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# **An Anarchist critique of Anarcho-Statism**

**Or refuting “anarcho”-capitalism by means of  
“anarcho”-capitalism**

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A short critique of “anarcho”-capitalist claims to be a form of  
anarchism

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“consent” to be subjected to authority structures identical to those created by the state. This means that a consistent anarchist, as Chomsky noted, must oppose both state and capitalism.

Opposing the latter does not mean opposing the market. Not all anarchists are communists (although most are). Capitalism is just one form of market system, one rooted in specific property rights and social relationships. For those “anarcho”-capitalists who genuinely seek a free society and still think that markets are the best way to organise an economy then the ideas of anarchist mutualism should be of interest. This is a socialist system based on “occupancy and use,” where self-employed workers and co-operatives govern themselves and sell the product of their labour to their fellow workers. A society without hierarchy, exploitation and oppression — a genuine anarchist society rather than a system of mini-states.

What will it be? Capitalism or Anarchism? As “anarcho”-capitalism itself proves, it cannot be both.

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## Conclusion

As Kropotkin noted about a previous generation of free market capitalists, the *“modern Individualism initiated by Herbert Spencer is, like the critical theory of Proudhon, a powerful indictment against the dangers and wrongs of government, but its practical solution of the social problem is miserable — so miserable as to lead us to inquire if the talk of ‘No force’ be merely an excuse for supporting landlord and capitalist domination.”*<sup>12</sup>

Much the same can be said for “anarcho”-capitalism. Anarchists would not bother themselves with it except that it calls itself anarchism. Yet, as shown, “anarcho”-capitalism makes as much sense as “anarcho-statism” — an oxymoron, a contradiction in terms. The idea that “anarcho”-capitalism warrants the name “anarchist” is simply false. Only someone ignorant of anarchism could maintain such a thing. While you expect anarchist theory to show this to be the case, the ironic thing is that “anarcho”-capitalism itself does the same.

Anarchism, as a political theory, was born when Proudhon wrote **“What is Property?”** specifically to refute the notion that workers are free when capitalist property forces them to seek employment by landlords and capitalists. He was well aware that in such circumstances workers sold their liberty and were exploited. His classic work is a lengthy critique of the kind of apologetics for landlord and capitalist power and property Rothbard espouses. It seems ironic, therefore, that “anarcho”-capitalism calls itself “anarchist” while basing itself on the arguments that anarchism was created in opposition to.

Ultimately, Rothbard himself proves the anarchist case that workers may be formally free under capitalism but their economic circumstances are such that freedom becomes little more than being “free” to pick a master. Capitalism, in other words, is based on economic power, which ensures that people

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<sup>12</sup> **Act For Yourselves**, Freedom Press, London, 1988, p. 98

*they had worked and eminently deserved to own, remained in the hands of their former oppressors. With economic power thus remaining in their hands, the former lords soon found themselves virtual masters once more of what were now free tenants or farm labourers. The serfs and slaves had tasted freedom, but had been cruelly derived of its fruits.*"<sup>11</sup>

To say the least, anarchists fail to see the logic in this position. Contrast this with the standard "anarcho"-capitalist claim that if market forces ("voluntary exchanges") result in the creation of "*free tenants or farm labourers*" then they are free. Yet labourers dispossessed by market forces are in **exactly** the same social and economic situation as the ex-serfs and ex-slaves. If the latter do not have the fruits of freedom, neither do the former. Rothbard sees the obvious "*economic power*" in the latter case, but denies it in the former.

Rothbard's position is untenable. A simple analogy shows why. Let us assume that someone kidnaps you and places you down a deep (naturally formed) pit, miles from anyway, which is impossible to climb up. No one would deny that you are unfree. Let us further assume that another person walks by and accidentally falls into the pit with you. According to Rothbard's logic, while you are unfree (i.e. subject to coercion) your fellow pit-dweller is perfectly free for they have subject to the "facts of nature" and not coercion.

It is only Rothbard's ideology that stops him from drawing the obvious conclusion — identical economic conditions produce identical social relationships and so capitalism is marked by "*economic power*" and "*virtual masters.*" The only solution is for "anarcho"-capitalists to simply say the ex-serfs and ex-slaves were actually free to choose and, consequently, Rothbard was wrong. It might be inhuman, but at least it would be consistent!

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<sup>11</sup> Rothbard, Op. Cit., p. 74

One of the strangest things most anarchists become aware of when they go on-line is the existence of self-proclaimed capitalist "anarchists." Mostly based in North America, this ideology claims to be anarchist while, at the same time, vigorously supporting laissez-faire capitalism.

For almost all anarchists, this seems an utter oxymoron. Anarchism has always been associated with the left, with socialism. While opposing all forms of state socialism, anarchists have always seen themselves as anti-capitalists, as socialists. Both Tucker and Kropotkin considered themselves socialists, as did Bakunin and Proudhon. While they disagreed about many things (such as how best to end capitalist exploitation), all schools of anarchism shared a common opposition to profit, interest and rent and a common root in Proudhon's critique of private property.

The idea that there is a form of anarchism which is not anti-capitalist thus strikes anarchists as extremely strange. The idea of capitalists raising the black flag, the flag of working class insurrection and strikes, is a joke, a joke in extremely bad taste. "Anarcho"-capitalists of course disagree. It is, therefore, useful to give a short explanation of why "anarcho"-capitalism should be called "anarcho-statism" to better show its inherent contradictions.

## What's in a name?

The first line of defence of "anarcho"-capitalism is to argue that the dictionary definition of anarchy is "*no government.*" Consequently, as "anarcho"-capitalism wants to replace the state by a free market in defence associations it must be anarchist.

This argument is obviously flawed. Many dictionaries define "anarchy" as, for example, "*a state of lawlessness and disorder (usually resulting from a failure of government).*"<sup>1</sup> Needless

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<sup>1</sup> entering "anarchy" into [dictionary.reference.com/](http://dictionary.reference.com/)

to say, anarcho-capitalists do not use these definitions of “anarchy.” So appealing to dictionary definitions is highly subjective as it involves evaluating each dictionary in turn and discarding those which are inaccurate.

This can be seen from the question of anarchism and socialism. Both Kropotkin and Tucker considered their ideas as a form of socialism. However, using typical dictionary definitions of both would result in a contradiction. Anarchism is defined as “a political theory favouring the abolition of governments” while socialism is “a political theory advocating state ownership of industry” or “an economic system based on state ownership of capital.”<sup>2</sup> Which means that an anarchist could not be a socialist yet “anarcho”-capitalists are happy to call anarchists “anarcho-socialists.” This contradiction is enough, in itself, to show the flaw in their methodology. Why should the dictionary be good enough for “anarchy” but not for “socialism”?<sup>3</sup>

As it stands, anarchists have rarely, if ever, argued that they were simply aiming to abolish the state. From Proudhon onward, they have stressed social and economic goals along with political ones. It is no coincidence that the first self-proclaimed anarchist book was “**What is Property?**” rather than “**What is Government?**” To limit “anarchy” or “anarchism” to just a question of the state means to ignore most of what anarchists and anarchism have aimed for. That is why anarchists generally avoid dictionary definitions for “anarchy” and “anarchism” and argue instead that it is not enough for someone to call themselves an anarchist, their ideas **must** reflect the anti-state and anti-capitalist principles the anarchist movement has always held.

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<sup>2</sup> entering “anarchism” and “socialism” into [dictionary.reference.com/](http://dictionary.reference.com/)

<sup>3</sup> for more discussion see section F and the appendix on “anarchism and ‘anarcho’-capitalism” in An Anarchist FAQ

could hier-archy be “*necessary*” for the triumph of an-archy? Logically, it makes no sense. An-**archy**, by definition, means no-archy rather than wholehearted support for a specific form of **archy**, namely hier-**archy**! Really, what part of **an-archy** is hard to understand?

The contrast between anarchism and “anarcho”-capitalism could not be clearer.

## Free to choose ... a master

The final defence of “anarcho”-capitalism is that authority associated with capitalism is voluntary, that workers consent to it. Of course, the same can be said of any democratic state. No one forces a citizen to remain within its borders. A defence of capitalist hierarchies in terms of consent logically means a defence of the state in the same terms – particularly as capitalist property is as much the product of coercion as the state is. Moreover, given that Somalia is touted by some “anarcho”-capitalists as an example of their system, they have the same choice they usually give striking workers – if you don’t like your current master, find a new one.

Yet there is a deeper objection to the “consent” argument, namely that it ignores the social circumstances of capitalism which limit the choice of the many. Anarchists have long argued that, as a class, workers have little choice but to “consent” to capitalist hierarchy. The alternative is either dire poverty or starvation. “Anarcho”-capitalists dismiss such claims by denying that there is such a thing as economic power. Rather, it is simply freedom of contract.<sup>10</sup>

Anarchists consider such claims as a joke. To show why, we need only quote Murray Rothbard on the abolition of slavery and serfdom in the 19<sup>th</sup> century. He argued, correctly, that the “*bodies of the oppressed were freed, but the property which*

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<sup>10</sup> Rothbard, *The Ethics of Liberty*, pp. 221–2

But then again, anarchists are not surprised. The liberal tradition “anarcho”-capitalism happily places itself in has a long history of sophisticated defences for autocracy based on consent. Anarchists, in contrast, have always stressed that the internal regime of an association which is the key.

That is why anarchists support workplace co-operatives as the alternative to capitalist hierarchy. Proudhon, for example, argued that employees are “*subordinated, exploited*” and their “*permanent condition is one of obedience.*” Capitalist companies “*plunder the bodies and souls of wage workers*” and are “*an outrage upon human dignity and personality.*” However, in a co-operative the situation changes and the worker is an “*associate*” and “*forms a part of the producing organisation ... [and] forms a part of the sovereign power, of which he was before but the subject.*” Without co-operation and association, “*the workers ... would remain related as subordinates and superiors, and there would ensue two industrial castes of masters and wage-workers, which is repugnant to a free and democratic society.*” Thus the “*workmen’s associations*” are “*a protest against the wage system*” and a “*denial of the rule of capitalists.*” His aim: “*Capitalistic and proprietary exploitation, stopped everywhere, the wage system abolished, equal and just exchange guaranteed.*”<sup>8</sup>

For Rothbard, both “*hierarchy*” and “*wage-work*” were part of “*a whole slew of institutions necessary to the triumph of liberty*” (others included “*granting of funds by libertarian millionaires, and a libertarian political party*”). He strenuously objected to those “*indicting*” such institutions “*as non-libertarian or non-market*”.<sup>9</sup> For Proudhon — as well as Bakunin, Kropotkin, and others — both wage-labour and hierarchy were anti-libertarian by their very nature. How

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<sup>8</sup> **The General Idea of the Revolution in the Nineteenth Century**, Pluto Press, pp. 216–8 p. 98 and p. 281. It should be noted that “wage labour” is translated as “wage system” but it is clearly the former Proudhon is opposing here, as elsewhere in his work.

<sup>9</sup> Rothbard, **Konkin on Libertarian Strategy**

## Who cares what they thought?

That “anarcho”-capitalism abuses the history of anarchism goes without saying. What is strange that they also abuse their own self-proclaimed intellectual forefathers.

“Anarcho”-capitalists generally trace their ideology back to French-speaking economist Gustave de Molinari (1819 to 1912). Given that anarchism as a political theory and movement was born in France during his lifetime, is significant that he did not call himself an anarchist nor take part in the movement. If he had considered his ideas as anarchist then surely he would have called them that. We can only conclude that it was the **existence** of the anarchist movement and its ideas that ensured that Molinari refused the label of “anarchist” as he did not consider his ideas part of either.

Others retroactively included by “anarcho”-capitalists in their ideology’s family tree are supporters of so-called “*voluntaryism*.” These were 19<sup>th</sup> century British individualists, supporters, like Molinari, of extreme laissez-faire capitalism. Like Molinari, they did not call their ideas anarchism or themselves anarchists. Auberon Herbert, for example, explicitly rejected the term anarchist. Significantly, Herbert, knew of, and rejected, individualist anarchism, considering it to be “*founded on a fatal mistake*” and would result in “*pandemonium*.” He thought that we should “*not direct our attacks – as the anarchists do – against all government, against government in itself*” but “*only against the overgrown, the exaggerated, the insolent, unreasonable and indefensible forms of government, which are found everywhere today.*” Government should be “*strictly limited to its legitimate duties in defense of self-ownership and individual rights.*” He stressed that “*we are governmentals,*” aiming for a government

*“formally constituted by the nation, employing in this matter of force the majority method.”*<sup>4</sup>

Now, it seems significant that people “anarcho”-capitalists themselves place in their ideological tree, at best, refused to be called or, at worse, explicitly denied being anarchists. They were obviously aware of anarchism and anarchist ideas and saw that their ideas were **not** similar. Why “anarcho”-capitalists refuse to do the same is lost on anarchists, particularly as not doing so means they have to continually explain why they are not like the anarchists who get in the news or in the history books.

Moreover, it seems a strange form of complement to incorporate someone into your ideology’s family tree while also ignoring these people’s expressed opinions and say they did not understand what they advocated! Between, say, Auberon Herbert and an “anarcho”-capitalist, I think most people would agree with Herbert on what he thought his ideas should be called.

## And the difference is?

It is no coincidence that “anarcho”-capitalists try to limit the definition of anarchy or anarchism purely to opposition to the state or government. This is because capitalist property produces authoritarian structures (and so social relations) exactly like the state. By focusing on “government” rather than “authority,” they hide the basic contradiction within their ideology namely that the “anarcho”-capitalist definition of private property is remarkably close to its definition of the state.

This is easy to prove. For example, leading “anarcho”-capitalist Murray Rothbard thundered against the evil of the state, stressing that it *“arrogates to itself a monopoly of force, of ultimate decision-making power, over a given territorial area.”* Then, in the chapter’s endnote, he quietly admitted

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<sup>4</sup> Essay X: The Principles Of Voluntaryism And Free Life

that *“[o]bviously, in a free society, Smith has the ultimate decision-making power over his own just property, Jones over his, etc.”*<sup>5</sup>

Opps. How did the editor not pick up that one? But it shows the magical power of the expression “private property” – it can turn the bad (“ultimate decision-making power” over a given area) into the good (“ultimate decision-making power” over a given area). For anarchists, *“[t]o demonise state authoritarianism while ignoring identical albeit contract-consecrated subservient arrangements in the large-scale corporations which control the world economy is fetishism at its worst.”*<sup>6</sup> It should also be stressed that capitalist authoritarianism is dictatorial in nature, with significantly less freedom than that in a democratic state.

Anarchists, obviously, wonder what the difference actually is. Why is the authority of the state considered anti-anarchist while that of the property owner is not? Rothbard did provide an answer: the state has got its land *“unjustly.”* Thus the answer lies in whether the state legitimately owns its territory or not. If it did, then *“it is proper for it to make rules for everyone who presumes to live in that area ... So long as the State permits its subjects to leave its territory, then, it can be said to act as does any other owner who sets down rules for people living on his property.”*<sup>7</sup>

So if the state were a legitimate landlord or capitalist then its authoritarianism would be fine? Sorry? This is an **anarchist** analysis? The question is, ultimately, one of liberty. Anarchists simply note that Rothbard himself shows that capitalism and the state are based on the same authority structures and, consequently, neither can be considered as anarchist.

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<sup>5</sup> **The Ethics of Liberty**, Humanities Press, Atlantic Highlands, N.J., 1982. p. 170 and p. 173

<sup>6</sup> Op. Cit., p. 170

<sup>7</sup> Bob Black, *The Libertarian as Conservative*, **The Abolition of Work and other essays**, p. 142