

Market Anarchy #1: All Power To The Soviets!

2007

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This Market Anarchy Series was created to republish and showcase historical articles from our tradition that highlight our relation to the revolutionary left and explain Market Anarchist theory in general terms.

*...what we always meant by socialism wasn't something you forced on people, it was people organizing themselves as they pleased into coops, collectives, communes, unions... And if socialism really is better, more efficient than capitalism, then it can bloody well **compete** with capitalism. So we decided, forget all the statist shit and the violence: the best place for socialism is the closest to a free market you can get!*

Mutualists believe that most of the present inequalities come not from the results of market forces but from the perversion of these forces. A market is, after all, only a system of voluntary exchange. The state has stepped in and granted preferential treatment to certain individuals and groups. This created the vast inequalities we see. Even if the market were to give rise to certain problems, these could be offset by voluntary associations such as guilds, trade unions, community groups and co-operatives.

Agorism is revolutionary market anarchism. In a market anarchist society, the positive functions of law and security will be provided by market institutions, not political institutions. Agorists recognize, therefore, that those institutions can not develop through political reform. Instead, they will come about as a result of market processes. As government is banditry, revolution culminates in the suppression of government by market providers of security and law. Market demand for such service providers is what will lead to their emergence. Development of that demand will come from economic growth in the sector of the economy that explicitly shuns state involvement (and therefore can not turn to the state in its role as monopoly provider of security and law). That sector of the economy is the counter-economy — black and grey markets.

“Confiscation & the Homesteading Principle” was published in The Libertarian Forum edited by Karl Hess on June 15, 1969.

Murray Rothbard was an incredibly influential economist who revitalized the tradition of Individualist Anarchism and is today commonly held as the founding father of Anarcho-“Capitalism”.

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Confiscation & The Homestead Principle

Karl Hess’s brilliant and challenging article in this issue raises a problem of specifics that ranges further than the libertarian movement. For example, there must be hundreds of thousands of “professional” anti-Communists in this country. Yet not one of these gentry, in the course of their fulminations, has come up with a specific plan for

de-Communization. Suppose, for example, that Messers. Brezhnev and Co. become converted to the principles of a free society; they then ask our anti-Communists, all right, *how* do we go about de-socializing? What could our anti-Communists offer them?

This question has been essentially answered by the exciting developments of Tito's Yugoslavia. Beginning in 1952, Yugoslavia has been de-socializing at a remarkable rate. The principle the Yugoslavs have used is the libertarian "homesteading" one: the state-owned factories to the workers that work in them! The nationalized plants in the "public" sector have all been transferred in virtual ownership to the specific workers who work in the particular plants, thus making them producers' coops, and moving rapidly in the direction of individual shares of virtual ownership to the individual worker. What other practicable route toward destatization could there be? The principle in the Communist countries should be: land to the peasants and the factories to the workers, thereby getting the property out of the hands of the State and into private, homesteading hands.

The homesteading principle means that the way that unowned property gets into private ownership is by the principle that this property justly belongs to the person who finds, occupies, and transforms it by his labor. This is clear in the case of the pioneer and virgin land. But what of the case of stolen property?

Suppose, for example, that A steals B's horse. Then C comes along and takes the horse from A. Can C be called a thief? Certainly not, for we cannot call a man a criminal for stealing goods from a thief. On the contrary, C is performing a *virtuous* act of confiscation, for he is depriving thief A of the fruits of his crime of aggression, and he is at least returning the horse to the innocent "private" sector and out of the "criminal" sector. C has done a noble act and should be applauded. Of course, it would be still better if he returned the horse to B, the original victim. But even if he does not, the horse is far more justly in C's hands than it is in the hands of A, the thief and criminal.

Let us now apply our libertarian theory of property to the case of property in the hands of, or derived from, the State apparatus. The libertarian sees the State as a giant gang of organized criminals, who live off the theft called "taxation" and use the proceeds to kill, enslave, and generally push people around. Therefore, any property in the hands of the State is in the hands of thieves, and should be liberated as quickly as possible. *Any* person or group who liberates such property, who confiscates or appropriates it from the State, is performing a virtuous act and a signal service to the cause of liberty. In the case of the State, furthermore, the victim is not readily identifiable as B, the horse-owner. All taxpayers, all draftees, all victims of the State have been mulcted. How to go about returning all this property to the taxpayers? What proportions should be used in this terrific tangle of robbery and injustice that we have all suffered at the hands of the State? Often, the most practical method of de-statizing is simply to grant the moral right of ownership on the person or group who seizes the property from the State. Of this group, the most morally deserving are the ones who are already using the property but who have no moral complicity in the State's act of aggression. These

people then become the “homesteaders” of the stolen property and hence the rightful owners.

Take, for example, the State universities. This is property built on funds stolen from the taxpayers. Since the State has not found or put into effect a way of returning ownership of this property to the taxpaying public, the proper owners of this university are the “homesteaders”, those who have already been using and therefore “mixing their labor” with the facilities. The prime consideration is to deprive the thief, in this case the State, as quickly as possible of the ownership and control of its ill-gotten gains, to return the property to the innocent, private sector. This means student and/or faculty ownership of the universities.

As between the two groups, the students have a prior claim, for the students have been paying at least some amount to support the university whereas the faculty suffer from the moral taint of living off State funds and thereby becoming to some extent a part of the State apparatus.

The same principle applies to nominally “private” property which really comes from the State as a result of zealous lobbying on behalf of the recipient. Columbia University, for example, which receives nearly two-thirds of its income from government, is only a “private” college in the most ironic sense. It deserves a similar fate of virtuous homesteading confiscation.

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

But how then do we go about destatizing the entire mass of government property, as well as the “private property” of General Dynamics? All this needs detailed thought and inquiry on the part of libertarians. One method would be to turn over ownership to the homesteading workers in the particular plants; another to turn over pro-rata ownership to the individual taxpayers. But we must face the fact that it *might* prove the most practical route to first nationalize the property as a prelude to redistribution. Thus, how could the ownership of General Dynamics be transferred to the deserving taxpayers without first being nationalized *en route*? And, further more, *even if* the government should decide to nationalize General Dynamics—without compensation, of course—*per se* and *not* as a prelude to redistribution to the taxpayers, this is not immoral or something to be combatted. For it would only mean that one gang of thieves—the government—would be confiscating property from another previously cooperating gang, the corporation that has lived off the government. I do not often agree with John Kenneth Galbraith, but his recent suggestion to nationalize businesses which get

more than 75% of their revenue from government, or from the military, has considerable merit. Certainly it does not mean aggression against *private* property, and, furthermore, we could expect a considerable diminution of zeal from the military-industrial complex if much of the profits were taken out of war and plunder. And besides, it would make the American military machine less efficient, being governmental, and that is surely all to the good. But why stop at 75%? Fifty per cent seems to be a reasonable cutoff point on whether an organization is largely public or largely private.

And there is another consideration. Dow Chemical, for example, has been heavily criticized for making napalm for the U.S. military machine. The percentage of its sales coming from napalm is undoubtedly small, so that on a percentage basis the company may not seem very guilty; but napalm is and can only be an instrument of mass murder, and therefore Dow Chemical is heavily up to its neck in being an accessory and hence a co-partner in the mass murder in Vietnam. No percentage of sales, however small, can absolve its guilt.

This brings us to Karl's point about slaves. One of the tragic aspects of the emancipation of the serfs in Russia in 1861 was that while the serfs gained their personal freedom, the land—their means of production and of life, their land was retained under the ownership of their feudal masters. The land *should* have gone to the serfs themselves, for under the homestead principle they had tilled the land and deserved its title. Furthermore, the serfs were entitled to a host of *reparations* from their masters for the centuries of oppression and exploitation. The fact that the land remained in the hands of the lords paved the way inexorably for the Bolshevik Revolution, since the revolution that had freed the serfs remained unfinished.

The same is true of the abolition of slavery in the United States. The slaves gained their freedom, it is true, but the land, the plantations that they had tilled and therefore deserved to own under the homestead principle, remained in the hands of their former masters. Furthermore, no reparations were granted the slaves for their oppression out of the hides of their masters. Hence the abolition of slavery remained unfinished, and the seeds of a new revolt have remained to intensify to the present day. Hence, the great importance of the shift in Negro demands from greater welfare handouts to “reparations”, reparations for the years of slavery and exploitation and for the failure to grant the Negroes their land, the failure to heed the Radical abolitionist's call for “40 acres and a mule” to the former slaves. In many cases, moreover, the old plantations and the heirs and descendants of the former slaves can be identified, and the reparations can become highly specific indeed.

Alan Milchman, in the days when he was a brilliant young libertarian activist, first pointed out that libertarians had misled themselves by making their main dichotomy “government” vs. “private” with the former bad and the latter good. Government, he pointed out, is after all not a mystical entity but a group of individuals, “private” individuals if you will, acting in the manner of an organized criminal gang. But this means that there may also be “private” criminals as well as people directly affiliated with the government. What we libertarians object to, then, is not *government* per se

but crime, what we object to is unjust or criminal property titles; what we are for is not “private” property *per se* but just, innocent, non-criminal private property. It is justice vs. injustice, innocence vs. criminality that must be our major libertarian focus.

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<invisiblemolotov.wordpress.com/wp-content/uploads/2008/06/ma1.pdf>
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