

The Ultimate Justification of the Private Property Ethic

by Hans-Hermann Hoppe

The mere fact that an individual argues presupposes that he owns himself and has a right to his own life and property. This provides a basis for libertarian theory radically different from both natural rights theory and utilitarianism.

Ludwig von Mises, in his masterpiece *Human Action*, explains the entire body of economic theory as implied in, and deducible from, a conceptual understanding of the meaning of action, plus a few general, explicitly introduced assumptions about the empirical reality in which action is taking place. He calls this conceptual knowledge the "axiom of action," and he demonstrates how the meaning of action from which economic theory sets out, i.e., of values, ends, means, choice, preference, profit, loss, and cost, must be considered *a priori* knowledge: it is not derived from sense impressions but from reflection (one does not see actions, but rather interprets certain physical phenomena as actions!); and, most importantly, it cannot possibly be invalidated by any experience whatsoever, because any attempt to do so would already presuppose an action (after all, experiencing something is itself an intentional action!).

Thus having reconstructed economics as, in the last resort, derived from an *a priori* true proposition, Mises can claim to have provided the ultimate foundation for economics. He calls such economics "praxeology," the logic of action, in order to emphasize the fact that its propositions can be definitely proven by virtue of the indisputable action-axiom and the equally indisputable laws of logical reasoning (such as the laws of identity and contradiction)—completely independent, that is, of any kind of empirical testing (as employed, for instance, in physics).

The idea of praxeology and his construction of an entire body of praxeological thought earns Mises a place among the greats of the modern Western tradi-

tion of rationalism in its search for certainty. But Mises does not think it is possible to provide a similarly apodictically certain foundation for ethics. To be sure, economics can inform us whether or not certain means are appropriate for bringing about certain ends, yet whether or not the ends can be regarded as just can be decided neither by economics nor by any other science. There is no justification for choosing one rather than another end. What end is ultimately chosen is arbitrary from a scientific point of view. It is a matter of subjective whim, void of any justification beyond the mere fact of being liked.

Many libertarians (not to speak here of non-libertarians) agree with Mises on this point. Like Mises, they have given up the idea of a rational foundation of ethics. As does Mises, they make the most of the economic proposition that the libertarian private property ethic produces a higher general standard of living than any other, that most people actually prefer higher over lower standards of living, and hence that libertarianism should prove highly popular. But ultimately, as Mises certainly knew, such considerations can only convince someone of libertarianism who has already accepted the "utilitarian" goal of general wealth maximization. For those who do not share this goal, these con-

siderations have no compelling force at all. And thus, in the final analysis, libertarianism is based on nothing but an arbitrary belief, however widespread.

In the following I will outline an argument that demonstrates why this position is untenable, and how, in fact, the essentially Lockean private property ethic of libertarianism can ultimately be justified. In effect, this argument supports the natural rights position of libertarianism as espoused by the other master-thinker of the modern libertarian movement, Murray N. Rothbard—foremost in his *Ethics of Liberty*. Yet the argument is different from the one typically offered by the natural rights tradition. Rather than this tradition, it is Mises, with his idea of praxeology and praxeological proofs, who provides the model.

I want to demonstrate that the libertarian private property ethic, and *only* the libertarian private property ethic, can be justified argumentatively, because it is the praxeological presupposition of argumentation. Many alternatives to a private property ethic can be proposed, of course, but their propositional content must contradict the ethic inherent in the demonstrated preference of the proposer's own act of proposition making, i.e., by the act of engaging in argumentation.

One can say "people are, and always shall be indifferent towards doing things," but this proposition would contradict and be belied by the act of proposition-making, which, in fact, would demonstrate subjective preference (of saying this rather than something else, or not saying anything at all). In the same way, non-libertarian ethical proposals are falsified by the reality of actually proposing them.

To reach this conclusion and to understand properly its importance and logical force, two insights are essential.

First, it must be noted that the question of what is just or unjust—or, for that matter, the more general question of what is or is not a valid proposition—only arises insofar as one is capable of propositional exchanges, i.e. of argumentation. The question does not arise vis-a-vis a stone or fish, because they are incapable of engaging in such exchanges and of producing validity-claiming propositions. Yet if this is so—and one cannot deny that it is without contradicting oneself, as one cannot argue a case that one cannot argue—then any ethical proposal, as well as any other proposition, must be assumed to claim that it can be validated by propositional or argumentative means. (Insofar as Mises formulates economic propositions, one must assume that he, too, claims this.)

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In fact, in asserting any proposition, overtly or as an internal thought, one demonstrates one's preference for the willingness to rely on argumentative means in convincing oneself or others of something. There is then, trivially enough, no way of justifying anything, unless it is a justification by means of propositional exchanges and arguments. But then it must be considered the ultimate defeat for an ethical proposal if one can demonstrate that its content is logically incompatible with the proponent's claim that its validity is ascertainable by argumentative means. To demonstrate any such incompatibility would amount to an impossibility proof, and such proof would constitute the most deadly defeat possible in the realm of intellectual inquiry.

Second, it must be noted that argumentation does not consist of free-floating propositions but is a form of action requiring the employment of scarce means; and furthermore that the

means, which a person demonstrates by preferring to engage in propositional exchange, are those of private property.

No one could possibly propose anything, and no one could become convinced of any proposition by argumentative means, if one's right to make exclusive use of one's physical body were not already presupposed. It is one's recognition of another's mutually exclusive control over his own body which explains the distinctive characteristic of propositional exchanges: while one may disagree about what has been said, it is still possible to agree at least on the fact that there is disagreement. And it is obvious, too, that such a property right in one's own body must be said to be justified a priori. Anyone who would try to justify any norm of whatever content must already presuppose an exclusive right of control over his body simply in order to say "I propose such and such." And anyone disputing such a right, then, would become caught up in a practical contradiction, since in arguing so one would already implicitly have accepted the very norm

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Furthermore, it would be equally impossible to sustain argumentation for any length of time and rely on the propositional force of one's arguments, if one were not allowed to appropriate in addition to one's body other scarce means through homesteading action, i.e., by putting them to use before someone else does, or if such means, and the rights of exclusive control regarding them, were not defined in objective, physical terms.

For if no one had the right to control anything at all, except his own body, then we would all cease to exist and the problem of justifying norms—as well as all other human problems—simply would not exist. Thus, the fact that one is alive presupposes the validity of property rights to other things. No one who is alive could argue otherwise.

And if a person did not acquire the right of exclusive control over such goods by homesteading, by establishing

some objective link between a particular person and a particular scarce resource before anyone else had done so, but instead late-comers were assumed to have ownership claims to things, then literally no one would be allowed to do anything with anything unless he had the prior consent of all late-comers. Neither we nor our forefathers nor our progeny could survive, do survive or will survive if we were to follow this rule. Yet in order for any person—past, present or future—to argue anything it must evidently be possible to survive. And in order for us to do just this, property rights cannot be conceived as "timeless" and non-specific regarding the number of people concerned. Rather, property rights must necessarily originate through action at definite times for specific acting individuals. Otherwise, it would be impossible for anyone to say anything at a definite time and for someone else to be able to reply. To assert that the first-user-first-owner rule of libertarianism can be ignored or is unjustified implies a contradiction. One's assertion of this proposition pre-

supposes one's existence as an independent decision-making unit at a given point in time.

Lastly, acting and proposition-making would also be impossible, if the things acquired through homesteading were not

defined in objective, physical terms (or if, correspondingly, aggression were not defined as an invasion of physical integrity of another person's property), but instead in terms of subjective values and evaluations. For while every person can have control over whether or not his actions cause the physical integrity of something to change, control over whether or not one's actions affect the value of someone's property rests with other people and their evaluations. One would have to interrogate and come to an agreement with every person in the population to make sure that one's planned actions would not change another person's evaluations regarding his property. This is an absurd proposition: everyone would be long dead before this was accomplished. Moreover, the idea that only subjective values in property should be protected, rather than physical (objective) property itself, is argumentatively indefensible. Even to make such an argument, one must pre-

suppose that actions must be allowed prior to the actual agreement, because if they were not one could not even assert this proposition. The assertion of any proposition is possible only because property has objective borders, borders which every person can recognize as such on his own, without having to agree first with anyone else with respect to one's system of values and evaluations.

By being alive and formulating any proposition, then, one demonstrates that any ethic except the libertarian ethic is invalid. If this were not so and late-comers supposedly had legitimate claims to things, or things owned were defined in subjective terms, no one could possibly survive as a physically independent decision-making unit at any given point in time, and hence no one could ever raise any validity claiming proposition whatsoever.

This concludes my *a priori* justification of the private property ethic.* A few comments regarding a topic already touched upon earlier—the relationship of this “praxeological” proof of libertarianism to the utilitarian and to the natural rights position—will complete the discussion.

The justification of the private property ethic outlined above contains the ultimate refutation of the utilitarian position. In order to propose the utilitarian position, the validity of exclusive rights of control over one's own body and one's homesteaded goods must already be presupposed.

More specifically, the praxeological proof of the private property ethic shows the praxeological impossibility of the consequentialist libertarian position: the assignment of rights of exclusive control cannot be dependent on the *outcome* (“beneficial” or otherwise) of certain actions; one could never act and propose anything, unless private property rights already existed prior to any later outcome. A consequentialist ethic is a praxeological absurdity. Any ethic must, instead, be “aprioristic” or “instantaneous,” in order to make it possi-

ble that one can act here and now, proposing this or that, rather than having to suspend acting until later. An advocate of a “wait-for-the-outcome” ethic could not survive long enough to say anything if he were to take his own advice seriously. And to the extent that utilitarian proponents are still around, then, they demonstrate through their actions that their consequentialist doctrine is false. Acting and proposition-making requires private property rights now, and cannot wait for them to be assigned only later.

Although the praxeological proof of the private property ethic generally supports the natural rights position con-

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cerning the possibility of a rational ethic and fully agrees with the specific conclusions reached within the natural rights tradition (specifically by Murray N. Rothbard), it has at least two distinctive advantages.

It has been a common quarrel with the natural rights position, even on the part of otherwise sympathetic observers, that the concept of human nature is far too diffuse to allow the derivation of a determinate set of rules of conduct. The praxeological approach solves this problem by recognizing that it is not the wider concept of human nature, but the narrower one of propositional exchanges and argumentation, which must serve as the starting point in deriving an ethic.

Moreover, it shows that an *a priori* justification for this approach exists insofar as the problem of true and false, or right and wrong, does not arise outside and apart from propositional exchanges; that no one could then possibly challenge such a starting point without a contradiction; and finally, that it is argumentation, then, which requires the recognition of private property, and that an argumentative challenge of the validity of the private property ethic is thus

praxeologically impossible.

Secondly, there is the logical gap between “is” and “ought” statements which natural rights proponents, at least according to wide-spread opinion, have failed to bridge successfully, except for advancing some general critical remarks regarding the ultimate validity of the fact-value dichotomy. Here the praxeological proof of libertarianism has the advantage of offering a completely value-free justification of private property. It remains entirely in the realm of is-statements, and nowhere tries to derive an ought from an is. The structure of the argument is this: (a) justification is propositional justification (an *a priori* true “is-statement”); (b) argumentation presupposes property in one's body and the homesteading principle (another *a priori* true “is-statement”); and thus (c) no deviation from this ethic can be justified argumentatively (another *a priori* true “is-statement”).

The praxeological proof also offers a key to an understanding of the nature of the fact-value dichotomy: ought-statements, it is often said, cannot be derived from is-statements; they belong to different logical realms. But one could not even state that there *are* facts and values if there were no propositional exchanges. This practice of propositional exchanges in turn already presupposes the prior acceptance of the private property ethic as valid. Cognition and truth-seeking as such have a value foundation. And the normative foundation on which cognition and truth rest is the recognition of private property rights. □

Errata

Despite the best efforts of our contributors, proof-readers and fact checkers, three errors were published in the July issue of *Liberty*:

John Hospers is a Professor at the University of Southern California, not at the University of California at Los Angeles, as reported on page 44.

The “bad guys” in the HBO film “Into the Homeland” were the “American Liberation Movement”, not the “American Libertarian Movement” as reported on page 71.

And the Cato Institute seminar that Ross Overbeek discussed occurred in 1978, not 1980 as stated on page 58.

Our apologies to all concerned.

* For a more extended and detailed presentation of the argument developed here see in particular my *Eigentum, Anarchie und Staat* (Opladen: Westdeutscher Verlag, 1987); also *A Theory of Socialism and Capitalism* (Boston: Kluwer, forthcoming, 1988); “From the Economics of Laissez Faire to the Ethics of Libertarianism,” in W. Block and L. Rockwell, eds., *Man, Economy, and Liberty: Festschrift in Honor of the 60th Birthday of Murray N. Rothbard* (Auburn: Mises Institute, forthcoming, 1988); and “The Justice of Economic Efficiency” and “Demonstrated Preference and Private Property,” *Austrian Economics Newsletter*, nos. 1 and 2 (1988).