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**INTELLIGENCE
 BRIEFINGS WILL
 RESUME NEXT
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be dragged into the Starr chamber and told to confess all, on penalty of jail for getting some small detail wrong? One day Betty Currie was a loyal secretary; the next, she was psychically tortured to remember things she'd sooner forget. Is this our future as well?

In decrying Starr's power and tactics, the White House taps into massive public resentment of the government. The message is: just as the feds invade your life, family, and finances, Starr is intruding into Clinton's marriage and trying to make vice a hanging offense.

How can Clinton, as head of state, get away with this? Like Ronald Reagan, he has mastered the art of presiding over big government while seeming to be separate from it. He reinforces this when he brags

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about cutting government back to its smallest size in generations. That this is sheer nonsense doesn't matter; it's impressions that count.

The big-media pile-on has also helped Clinton. They use the excuse of Clinton's sex practices to pour filth into our homes. Why must we hide the morning newspaper so the kids won't see it? Do we really need network broadcasters discussing sexual techniques on prime time?

The American people's revolution at the government-media cartel is understandable, but it misses a crucial distinction. Government, particularly the presidency, needs to be policed; it's the rest of us who don't. But so long as he can keep pretending to be part of the rest of us, roasting on a federal spit for vices not crimes, Clinton will get public sympathy. Look who's after him. **[RRR]**

THE TROUBLE WITH CLASSICAL LIBERALISM

Hans-Hermann Hoppe

Classical liberalism has been in decline for more than a century, and socialist ideas have increasingly shaped public affairs. To be sure, this decline has not been continuous. After World War II, West Germany and Italy were significantly liberalized as compared to national socialism and fascism, as were the former Soviet Union and Eastern Europe as compared to communism. Yet in each

case, another variant of socialism, i.e., social democracy, was adopted, as exemplified by the U.S.

Indeed, so complete has been the socialist victory that today, at the close of the twentieth century, some neo-conservatives have waxed triumphantly about the "End of History" and the arrival of the "Last Man," i.e., of permanent, global, U.S.-supervised social democracy and a new *homo socio-democraticus*.

Why We're Losing

Since we know that the course of human history is determined by ideas rather than "blind forces," and that historical changes are the result of ideological shifts in public opinion, we must understand the socialist transformation of the last hundred years as the result of classical liberalism's philosophical defeat. Given this, we can react in two ways. We can maintain that (classical) liberalism is a sound doctrine, and that the public rejects it in spite of its truth. In this case, we must explain not only why people cling to false beliefs, even if they are aware of correct liberal ideas. Does the truth not always hold its own attraction and rewards? But we must also explain why liberal truth is increasingly rejected in favor of socialist falsehood. Did the population become more degenerate? If so, how can this be explained? On the other hand—and this is what I propose to do—we may consider the rejection as indicating a fundamental error in classical liberalism.

Classical liberalism's central, momentous error lies in its theory of government. Classical-liberal political philosophy—as personified by Locke and Jefferson—was first a

moral doctrine. Drawing on the philosophy of the Stoics and the late Scholastics, it centered on the ideas of self-ownership, original appropriation of nature-given, unowned resources, private property, and contract as universal human rights implied in the nature of man as a rational animal.

In an environment of royal rulers, this emphasis on the universality of human rights placed the liberal philosophy in radical opposition to every established government. For a liberal, every man, whether king or peasant, was subject to the same universal and eternal principles of justice, and a government either could derive its justification from a contract between private property owners or else it could not be justified at all. But could any government be so justified?

The liberal answer started with the proposition that, mankind being what it is, we will always have murderers, robbers, thieves, thugs, and con artists. In order to maintain a liberal social order, it is necessary that its members be able to compel, by the threat or application of violence, anyone who will not respect the life and property of others, to acquiesce in the rules of society. From this correct premise, liberals went on to conclude that maintaining law and order is the function of government.

Whether this conclusion is correct or not hinges on the definition of government. It is correct, if government means any individual or firm that provides protection and security services to a voluntary clientele of private-property owners. However, this was not the definition of government adopted by liberals. For a classical liberal, government,

unlike a normal firm, possesses a compulsory monopoly jurisdiction and the right to tax. But any such institution is incompatible with the protection of property.

According to liberal doctrine, private property rights precede—logically and temporally—any government. Thus, to meet the demand for protection, it would be economically likely for specialized individuals or agencies to arise to provide protection, insurance, and arbitration services for a fee to voluntary clients.

It is inconceivable that private property owners would enter a contract that entitled another agent to compel anyone within a given territory to come exclusively to it for protection and judicial decision-making, barring any other agent from offering protection services.

Such monopoly-contracts imply that every private property owner has surrendered his right to ultimate decision making, and the protection of his person and property permanently to someone else. In effect, a person would be submitting himself to slavery.

According to liberal doctrine, any such submission is null and void, because it contradicts the logical foundation of all contracts, i.e., private property and individual self-ownership. No one rightfully can render his person and property permanently defenseless against the actions of someone else. Similarly inconceivable is the notion that anyone would endow his monopolistic protector with the permanent right

to tax. No one would enter a contract that allowed one's protector to determine unilaterally the sum he must pay for protection.

Classical liberalism's central, momentous error lies in its theory of government.

Since Locke, classical liberals have tried to solve this internal contradiction through "implicit" or "conceptual" constitutions. Yet all of these characteristically tortuous and confused attempts have only added to the same unavoidable conclusion: That it is impossible to

derive a justification for government from explicit contracts between private property owners.

The Fatal Embrace

Liberalism was destroyed by its acceptance of government as consistent with self-ownership, original appropriation, property, and contract.

First, it follows from the initial error concerning the moral status of government that the liberal solution to the eternal human problem of security—a constitutionally limited government—is an impossible ideal. For every minimal government has the inherent tendency to become a maximal government.

Once the principle of government—judicial monopoly and the power to tax—is admitted as just, any notion of restraining government power is illusory. Predictably, under monopolistic conditions, the price of justice and protection will rise, and the quality of justice and protection fall.

A tax-funded protection agency is a contradiction in terms—an appropriating property protector—and will inevitably lead to more taxes

and less protection. Even if, as liberals have proposed, a government is limited in its activities exclusively to the protection of pre-existing private property rights, the further question of how much security to produce would arise.

Motivated (like everyone else) by self-interest and reluctance to work, but with the unique power to tax, a government agent's answer will invariably be the same: to maximize expenditures on protection—and almost all of a nation's wealth can conceivably be consumed by the cost of protection—and at the same time to minimize the production of protection. The more money one can spend and the less one must work to produce, the better off one will be.

Moreover, a judicial monopoly will inevitably lead to a steady deterioration in the quality of protection. If no one can appeal for justice except to government, justice will be perverted in favor of the government, constitutions and supreme courts notwithstanding. Constitutions and supreme courts are government constitutions and agencies. Predictably, the definition of property and protection will continually be altered, and the range of jurisdiction expanded, to the government's advantage.

Secondly, it follows also from the error regarding the moral status of government that the traditional liberal preference for local, decentralized and territorially small, government is inconsistent and contradictory. Every local government has an inherent tendency toward centralization and ultimately world government.

Once it is incorrectly admitted that in order to protect and enforce

peaceful cooperation between two individuals A and B, it is justified and necessary to have a judicial monopolist X, a twofold conclusion follows. If more than one territorial monopolist exists, X, Y, and Z, then, just as there can presumably be no peace among A and B without X, so can there be no peace among the monopolists X, Y, and Z as long as they remain in a "state of anarchy" to each other. Hence, all political centralization and unification, and ultimately the establishment of a single world government, is justified and necessary.

Lastly, it follows from the error of accepting government as just that the ancient idea of the universality of human rights and the unity of law is confused and, under the heading of "equality before the law," transformed into a vehicle for egalitarianism.

As opposed to the anti-egalitarian or even aristocratic sentiment of old liberals, once the idea of universal human rights is combined with government, the result will be egalitarianism and the destruction of human rights.

Once a government has been incorrectly assumed as just, and hereditary princes ruled out as incompatible with the idea of universal human rights, the question of how to square government with the idea of the universality and equality of human rights arises. The liberal answer is to open participation and entry into government on equal

terms to everyone, via democracy. Everyone—not just the hereditary class of nobles—is permitted to become a government official and exercise every government function.

However, this democratic equality before the law is incompatible with the idea of one universal law, equally applicable to everyone, everywhere, and at all times. In fact, the former inequality of the higher law of kings vs. the subordinate law of ordinary subjects is fully preserved under democracy in the separation of public vs. private law, and the supremacy of the former over the latter.

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Under democracy, everyone is equal insofar as entry into government is open to all on equal terms. In a democracy no privileged persons exist. However, functional privileges and privileged functions exist. As long as they act in official capacity, public officials are governed and protected by public law and occupy a privileged position vis-a-vis persons acting under the authority of mere private law (most fundamentally in being permitted to support their own activities by taxes imposed on private law subjects).

Privileges and legal discrimination will not disappear. To the contrary. Rather than being restricted to princes and nobles, privileges, protectionism, and legal discrimination will be available to all and can be exercised by everyone.

Predictably, under democratic conditions the tendency of every

monopoly—to increase prices and decrease quality—will be only stronger and more pronounced. As hereditary monopolist, a king or prince regarded the territory and people under his jurisdiction as his personal property and engaged in the monopolistic exploitation of his “property.” Under democracy, monopoly and monopolistic exploitation does not disappear. Even if everyone is permitted to enter government, this does not eliminate the distinction between the rulers and the ruled. Government and the governed are not one and the same. Instead of a prince who regards the country as his private property, a temporary and interchangeable caretaker is put in monopolistic charge of the country.

The caretaker does not own the country, but as long as he is in office he is permitted to use it to his and his protégés’ advantage. He owns its current use but not its capital stock. This will not eliminate exploitation. To the contrary, it will make exploitation less calculating and carried out with little or no regard to the capital stock, i.e., short-sighted. Moreover, with free entry into government the perversion of justice will proceed even faster. Instead of protecting pre-existing private property rights, democratic government becomes a machine for the continual redistribution of pre-existing property rights in the name of illusory “social security,” until the idea of universal and immutable human rights disappears and is replaced by

that of law as positive government-made legislation.

The Future of Freedom

On account of its fundamental error regarding the moral status of government, classical liberalism actually contributed to the destruction of everything it had originally

set out to preserve and protect: liberty and property. Once the principle of government had been accepted, it was only a matter of time until the ultimate triumph of socialism over liberalism. The present neo-conservative “End of History” of global U.S.-enforced social democ-

racy is the result of two centuries of liberal confusion.

Liberalism in its present form thus has no future. Or rather, its future is social democracy.

Once the premise of government is accepted, liberals are left without argument when socialists pursue this premise to its logical end. If monopoly is just, then centralization is just. If taxation is just, then more taxation is also just. And if democratic equality is just, then the expropriation of private property owners is just, too (while private property is not). Indeed what can a liberal say in favor of less taxation and redistribution? If he admits that taxation and monopoly are just, then he has no principled moral case to make. To lower taxes is not a moral imperative. Rather, the liberal case is exclusively an economic one. For instance, lower taxes will produce certain long-run economic benefits. However, at the

same time lower taxes also imply economic costs, at least in the short-run and for some people (the current tax recipients).

In this situation, democratic socialists seem more up-front, consistent, and consequential, while classical liberals come across as starry-eyed, confused, and unprincipled or even opportunistic. They accept the basic premise of the current order of democratic government, but then constantly lament its anti-liberal outcome.

If liberalism is to have any future, it must repair its fundamental error. Liberals will have to recognize that no government can be contractually justified, that every government is destructive of what they want to preserve, and that the production of security can only be rightfully and effectively undertaken by a system of competitive security suppliers. That is, liberalism will have to be transformed into private-property anarchism, as first outlined nearly 150 years ago by Gustave de Molinari and in our own time fully elaborated by Murray Rothbard.

Such a theoretical transformation would have an immediate two-fold effect. On the one hand, it would lead to a purification of the contemporary liberal movement. Social democrats in liberal clothes and many high-ranking liberal government functionaries would swiftly disassociate themselves from this new movement. On the other hand, the transformation would lead to the systematic radicalization of the liberal movement. For those members of the movement who still hold on to the classic notion of universal human rights and the idea that self-ownership and private

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property rights precede all government and legislation, the transition from liberalism to private-property anarchism is only a small intellectual step, especially in light of the obvious failure of democratic government to provide the only service that it was ever intended to provide (that of protection).

Private-property anarchism is simply consistent liberalism, liberalism thought through to its ultimate conclusion, liberalism restored to its original intent. However, this small theoretical step would have momentous practical implications.

In taking this step, liberals would renounce their allegiance to the present system, denounce democratic government as illegitimate, and reclaim their right to self-protection. Politically, with this step they would return to the very beginnings of liberalism as a revolutionary creed. In denying the validity of all hereditary privileges, classical liberals were placed in fundamental opposition to all established governments.

Of course, by itself the renewed radicalism of the liberal movement would be of little consequence (although as the American Revolution teaches, radicalism may well be popular). Instead, it is the inspiring

vision of a fundamental alternative to the present system, which flows from this new radicalism, that will finally break the social-democratic machine.

Like their classic forebears, new liberals do not seek to takeover government. They ignore government. They only want to be left alone by government, and secede from its jurisdiction to organize their own protection. Unlike their predecessors who merely sought to replace a larger government with a smaller one, new liberals pursue the logic of secession to its end. They propose unlimited secession, the unrestricted proliferation of independent free territories, until the state's range of jurisdiction finally withers away.

To this end—and in complete contrast to the statist projects of “European integration” and a “New World Order”—new liberals promote the vision of a world of tens of thousands of free countries, regions, and cantons, of hundreds of thousands of independent free cities—such as the present-day Monaco, Andorra, San Marino, Liechtenstein, and Singapore—and even more numerous free districts and neighborhoods, economically integrated through free trade (the smaller the territory, the greater the economic pressure to opt for free trade!) and an international gold standard.

If and when this alternative vision gains prominence in public opinion, the end of the social democratic “End of History” will have arrived, and a liberal renaissance begun. [RRR]

Professor Hoppe gratefully dedicates this article to his Anonymous Benefactor.

HEBREWS AND CHRISTIANS

Erik von Kuehnelt-Leddihn

The relationship between these two has so many theological, historical, sociological, biological, political, and ideological aspects that one should not be surprised at the simply colossal amount of passionate rather than dispassionate nonsense that has been spoken and written about it. To make matters worse, the “issues” involved have changed and are still changing constantly. The “problem” is also different in the various countries and cultures.

“Anti-Semitism” Predates Christianity

Let us start out by remembering that an antagonism to Hebrews existed in Antiquity even before the rise of Christianity. The main reason for this was on one side their religious exclusiveness (which went hand in hand with the belief that they were the Chosen People) and their very involved ritualistic prescriptions which prevented them from “mixing” in any way with their surroundings.

The first problem they shared with the Christians who aroused similar feelings in pagan cultures. We too are, after all, the *theou laos*, “God’s Chosen People” or, to be more explicit, the New Zion, yet Christ foretold in so many words that we will be persecuted for our convictions. On the other hand, we had no specific ethnic background