’ question of what should happen to GM in a liberated society (that’s not exactly the sort of question you imagine most self-described “libertarians” asking these days, is it?).

Rothbard started out with the question of what should be done with state property. His answer was quite different from that of today’s vulgar libertarians (“Why, sell it to a giant corporation, of course, on terms most advantageous to the corporation!”). According to Rothbard, since state ownership of property is in principle illegitimate, all property currently “owned” by the government is really unowned. And since the rightful owner of any piece of unowned property is, in keeping with radical Lockean principles, the first person to occupy it and mix his or her labor with it, it follows that government property is rightfully the property of whoever is currently occupying and using it. That means, for example, that state universities are the rightful property of either the students or faculties, and should either be turned into student consumer co-ops, or placed under the control of scholars’ guilds.

Combine this principle with some recent work by Carlton Hobbs on the commons as a good libertarian form of property, and by Roderick Long on the legitimate role of public (as opposed to state) property in a free market society, and you get all sorts of interesting ideas on the potential for cooperative ownership of currently state-owned utilities, schools, hospitals, and other services. In prin-

ciple, it sounds an awful lot like Proudhon's project (in *General Idea of the Revolution*) of "devolving the state into the social body." In practice, it might look something like Larry Gambone's proposals for "mutualizing" social services.

If this wasn't provocative enough, Rothbard tentatively applied the same principle to the (theatrical gasp) private sector! First he raised the question of nominally "private" universities that got most of their funding from the state, like Columbia. Surely it was only a "private" college "in the most ironic sense." And therefore, it deserved "a similar fate of virtuous homesteading confiscation."

Once on the slippery slope, Rothbard couldn't stop:

But if Columbia University, what of General Dynamics? What of the myriad of corporations which are integral parts of the military-industrial complex, which not only get over half or sometimes virtually all their revenue from the government but also participate in mass murder? What are their credentials to "private" property? Surely less than zero. As eager lobbyists for these contracts and subsidies, as co-founders of the garrison state, they deserve confiscation and reversion of their property to the genuine private sector as rapidly as possible. To say that their "private" property must be respected is to say that the property stolen by the horsethief and the murderer must be "respected."

But how then do we go about destatizing the entire mass of government property, as well as the "private property" of General Dynamics? All this needs detailed thought and inquiry on the part of libertarians. One method would be to turn over ownership to the homesteading workers in the particular plants; another to turn over pro-rata ownership to the individual taxpayers. But we must face the fact that it might prove the most practical route to first

nationalize the property as a prelude to redistribution. Thus, how could the ownership of General Dynamics be transferred to the deserving taxpayers without first being nationalized enroute? And, further more, even if the government should decide to nationalize General Dynamics—without compensation, of course—per se and not as a prelude to redistribution to the taxpayers, this is not immoral or something to be combatted. For it would only mean that one gang of thieves—the government—would be confiscating property from another previously cooperating gang, the corporation that has lived off the government. I do not often agree with John Kenneth Galbraith, but his recent suggestion to nationalize businesses which get more than 75% of their revenue from government, or from the military, has considerable merit. Certainly it does not mean aggression against private property, and, furthermore, we could expect a considerable diminution of zeal from the military-industrial complex if much of the profits were taken out of war and plunder. And besides, it would make the American military machine less efficient, being governmental, and that is surely all to the good. But why stop at 75%? Fifty per cent seems to be a reasonable cutoff point on whether an organization is largely public or largely private.

By this standard, I would argue, just about any large corporation in an oligopoly market deserves to be seized by its workers. As I argued in Chapter Six of *Studies in Mutualist Political Economy*, virtually the entire large corporate sector of the economy is a branch of the state. It has externalized a large part of its operating costs on the taxpayer, through direct and indirect government subsidy. It