Konkin on Libertarian Strategy

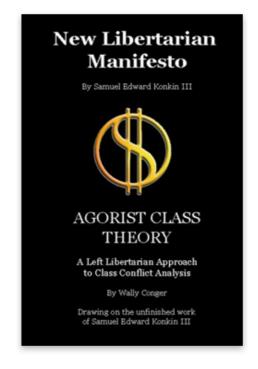
by Murray N. Rothbard

[From Strategy of the New Libertarian Alliance, Number One, May Day 1981, 3–11, a critique of the New Libertarian Manifesto [NLM] by the late agorist theoretician, Samuel Edward Konkin III (1947–2004); reprinted as "The Anti-Party Mentality" in Libertarian Vanguard, August—September 1981. Rothbard dated his submission November 10, 1980.]

It is good to have the <u>New Libertarian Manifesto</u> (NLM) in more or less systematic form for assessment and criticism. Until now, the Konkinian vision has only been expressed in scattered pot shots at his opponents, often me. II It turns out that Sam Konkin's situation is in many ways like the Marxists. Just as the Marxists are far more cogent in their criticisms of existing society than in setting forth their vaporous and rather absurd vision of the communist future, so Konkin is far more coherent in his criticisms of the existing libertarian movement than in outlining his own positive agoric vision. This of course is not an accident. For one thing, it is far easier to discover flaws in existing institutions than to offer a cogent alternative, and secondly it is tactically more comfortable to be on the attack.

I. The Konkinian Alternative

In this particular case, Konkin is trying to cope with the challenge I laid down years ago to the antiparty libertarians: OK, what is your strategy for the victory of liberty? I believe Konkin's agorism to be a total failure, but at least he has tried, which is to his credit, and puts him in a class ahead of his antiparty confreres, who usually fall



back on fasting, prayer, or each one finding ways to become a better and more peaceful person, none of which even begins to answer the problem of State power, and what to do about it. So before I comment on Konkin's criticisms of current libertarian institutions, I would like to take up his agoric alternative.

First, there is a fatal flaw which not only vitiates Konkin's agoric strategy but also permits him to evade the whole problem of organization (see below). This is Konkin's astonishing view that working for wages is somehow nonmarket or antilibertarian, and would disappear in a free society. Konkin claims to be an

Austrian free-market economist, and how he can say that a voluntary sale of one's labor for money is somehow illegitimate or unlibertarian passeth understanding. Furthermore, it is simply absurd for him to think that, in the free market of the future, wage labor will disappear. Independent contracting, as lovable as some might see it, is simply grossly uneconomic for manufacturing activity. The transaction costs would be far too high. It is absurd, for example, to think of automobile manufacturing conducted by self-employed, independent contractors.

Furthermore, Konkin is clearly unfamiliar with the fact that the emergence of wage labor was an enormous boon for many thousands of poor workers and saved them from starvation. If there is no wage labor — as there was not in most production before the Industrial Revolution — then each worker must have enough money to purchase his own capital and tools. One of the great things about the emergence of the factory system and wage labor is that poor workers did not have to purchase their own capital equipment; this could be left to the capitalists. (Thus, see F.A. Hayek's brilliant introduction in his *Capitalism and the Historians*.)

Konkin's fallacious and unlibertarian rejection of wage labor, however, allows him to do several things. It allows him to present a wildly optimistic view of the potential scope of the black market. It also accounts for his curious neglect of the "white market," and his dismissal of it as unimportant. In point of fact, even though the black market is indeed important in Russia, Italy, etc., it is enormously dwarfed in importance by the legal, white market. So the Konkinian vision of black-market institutions growing, defending themselves, and thus becoming the free-market anarchist society of the future collapses on this ground alone.

Note that black markets are concentrated either in service industries or in commodities which are both valuable and easily concealed: jewels, gold, drugs, candy bars, stockings, *etc*. This is all well and good, but it still does not solve the problem: who will make automobiles, steel, cement, *etc*. How would *they* fare in the black market? The answer is that they don't fare at all, just as they don't fare in the independent contracting agora.

The point is that these fatal gaps in the Konkinian vision are linked together. By concentrating on such objects as marijuana as his paradigm of the agora — rather than automobiles, steel, Wonder Bread, or whatever — Konkin is able to neglect the overwhelming bulk of economic life and to concentrate on marginalia. Only by this sort of neglect can he even begin to postulate a world of independent contractors or a world of black markets.

And there is another vital point here too. Konkin's entire theory speaks only to the interests and concerns of the marginal classes who are self-employed. The great bulk of the people are full-time wage workers; they are people with steady jobs. Konkinism has nothing whatsoever to say to these people. To adopt Konkin's strategy, then, would on this ground alone, serve up a dead end for the libertarian movement. We cannot win if there is no possibility of speaking to the concerns of the great bulk of wage earners in this and other countries.

It is the same thing with tax rebellion, which presumably serves as part of the agoric strategy. For once again, it is far easier for someone who doesn't earn a wage to escape the reporting of his income. It is almost impossible for wage earners, whose taxes are of course deducted off the top by the infamous withholding tax. Once again, it is impossible to convert wage workers to the idea of nonpayment of taxes because they literally have no choice. Konkin's airy dismissal of taxation as being in some sense voluntary again ignores the plight of the wage earner.

I am afraid, indeed, that there is only one way to eliminate the monstrous withholding tax. Dare I speak its name? It is political action.

It is no accident, again, that the entire spectrum of the black market movement, from tax rebels to agoric theoreticians, are almost exclusively self-employed. To echo Konkin's distinction, black marketeers might well benefit themselves in the micro sense, but they have no relevance to the "macro" struggle for liberty and against the State. Indeed, in a kind of reverse invisible hand, they might even be counterproductive. It is

possible that the Soviet black market, for example, is so productive that it keeps the entire monstrous Soviet regime afloat, and that without it the Soviet system would collapse. This does not mean, of course, that I scorn or oppose black market activities in Russia; it is just to reveal some of the unpleasant features of the real world.

There are other problems with the agoric concept. I tend to side with Mr. Pyro Egon in his dispute with Konkin; for the black market, if it develops at all, is going to develop on its own, and I see no role whatever for Mr. Konkin and the New Libertarian Alliance or the involvement of the Libertarian Left. Konkin speaks correctly of the division of labor. Well, nowhere does the division of labor manifest itself more clearly than in who succeeds in entrepreneurship. If the black market should develop, then the successful entrepreneurs are not going to be agoric theoreticians like Mr. Konkin but successful entrepreneurs period. What do they need with Konkin and his group? I suggest, nothing at all.

There is a hint in the NLM that libertarians would *a priori* make better entrepreneurs than anyone else because they are more trustworthy and more rational, but this piece of nonsense was exploded by hard experience a long time ago. Neither do the budding black marketeers need Mr. Konkin and his colleagues to cheer them on and free them of guilt. Again, experience has shown that they do fine on their own, and that urging them on to black market activities is like exhorting ducks to swim.

When we consider, then, the vital importance of wage work, black markets are already severely limited, and the agorist scenario for the ultimate libertarian goal falls apart. And then there is the final stage where black-market agencies use force to defend illegal transactions, tax rebels, etc. against the State. Although Konkin doesn't acknowledge it as such, this is violent revolution, and it is simply a historical truth without exception that no violent revolution has come close to succeeding in a democratic country with free elections. So that way is barred too. And it hasn't succeeded all that often even in a dictatorship. The Soviet system has now been oppressing its citizens for over sixty years; and there has been a widespread black market all this time. And yet there is still the Gulag. Why hasn't the black market developed into a Konkinian agora or, even hinted at such?

No. Much as I love the market, I refuse to believe that when I engage in a regular market transaction (e.g., buying a sandwich) or a black-market activity (e.g., driving at 60 miles per hour) I advance one iota nearer the libertarian revolution. The black market is not going to be the path to liberty, and libertarian theoreticians and activists have no function in that market. I think this is why the only real activity of Mr. Konkin and his colleagues is confined to annoying members of the Libertarian Party. This hectoring may be bracing for the soul of some party members, but it scarcely serves to satisfy the lifelong commitment the Konkinians have to the cause of liberty. No, agorism is a dead end, and, to use an old Stalinist term, is "objectively counterrevolutionary."

II. The Problem of Organization

I turn now to Konkin's critique of the current libertarian movement, in NLM and other writings. There are three basic threads in this critique which are entirely distinct, but which Konkin generally confuses and conflates. These are (1) the problem of hierarchical organization, (2) the problem of the "Kochtopus," and (3) the Libertarian Party. Generally, Konkin lumps them all together, and thereby confuses all these issues. We must unpack them. Let us do so by first assuming, for the sake of argument, that there is no Libertarian Party, and that there are simply other libertarian institutions, organizations, institutes, magazines, or whatever.

Would Konkin's complaints disappear if the LP collapsed? Clearly not. For there runs through his writings an attack, not only on hierarchical organization but on organization per se. He is against joint-stock companies because they are organized hierarchically, and seems to be against all other voluntary organizations for similar reasons. He not only opposes wages, he also wants only individual alliances, and not organizations at all.

First, there is nothing either unlibertarian or unmarket about a voluntary organization, whether joint stock or any other. People organize because they believe they can accomplish things more effectively that way than through independent contracting or ad hoc alliances. And so they can. So,

1. they are not immoral or unlibertarian, and

2. they are the only way by which almost anything can be accomplished, whether it is making automobiles or setting up bridge or chess tournaments.

Konkin's suggested floating affinity groups can accomplish very little, and that when only a handful of people are involved. But if more than a handful wish to cooperate on joint tasks, whether steel making or chess tournaments, an organization becomes necessary.

Organizations of course create problems, and it is really pointless to go on about them. If more than three or four people wish to engage in a joint task, then some people will override the wishes of others (e.g. should we paint the office blue or beige?), and there are bound to be power struggles, faction fights, and all the rest. Even corporations, which have to meet a continuing profit test, have these problems, and the difficulties are bound to increase in nonprofit organizations, where there is no instant profit-and-loss feedback.

So organizations create problems; so what? So does life itself, or friendships, romantic relationships, or whatever. Most people think the drawbacks are worth it, and are more than compensated by the benefits of working for and achieving joint goals. But if not, they can always drop out and not belong to an organization; in a free society, they have that privilege. And of course, we are talking here about voluntary organizations.

I suspect Mr. Konkin and his colleagues don't like to join organizations. So be it. But those of us who wish to accomplish various goals will continue to do so. And it seems to me we are at least entitled to the acknowledgement that there is nothing in the slightest unlibertarian about organization, hierarchy, leaders and followers, etc., so long as these are done voluntarily. If the Konkinians fail to acknowledge this primordial libertarian point, then their libertarian *bona fides* would come into serious question.

III. The Problem of the "Kochtopus"

Konkin has also railed against the beneficence of Charles Koch, not only for being pro-LP, but also because he has tended to acquire a "monopoly" of the movement.

Still abstracting from the LP, let us begin by each one of us putting ourselves in Koch's place. You, say, are a multimillionaire, and you get converted to libertarianism. You're all excited about it, and you want to do something to advance the cause. Things being what they are, the main thing you can contribute is your money. What should you do? The trouble with asking us to make this act of imagination is that most of us can't conceive of ourselves as multimillionaires, and too many of us have absorbed the primitive populist view of millionaires as evil Fu Manchu characters bent on exploitation. But let's take the case of our multimillionaire convert. Would Konkin *really* say that he should do nothing, because this might create a "monopoly" of the movement? Do we *not* want to convert multimillionaires? Do we *not* think that money is important in advancing the movement?

So it is surely grotesque to send our multimillionaire packing. Obviously, we should welcome his contributions to the cause and hope for as much as possible. OK, so you are a multimillionaire convert to libertarianism. To whom or what should you give your money? Now, this is a considerable responsibility, and since no one can be omniscient, our multimillionaire is bound to make mistakes along the way. But all we can ask of him — or ourselves — is to do the best he can, according to his knowledge.

The multimillionaire therefore deserves our approbation, our welcome to the cause. Instead, what he inevitably gets — human nature being what it is — will be complaints and attacks without cease. For if A, B, and C (people or institutions) receive his largesse, this inevitably leaves D, E, and F out in the cold, and whether through envy and/or righteous indignation at the wrong path taken, D, E, and F will no doubt yell bloody murder.

To us poor folk it might seem absurd to say that the life of a multimillionaire is hard and thankless, but it seems clear that this is an important point for us to remember.

But there is more to be said. The critics of the multimillionaire might say, OK, it's great that he's giving all that money to the cause, but why does he have to control everything? But here again, you are the multimillionaire, and you want to do the best you can for liberty with the money you give out. Wouldn't you want to have control over how your own money is spent? Hell yes. You'd have to be an idiot not to, and also

not care too much either about money or the libertarian cause. There are few multimillionaires who are idiots.

But how about the Kochian "monopoly?" Here Mr. Konkin should have fallen back on his Austrian economics. Suppose that only one firm is producing aluminum. Should we start yelling at it for being a "monopoly," or should we hope for *more* firms to enter the industry? Clearly the latter, unless the "monopolist" is using the State to keep other competitors out, which of course Mr. Koch is not doing. Quite the contrary. Koch would be delighted to find other multimillionaires converted to liberty and giving money to the movement, as would we all. So that the answer to the problem of the Koch "monopoly" is to find a dozen more multimillionaire libertarians. It is grossly unfair and fallacious to put the blame on the monopolist for his situation.

I submit that Konkin has been egregiously unfair to Charles Koch. The only legitimate criticism of Koch is not the existence of the "Kochtopus" but if the said "Kochtopus" takes a wrong and misguided track. Within Konkin's antiparty perpsective, for example, it is perfectly legitimate for him to criticize Koch's tie-in with the Libertarian Party, but not the existence of Koch largesse per se.

In many of Konkin's writings, however, one has the impression that simply the receipt of a grant or the taking of a job with Koch is evil, or, indeed, the taking of any steady job whatsoever (*pace*, Konkin on wage work).

But while there is nothing at all immoral or illegitimate about the existence of a Kochian monopoly in the movement, it does pose grave sociological problems. For if one man or organization constitutes or controls the entire movement, then any mistake of ideology, strategy, or tactics he or it may make will have grave consequences for the entire movement. If a small organization makes a mistake, however, the consequences are not so catastrophic. Here is a real problem, which it is impossible to see how to cure, short of finding a dozen more people like Koch. (Surely, Konkin's putative solution of Koch disappearing from the libertarian scene is a "remedy" far worse than the disease.) The only thing I can think of is trying to persuade Koch to set up diverse and "competing" institutions in the movement, much as corporations often set up competing profit centers within their own organization. (To some extent this is already being done, as in the case of such an estimable institution as the Council for a Competitive Economy.)

IV. The Problem of the Libertarian Party

Much of the Konkinian critique of the LP has been conflated with attacks on organization and on "monopoly" per se, and I think I have shown that all these criticisms are either fallacious or miss the point — the main point being that these institutions are voluntary and are worth the problems they inevitably have, at least to those who participate in them. None of these institutions are unlibertarian, and the difficulties they bring in their wake are the problems of life.

We turn to Konkin's *bête noire*, the Libertarian Party. There are two important questions to be resolved about the LP:

- 1. is it evil per se, and
- 2. assuming that it isn't, is it a legitimate or even necessary strategy for libertarians to adopt?

I am going to assume for the moment that a libertarian political party (or for that matter, other forms of political action, such as lobbying) are not evil per se. But if that is true, then all of Konkin's running arguments about the LP's hierarchical nature, its power struggles, faction fighting, etc. are no more than the problems inherent in all organizations whatever. And this we have already disposed of.

More important, I see no other conceivable strategy for the achievement of liberty than political action. Religious or philosophical conversion of each man and woman is simply not going to work; that strategy ignores the problem of power, the fact that millions of people have a vested interest in statism and are not likely to give it up. Violent revolution will not work in a democratic political system. Konkinian agorism is no answer, as I have shown above.

Education in liberty is of course vital, but it is not enough; action must also be taken to roll back the State, specifically to repeal State laws, like price control or the withholding tax. Or even like marijuana laws. Despite their widespread nonenforcement, there are always some people who get cracked down on, especially

if the police wish to frame them for other reasons. Tax rebels are admirable, but only in "micro" terms; the taxes are still there, and the wage earners pay them. Tax rebellion is not a strategy for victory. Single-issue lobbying groups (e.g. antidraft organizations, taxpayer organizations, gold standard groups, etc.) are fine and admirable, but they do not complete the job, for two basic reasons:

- a. because they are single-issue, and therefore cannot educate anyone in libertarianism across the board, and
- b. because they cannot do the vital job of repealing the statist laws.

They can only *urge* the repeal of the draft, for example; they can't actually *do* the repealing. Why should we cut ourselves off from this necessary and vital step of doing the repealing? Of course if one believes with <u>Bob LeFevre</u> that it is *equally* immoral to repeal as to impose the draft, then the repeal of anything is out of the question. But I will shout hosannahs for any repeal of statism, and do not concern myself with the "coercion" of those who'd like to keep the draft and are deprived of it.

Before the existence of the LP, the only repealing could be done by Democrats and Republicans, and so libertarians engaged in this form of political action had to try to find the more libertarian, or rather, the less antilibertarian, candidate. Contrary to Konkin, there *have* been political parties in the past, especially the 18th and 19th centuries that, while not anarchist, were admirable forces for laissez-faire. They didn't smash the State (not their intention anyway), but they did accomplish an enormous amount for liberty: they ushered in the Industrial Revolution, and we are all in their debt. I think of the Democratic Party in the United States, the Liberals in England, the Progressives in Germany, etc. Historically, classical-liberal political parties have accomplished far more for human liberty than any black markets.

But empirically, of course, neither major party at this point is worth a damn, and so a Libertarian Party provides a welcome alternative, of actually permitting us to engage in libertarian political action.

A Libertarian Party presents many difficulties. For one thing, there is the constant temptation to substitute numbers of votes for profits as the test of success, and this means the dilution of principle to appeal to the lowest common denominator of voters. This temptation has been yielded to with great enthusiasm by the Clark campaign. But the price of liberty is eternal vigilance, never more so than in a libertarian political party. The LP needs continual self-criticism and, yes, Konkinian criticism as well.

Fortunately, it has an admirable platform; now a struggle must get underway to get the party's candidates to stick to that platform. The struggle against opportunism is not going to be easy, and it may not even be successful. But the LP is a valuable enough institution that the battle is worth it. Which is why it needs the Radical Caucus.

And why it needs libertarians who are educated in libertarian principles and are concerned to maintain them. One problem with this particular LP is that in a deep sense it was founded prematurely: before there were enough activists around to make it work and to educate newcomers. The LP grew like Topsy; as a result, very oddly for an ideological party, there are literally no institutions within the Party (except for the Radical Caucus) engaged in education or discussion of principles or political issues.

The LP is one of the strangest ideological parties in history; it is an ideological political party where most of its members display no interest whatever in either ideology or politics. Marxist groups generally don't found parties for a long time; first, they build "pre-party formations" which gather the strength and the knowledge to launch a regular party. We had no such formation, and are suffering the consequences. But here the party is, and we have to make do with what we have.

So the Libertarian Party is vital if not necessary to repealing statism. And contrary to Konkin's suggested timetable of a millennium, a militant and abolitionist LP in control of Congress could wipe out all the laws overnight. All that would be needed is the will. No other strategy for liberty can work. And yet, all this pales before the most important problem: Is a Libertarian Party evil *per se?* Is voting evil *per se?* My answer is no.

The State is a Moloch that surrounds us, and it would be grotesque and literally impossible to function if we refused it our "sanction" across the board. I don't think I am committing aggression when I walk on a government-owned and government-subsidized street, drive on a government-owned and subsidized highway, or fly on a government-regulated airline. It would be participating in aggression if I lobbied for

these institutions to continue. I didn't ask for these institutions, dammit, and so don't consider myself responsible if I am forced to use them.

In the same way, if the State, for reasons of its own, allows us a periodic choice between two or more masters, I don't believe we are aggressors if we participate in order to vote ourselves more kindly masters, or to vote in people who will abolish or repeal the oppression. In fact, I think that we owe it to our own liberty to use such opportunities to advance the cause.

Let's put it this way: Suppose we were slaves in the Old South, and that for some reason, each plantation had a system where the slaves were allowed to choose every four years between two alternative masters. Would it be evil, and sanctioning slavery, to participate in such a choice? Suppose one master was a monster who systematically tortured all the slaves, while the other one was kindly, enforced almost no work rules, freed one slave a year, or whatever. It would seem to me not only not aggression to vote for the kinder master but idiotic if we failed to do so. Of course, there might well be circumstances — say when both masters are similar — where the slaves would be better off not voting in order to make a visible protest — but this is a tactical not a moral consideration. Voting would not be evil but, in such a case, less effective than the protest.

But if it is morally licit and nonaggressive for slaves to vote for a choice of masters, in the same way it is licit for us to vote for what we believe the lesser of two or more evils, and still more beneficial to vote for an avowedly libertarian candidates.

And so there we have it. Konkinian strategy winds up being no strategy at all. Konkin cripples libertarian effectiveness by creating moral problems where none exist: by indicting as nonlibertarian or nonmarket a whole slew of institutions necessary to the triumph of liberty: organization, hierarchy, wage work, granting of funds by libertarian millionaires, and a libertarian political party. Konkin is what used to be called a "wrecker"; let some institution or organization seem to be doing good work for liberty somewhere, and Sam Konkin is sure to be in there with a moral attack.

And yet, Konkin's writings are to be welcomed. Because we need a lot more polycentrism in the movement. Because he shakes up "Partyarchs" who tend to fall into unthinking complacency. And especially because he cares deeply about liberty and can read and write — qualities which seem to be going out of style in the libertarian movement. At least we can count on Sam Konkin not to join the mindless cretins in the Clark TV commercials singing about "A New Beginning, Amer-i-ca." And that's worth a lot.