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## **The Ethical Aspect of the Relationship of the Individual and the State in the Libertarian Perspective of Murray N. Rothbard**

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### **Abstract**

On the grounds of the libertarian ethics presented by Murray N. Rothbard, the state is an institution which acts against individuals and whole societies. The state steals money from its citizens (taxes), stands in the way of free market development and controls the economy, thus hindering entrepreneurship. Besides that, the state – through its rules and regulations – limits every man's right to make moral choices. The state is an immoral institution, therefore its citizens have the right to refuse to pay taxes, follow orders, and even – in some circumstances – corrupt civil servants. In this paper we analyse Rothbard's ethics and look into the arguments of critics of libertarian thought. Practical social and economic solutions that emerge from Rothbard's point of view are also considered.

**Keywords:** libertarianism, Murray N. Rothbard, state, individual rights

**JEL Classification:** B31, B53

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### **1. Introduction**

The concept of libertarianism, like liberalism, has been the subject of economics, political sciences, and philosophy. The genesis of libertarianism is intrinsically related with the development of liberal doctrines, with the process of implementation of liberal ideas, and the evolution of the role of the State in the

economy. It is indicated that libertarianism emerged as a result of identifying American liberalism with the programmes and practices of State intervention and redistribution. The term was coined in the United States after the presidency of Franklin D. Roosevelt (1933-1945), when the supporters of his policy used the term 'liberalism' to describe political and economic interventionism<sup>1</sup>.

Libertarian capitalism involves protection of the freedom of individuals and their property, as long as they do not use violence against other individuals. It advocates for freedom in the field of private life and the related choices, as well as for freedom of market transactions, giving priority to spontaneous order. One of the views of libertarianism is minarchism, in which the government is to restrict itself to protect the rights of individuals and ensure their safety (the State as a 'night watchman'). The other position is represented by anarcho-capitalists who want to replace the State with private security agencies, and courts competing in the open market of services<sup>2</sup>.

Among those who have had an influence on the development of modern libertarianism are John Locke, Adam Smith, David Hume, Frédéric Bastiat, American constitutionalists (in particular Thomas Jefferson)<sup>3</sup>, and the nineteenth-century individualist anarchists in the United States: Lysander Spooner and Benjamin Tucker<sup>4</sup>.

Scholars<sup>5</sup> associate the origins of twentieth-century Libertarianism with Albert Jay Nock (1870-1935). He wrote the ideological disquisition *Our Enemy, the State* (1935) which had a huge impact on the libertarians. Nock found the State to be the biggest offender who commits crimes (calling them the justice system) and steals (collecting taxes). Interpreting the activities of the State in this way Nock has deprived the State of its moral legitimacy<sup>6</sup>.

The aim of this article is to present and analyse the concepts of one of the most eminent representatives of twentieth century's libertarianism, Murray Newton Rothbard, especially his stance on the ethical facet of the relationship of the individual and the State. Recently, in times of economic crisis, the problem seems to be important even more, since economic slump leads to the attempts to redefine the role of the State in the economy.

<sup>1</sup> See H.H. Gissurason, *Libertarianism* [in:] *The Blackwell Dictionary of Modern Social Thought*, ed. W. Outhwaite, Blackwell Publishing, Oxford 2006, p. 351.

<sup>2</sup> See T.R. Machan, *Libertarianism Defended*, Ashgate, Burlington/Aldershot 2006, p. 147.

<sup>3</sup> See C.M. Sciabarra, *Total Freedom. Toward a Dialectical Libertarianism*, The Pennsylvania State University Press 2000, pp. 195-196.

<sup>4</sup> In the libertarian context the names of several other nineteenth-century American intellectuals such as Henry D. Thoreau and William G. Sumner appear.

<sup>5</sup> See Z. Rau, *Liberalizm. Zarys myśli politycznej XIX i XX wieku* [*Liberalism. Outline of the Political Thought of the Nineteenth and Twentieth Centuries*], Fundacja Aletheia, Warsaw 2000, p. 175; see also: R. Legutko, *Dylematy kapitalizmu* [*The Dilemmas of Capitalism*], Wydawnictwo X, Cracow 1985, p. 164.

<sup>6</sup> See A.J. Nock, *Państwo – nasz wróg. Klasyczna krytyka wprowadzająca rozróżnienie między "rządem" a "państwem"* [*Our Enemy The State. Classic Critique Distinguishing 'Government' from the 'STATE'*], translated by L.S. Kolek, Instytut Liberalno-Konserwatywny and Wydawnictwo Prestige, Lublin-Rzeszów 2005, p. 11.

## 2. Murray N. Rothbard: Biographical data

Murray Newton Rothbard was born in 1926 in New York. He died in the same city, on 7 January 1995. He graduated in mathematics and economics at Columbia University. During his studies he met libertarian activists gathered in the Foundation for Economic Education<sup>7</sup>. He was also greatly influenced by Ludwig von Mises, the author of the economic treatise entitled *Human Action* published in 1949<sup>8</sup>. As a student at Columbia University Rothbard joined Mises' seminar held at New York University and was one of its most active participants<sup>9</sup>. He wrote his doctorate, entitled *The Panic of 1819*, under the direction of Joseph Dorfman, the author of the dissertation *The Economic Mind in American Civilization*. He earned his PhD in economics in 1956, although his book was seen as controversial because of the idea that the government was responsible for manipulating the money supply. Because of this early departure from the mainstream economic thought Rothbard realized that he would not find employment in leading academic centres<sup>10</sup>. For several years he worked at the libertarian Volker Fund foundation in New York, where he developed his research on the history of American banking. Later he taught at New York Polytechnic Institute of Brooklyn – until the mid-1980s, when he moved to Las Vegas (University of Nevada)<sup>11</sup>.

## 3. Libertarian capitalism

Rothbard is considered to be the most influential figure of modern libertarianism and the forerunner of anarcho-capitalism<sup>12</sup>. In his books and articles he analysed economic history and the history of economic thought, paying special attention to the growing role of the State in the nineteenth and twentieth centuries. On the basis of the material collected he criticized the government in every aspect of its operation and presented solutions alternative to the State.

Each individual in a natural way strives for peaceful exchange with other individuals. This is one of the foundations of the free market. In reality, however, the government intervenes in the market, e. g., by subsidizing the poor or banning the sale of drugs. In the first case, the State through its action contributes to the increase in the number of poor and unemployed, encouraging beneficiaries to have more children, which intensifies the problem with which the government has decided to fight, and in the other case encourages addicts to go down the road of

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<sup>7</sup> See D. Gordon, *The Essential Rothbard*, Ludwig von Mises Institute, Auburn 2007, p. 11.

<sup>8</sup> See P. Boettke, *Economists and Liberty: Murray N. Rothbard*, "Nomos: Studies in Spontaneous Order", Fall/Winter 1988, p. 30.

<sup>9</sup> See D. Gordon, op. cit., p. 12.

<sup>10</sup> See P. Boettke, op. cit., p. 29.

<sup>11</sup> See *Murray N. Rothbard: An Obituary* [in:] *Murray N. Rothbard: In Memoriam*, ed. L.H. Rockwell, Jr., Ludwig von Mises Institute, Auburn 1995, p. 122.

<sup>12</sup> See P. Boettke, op. cit., p. 29.

crime in order to obtain expensive drugs<sup>13</sup>. Every time the government starts to perform some function it happens this way. Instead of solving the problem, government bureaucracy grows and more regulations are introduced<sup>14</sup>.

Libertarian thought emphasizes the need to oppose any aggression against private property rights, based on the non-aggression axiom: this is illicit for a man or a group of people to initiate or threaten invasive violence against a man or his property<sup>15</sup>. The second basic principle of libertarianism is the principle of self-ownership, according to which individuals have an unconditional right to control their own bodies, resulting from the very fact of being human<sup>16</sup>. This principle involves the right of first appropriation: the right to appropriate unused natural resources which a man as a first will transform through his own work<sup>17</sup>. Based on Rothbard's doctrine the State is one of the threats for an individual and hence the development of a system that would seek to eliminate this institution and replace it with entirely free market solutions.

The State tries to ensure a monopoly in the provision of services in many areas. This way it can keep people in dependence and control them. There are several key areas where governments have forced such a monopoly. This involves the army, police, court services, ownership of roads and streets, money supply, education, municipal services, and radio and television (in terms of granting licenses)<sup>18</sup>. For Rothbard it was irrelevant whether these functions were typically political or economic. He claimed that there was no reason why the market could not provide all these services. There is no proof that only the State can perform these functions or that it performs them better than anyone else<sup>19</sup>.

The free market does not act in a way that rewards people for what they are, or what kind of morality they represent. The activities of the consumer and the entrepreneur consists in rewarding those who provide services in the best way for a particular individual, or offer goods desirable for this individual. This does not mean, in any case, that capitalism is amoral<sup>20</sup>. The objective of capitalism is to decentralize the decision-making processes to the level of the individual, so that people would act in accordance with their own system of values and their knowledge in order to secure the best possible conditions of life<sup>21</sup>. Shaping the conditions in which the individuals operate starts with a free market, called the

<sup>13</sup> See M.N. Rothbard, *O nową wolność. Manifest libertariański* [*For a New Liberty: The Libertarian Manifesto*], translated by W. Falkowski, Fundacja Odpowiedzialność Obywatelska i Wydawnictwo Volumen, Warsaw 2007, p. 357.

<sup>14</sup> See *ibidem*, pp. 354-355.

<sup>15</sup> See *ibidem*, p. 45.

<sup>16</sup> See *ibidem*, p. 52.

<sup>17</sup> See *ibidem*, p. 65.

<sup>18</sup> See M.N. Rothbard, *Egalitaryzm jako bunt przeciw naturze* [*Egalitarianism as a revolt against nature*], translated by K. Węgrzecki, Fijorr Publishing, Warsaw 2009, p. 171.

<sup>19</sup> See *idem*, *Etyka wolności* [*Ethics of Liberty*], translated by J. Woźniński, J.M. Fijorr, Fijorr Publishing, Warsaw 2010, p. 267.

<sup>20</sup> See F.A. Hayek, *Czynnik moralny w wolnej przedsiębiorczości* [*The Moral Element in Free Enterprise*] [in:] *Moralność kapitalizmu* [*The Morality of Capitalism*], ed. G. Nowak, Instytut Liberalno-Konserwatywny, Lublin 1998, pp. 71-75.

<sup>21</sup> See J. Gray, *Liberalizm* [*Liberalism*], translated by R. Dziubecka, Znak, Cracow 1994, p. 82.

democracy of consumers. The market is a protection of other freedoms. It is also a school of freedom for individuals, because every day it is a place for voting with money on the preferred goods and services<sup>22</sup>. The free market, rewarding exchange and voluntary cooperation, is based on the absence of violence. Consumers and entrepreneurs have mechanisms aimed at convincing other market participants to themselves, to their services or goods, but they cannot make anyone buy their goods. Therefore, libertarians support the free market, not only because of economic performance, but mainly because this system is consistent with the fundamental moral principles of the life of the individuals who are its part<sup>23</sup>.

#### 4. Rothbard's ethics

Rothbard presented his ethical arguments against the State in several of his works, e.g., *Man, Economy, and State* (1962) and *For a New Liberty: The Libertarian Manifesto* (1973), but in 1982 he gathered and developed his arguments in one book, entitled *The Ethics of Liberty*. In the system which he developed the State is shown as an evil in itself. It is an institution which at best inhibits the development of individuals' entrepreneurship. In opposition to this, Rothbard built a political philosophy of freedom<sup>24</sup>. He denied the State had any moral justification for undertaking activities which are regarded as immoral and illegal when committed by an individual or group of individuals. In this way, the State was declared guilty of mass murders, called 'wars', of slavery, known as 'conscription', and of theft, called 'taxation'<sup>25</sup>.

It is recognized that certain actions belong to the domain of the government. This applies, for example, to regulations and prohibitions which should protect the individual against himself, or reduce the risk of what the individual's behaviour would pose to others. The State, with the help of its officers, tends to decide for citizens about what is good and what is bad for them<sup>26</sup>. Meanwhile, there are not individuals who make immoral choices, rather it is the state which unjustly violates the rights of every man to make moral choices when it introduces and enforces prohibitions. As long as the behaviour of people is non-aggressive, it should be, on the basis of libertarian ethics, respected and tolerated. Libertarians draw attention to the danger of the formation of a police State, if at some point government interventions are not stopped. What would in fact happen if you allowed the government to control alcohol consumption?; how would you respond to the ad-

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<sup>22</sup> See L. Mises, *Interwencjonizm [A Critique of Interventionism]*, translated by A. Łaska, J.M. Malek, Arcana, Cracow 2005, p. 15.

<sup>23</sup> See E.B. Asmus, D.B. Billings, *Moralność kapitalizmu [The Morality Of Capitalism]* [in:] *Moralność kapitalizmu [The Morality Of Capitalism]*, op. cit., p. 219.

<sup>24</sup> See R.G. Holcombe, *Government: Unnecessary but Inevitable*, "The Independent Review" 2004, vol. VIII, No. 3, Winter, p. 325.

<sup>25</sup> See M.N. Rothbard, *O nową wolność... [For a New Liberty: The Libertarian Manifesto]*, p. 29. See also: idem, *Money, the State and Modern Mercantilism*, "Modern Age", Summer 1963, p. 279.

<sup>26</sup> See E.B. Asmus, D.B. Billings, op. cit., p. 222.

vocates of the control of books and ideas? Due to this danger the proponents of the greatest possible freedom of individuals recognize that freedom also means the freedom to make mistakes<sup>27</sup>. For liberals, freedom is always associated with responsibility<sup>28</sup>. An individual should be left with a choice of what to do with the freedom guaranteed by the market.

Total freedom in the libertarian concept assumes even its own denial. It cannot be ruled out that when people are given full decision-making about where and how they want to live, they will choose solutions limiting their freedom, perhaps even totalitarian solutions. It may turn out that when freedom is freely chosen it can also be rejected. It should be assumed that individuals will be able to live in a way which proponents of total freedom may not approve. But the point is that in a world of libertarian freedom people are guaranteed the complete freedom to decide for themselves in every aspect of life, as long as it does not threaten the freedom and property of other people. It is recognized that the greatest freedom exists where no possibility is ultimately rejected<sup>29</sup>.

Rothbard arrived at a similar conclusion as Spooner, Tucker, and Nock. The State is a criminal organization. Only the State obtains the money for its operations, not by selling goods or services, but through taxes. Taxation is theft, even though it is theft on a grand scale, which no other criminals could hope to match. The State compulsorily seizes the property of its citizens, without asking their opinion. Therefore it behaves like a thief. Thus, the State living from taxes is a vast criminal organization, more dangerous and much more effective than the 'private' mafia known to us from history<sup>30</sup>. Therefore, the moral status of the State is different from the moral status of other property owners. This means that the moral status of contracts concluded with the State, as well as the promises made to the State and by the State, have a radically different moral status<sup>31</sup>. Those living in an area controlled by the government are therefore not morally obliged to obey the government. The only exception is the right to a fair defence of the nation against foreign aggression (this issue will be resolved when the State is completely eliminated). The non-payment of taxes is not unjust or immoral, like the refusal to obey the regulations and prohibitions of officials or breach of contracts with the State. And so, for example, 'stealing' from the State is removing property from criminal hands, which is synonymous with 'homesteading' property<sup>32</sup>. Lying to the State, then, also becomes morally legitimate, just as no one is required to answer a rob-

<sup>27</sup> See L. Mises, *Ekonomia i polityka* [*Economic Policy: Thoughts for Today and Tomorrow*], translated by A. Brzezińska, Fijorr Publishing, Warsaw 2006, p. 38.

<sup>28</sup> See F.A. Hayek, *op. cit.*, p. 76.

<sup>29</sup> See P. Birch, *Anarcho-Capitalism Dissolves into City States*, "Legal Notes" by Libertarian Alliance, No. 28, 1998, p. 4.

<sup>30</sup> See M.N. Rothbard, *Etyka...*, pp. 268-274.

The debate on taxes (especially federal taxes) continues in the United States till today. Some libertarians, looking at the relations between the individual and the State and exploring the history of the United States, have come to the conclusion that to deceive in tax matters is an act of virtue; see W. Block, *Radical Libertarianism: Applying Libertarian Principles to Dealing with the Unjust Government. Part II*, "Reason Papers", No. 28, Spring 2006, p. 106.

<sup>31</sup> See M.N. Rothbard, *Etyka...*, p. 295.

<sup>32</sup> See *ibidem*, p. 295.

ber truthfully when he asks where our valuables are. No one can be required to answer truthfully similar questions asked by a representative of the State, e.g., when filling out income tax returns<sup>33</sup>. Another example is the army which is an armed representative of the criminal. It would be morally licit to leave the State's army, regardless of the terms of enlistment<sup>34</sup>. Rothbard also concluded that the only unlawful behaviour in the process of giving and receiving bribes is the action of the bribee. He violates the rules of the contract with his employer<sup>35</sup>. There is nothing illegal on the side of the briber. Therefore, there should be a law to give bribes, but not to receive them<sup>36</sup>. Rothbard makes a distinction between 'aggressive' and 'defensive' bribery. He considers the first as improper and aggressive, whereas the latter is proper and legitimate. The first relates to bribing State officials as a result of regulations brought into force by the State, the second to an ordinary market situation. A bribe given to an official has a different moral status than any other. For example, in a situation when an individual knows that his gambling casino is to be outlawed, he bribes policemen or officials to allow his casino to operate. It is a completely justified reaction of the entrepreneur, i.e. the briber<sup>37</sup>. The bribee is also justified. Only the State is unjustified here, and in many countries it would be impossible to do business without bribery. In a corrupt country 'defensive' bribery allows for the partial flowering of voluntary transactions<sup>38</sup>. The most important thing for libertarians, in Rothbard's understanding, who are to settle in their conscience and in the law they establish, what is legal and what is not, is whether the action is voluntary. According to Rothbard a boycott is the best example here. He described it as an attempt to persuade other people to have nothing to do with a particular person or company, either socially or by not buying the company's products. Morally a boycott can be used for absurd, reprehensible, laudatory or quite neutral purposes. But the boycott is an act resulting from the attempted persuasion, convincing a group of people, in a non-aggressive way, to support certain actions. Therefore, the boycott is fully permitted. It is a legal way of using freedom of expression and the right to property<sup>39</sup>.

Rothbard did not wish to incite revolution, he also did not encourage individual acts of civil disobedience. It would be unwise given the strength of the State apparatus<sup>40</sup>. Apart from introducing the concept of the ideal anarcho-capitalist state, this thinker encouraged common-sense and a pragmatic relationship with the State. Anyway, the Government quite often is seen by the people as the enemy,

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<sup>33</sup> See *ibidem*, p. 296.

<sup>34</sup> See *ibidem*, p. 297.

<sup>35</sup> See *ibidem*, p. 229.

<sup>36</sup> See *ibidem*, p. 230.

<sup>37</sup> See *ibidem*, pp. 297-298.

<sup>38</sup> See *ibidem*, p. 298.

<sup>39</sup> See *ibidem*, p. 231.

<sup>40</sup> In 1845, Henry David Thoreau, American writer and poet, refused to pay taxes. In this way, he protested against the United States' war with Mexico and slavery. He found himself in prison, from which he was released after a family member paid his tax arrears; see H. Cieplinska, *Przedmowa [Preface] [in:] H.D. Thoreau, Obywatelskie nieposłuszeństwo [Civil Disobedience]*, translated by H. Cieplinska, Rebis, Poznań 2006, p. 13.



one whom they are not able to face<sup>41</sup>. Rothbard believed after all that libertarian goals are realistic and achievable, provided that a sufficient number of people desire it. Through education and dissemination of anarcho-capitalist ideas it would be possible to introduce the resulting stateless system, based entirely on private property and the free market. The objective, in his opinion, is not utopian, in contrast to such a goal as the elimination of poverty, because the construction of a libertarian order depends entirely on human will<sup>42</sup>.

## 5. Criticism of libertarian principles

Various critics drew attention to certain points of Rothbard's concept. First of all, Communitarians<sup>43</sup>. They indicated that the maximum extension of individual freedom, as a precondition for the creation of other values, proposed by individualist libertarianism, can lead to the disintegration of social bonds<sup>44</sup>. They warned of unconditional faith in the fact that individuals are self-sufficient outside of society, which may end up in atomization – the destruction of society. In their view, one should not underestimate the attachment of people to the family and historical or religious traditions. Therefore, in order to build human happiness, the State should maintain social ties<sup>45</sup>. However, the belief in the primacy of individual rights does not necessarily mean atomization. According to the approach presented by Mises, Rothbard's teacher, man depends as much on other people as they depend on him. Society in the system of a free market economy is such a state in which everybody serves their fellow citizens, and fellow citizens in return serve him<sup>46</sup>. The typical libertarian model is described as a community composed of individuals not living in mutual physical isolation, but in contact with each other. In the most idealistic approach, assuming that libertarian order would spread on Earth, actually, it would be impossible to guarantee enough physical space for solitude for everyone. Similarly, there is no guarantee that the totally free individuals would change their lifestyles enough to turn away from other people. Therefore, the model proposed

<sup>41</sup> See M.N. Rothbard, *Etyka...*, p. 296.

<sup>42</sup> See *ibidem*, p. 385 et seq.

<sup>43</sup> Communitarianism originated in the second half of the twentieth century. It directly relates to the publication of the work *A Theory of Justice* by John Rawls (1971). It is associated with the Anglo-American area. Representatives include Alasdair MacIntyre, Michael Sandel, Charles Taylor and Michael Walzer. They discussed Rawls' assumption that the primary task of government is to protect and fairly distribute freedom and economic resources. Communitarians emphasized the importance of tradition, holding that that you cannot deprive people of beliefs, practices, and institutions; see: D. Bell, *Communitarianism* [in:] *The Stanford Encyclopedia of Philosophy*, ed. E.N. Zalta, Spring 2012 Edition, <http://plato.stanford.edu/archives/spr2012/entries/communitarianism/> (accessed 20<sup>th</sup> April, 2013).

<sup>44</sup> See: S. Kanczkowska, *Wolność w optyce radykalnej odmiany liberalizmu: indywidualistyczny libertarianizm* [*Freedom Seen By Radical Variety of Liberalism: The Individualist Libertarianism*] [in:] *Indywidualizm, wspólnotowość, polityka* [*Individualism, Collectivism, and Politics*], eds. M.N. Jakubowski, A. Szahaj, K. Abriszewski, Uniwersytet Mikołaja Kopernika, Torun 2002, p. 269.

<sup>45</sup> See C. Taylor, *Philosophy and the Human Sciences: Philosophical Papers 2*, Cambridge University Press, Cambridge 1985, pp. 187-210.

<sup>46</sup> See L. Mises, *Ekonomia i...*, p. 35.

by libertarians can be described as the life of individuals on adjacent plots of land with the status of separate property<sup>47</sup>. The decisions of these individuals would determine which form – if any – of community life they choose. It is indicated that the advocates of freedom seem to have forgotten that individual rights and freedom depend on the actions of the State. Without effective government citizens would not enjoy their property, or the possibility of making choices. Meanwhile, they are guaranteed the rights provided by the constitution. What's more, these rights require money. They cannot be protected or implemented without public funding and support, which involve social care, health care, and contractual freedom<sup>48</sup>. However, libertarians oppose this argument with their construction of stateless capitalist order. Rothbard provides the development of this concept in the three-part *Man, Economy, and State*.

He argues that, even if you give the internal security to the hands of private security firms, which, as libertarians argue, will be an important step towards building a free society, these firms can begin to fight each other, until finally an option will emerge that will be even more aggressive than State order. The Government is therefore necessary to prevent even worse plunderers<sup>49</sup>. Limited government guarantees basic liberty, argued Robert Nozick, among others<sup>50</sup>. It is also necessary, and in fact inevitable, because of human nature. It is presumed, based on knowledge concerning human behaviour, that if there was an anarcho-capitalist society, anarchy in this society would change into a society managed by the government<sup>51</sup>. However, no libertarian guarantees that out of the state of anarchy only libertarian solutions emerge. Most people would prefer to live in free societies. Those who experience totalitarianism would move to free cities, or set up their own libertarian communities or individual households<sup>52</sup>. Despite this freedom to choose individual or community patterns of living, libertarians warn that the community is always exposed to the danger of egalitarianism and cultural relativism. And egalitarianism, in any form and in any variant, is in contradiction with the concept of private property. One should be aware of this to prevent the loss of hard-won freedom<sup>53</sup>.

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<sup>47</sup> See H.H. Hoppe, *Demokracja – bóg, który zawiódł. Ekonomia i polityka demokracji, monarchii i ładu naturalnego* [*Democracy: The God That Failed – The Economics and Politics of Monarchy, Democracy and Natural Order*], translated by W. Falkowski, J. Jablęcki, Fijorr Publishing, Warsaw 2006, p. 282.

<sup>48</sup> See S. Homes, C.R. Sunstein, *Koszt praw. Dlaczego wolność zależy od podatków* [*The Cost of Rights: Why Liberty Depends on Taxes*], translated by J.S. Kugler, Wydawnictwo Sejmowe, Warsaw 2003, pp. 10-11.

<sup>49</sup> See R.G. Holcombe, op. cit., p. 338.

<sup>50</sup> See R. Nozick, *Anarchia, państwo, utopia* [*Anarchy, State, and Utopia*], translated by P. Maciejko, M. Szczubiałka, Fundacja Aletheia, Warsaw 1999, pp. 31-32.

<sup>51</sup> See R.G. Holcombe, op. cit., p. 43.

<sup>52</sup> See P. Birch, op. cit., pp. 3-4.

<sup>53</sup> See H.H. Hoppe, op. cit., p. 286.

## 6. Conclusions

For Rothbard capitalism was the only moral system. It was created out of respect for the individual and private property. Only in this system are individuals free.

On the basis of Rothbard's philosophy, the State is a thief, a liar, a murderer, the greatest evil which people have to deal with. And it goes unpunished. In Rothbard's anarcho-capitalistic system all State functions could be replaced by private firms. Nobody would collect taxes, and we would have the choice of whether and in what community we wanted to live and what political and economic system we wanted to create. Rothbard, however, could not cope with criticism concerning, for example, the threat of companies turning into monopolies or leaving individuals, unfit to live in capitalism, to themselves.

It should be noted that, despite his radical approach and the controversy that accompanied his arguments, Rothbard was a reasonable man and a scientist. He could call for immediate action and to change the current system as a populariser of libertarian thought, but in his scientific arguments he repeated that such measures are a last resort and did not urge people to fight with the State, or not to pay taxes, or to pay bribes to officials. As a historian and expert on the history of nineteenth-century American anarchism, he knew that the boycott of e.g., the State's postal services or tax office, could result in a prison sentence. What he cared most about was raising awareness of individuals and, owing to this, slowly change the existing order.

In conclusion, it is worth mentioning that, according to Rothbard, the time was approaching when the policy of bans in personal morality issues would be considered as unfair and ineffective, as in the case of alcohol prohibition<sup>54</sup>. Individuals and whole societies are changing and it is at a relatively fast pace. What seemed unthinkable twenty years ago may become the norm in ten years. Therefore, in addition to a critical look at Rothbard's anarcho-capitalist thought, it is worth looking at how some societies and their governments deal with matters such as the refusal of military service, the drug business, prostitution, or the so-called market of unhealthy food. It may turn out that in some of these cases libertarian solutions have been chosen.

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<sup>54</sup> See M.N. Rothbard, *Etyka wolności [The Ethics of Liberty]*, p. 401.

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