

The Anarchist Library
Anti-Copyright



Reply to Rothbard

Samuel Edward Konkin III

May 1981

Samuel Edward Konkin III
Reply to Rothbard
May 1981

<http://www.anthoniflood.com/konkinreplytorothbard.htm>
Strategy of the New Libertarian Alliance, Number One, May Day
1981, 11-19.

theanarchistlibrary.org

Murray N. Rothbard's vigorous assault is refreshing; I'm not sure even I would have taken my first major theoretical attempt seriously if it had not evoked Dr. Rothbard at his trenchant top-of-form. After all, Rothbard and his neo-Romantic view of Ideas as almost clashing super-heroes and villains inspired and maintained many, if not most, of us libertarian activists, most assuredly myself.

Having been offered a field of honour, Rothbard throws the gauntlet down swiftly: "I believe Konkin's agorism to be a total failure." From then on, it's lunge, parry and slash.

In fine form, Rothbard, alas, is decidedly short of actual weapons. His accusation of a fatal flaw—seemingly *the* fatal flaw—of gorism is so irrelevant to the basis of agorism that it is barely mentioned *en passant* and in a footnote of the *New Libertarian Movement* (footnote * p. 21)

Before I dismiss it as criticism of agorism, let me point out that a real debate is justified here between Rothbard (and many, many others, to be sure) and myself (and quite a few) on the validity of hiring oneself out. The necessity of it is in question (cybernetics and robotics increasingly replace drudgery—up to and including management activity); the *psychology* of it is in question (selling

one's personal activity under another's direction and supervision encourages dependency and authoritarian relationships); and the *profit* in it is open to question (only the rarest skills—acting, art, superscience—command anywhere near the market reward of even low-level entrepreneurship).

Having said that, it remains that this debate is irrelevant in the context of the validity of agorism. Surely, both Rothbard and I would agree on the desirability of increase of entrepreneurs in our society; surely we would both desire more entrepreneurs of libertarianism. Rothbard would simply “let it happen” (*laissez passer*), finding the origins of entrepreneurs mysterious. My own experience is that entrepreneurs are made, not born, and not with that great a difficulty, so that “entrepreneurizing (the production of) entrepreneurs” is a profitable activity.

But *ceteris paribus*, as the Maestro says, and let us hold the number of entrepreneurs constant. How does that affect agorism? It makes it difficult to convert libertarians to counter-economic entrepreneurship, but they still can (and ought) to become counter-economic capitalists and workers—even academics! (George H. Smith has blazed trails in becoming a largely counter-economic philosopher!) But when we're talking about converting maybe two million libertarians (at present) to counter-economics and forty million or so counter-economists (already proven to have a strong entrepreneurial component) to libertarianism, the loss of a few thousand extra entrepreneurs seems less than crucial. Moreover, a degree of overlap exists between libertarians and counter-economists—a high degree in my associations.

Again, in passing only, my own observations are that independent contracting lowers transactions costs—in fact, nearly eliminates them relative to boss/worker relationships running the gamut from casual labor with annoying paperwork and records to full-scale Krupp worker welfarism. But this is an empirical question, one, as Mises would say, not even for economists but economic historians. Why my Austrian credentials should be

per club in Los Angeles and New York? The Society for Individual Liberty, Society for Libertarian Life, the old California Libertarian Alliance and Texas Libertarian Alliance, the British Libertarian Alliance, the Future of Freedom annual conference, the Southern Libertarian Conference. Oh, this is ridiculous. Yes, I stopped beating my wife—even if I’m not married.

The only things I’ve wrecked are the wreckers of our once party-free movement, defence of partyarchy and compromise of libertarianism in general. Is Rothbard claiming that he averted his eyes from those leaving “The Plumb Line” because they might otherwise be doing good work?

In conclusion, Rothbard and I continue to fight for the same things—and against the same things. Hopefully we will continue to fight in our own ways, reaching those the other missed. And most hopefully may we reduce our time and energy spent on fighting each other to free resources against the common enemy. I shall let no outstretched hand be passed up.

If the New Libertarians and the Rothbardian Centrists must devote some time to our differences (“engage in Revolutionary Dialogue”), let it be devoted first to *understanding* each other—as this exchange is devoted to—and then resolving the differences. Ah, then let the State and its power elite quake!

called into question over such an observation is inexplicable—save as an act of verbal intimidation. *En garde*, then.

And wage-labor’s historical benefit may have been as great as the invention of the diaper—but surely toilet-training (in this case, entrepreneurialization) is even a more significant advance?

With the side-excursion over, we turn to Counter-Economics, admittedly the basis of agorism and the New Libertarian Strategy. Rothbard finds NLM neglecting the “white market”—yet there is one crucial point on which it is most definitely not neglected, here or in my other Counter-Economic writing. The agorist imperative is to *transform* the White into Black. Nothing could be clearer. To do so is to create a libertarian society. *What else can a libertarian society mean* in economic terms but removing market activity from the control of the State? Market activity not under control of the State *is* black market. Market activity under the control of the State is white market and we are against it.

To illustrate, slaves building pyramids are white market. Slaves who run away, deal on the side stones and tools they ripped off, and otherwise engage in non-slave activity are black market—and *free* to that extent. What should the libertarian view be toward white-market pyramid building? Or, if you think pyramids would not exist in a free society but aqueducts might, what should our new be toward aqueduct building on the white market vs. black-market water smuggling? New Libertarians urge the slaves to screw the aqueduct and go for their private buckets until such time as aqueducts can be built under voluntary arrangements. Would Rothbard suggest anything else? Gradual phasing out of aqueduct construction and hence gradual phasing out of slavery?

Rothbard’s abolitionist credentials are not challenged, though my own treatment on such matters may impel me otherwise, But a mainly innocent businessman who pays taxes is enslaved to that extent and surely his going black by dodging or defying the taxes (whichever works best) is the *immediate* emancipation of this slave? How can Rothbard reject any counter-economic moves

by a white marketeer that has less than 100% risk of apprehension without yielding his abolitionist *bona fides*?

Rothbard's listing of counter-economic services and goods are interesting in one respect: of "jewels, gold, drugs, candy bars, stockings, etc," only one—drugs—is mentioned in the *Manifesto*. True, *Counter-Economic* is only now being published chapter by chapter, but even so, the few examples I gave were anything but a few service industries or easily concealed goods. Here is a list, sifted from pages 16 and 17, which were mentioned: "food to television repair;" an entire country "Burma is almost a total black market"—this *does* include heavy industry, although Burma has less than the heavy industry of India which is mostly black; the large "black labor" force of Western Europe; housing in the Netherlands; tax evasion in Denmark; currency control evasion in France; "underground economy" tax-free exchanges in the U.S.; "drugs including laetrile and forbidden medical material;" "prostitution, pornography, bootlegging, false identification papers, gambling, and proscribed sexual conduct between consenting adults;" trucking (the *majority*, by the way); smuggling at all levels; and misdirection of government regulators. All of these are not petty but, consciously or otherwise, aggregate big businesses!

Automobiles *are* made counter-economically. Let me count the ways: shipping them across borders and evading taxes or controls—whether physically or on paper; illegal alien labor for assembly-line production; skimming of parts by management, labor, or even with knowledge of the owners, which then go to produce custom cars; auto plant executives hired as "independent consultants"; design, research, engineering, executive and computer "consultants" all paid in partial or full counter-economic terms; union "corruption" to make sweetheart deals to avoid labor (State) regulations; OSHA and other inspectors bought off or misdirected; "unsold" product written off inventory and taxes and then sold; . . . forget it, I cannot possibly count *all* the ways. And next to autos, steel and cement

Pierce and Buchanan, the defenders of vavery: redeem this tainted beginning?

And the British Liberals were condemned by Rothbard for leading Liberty's advocates into defense of Empire and World War. Nor did the moderate minarchists—let alone the many anarchists even then—of the time have any use for Democrats or Liberals. Those minarchist reformers were then in the Free Soil Party in the U.S. and the Philosophic Radical Party in Britain, respectively.

It would be *gauche* of me to remind Dr. Rothbard who invented the Radical Caucus and then discarded it when it served nothing but "objectively counter-revolutionary" ends so I'll pass this section up.

"A militant and abolitionist LP in control of Congress" begs the question—how did it get there? How could it get there? (George Smith's scenario seems far more plausible. In fact, the LP *will* be in power during the final stages of agorist revolution to lure away our marginal allies and ensnare the unwary with "libertarian" newspeak. The LP will be put in power as soon as the Higher Circles need it there. I have no doubt that Dr. Rothbard will be the first to notice and denounce the collaboration.

Can you imagine slaves on a plantation sitting around voting for masters and spending their energy on campaigning and candidates when they could be heading for the "underground railway?" Surely they would choose the counter-economic alternative; surely Dr. Rothbard would urge them to do so and not be seduced into remaining on the plantation until the Abolitionist Slavemasters' Party is elected.

Rothbard's characterizing me as a "wrecker" is truly surprising to me considering all the libertarian organizations and publications I have built up and supported—more than anyone else save Dr. Rothbard himself, from Wisconsin to New York to California, and in nearly every state, province and country on this globe. Am I supposed to list all the libertarian groups which have *not* been subjected to moral attacks by me? How about every libertarian sup-

per se and then continuing the discussion of some legislation, let us see where it leads him. It seems to lead to the wonder of repeal of laws.

Now Rothbard's historical acumen seems to have failed him again. Since when did the State repeal anything from the Corn Laws to suburban property tax *unless it had authority to maintain that law*? First comes counter-economic scofflawing, then mass civil disobedience, then the threat of insurrection, and only *then* repeal. No, I don't agree with LeFevre that it is *immoral* to repeal the draft (assuming LeFevre would say precisely that) but it is immoral to support politicians to oppress us because they might relieve one oppression. For all the money, time and energy that needs to go into electing a politician good on one or a few issues, how many could be directly freed and their risk of apprehension reduced in tax evading, draft evading, regulation evading, and so on? Nor do you need exhort the evaders to contribute to a noble cause but simply offer—and some sell this for exorbitant fees! —instruction on how to do beat detection and watch them go for it. . . . *freeing themselves*, not being freed by someone else.

Votes *are* the “profits” of a political party. A party is an organ of the State whose overt purpose is to vie for control of the State and whose covert one is to co-opt support—sanction of the victim. The number of votes dictates the number of successfully elected officials and their share of power and plunder and the number of those still accepting the State's legitimacy and possible usefulness. Crane and the Clark Campaign were only acting in accordance with their nature *qua* partyarch. As Frank Chodorov might have said, “The way to get rid of sell-outs in LP jobs is to get rid of LP jobs.”

Let's take up those political parties Rothbard finds admirable. It is clear that the Democrats were not so lovable in *Conceived in Liberty* when, as Jefferson Republicans, they fought the Anti-Federalists and co-opted opposition to the Constitution. Did Jackson, the agent of Nullification's defeat; Van Buren, the archetype of boss politics; Polk, the anti-Mexican imperialist; or

have positively *unsavory* reputations—when it comes to “white collar” crime.

But there is a problem of scale here. Large, cartelized industries can buy politicians and gain their advantages from the State *directly*. True, anyone about to be apprehended by the State, can, should, and does payoff, bribe, and apply “grease” to the State's enforcers. But what highly competitive industry with a large number of producers can effectively buy votes and politicians—and hence be tempted into using their political clout offensively? *Big* industry in the cartelized sense is no breeding ground for libertarian support but rather for the State's vested interests. However, there is no need to confuse large scale of production with oligopolist characteristics, as Rothbard seems to be doing here.

Finally, as we close out this area, Rothbard accuses me of ignoring the working class. Considering how often he's had the charge leveled at him, one might expect a bit more perceptivity if not sensitivity. What are plumbers, mechanics, carpenters, welders, drivers, farm workers, pilots, actors, accountants, engineers, technicians, lab assistants, computer programmers and just keypunch operators, nurses, midwives, paramedics and orthomedics (doctors), salesmen, public relations people, bartenders, waitresses, writers, factory workers, lawyers, executives, and all types of repairmen if not workers, covering the entire spectrum of proletarianism?

All of that list are at least 20% counter-economic and many are over 50%. If they do not take the first step by becoming independent contractors toward economic liberty, then their employer does (tax-free tips for waitresses, off-the-book illegal alien factory workers, agents handling it for actors, writers, and so on). I challenge Dr. Rothbard to find *any legitimate economic field* (not serving the State) that cannot be counter-economized, ten that cannot be counter-economized without organizational or technological innovation, or a hundred that cannot be counter-economized with-

out significant gain in organizational efficiency and profit. “Konkinism” has plenty to say to everyone who is not a statist.

Rothbard’s claim that political action is superior and preferable to civil disobedience in the lightening of the levy is an incredible distortion of history coming from the one who converted *me* to revisionism. There has never been a single repeal of taxation or significant cut (save a few minor ones in recent years for purposes of Keynesian tinkering and now Lafferite “less gets more”) that did not result from mass refusal to pay or the threat of such disobedience. Furthermore, political action has resulted in shifts in the tax base and higher total plunder—such as the famously spectacular debacle of Proposition 13 here in California.

Rothbard’s agreement with Pyro Egon is ungraciously spurned by Mr. Egon who informs me that what he sees as my “political-like actiny” (NLA, MLL) will not generate more entrepreneurs but that entrepreneurs are indeed “make-able.” Rothbard, in subsequent correspondence, added that he believes entrepreneurs are born and not made—or at least not make-able.

“Successful entrepreneurs are not going to be agoric theoreticians like Mr. Konkin but successful entrepreneurs period. What do they need with Konkin and his group?” How about, “Successful businessmen are not going to be economic theoreticians like Dr. Rothbard but successful businessmen period. What do they need of Dr. Rothbard ?” Or “successful engineers are not going to be physics theoreticians like Dr. Einstein, . . .” Or, “successful writers are not going to be English instructors like Professor Strunk . . .” Need I belabor the Rothbard fallacy?

Rothbard’s position on libertarians being dichotomized from entrepreneurs is absolutely monstrous to me. “Libertarian” has nothing to do with what one *says* but with what one *does*. Hence a libertarian must be more trustworthy and have a more rational understanding of the market or he/she is *not* a libertarian regardless of what they beguilingly profess. This is the basis for my muckraking

did) and took action to show the existence of diversity and independence. Off-hand, I’d say it worked.

I agree with all of Rothbard’s defense of millionaire libertarians and have a few (*not* multi-millionaires to be sure) in alliance with me. His solution to increase competition in the Movement is and was my solution. I doubt that having Koch compete with himself is a viable answer, though; even Rothbard seems hesitant about suggesting it.

My being “unfair to Charles Koch” requires a bit of semantic care. I have never implied that Charles Koch personally was motivated to do anything. *Anybody*’ who threw millions into the Movement with a bit of judgment in buying up institutions would have produced the same results.

I’ll take Rothbard’s and LeFevre’s—who know him personally—word that Koch is a great guy. May he profit richly and evade the State forever! (But may he never buy another politician.) And may he contribute to his heart’s content to any Libertarian or Libertarian organization (save the LP). Gee, what a great movement when a poor activist like me can be so generous to an oil billionaire!

But I’ll go *further* than Rothbard in my willing recognition of the positive personal characteristics of the Kochtopus. Roy Childs may be cranky and unforgiving at times but he’s a fun, erudite person of superior taste, no more deviationist than Dr. Rothbard. Jeff Riggensbach remains a friend, associate and sometime ally even working full-time for Koch’s *Libertarian Review*. Joan Kennedy Taylor, Victoria Vargas, Milton Mueller—whom did I leave out?—I’ve had nothing but enjoyable contacts with them all. Even Ed Crane (Rothbard’s—ahem—*bête noire*) is a laugh a minute with a ready handshake and a fast quip who serves Liberty as he sees best for him and the Movement.

May none of us ever sink to *ad hominem*.

Finally, the Libertarian Party. Rothbard says he will “assume for the moment that a libertarian political party . . . is *not evil per se*.” I wonder how open he would be to assuming the State is not evil

With that constantly in the reader's awareness (pages 22, 23, and 24 of NLM are a long disclaimer to this very point!), it is obvious that there are no moral (other than individual self-worth) questions involved in organization and hierarchy. (My "lumping them all together" that Rothbard decries might be considered integration of concepts by others.)

Nowhere have I ever opposed joint-stock companies (see page 23 again where they are specifically affirmed). *After* I penned NLM I set up precisely that to own *New Libertarian* magazine. I assume we both continue to oppose the statist perversion of joint-stock companies into limited-liability corporations.

I have never suggested "floating affinity groups." Should Dr. Rothbard set up a general Libertanan Alliance which runs no candidates and engages in no statism, I will take out a hundred-year membership immediately, I urge him to "call me out" on this point.

I see *fewer* problems in organization than Rothbard does and can easily see some organizations not having any.

There is a bit of irony in Rothbard's spirited defense of the "Kochtopus" since his own defection but I'll let that pass. I have to mention his secession from and opposition to it because that, effectively, ends my major objection to it and I find it relatively harmless and conceivably needing my defense in the near future as the chorus of opposition swells. To the extent that my early attacks are responsible for the demonopolization of the Movement I am thankful.

For the record, my aim in as spectacularly drawing attention to the monocentrism around Koch's money as I did was a warning. Too many neo-libertarians think only taking money from the State leads to dependency and control. True, it is not *immoral* in a libertarian sense to become a billionaire's kept writer or lap-activist but it hardly serves the movement's image *or substance* and hence is un-New-Libertarian. I knew the rest of the Left would attack libertarians for being a plutocrat's tool (as *Mother Jones* eventually

for which Dr. Rothbard commends me. And, on the whole, I find the same lack of black-colored glasses in him, I hasten to add.

And what personal experience or academic study leads Rothbard to conclude that pre-libertarian counter-economists do just fine without agorists "to cheer them on and free them from guilt." My personal experience leads me to precisely the opposite conclusion—and I have cancelled cheques of contribution and letters of gratitude to prove it.

Inshort, whatever planet that the good doctor is describing in contradistinction to my counter-economy sure isn't Earth.

Rothbard's statement that violent revolution (what other kind is there against a ruling class—would he like to mention an Establishment that stepped down peacefully?) never succeeded in history distorts either the language or history.

Either he is saying that no revolution has been libertarian enough to triumph without its contradictions bringing it down (true, but then irrelevant to bring it up as precedent) or he is saying that no group overthrew a ruling class using democratic means of oppression. The latter is not only false but a direct reversal of history. Nearly all somewhat successful revolutions in recent history have overthrown precisely democratic trappings: American Revolutionaries *vs.* the democratic British Imperialists; Jacobin Revolutionaries *vs.* the bourgeois *assemblee*; Liberal Revolutionaries against the Czar's *Duma* (March 1917) and the Bolshevik revolution against the Liberals and Social Democrats (November 1917); the *falange* against the Spanish Republic (1936); Peron's shirtless ones against the Argentine parliament; the National Liberation Front of Vietnam *vs.* the South Vietnamese parliament (at least until near the end); the popular overthrow of Allende's democratically-elected regime (with Pinochet co-opting the revolution for the military); and the recent overthrow of the democratically elected but right-wing president of El Salvador by a centrist "popular" junta. This list is not exhaustive. A claim that "violent revolution" has only succeeded in "democratic countries

with free elections” would be nearer the mark, and is often used by Latin American as justification for preventive coups.

All of the above revolutionary groups have their credentials open to libertarian question, to be sure—but who has not so far? To close up this side issue, either Rothbard is saying that all “violent” overthrows of States were not revolution because they were not libertarian (in which case the libertarian case is untried) or he is historically wrong.

Rothbard has *chutzpah*:jah to demand I separate libertarianism from counter-economists because the latter don’t need it—and then turn around and ask why the Russian counter-economists have not condensed into agoras. Human action is *willed* action; without entrepreneurs of libertarianism, it will not be sold. Even so, my estimation of the Soviet scene matches that of several Russian dissidents that Russia is a powderkeg waiting to go up. The Polish situation, of course, fits the agorist paradigm perfectly, right down to the counter-economic workers being co-opted by the partyarch-like Solidarity union.

Rothbard thus fails to make any substantive case against counter-economics and hence agorist strategy. He shoots at peripherals and warps either language or history to make his case. Still, our disagreement *seems to me* largely one of misunderstanding, and misunderstanding of verifiable facts, not speculative theory. This is hardly surprising since—to my knowledge—we share the same premise and analytic methods. Considering that I adopted mine from him, it’s even less surprising.

Rothbard’s critique of New Libertarianism seems to rest on seeing tips of icebergs and dismissing the vast bases. He sees only the one percent of the economy thought of as “black market” and not the 20-40% of the economy the IRS(!) sees as “underground” and double *that* to make up the whole Counter-Economy which the IRS ignores as irrelevant to taxation. It takes a *libertarian*, educated by Rothbard and others, to perceive a common characteristic and sum the anti-statist whole.

And the same can be said of Rothbard’s view of my activities and the hundreds of other New Libertarian Allies around the world. The small but warranted attention we pay to his few deviations seem prominent to him and understandably so. The somewhat larger amount of public criticism we have of the LP and other activities he is most interested in whether in our publications or at public forums are most of what interests him and remains with him. The 10,000 people I conservatively estimate that have called themselves libertarians after primary or secondary contact with me and my hard-core allies he never met and hence they are invisible. The network of counter-economic businesses that we are painstakingly nurturing and the millions of dollars cumulatively exchanged “invisibly” are again understandably invisible to him as well.

I for one see no real barrier to re-convergence (“regroupment” a the Marxists would say) between Rothbard and his “sane, sober, anarchist center” and us “ultra-left deviationists.” Rothbard’s remaining criticism is really not that germane to the *Manifesto* itself, though it makes up the majority of his article. Yet in some ways it is the most telling criticism of me personally in that it vitiates his compliment to my writing ability, when I must have obviously failed to communicate effectively. Most of his criticisms of me are misreadings in the latter part, and I will but list and deny them where urgent. Of course, the Party Question is another problem entirely.

New Libertarianism does have an organizational preference. Other forms of organization might then be considered non-New Libertarian but not necessarily “unlibertarian” or non-agorist. What the New Libertarian Strategy seeks is to optimize action to lead to a New Libertarian society as quickly and cleanly as possible. Activities that lead to authoritarian dependency and passive acceptance of the State are sub-optimal and frowned on; action that is individualistic, entrepreneurial and market-organized are seen as optimal.