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The Last, Whole Introduction to Agorism

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Coming Issues:

Next issue, we are calling for articles on the impact of the late Murray Rothbard (our Founding Advisor) on the Libertarian Movement, stressing his intellectual contributions. Two obvious examples: his original synthesis of Austrian market economics with anarchist politics; his refusal to follow most free-market advocates into mobilization for the Cold War. (For personal tributes and discussion of Post-Rothbard Libertarian activism will find it in *New Libertarian* magazine, PO. Box 1748, Long Beach, CA 90801-1748.)

After setting up a working methodology to get our research going, editor SEK3 exhumes the recently-deceased corpse of Marxism-Leninism and continues his series *Agorism Contra Marxism*. AQ3 has the title, “Now What’s Left?”

- *From Mises to Marx* by David Ramsay Steel reviewed. Why “libertarianism” failed in gravedigging Marxism-Leninism — and Agorism succeeded... And why Chicago School-collaborator “libertarians” frantically denigrate the triumphant Austrian praxeologists.

- ...and reviews and articles not vetted, not to mention those not submitted.

- *Agorist Quarterly* encourages Letters to the Editor.

Agorism, unfortunately, needs an introduction.

Counter-Economics and agorism were originally fighting concepts, forged in what seemed to be the ever-cresting revolution of 1972-73, and which proved to be the last wave instead. Revolutionary rhetoric or not, agorism arose in a time and a context where slogans required extensive published analysis and ongoing dialectic criticism with highly committed competing factions. Thus, when the crucible of “The Sixties”[1] cooled, amongst all the garish Party pennants, Trashing rubbish, and exploded-Ideology ashes lay a hard, bright, and accurate theory and methodology. Probably the first economically-sound basis for a revolutionary platform, agorism’s market melted away before it could even get on the display rack.

Origins of Agorism: Background

The collapse of the Berlin Wall was prefigured twenty years earlier by the collapse of statist economics, particularly Orthodox Marxism and liberal Keynesianism. With our release from those reigning dead economists, alternatives flourished from heretical “anarcho”-capitalism to deviationist Marxism — the more heretical .and deviationist, the better. Thanks to the tireless efforts of Murray Rothbard, paleoconservative (Old Right) class theory and isolationism was grafted onto (or synthesized with) a free-market economics that was so pure it generated the same systemic shock as, say, modern Christianity discovering original, primitive Christianity.

Austrian School economics, particularly Ludwig von Mises’ uncompromising praxeology[2], was, most appealingly, *uncompromising*. Furthermore, it required no patch-up or cover-up failures; in fact, in 1973-74, it successfully predicted the gold boom and the subsequent stagflation which so confounded the Official Court Economists. Mises died at his moment of triumph: Moses, Christ and Marx to the libertarian

movement rising out of the ashes of the New Left and its dialectic opponent, the student Right.

Murray Rothbard was the Gabriel, St. Paul, and Lenin. Rather than watering down praxeology to gain establishment acceptance and Nobel Prizes (as did Wilhelm Röpke and Friedrich Hayek, to name two), Rothbard insisted on radicalizing Austrianism still further.[3]

Mises, though adored by radical rightists from Ayn Rand to Robert Welch, died calling himself a Liberal, though a 19th century Hapsburg Austrian Liberal, to be sure. Rothbard, with his academic historian allies Leonard Liggio and Joseph Peden, insisted that Austrianism went beyond the tepid classical liberalism being revived by the Milton Friedmans; it demanded not merely limited, constitutional, republican government — it required none at all.[4]

How could Röpke counsel Christian Democrat *Kanzler* Konrad Adenauer and Birchers love Mises when Rothbard preached outright anarchy? The answer lay in praxeology's crucial concept of *wertfrei* — value free. As many critics later pointed out — even friendly, libertarian ones — economics assumed some values at various levels, such as to take the most blatant example, the value of economic study itself. Nevertheless, suppressing conscious valuation allowed Mises to make a far more penetrating analysis devastating to all political illusionists of his time — but also allowed his theory to be sold in amputated parcels by selective opportunists and bought by well-meaning but narrow-focused activists.

The true meaning of Misesian “Austrian Economics” continues to be hotly debated in the *Journal of Austrian Economics*, *Critical Review*, and libertarian movement journals, but what concerns us here is what it was perceived as being at the founding of Counter-Economics.

6. *The Market for Liberty* (1970) was reprinted by Fox & Wilkes (of Center for Independent Thought which runs Laissez Faire Books) in 1993.
7. *The Machinery of Freedom* has been both reprinted and revised. Naturally, it is the least hard-core of the three.
8. An “APA,” or amateur press association based on the science-fiction fanzine concept collating several contributors publications without editing, it has survived since 1970 with one of the original overall “editors” still active in it, Erwin “Filthy Pierre” Strauss.
9. The November 1972 issue of *New Libertarian Notes* cover story was a debate between LP Founder David Nolan and anti-party “radical caucus” [always lower cased] founder Samuel Edward Konkin III. By 1974, several State party newsletters contained debate and discussion on the party's consistency with principle. Those editors who did not defect to the New Libertarian Alliance were all purged.
10. “Agent for Anarchy” (1971) the first Rann Gold story, preceded agorism, but the sequels, “The Statesman” (1973) and “Dragon's Bane” (1975), were progressively more influenced by it, and the background history was not set until the third. All were published in *New Libertarian Notes* and its successor, *New Libertarian Weekly*. Since those early attempts to fill the demand for hard-core libertarian science-fiction, the Market took an invisible hand, and Neil Schulman, Victor Koman, L. Neil Smith, Brad Linaweaver and many others actually found aboveground publishers to pay them for the stuff.
11. Some excellent studies were done by Dmitri Simes and his son.

methodologies? (In case there was the least doubt, AI encourages one, two, many agorist foundations.)

And what about that new Power Mac equipment to hook up to the Video Toaster? Is traditional publishing enough or should it be supplemented — or supplanted — by full-scale video production passed along by Videotape — or hurtled through the Internet like “Breaker, breaker” trucks on the information superhighway? Should AQ continue to appear on paper, or in .PDF on-line files as *New Libertarian* magazine is now doing?

Now it is “Rightist” Militia instead of New Left cadre blowing up federal buildings and protesting massacres of peaceful women and children, but fighting for freedom against the American Empire is turning serious again. In an important way, our Nineties are like the Sixties: we don’t know where we’re going to end up, but we know we’re on our way. Or, in 90s’ parlance, as our children’s spokesperson would say, when asked about “the future,” agorists answer, “The Future? We’re *there*.”

Notes

- 1...by which *I* mean November 1963 to August 1974.
2. See, especially. *Human Action* in any of its numerous editions.
3. *Power and Market*, his “completion” of *Man, Economy and State* (which itself was a rewrite of *Human Action*) had just come out.
4. Thus, as I reflected back to Murray around 1971, “You mean, we’re not classical Liberals, we’re classical Radicals!”
5. Their work is long out of print.

Origin of Agorism: Counter-Economics

Austrian economics answered questions:

- Why do we value and how?

☒ It is inherent in everyone and it is subjective.

- Why do we give up anything at all ever?

☒ Because we subjectively value A more than B while some Other values B more than A. We do not relinquish; we acquire a greater value.

- But why would anyone give up something that is *universally* (or as close as possible) subjectively valued for something of less value?

☒ Because that one-thousandth unit of the seemingly more valuable is less subjectively valuable than the first unit of the seemingly lesser. Who would consider it folly to trade one’s hundredth loaf of bread for a first diamond? Utility is marginal.

- Why do we have money?

☒ Facilitate trade, keep quantitative accounts, make change and store value.

- From where does money come?

☒ It arises from commodities exchanged more and more as a middle or medium of exchange.

- Can government improve on money?

☒ No, it is strictly a market function.

• *What is the result of government intervention anywhere in the market?*

☒ Government is force, however legitimized and accepted; all force prevents subjective value satisfaction, that is, whatever human actors voluntarily give up and accept is by their personal subjective (and unknowable to others) understanding, the best informed outcome to them. Any violence that deters their exchange is counter-productive to all the exchanges and to those whose exchanges depend on theirs — that is, violent intervention is a *universal disutility* in the market.

Mises thus concludes that all coercion — and that includes government action — is not just anti-market but *inhumane*. Not bad for value-free assumptions! Röpke (author of *Humane Economy*), Hayek, and even Mises felt that once private force or that of another state entered the marketplace, government counter-force was justified for rectification. Furthermore, none could conceive of any other way to deal with human protection.

Enter Murray Rothbard...and Robert LeFevre.

Origins of Agorism: Anti-Politics

Between 1964 and 1974, the entire political spectrum save for a sliver of “liberal” machines in the Democratic and Republican parties were intensely alienated from politics. The moderate Left had their hopes dashed by Kennedy’s assassination and looked further Left; the moderate Right pinned their hopes on Goldwater and were driven out of politics by the establishment-medium distortions and misrepresentations of his — their — positions. Some turned on, tuned in, and dropped out.

The rest of us pursued what Europeans call so diplomatically extra-parliamentary politics. Rothbard and his “East Coast” libertarians pursued an alliance of alienated “Old Right” and “New Left” for a classical revolution. Robert LeFevre and his “West Coast” libertarians pursued a civil-disobedience stance: non-participation in state-sanctioned politics, particularly elections and office-holding, coupled with education and activism to expand refusal until the State could no longer function. By 1969, the Weatherman tactic of exacerbating State violence with its own to accelerate revolution drove Rothbard to give up his Ultra Left-Right coalition dream, and support peace candidates. LeFevre remained anti-collaborationist until his death in 1986, but civil disobedience and pacifism went out of fashion in the mid-1970s.

over Abimael Guzman’s *Sendero Luminoso*, especially after betrayal by de Soto’s alleged political (partyarch) disciples, Mario Vargas Llosa and then Alberto Fujimori? Recently, the former *Comandante Cero* of the *Tercerista* (uncompromising) faction of the Sandanistas, Eden Pastora, chose the agorist Karl Hess Club to announce his candidacy for President of Nicaragua.

And what about the United States? How does all the above affect America’s counter-economic foreign interface [academic for “the smuggling industry”]? What effect will Clinton’s State medicine do to the health-providing service? Will all medical treatment end up like 1950s abortion, and will people grab free needles at the AIDS-prevention center to give to their black doctors for unauthorized immunization of their children who cannot wait their “turn” (due after their scheduled death, as in Canada and England)?

Every issue in today’s press from Bosnia to Oklahoma City has an overlooked Counter-Economic component that AI can explore, compile and publish. Other areas can be excavated from the underground that will *become* issues once exposed and explained, and then there is the new battleground for agorists and statist: cyberspace, where cypherpunk agorist road warriors have an early lead over the Gore statist superhighwaymen.

But, finally and overall, the issue needing the most immediate attention is that of agorism itself. To the extent that it is “agorology” and not just ideology, what is and should be its methodology? We most urgently invite our newly awakened and empowered students of agorism and multi-disciplinarians of counter-economics to contribute their first — and second — thoughts on the subject. Are some methods out of bounds in agorism that are academically acceptable, for example? Or are some methods acceptable in counter-economic study that are unacceptable to academic researchers? Can we be *wertfrei* when we are obviously attracted to the Black as Departments of Marxist Studies are to the Red? Should there be *competing*

full agorism — swept the globe and tossed socialism into the dustbin of history.

The Future of Agorism

Unlike in the Counter-Economy itself, agorists had a problem with market feedback operating aboveground, especially in the almost-market-devoid realm of tax-deductible, educational foundations — a fund-devouring unreality forbidding enough to consume a fat chunk of the Koch family fortune and spit out Charles and David. Although receiving some financial support from mid-range successful entrepreneurs, AI attempted to do it all: research support, classes, seminars, academic conferences and publication of journals and newsletters (internal and external). (All the staff had additional jobs or businesses to support themselves.)

Hence, the 1995 revival also marks the AI's tenth anniversary and the long-awaited and delayed publication of this quarterly. Once again, we embark on studying the vast iceberg below the tip — the Counter-Economy — and report our findings. To avoid our previous pitfalls, AI is focusing on three self-supporting (in short order) publications: *AQ*, the already-appearing but infrequent *New Isolationist*, and new moment-by-moment newsletter of the primary concern, *Counter-Economics*. The test or preview issue, #0, follows this journal.

The world has changed in a second decade — but, strangely enough, the Russian *nalevo* market is *still* there to study after the Second Revolution — only this time, we will not be able to rely on CIA-sponsored published accounts[11]. How will the European Counter-Economy, particularly the Black Labor market, fare with the dropping of borders? What about Canada's and Mexico's "informal" economies with the passage of NAFTA? Is Hernando de Soto's *El Otro Sendero* going to win

Origins of Agorism: Counter-Economics

Thus, when agorism appeared, there were several questions to be dealt with beyond the answers of then-current Austrian Economics and libertarian politics:

- Can the State be *praxeologically* dispensed with?

- ☒ Answering that affirmatively, as both Rothbard and LeFevre and several others did...

- How?

Richard and Ernestine Perkins,[5] Morris and Linda Tannehill[6], and David Friedman[7] and the many contributors to *The Libertarian Connection*[8] gave early answers as to how the market could provide protection agencies which would be competitive — eliminating the problem of the inherent coercion of the State. Unable to regulate or tax, able to act only when paid for and asked to protect or reclaim property, the agency solved the problem of intervention against subjective-valuing human actors. Arbitration would replace magistration for justice — or at least settling rival claims.

But none of them describe the *path* of getting from here (statism) to there (stateless marketplace or agora). Assuming market entrepreneurs would find a way, the strategy for achieving liberty was left as an exercise for the readers.

In the same 1972 US Presidential election where the power élite did to George McGovern[7] and the non-revolutionary anti-war left what they had done to Barry Goldwater, a new party emerged. Although the Libertarian Party received a minuscule percentage of the vote and was ignored by everyone from Rothbard to LeFevre, a rebel elector in Virginia bolted Nixon's overwhelming majority to put John Hospers and the LP on the political map. It turned out to be the high point of the LP's success, but with the Fran Youngstein for Mayor Campaign in 1973, conservative and radical libertarians mingled and then repolarized. The crucial debate of 1974 was no longer anarchy vs minarchy, but partyarchy vs agorism.[9]

The anti-party majority argued that working within the political system had failed for two centuries. The new “party anarchists” or *partyarchs* argued that nothing else had worked (everything else presumably had been tried in the Sixties). At least they had a strategy. Furthermore, it could be perceived to work in stages and even increments as a law was repealed here or a tax there. Of course, in the twenty years of the LP’s existence, no “retreat of statism” has been noticeable.

The anti-party libertarians were forced to choose between yet another paradigm shift to respond (remember, most had been radicalized from conservatism to near Weathermen) or give up. Those who remained in the fight with their new analysis and corresponding strategy took the name of the market to oppose themselves to political parties and statism — *agora*. The new paradigm of the agorist was called (in tribute to the then-fading Counter-Culture) Counter-Economics.

Counter-Economics is the study and practice of the human action in the Counter-Economy. The Counter-Economy is all human action not sanctioned by the State.

Just as Quantum Mechanics arose by theoretical chemists and physicists refusing to ignore the paradigm-breaking experiments, and Relativity arose from Einstein’s acceptance of the Michelson-Morley results, Counter-Economics arose as a theory by taking into account what all standard economics either ignored or downplayed. Just as light tunneled out of Hawking’s black holes, human action tunneled under the control of the state. And this underground economy, black market, *nalevo* Russia turned out to be far, far too vast to ignore as a minor correction.

In the earliest agorist-influenced science-fiction in 1975, the story[10] predicted the USSR would fall to counter-economic forces by 1990 and soon thereafter turn into such a free-market paradise that it would be invaded by the statist world lead by the imperialist US. (as this article is being written, the last of that prophecy comes to pass).

The Counter-Economic alternative gave the agorists a devastating weapon. Rather than slowly amass votes until some critical mass would allow state retreat (if the new statist did not change sides to protect their new vested interests), one could commit civil disobedience profitably, dodging taxes and regulations, having lower costs and (potentially) greater efficiency than one’s statist competitors — if any. For many goods and services could only arise or be provided counter-economically.

In 1975, the New Libertarian Alliance left their campuses and aboveground “white market” jobs and went full-time counter-economic for a decade to prove the strategy’s viability. In 1980, the long-delayed *New Libertarian Manifesto* was issued to those into party politics or other forms of hopelessness.

Agorism Today

Surprisingly little systematic research had been done in counter-economics since the agorist discovery a decade after the immersion of the agorist cadre. They surfaced to find a changed political landscape. It had been expected that their more-timid allies would stay aboveground to conduct officially-sanctioned research, but that failed to happen for now-obvious institutional reasons. Hence, determined to report their findings, take advantage of freedom of the press and academic freedom to do so, and, incidentally, raise families, the publishing cadre formed The Agorist Institute in the libertarian-rich American Southwest at the end (symbolically) of 1984. The rest of the history of agorism is the history of The Agorist Institute’s trials and tribulations (which will presumably be published someday). AI flourished at the end of the 1980s, hitting its nadir as counter-economics — if not