Murray Rothbard, Anarchist

Abstract: This essay is in honor of Murray N. Rothbard. He made many important, nay, exquisite contributions to belles letters, not limited to economics, history, philosophy, sociology; even to movie reviews of all things. The present essay is an attempt to honor him by making the case for free market anarchism, the thesis that ran through most of his intellect output.

Keywords: anarchism, government, anarcho-capitalism, libertarianism

I. Introduction

When the non-cognoscenti think of this political philosophy, their minds immediately focus on bomb-throwing and chaos.

As to the former, it is statism, not anarchism, that is responsible for mass murder. The best estimates are that governments, not anarchists, are responsible for some 200 million unjustified deaths, e.g., murders, in the last century,
and this ignores those killed in the numerous wars these organizations are continually fighting with one another.¹

As to the latter, there is that famous calumny-joke “anarchists unite.” But it is no logical contradiction for the anti-statists to do precisely that. Etymologically, the prefix “an” in anarchy simply means “against.” So, what is it that anarchists oppose? Why “archy” of course. And what is that meaning of that suffix? It is: unjustified rule. So anarchists are not against rules, per se, only unjustified ones. This, in turn, leads to the question of which rules are justified, which ones not? From the libertarian point of view which animates Rothbard’s thought,² there are two foundational building blocks of this philosophy which answer that question. The first is the non-aggression principle (NAP): it is illicit for anyone to initiate, or threaten, violence against all innocent people and their possessions. And what, in turn, determines legitimacy?


Private property rights based on initial homesteading of virgin land, and any and all subsequent voluntary alterations, e.g., legitimate title transfers, such as sale, gift, gambling.

In section II of this paper we discuss several considerations in defense of laissez faire anarchism. They are as follows: 1. Taxation; 2. World government; 3. Secession; 4. Economic efficiency; 5. Initiation of this institution; 6. Why there are so few capitalist anarchists?; 7. A statist contradiction; 8. How anarchy would work; 9. The Somalia objection; 10. Why do most economists reject anarcho-capitalism? 11. Nozick’s critique. We conclude in section II.

1. Taxation

Exhibit “A” in the case against statism is taxation. No truer words were ever uttered than that “taxation is theft.” But is not taxation voluntary, at least in civilized countries such as the United States and in the first world, which includes Europe and Japan? No, it is not. Those who think it is are invited to decline to make these payments, and observe what happens to them. Oh, it cannot be denied that the first reaction of the all-loving state will not be violence. Instead, a relatively polite letter will first be received by the non-payer, mentioning that the tax system is voluntary, and depends upon the good will of the taxpayers. A follow up missive might even mention all the good things the bureaucrats will do with the funds they receive. But, eventually, a man in a blue uniform, a gun and a badge will show up at the door of the “tax cheat,” and politely ask him to accompany him to jail, after a government court has decided that, yes, these funds are owed. If this “invitation” is accepted, kidnapping, a prison sentence, will ensue. If not, an even more harsh reaction will occur.

But do we not owe government tax money based on the expenditures they make in our behalves? No; even assuming their spending benefits us, that does not justify coercive payments to them. If we join a golf or tennis club, we will have to pay dues. Are not taxes the equivalent of club dues? No, they are

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not. In the latter case we signed a contract obligating ourselves to make such payments; but there is simply no signed contract with the state.⁴

What about the objection that by living in a country, we have implicitly “contracted” to pay it “dues?” This is sometimes articulated in the form of: “If you don’t like it here, don’t want to pay taxes, then leave.” But that objection is problematic in that there were people living in the territory claimed by the government before its inception. For example, the U.S. began in 1776, but there were many individuals who homesteaded land before that, and were thus the proper owners of it. Why should they or their heirs be forced to depart? Yes, a majority of the people living there at that time might have supported this establishment, but why should people who did not agree to be bound by such a vote be compelled to obey its strictures?

This ploy is also circular. It assumes the truth of the very point at issue. The contention of the statists is that the government in effect owns the right to control all the people in its domain, and all their property. The anarchists deny this claim. The “leave” ploy assumes, with no evidence, no argument, no nothing, that the government’s argument is correct.

No, taxation is a blatant violation of the NAP, and if these were the only flaw in the case for statism, that would be sufficient to deduce anarchism, at least for the fully consistent libertarian. But there is more, much more.

2. World government

Here is a reductio ad absurdum in the case for the state. The argument goes as follows. Jones and Smith get into an argument with each other about who owns a particular property. They cannot settle it between themselves. Therefore, a government is needed to reach a proper determination of the rights of the case. But, if this is true, Argentina and Albania, or Brazil and Burundi, or Canada and Cameroon⁵ might also find themselves in a serious altercation.

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⁴ According to Schumpeter: “The theory which construes taxes on the analogy of club dues or of the purchase of the services of, say, a doctor only proves how far removed this part of the social science is from scientific habits of mind.” Joseph A. Schumpeter, *Capitalism, Socialism and Democracy* (New York: Harper, 1942), 198.

⁵ Notice the lovely alliteration? We can continue: Denmark and Djibouti, Egypt and Ecuador, France and Finland, Greece and Ghana, Haiti and Hungary.
What is true for Smith and Jones applies, also, to any other set of potential combatants. If a national government is required to deal properly with any two individuals, why, then, nothing less than a world government will suffice for any two nations. It cannot be denied that here is a logical equivalence: the local government is to its inhabitants as would be the world government to all the nations on the planet.

But there are numerous and serious problems with such an entity. One point is utilitarian. China and India, between them, would compromise, almost, a majority of the votes of the entire world, were this institution run on a democratic basis. Another is the plight of the Jews and other out of favor groups. The history of this people consists of running from one country to another, always seeking a modicum of safety. With almost 200 different nations, before the establishment of Israel, if one jurisdiction prohibited their entry, perhaps another would welcome them. With world government, there would be no other place for such a minority to escape to, when out of favor. The point is, with this institution, we would be putting all of our eggs in one basket; if its leaders turned dictatorial, there would be no other option.

There is nothing wrong with democracy per se, as long as the voters agree to be bound by the vote in advance. For example, the chess club holds an election concerning the date of the regular meetings: Tuesday or Wednesday. No one who takes part in this election is forced to comply. Or, the shareholders hold a ballot on some commercial undertaking. Those dissatisfied with the result can sell their shares. In any case, assuming no fraud, they went into this investment with their eyes open: they knew beforehand that choices were made in this manner. In sharp contrast, under political democracy, people are forced to join and abide by the viewpoint of the majority. This is a very different kettle of fish.

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3. Secession

We have already mentioned the NAP and private property rights as the foundational principles of libertarianism. A third one might well be free association (FA). No one should be forced to associate with anyone else against his will. The problem with slavery and rape, the only difficulty with these two horrendous and despicable acts, is that they violate FA. With FA, slavery turns into a voluntary sado-masochistic relationship. With FA, rape becomes voluntary sexual intercourse. The point is, if you are compelled to associate with someone, against your will, you are the victim of a crime.

Therefore, if you find yourself in an association you wish to sever, unless you are contractually obligated via your own previous volition to do so, you may end the relationship, or not begin one such in the first place. Thus, if Louisiana wishes to secede from the union, they may do so. If New Orleans desires to separate itself from the Pelican State, they also have that right. And, if the Garden District no longer wishes to be part of the Crescent City, the same consideration applies. Where does this process end? It concludes at the individual level. For if Joe Blow an inhabitant of this neighborhood no longer wishes to march in tandem with those living nearby him, to compel him to do so is to commit a crime against him.

But secession down to the individual person is equivalent to anarchism. Another way to put this is to say that, paradoxically, the anarchist goal is a sovereign nation for each and every one of us. The ideal, here, is some seven and a half billion different countries, none of them beholden to any other such entity. In that way, and only in that way, would the right of FA be upheld.

To deny this, then, to insist that, yes, upon occasion secession of a state or a city from a country is justified, but no further, certainly this should not apply to individual persons, is to engage in an egregious rights violation.7

7 There are implications of FA for more than anarchism. For example, all non-discrimination laws would be deemed invalid under libertarianism, whether on the basis of race, or sex, or religion, or any other criterion. For, these laws coerce some people to deal with others who they would prefer to avoid. It would take us too far afield from our present purposes to defend this claim, however. For the case against all such discrimination legislation, including so-called “affirmative action,” see Walter E. Block, “Economic Intervention, Discrimination and Unforeseen Consequences”, in: Discrimination, Affirmative Action and Equal Opportunity,
WALTER E. BLOCK

4. Economic efficiency

It is an axiom of economics that competition brings about a better product, more of it, and, at a cheaper price. It would be the rare person who would deny such a basic premise of economics 101. I do not say the more competitors the better, necessarily, because there are economies of scale. But, no one should be prevented from entering the fray. Restrictions on entry are uneconomic, apart from violating rights.

But this applies, as well, to the services we usually associate with government: courts supply justice, police and armies protect us from marauders, we need roads and highways, water and sewer services, etc. However, governments insist upon a monopoly in the provision of these benefits. Government sees itself as the only provider of these services within a given geographical area. Indeed, that is virtually the only definition of this institution.8 Thus, this consideration too leads us in the direction of anarchy, where there are no restrictions on entry.


8 Governments can “contract out” some of these services, but it retains overall monopoly control with regard to them.
5. Initiation of this institution

Let us start de novo. We are now in a situation in which there is no government. We are all anarchists now. But someone gets up on his hind legs and says to his fellows: “Hey, let’s start up a government. We can pool some of our resources, democratically elect a president, prime minister, a parliament, a congress, whatever. They will do what governments usually do.” Would this start-up be compatible with libertarian law?

Not at all. First, let us consider the most likely positive scenario: a majority of the people in the area agree; posit that 85% support this initiative, 10% vote against, and 5% decline to register their views, one way or the other. There are no secret ballots. Everything is above-board. What to do with the recalcitrant 15%? It would be intellectually difficult to tell them to leave if they do not support this new state, since that would constitute a clear rights violation if ever there was one.

It is extremely unlikely there would be unanimous consent. But, just suppose that is the result. Do we now support the government philosophy? Not at all. For, if everyone, without exception, gave his imprimatur to this new entity, it would not be a government at all; rather, it would be a contractual arrangement on the part of numerous people. That is, the very essence of government is coercion. If there is no intimidation, none at all, then, the institution in question is part of the market, not an aspect of the state apparatus.

The government has no right to do to a person what no individual may do to any other individual. By simply declaring themselves a state, the individuals connected to it do not suddenly gain rights they did not have before this declaration. If it is claimed that they do, from whence do these additional rights spring? Out of the very thin air is the only proper response. Namely, there is no justification for this at all. Might simply does not make right. And, this is all that the government can call upon: might. There is indeed such a thing as the tyranny of majority. This is yet another unjustified crutch the government can call upon to buttress its claim, but this is as invalid as any other defense available to it.

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Hoppe brilliantly demonstrates why it would be difficult, nay, impossible, to get such an institution off the ground, by voluntary means:

Let me begin with the definition of a state. What must an agent be able to do to qualify as a state? This agent must be able to insist that all conflicts among the inhabitants of a given territory be brought to him for ultimate decision-making or be subject to his final review. In particular, this agent must be able to insist that all conflicts involving himself be adjudicated by him or his agent. And implied in the power to exclude all others from acting as ultimate judge, as the second defining characteristic of a state, is the agent's power to tax: to unilaterally determine the price that justice seekers must pay for his services. Based on this definition of a state, it is easy to understand why a desire to control a state might exist. For whoever is a monopolist of final arbitration within a given territory can make laws. And he who can legislate can also tax. Surely, this is an enviable position. More difficult to understand is how anyone can get away with controlling a state. Why would others put up with such an institution?10

An argument against private courts is that people cannot be trusted to be judges in their own case. But, surely, this applies, also, to the statist apparatus. When a plaintiff sues the government, he does so, perforce, in a government court.

6. Why there are so few capitalist anarchists?

Let us start our answer to this question by asking a broader one; why are there so few libertarians? And, before we get to that issue, we must note that most supporters of this latter philosophy are not anarchists. The overwhelming majority are limited government or minimal government libertarians, that is, minarchists. Ayn Rand, for example, favors a very small state, one limited to armies, courts and police. Why are there so few such people? Why did Ron Paul, perhaps the most high profile libertarian now active, fare so poorly in electoral politics?

My answer is that this is a result of biology. We are hard-wired not to favor laissez faire and free enterprise. Instead, we are, most of us, inclined toward explicit benevolence, rather than the implicit variety thereof created by free markets.

How, then, have most libertarians arrived at this perspective, if they are disposed through biology in the opposite direction. They are biological mutants. No, most were not born that way; but they had the hard wiring to at least be open to the case for economic freedom. And, since anarcho-capitalists are


See below.

11 See below.

but a small proportion of the tiny group who are libertarians, they are, to coin a phrase, “mutants squared.”

But this is not true of all those who characterize themselves as “anarchists.” There is also the left-wing variety thereof. Chomsky13 is perhaps the most famous representative of this position. I do not at all see him as a mutant, at least not in this regard. His economics ranges from illiterate to indifferent. He opposes profit, markets, money, private property, price gouging, etc. In this way, his views are indistinguishable from other left wing critics of economic freedom.

For most people, the “unwoke” government is inevitable. No statist seriously protests death and taxes, because they thought not be able to be avoided. This, at least, is the mind-set of those who are hard-wired in this direction, and unable to throw off anarchistic thinking, no matter how cogent it is.

7. A statist contradiction

But do we not need a government to protect rights? Certainly not, for, the only way this entity can protect rights is by first violating them. We see a government policeman stopping a theft. We applaud. We think, well, maybe, the state is not as bad as we anarchists had thought. But, the only reason the cop is on the beat in the first place is that he has been paid a salary. And from whence sprung the wherewithal to cover these costs? Why, from strong-arm tactics which necessarily accompany taxation, or at least by such a threat, which ensures compliance without any explicit violence.

The point is, it is impossible to protect rights by first violating them. Yes, if we look at the gendarme's good works, and it is impossible to deny that there are those, the state shows a benign face. But when we view this in full context, it is difficult to make such an assessment.

8. How anarchy would work

Let us consider how private courts-defense agencies would function. Assume the following five people: Al, Bob, Clarence, Dave and Ed. The first and fifth of these enter into a dispute. One of them claims he purchased 100 cows from the other, duly paid for them in advance, and received only 90 of these farm animals, and 25 of them were sick. The other just as vociferously denies this claim. Under statism, the next step would be obvious: the one sues the other in a government court.

How would this situation be resolved in the absence of the state? It might occur as follows. A goes to court B and invites E to attend. E declines, on the ground that he thinks B is biased in A’s favor. Whereupon E, both them being reasonable men, returns the invitation to A, but only under the jurisdiction of court D. But A sees court D in much the same way as E views court B: biased against him. Whereupon, each of them make use of their own court. A signs on with B, and E with D. By sign on we mean, pays a fee, signs a contract to be bound by the decision of, etc. Each of these courts is associated with a private police organization, so as to compel A and E to comply with the judicial finding of B and D, respectively.

There are now four possible outcomes:
1. B finds in favor of A
2. B finds in favor of E
3. D finds in favor of E
4. D finds in favor of A

Let us ignore alternatives 2 and 4, and focus on 1 and 3, the more interesting pair. Each court is true to its supposed bias, and rules on the side of the

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Suppose one of them, but not both, refuses to have this claim adjudicated. He will then put himself at a sharp disadvantage, in which the court hears only the other side of the story. If the two of them decline adjudication, the private court system cannot function.
person who chose him. What then? Rand says that the anarcho-capitalist must “blank out” at this point, because he has no answer to this conundrum. But, we have. And here ‘tis: there are two types of private courts, legitimate ones, and illegitimate gangster courts. The first type will have anticipated this challenge. They will have signed an agreement with every other court of this type, dealing with just such an eventuality. How? By stipulating in advance that if ever any judge found himself disagreeing with another member of this industry, they will both call upon a third judge to be, in effect, the supreme court. The B and D courts will have drawn up a list of such judges, call him C in this case, and both agree to be bound by whatever he decides. This decision will trickle down to A and E, who are contractually obligated to go along with whatever B and D determine, and, in this case, they have agreed, in advance, to support the findings of C.

What kind of judges will be selected in such a system? Magistrates known for their wisdom and fairness. People who, even if they rule against you, will be able to demonstrate that their decision was a reasonable one. Judges of the sort who will offer to cut babies in half. This is in sharp contrast to how members of the bench are now chosen; through a very imperfect political system. Under free enterprise, however, the leading judges will be selected in roughly the same manner as leading chefs, musicians, doctors, are now chosen; based on expertise, accomplishment, etc.

But what about the bandit courts? Their motto is, “my way or the highway.” They do not recognize any higher authority. They will not likely survive in an anarcho-capitalist society, for several reasons. First, when they disagree with another desperado court they will have to fight. When they disagree with a licit court they will also have to fight. They will continually have to engage in violent hostile acts. On the other hand, legitimate courts will settle their differences with other judges of this ilk, peacefully, as we have seen. They will only have to take up arms against the hoodlums. Physical combat is expensive; it will tend to weed out mobster institutions. Second, the pen is mightier than the sword, in that it determines the direction in which the

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16 In this case it is C. But in the next dispute, it can be anyone chosen by members of this industry.
former points. The thug judges will have no legitimacy. Everyone will likely be against them. Even dictators, at present, have to consider public opinion to some degree.

But suppose, just suppose, contrary to likelihood conditional, that bandit court(s) somehow beat out all the legitimate ones; it (they) in effect become the government. This is extremely implausible, but it cannot be ignored, since it does not constitute a logical contradiction. Murphy deals with this objection as follows:

When dealing with the warlord objection, we need to keep our comparisons fair. It won't do to compare society A, which is filled with evil, ignorant savages who live under anarchy, with society B, which is populated by enlightened, law-abiding citizens who live under limited government. The anarchist doesn't deny that life might be better in society B. What the anarchist does claim is that, for any given population, the imposition of a coercive government will make things worse. The absence of a State is a necessary, but not sufficient, condition to achieve the free society.

Murphy continues: “For the warlord objection to work, the statist would need to argue that a given community would remain lawful under a government, but that the same community would break down into continuous warfare if all legal and military services were privatized.”

When we recall just how many innocent people died under the rule of government, it is difficult to acquiesce in the notion that gangsters, reviled by all decent people, could do worse.

Then there is the objection that the wealthiest litigant would be able to prevail, by bribing the judge. This, too, is a serious objection. It is not an utter impossibility that this could occur. However, once this was found out, it would spell the death knell of any such court; virtually no one would approach it, seeking justice. It’s only option would be to embrace banditry, and we have

19 Ibidem.
already covered that alternative. There are referees in sporting events such as swimming, track and field, baseball, football, tennis, basketball, boxing, handball, golf, etc. Often one team or individual is far richer than his, their competitor. Cases in which the judge-referee allowed himself to be swayed by any such consideration must be very near zero. Yes, they sometimes err, they are only human. But it is exceedingly rare they are bought off. The same is likely to occur under anarcho-capitalism.

This objection is a version of the claim that the rich will rule; but, they already do, under present institutional arrangements. Surely, they can hire better lawyers. The wealthy typically get the long end of the stick. One is always in a better position to bribe people if he is rich than if not; that is true. But, the wealthy would have less power in a market than in a government. Any court with the reputation of discriminating in favor of millionaires against the poor would soon be shown the exit, via bankruptcy. In contrast, government judges sometimes have tenure, or, at least, a term of several years before they can be shown the door, via the ballot box. The emperor's wife, must not only be pure, but be seen to be pure. The same applies to private judges.

There are numerous other services besides courts of which it is alleged that only government can provide. Roads, streets and highways are one such. But the first of these thoroughfares were privately built; they were not public. Trains and subways are another case in point. In New York City, the Interborough Rapid Transit (IRT) and the Borough of Manhattan Transit (BMT) companies were originally private; they were later nationalized, e.g., municipalized.21

It is the same with lighthouses. These are no longer needed, given that new GPS technology has overtaken the need for them, but it is important to demonstrate that anarcho-capitalism is the best and most viable system not only in the modern era, but was throughout all of recorded history. Coase maintained that only government would provide this benefit to shipping,

20 It is almost always good to be rich. The Mel Brooks movie “The history of the world, Part I,” established that “it is good to be king.”

but he was wrong.\textsuperscript{22} The lighthouse owner had a viable threat against non-payers; one of these days, when the evening sky was slightly illuminated, and none of his paying clients are out there at sea, he would shut down his operation. Sailing on the ships of these free riders would thus become dangerous, and their owners would have to offer higher hazard pay to their employees.

9. Somalia

Somalia is exhibit “A” in the case against anarchism. The country, it may readily be admitted, is as close to anarchism as any on the planet. It does not at all exemplify the libertarian variety thereof, but let that pass. Critics of anarcho-capitalism have been having a field day pointing to the shortcomings of this beleaguered African nation, using it as a stick with which to beat up on the philosophy defended in the present essay.

And, yes, Somalia has its share of problems, and more. This cannot be denied. When compared to more stable places such as England, Japan, Canada, this country comes off second best, indeed, a long way back.

However, that is not a proper comparison. Of course these western nations leave Somalia in the shade. It has more infant mortality, shortened life span, lower income, less wealth, higher crime rates, etc., than they do. But when compared not with England, Japan, Canada, etc., but rather with its neighboring nations in Africa, all of a sudden Somalia does not look quite as bad. Indeed, it is often just as good, and sometimes better, in terms of these statistical measurements. Powell has done yeoman work in demonstrating that when Somalia is compared to many of its fellow

African nations, it is not behind-hand at all.23 It “as good as any, better than some.”24

10. Why do most economists reject anarcho-capitalism?

First of all, although this academic discipline is perhaps the most oriented toward laissez faire,25 most professional economists are not even libertarians, let alone anarcho-capitalists. Why not? This is mainly because they support the notion of market failure. Here is a list of them: public goods or common-pool resources, transaction costs, agency problems, informational asymmetry, externalities, market power (monopoly), expectations, equity, underemployment equilibrium (Keynesianism). This is actually but the tip of the iceberg of so-called market failures. It would take us way too far afield to offer anything like a detailed criticism of many of them, let alone all of them.26 I content myself with briefly mentioning some criticisms of the


24 This modest claim is sometimes used as an advertising slogan in the modern era: https://www.tripadvisor.ca/ShowUserReviews-g57327-d4914080-r199381887-Green_Dragon-Morrisville_Vermont.html#MAPVIEW; it was also used in the 1940s to promote a brand of milk.

25 Sociology, anthropology, philosophy, literature, history, are far worse, to say nothing of the whining studies: black studies, feminist studies, queer studies, etc.

26 It is only the Austrian School of economics that rejects this notion in its entirety.
more prominent of these market failures: monopoly, externalities, public

goods\textsuperscript{28} and business cycles.\textsuperscript{29}


Monopoly first. As Rothbard demonstrated, adherents of this view cannot even unambiguously distinguish between a monopoly price and a non-monopoly price, one that arises without a government grant of privilege.\(^{30}\) Also, the main criticism of large scale enterprises which arise on the free market from this quarter is that they “withhold” a quantity of the product they offer in order to boost prices and profits, but the critics never supply a criterion on the basis of which such a claim can be verified. Such a company only supplies \(X\) amount; they claim he should offer \(X+Y\), totally in the absence of any proof thereof.

Positive externalities or external economies are not a market failure at all. I smile at you, or take a shower. I benefit you.\(^ {31}\) But, I am not allowed to charge you for this goodness on my part. Therefore, I will do less of it than if I were allowed to make you pay against your will, for a “service” you did not wish to purchase. Rothbard puts paid to this notion as follows:

> A and B often benefit, it is held, if they can force C into doing something. […] Any argument proclaiming the right and goodness of, say, three neighbors, who yearn to form a string quartet, forcing a fourth neighbor at bayonet point to learn and play the viola, is hardly deserving of sober comment.\(^ {32}\)

This author is no kinder to the doctrine of negative externalities, or external diseconomies. The most high profile of the complaints in this regard is smoke pollution. But Rothbard blows this one out of the water with his
analysis.³³ This is a violation of private property rights, a trespass of dust particles, not a market failure. It is, rather, a criminal act.

Public goods. According to this dogma, there are certain goods and services, e.g., police, military, lighthouses, that the market simply cannot produce at all, or, if it does, it will do so to a far less degree than optimal. As against this notion, there is no example ever offered, certainly not the three just mentioned, that have not been supplied at all on a profit-making basis. As to the claim that when so, not in sufficient amounts, no criteria to determine the truth or falsity of this claim has ever been forthcoming. Orthodox economists cannot point to the optimal amount.

11. Depressions, inflation

In the mainstream view, the free market economy is forever veering from massive unemployment to heavy inflation and back again. The goal of the government is to steer the economic ship onto the straight and narrow path, avoiding both these extremes. In the view of Austrian economics, the reason for this teeter-tottering emanate not from free enterprise, but, from the very institutions, government central banks, the Fed, supposedly set up to cure this malady in the first place.

12. Nozick’s critique

Perhaps the most philosophically sophisticated rejections of anarcho-capitalism has been offered by Nozick.³⁴ He argues that private protection agencies will become a de facto government, purely through market forces, without any rights violations occurring whatsoever during this process. In other words, this system is unstable. Even while adhering, fully, to its structures, anarcho-capitalism will evolve into a statist system. Yes, it will become a very limited government, e.g., an ultra minimal night-watchman state, but a government nevertheless. How will this occur? To make a long story short,

one of the market defense agencies will become dominant. Through market forces, one of them will come occupy a greater and greater share of the market, via efficiency. Then, it will have the obligation to protect its clients from the improper court procedures of its smaller competitors. But, if it does so, it will also be obliged to protect their clients as well.

There is more wrong in this thesis than you can shake a stick at. This eminent philosopher offers no evidence, or reason, to assume there will be a dominant free market defense agency. In many industries, there is a big three, or a big five. It is extremely rare that there would be only a big one, without government favoritism. Or, if this does occur, IBM is the best example, that its single seller status will long endure. Another difficulty is that there is no reason to suppose any positive correlation between reliable methods of determining truth and ferreting out justice, on the one hand, and large size on the other. The dominant firm (if one ensues, and lasts) is not any more justified in compelling its smaller competitors to adopt its court room methods, than the reverse. Then there is the problem that if the dominant agency restricts its colleagues from operation, even if it compensates them, this is hardly consonant with the NAP.\textsuperscript{35}

II. Conclusion

I cannot do any better for an end to this essay than to quote the most brilliant advocate of anarcho-capitalism:

In the view of Rothbard:

For centuries, the State (or more strictly, individuals acting in their roles as ‘members of the government’) has cloaked its criminal activity in high-sounding rhetoric. For centuries the State has committed mass murder and called it ‘war’; then ennobled the mass slaughter that ‘war’ involves. For centuries the State has enslaved people into its armed battalions and called it ‘conscription’ in the ‘national service.’ For centuries the State has robbed people at bayonet point and called it ‘taxation.’ In fact, if you wish to know how libertarians regard the State and any of its acts, simply think of the State as a criminal band, and all of the libertarian attitudes will logically fall into place.36

References


