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The Undeniable Morality of Capitalism

Originally published in 1994, this is one of my first scholarly articles.\* As noted in “How I Became a Libertarian” (ch. 1), I sent this article to Hoppe and soon after met him and others at the Mises Institute. I have made only minimal revisions to the original piece, except for deleting the initial section “Criticisms,” since, in retrospect, these criticisms now seem silly and trivial.†

\* Stephan Kinsella, “The Undeniable Morality of Capitalism,” St. Mary’s L. J. 25, no. 4 (1994): 1419–47, a review essay of Hans-Hermann Hoppe, The Economics and Ethics of Private Property (Boston/Dordrecht/London, Kluwer Academic Publishers, 1993). In this chapter I will cite to the most recent edition, The Economics and Ethics of Private Property: Studies in Political Economy and Philosophy (Auburn, Ala.: Mises Institute, 2006 [1993]; www.hanshoppe.com/eepp); hereinafter “EEPP.”

† In the original article, I wrote that it was unfortunate that Hoppe’s article “In Defense of Extreme Rationalism” was not included in EEPP. See Hoppe, “In Defense of Extreme Rationalism: Thoughts on Donald McCloskey’s The Rhetoric of Economics,” Rev. Austrian Econ. 3, no. 1 (1989; https://mises.org/library/defense-extreme-rationalism-thoughts-donald-mccloskys-rhetoric-economics): 179–214. This has now been remedied, as this article was later published in Hans-Hermann Hoppe, The Great Fiction: Property, Economy, Society, and the Politics of Decline (Second Expanded Edition, Mises Institute, 2021; [www.hanshoppe.com/tgf](http://www.hanshoppe.com/tgf)).

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I. INTRODUCTION

If Professor Hans-Hermann Hoppe’s books and articles would come already-underlined and highlighted, it would save readers a lot of time. Or at least each book should come with a free pen attached. For when I follow my usual habit of underlining, circling, checking, starring, or highlighting important insights in the books I read, I find that my copies of Hoppe’s books start to look as if a two-year-old with a crayon had gotten hold of them.

In 1989, Hoppe published *A Theory of Socialism and Capitalism*, in my eyes one of the most important books of the decade for its analysis of capitalism, socialism, and property rights, focus on scarcity in property and economic theory, and its revolutionary “argumentation ethic” defense of individual rights.[[1]](#footnote-1) Over the past few years, Hoppe has produced a significant assortment of articles elaborating on his argumentation ethic and the epistemology that underlies it, as well as on his impressive economic writings. His new book, *The Economics and Ethics of Private Property*, is a collection of almost all of these related writings (not counting a large number of writings published previously in German). This may come as a disappointment to some, who, like me, were expecting a new treatise, building upon the prior one. The book is significant, nonetheless, for drawing together material previously published in such varied sources as *Liberty* magazine, the *Journal of Libertarian Studies*, the *Review of Austrian Economics*, *Ratio*, and others.[[2]](#footnote-2)

II. INDIVIDUAL RIGHTS

*A. The Reception of Hoppe’s Ideas*

This book is fascinating, stimulating, provocative, and ground-breaking. In the September 1988 issue of *Liberty*, Hoppe published “The Ultimate Justification of the Private Property Ethic.” This article gave rise to a symposium, “Breakthrough or Buncombe?”, published in the November 1988 issue of *Liberty*, containing the critical comments of ten commentators, including Murray Rothbard, Tibor Machan, David Friedman, Leland Yeager, David Gordon, Douglas Rasmussen, David Ramsay Steele, Timothy Virkkala, and others.

To my surprise, almost all of these libertarian commentators were unimpressed by, if not downright hostile to, Hoppe’s argument. Only Murray Rothbard gave Hoppe’s thesis wholehearted endorsement and recognized its validity and significance:

In a dazzling breakthrough for political philosophy in general and for libertarianism in particular, he has managed to transcend the famous is/ought, fact/value dichotomy that has plagued philosophy since the days of the scholastics, and that had brought modern libertarianism into a tiresome deadlock. Not only that: Hans Hoppe has managed to establish the case for anarcho-capitalist-Lockean rights in an unprecedentedly hard-core manner, one that makes my own natural law/natural rights position seem almost wimpy in comparison.[[3]](#footnote-3)

Why Hoppe’s ideas, which are such an important advance in political and libertarian thought, have failed to cause more excitement or gain more adherents than they have is baffling, but the best solution to this is the publication of further elaborations and defenses contained in Hoppe’s newest book.

The book is divided into two parts, “Economics” and “Philosophy.” Because *Part Two: Philosophy* contains Hoppe’s most important ideas—his defense of individual rights—I will discuss this part first. The six chapters (chapters 6 through 11) in Part Two plus the “Four Critical Replies” in the Appendix present Hoppe’s argumentation ethic and its underlying epistemology—often repeatedly and redundantly, because the chapters were first published as independent papers, and little editing, except in chapter 6, has been done to integrate them or to delete redundancies.

*B. Argumentation Ethics*

Hoppe’s “argumentation ethics” theory, briefly stated, starts by noting that all truths, including ethics and normative statements, must be discoverable through the process of argumentation. This “a priori of communication and argumentation” is undeniable, as one would have to contradict oneself in using argument to deny this. Therefore, whatever facts or norms are postulated while engaging in argumentation cannot be contradicted by any proposed fact or norms.[[4]](#footnote-4) As Hoppe writes:

In analyzing any actual norm proposal reason’s task is merely confined to analyzing whether or not it is logically consistent with the very ethics which the proponent must presuppose as valid insofar as he is able to make his proposal at all.[[5]](#footnote-5)

In argumentation, the validity of certain implications cannot be disputed. For example, the universalization principle, as formulated in the Golden Rule of ethics or in the Kantian Categorical Imperative, states:

… that only those norms can be justified that can be formulated as general principles which without exception are valid for everyone. Indeed, as it is implied in argumentation that everyone who can understand an argument must in principle be able to be convinced by it simply because of its argumentative force, the universalization principle of ethics can now be understood and explained in the wider a priori of communication and argumentation.[[6]](#footnote-6)

In other words, anyone who argues accepts the validity of the universalization principle implicitly.

“The universalization principle only provides one with a *purely formal* criterion for morality…. However, there are *other positive norms* implied in argumentation apart from” this principle.[[7]](#footnote-7) First Hoppe points out three interrelated facts: “First, that argumentation is not only a cognitive but a practical affair. Second, that argumentation, as a form of action, implies the use of the scarce resource of one’s body. And third, that argumentation is a conflict-free way of interacting.”[[8]](#footnote-8)

Therefore, anyone engaging in argumentation (or, indeed, any discourse at all, even with oneself) must accept the presupposed right of self-ownership of all listeners and even potential listeners: for otherwise the listener would not be able to consider freely and accept or reject the proposed argument, which is undeniably a goal of argumentation. “It is only as long as there is at least an implicit recognition of each individual’s property right in his or her own body that argumentation can take place.”[[9]](#footnote-9) The libertarian nonaggression principle—“nobody has the right to uninvitedly aggress against the body of any other person and thus delimit or restrict anyone’s control over his own body”—is implied in the concept of argumentative justification, because justifying *means* justifying without having to rely on coercion.

The concomitant right to homestead private property is also presupposed by anyone engaging in argumentation: since the use of naturalresources, i.e., property rights in land, food, water, etc., is absolutely necessary for any listener to survive and be able to participate in an argument,and since homesteading unowned property is the only objective and conflict-free way to assign property rights, all arguers must also presuppose the validity of the homesteading of unowned property, the Lockean “mixing of labor” with scarce resources, for otherwise argumentation  
could not occur.[[10]](#footnote-10) And, of course, the right to self-ownership plus the right to homestead are the bases of laissez-faire capitalism.[[11]](#footnote-11)

*C. Estoppel and Directions for Further Inquiry*

Professor Hoppe’s discovery of such a rock-solid defense of individual rights is a profoundly important achievement. Because so many of Hoppe’s insights deserve further exploration and development, one welcomes future writing by Hoppe and by others building upon his work.[[12]](#footnote-12)

For example, in my own article, “Estoppel: A New Justification for Individual Rights,”[[13]](#footnote-13) I draw on Hoppe’s work—especially his application of the principle of universalizability to the activity of argumentation—in making another argumentation-based or discourse-based defense of individual rights. Hoppe’s main argument is that any person who argues must accept certain principles that must be implicitly acknowledged by any person engaged in the very activity of arguing, and that these principles imply the rights of self-ownership and homesteading, as they are incompatible with any other—“socialist”—ethic. In my estoppel theory, I argue that the existence of rights can be demonstrated by looking at the consistency of the arguments made by a rights violator at the moment when he is about to be punished for the rights violation.

Since what is important about rights is that they are (legitimately)*enforceable*, if an alleged rights-violator is unable to meaningfully object to his punishment or, indeed, if he implicitly consents to his punishment, then this is enough to justify the existence of the rights claimed. And it is indeed true that if *A* initiates violence against *B*, *A* is estopped, or prevented, from complaining (i.e., objecting or withholding consent) if *B* retaliates or punishes *A*. For *A* has admitted the validity of aggression, and it would be inconsistent for him to object to his own punishment, which is, after all, “only” aggression.

By the same token, however, laws that attempt to enforce “positive” rights (such as the right to food or a job) or to prohibit nonaggressive behavior (such as expression, prostitution, the use of drugs, or the offer to pay someone less than minimum wage) are not legitimate. For here the state, in enforcing such laws against nonaggressors, is itself an aggressor.[[14]](#footnote-14) If the imprisoned, nonaggressive “criminal” asserts his *right* to be freed and his concomitant right to use force against the aggressor-state to escape, the state cannot deny this asserted right nor the legitimacy of the prisoner’s (proposed) use of force against the state, since the state, by being an aggressor, is estopped from denying the legitimacy of the use of force. Since the prisoner has a right to be freed, of course the state has no contrary “right” to imprison him. By this same logic, an aggressive criminal has a right to not be *disproportionately* punished. For example, someone who steals an ink pen may not be executed as punishment.[[15]](#footnote-15)

It is hoped that others will also build upon or critique Hoppe’s work. Murray Rothbard stated in the *Liberty* symposium that “a future research program for Hoppe and other libertarian philosophers would be (a) to see how far axiomatics can be extended into other spheres of ethics, or (b) to see if and how this axiomatic could be integrated into the standard natural law approach.”[[16]](#footnote-16) Also of interest would be a systematic cataloguing of just what is a priori axiomatic knowledge.[[17]](#footnote-17)

Another tantalizing idea deserving further exploration is Hoppe’s discussion of free will:

[O]ne must regard one’s knowledge and actions as uncaused. One might hold this conception of “freedom” to be an illusion, and from the point of view of a “scientist” with cognitive powers substantially superior to any human intelligence, from the point of view of God, for example, such a description may well be correct—but we are not God, and even if freedom is illusory from His standpoint, for we [sic] human beings it is a necessary illusion.[[18]](#footnote-18)

*D. Remaining Questions—Rights of Fetuses,   
Babies, and Defective Humans*

Hoppe establishes the foundation for individual rights, but takes it no further. One almost salivates at the prospect of Hoppe writing more on this, answering the questions of exactly how to apply the rights of self-ownership and homesteading to the hard cases, such as fetuses, babies, children, and retarded people (who, after all, cannot argue). Hoppe deals only suggestively or obliquely with this problem: the question of what is just or unjust “does not arise vis-à-vis a stone or fish, because they are incapable of engaging in such exchanges and of producing validity-claiming propositions.”[[19]](#footnote-19)

What about fetuses, or even babies? Another related statement of Hoppe’s fails to answer this question:

Obviously, we could have conflicts regarding the use of scarce resources with, let us say, an elephant or a mosquito, yet we would not consider it possible to resolve these conflicts by means of proposing property norms. The avoidance of possible conflicts, in such cases, is merely a technological, not an ethical, problem. For it to turn into an ethical problem, it is also necessary that the conflicting actors be capable, in principle, of argumentation.[[20]](#footnote-20)

Is a baby “in principle” capable of argumentation? Hoppe’s view on this is unfortunately unrevealed.

*E. Hoppe, Rothbard, Rand, and Classical Natural Rights Theory*

Hoppe never commits himself as to whether he believes other defenders of natural rights—such as Rothbard, whom Hoppe obviously admires greatly—are correct in their support of natural law and natural rights. He remains noncommittal, stating:

Agreeing with Rothbard on the possibility of a rational ethic and, more specifically, on the fact that only a libertarian ethic can indeed be morally justified, I want to propose here a different, non-natural-rights approach to establishing these two related claims. It has been a common quarrel with the natural rights position, even by sympathetic readers, that the concept of human nature is far “too diffuse and varied to provide a determinate set of contents of natural law.”[[21]](#footnote-21)

Does Hoppe agree that natural law is hogwash? Is he a “sympathetic reader “? One gets the impression that he agrees with this criticism of natural law. If so, however, it is unclear how Rothbard, aligning himself with the natural law or natural rights tradition of philosophy, in “*The Ethics of Liberty* presents the full case [that] the libertarian property  
norms” are the rules that “can be discerned by means of reason as grounded in the very nature of man.”[[22]](#footnote-22)

Hoppe even attempts to define his own theory as being, really, a new type of natural rights theory:

Nor, then, do I claim that it is impossible to interpret my approach as falling in a “rightly conceived” natural rights tradition after all…. What is claimed, though, is that the following approach is clearly out of line with what the natural rights approach has actually come to be, and that it owes nothing to this tradition as it stands…. Of course, then, since the capability of argumentation is an essential part of human nature—one could not even say anything about the latter without the former—it could also be argued that norms which cannot be defended effectively in the course of argumentation are also incompatible with human nature.[[23]](#footnote-23)

Yet, Hoppe states:

[T]his defense of private property is essentially also Rothbard’s. In spite of his formal allegiance to the natural rights tradition Rothbard, in what I consider his most crucial argument in defense of a private property ethic, not only chooses essentially the same starting point—argumentation—but also gives a justification by means of a priori reasoning almost identical to the one just developed. To prove the point I can do no better than simply quote: “Now, *any* person participating in any sort of discussion, including one on values, is, by virtue of so participating, alive and affirming life. For if he were *really* opposed to life he would have no business continuing to be alive. Hence, the *supposed* opponent of life is really affirming it in the very process of discussion, and hence the preservation and furtherance of one’s life takes on the stature of an incontestable axiom.”[[24]](#footnote-24)

*F. Hoppe’s Value-Free (?) Ethics*

In addition to Hoppe’s seeming unwillingness to criticize wholeheartedly the natural rights tradition, he is also curiously reluctant to admit the ethical aspects of his argumentation ethic:

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—a priori true is-statement; (b) argumentation presupposes property in one’s body and the homesteading principle—a priori true is-statement; and (c) then, no deviation from this ethic can be argumentatively justified—a priori true is-statement.[[25]](#footnote-25)

Now I do not see how this is a “completely value-free justification of private property.” Private property means *rights* in private property; and “rights” is indeed a normative, value-laden concept. Of course, in a trivial sense, any statement such as “*A* should do X” is an is-statement, because one is implicitly stating that “it is the case that *A* should do X.” But this is still really an ought-statement, as is step (b) above, in making a statement about property rights. I do not see, however, why Hoppe is reluctant to admit this, as this is not a defect of his argument, but is in fact why it is so powerful—because it *does* justify the subset of ethics concerning rights.

*G. Hoppe’s Conception of “Rights”*

Unfortunately, Hoppe never clearly defines what he means by “rights,” which leads to some slight confusion in the presentation of aspects of his argument.[[26]](#footnote-26) Primarily, he uses the word in a normative, ethical sense. He occasionally, however, seems to mean “power,” which is value-neutral and non-normative: “[I]f no one had the right to acquire and control anything except his own body … then we would all cease to exist….”[[27]](#footnote-27) It is true that we would all cease to exist if we had no power or ability to acquire and control things; however, a “right” is not logically necessary for this power to be exercised. For example, in a Robinsonade, Crusoe alone on his desert island has no rights because rights are relevant only socially, as they concern relationships between individuals. Yet Crusoe, if he has the power to build a hut and gather fruit, can actually survive.

Certainly we have the ability to affect the world, otherwise we would not continue to exist—and this may explain *why*, according to Hoppe’s theory, we must have the *right* to exercise this ability. But the problem with switching to the power-sense of “rights” in a justification of normative-rights is that one may end up justifying the former and not the latter, or neither. And certainly it would be both useless and futile to try to prove that we all have the actual ability and power to control our bodies and to homestead; the very existence of the Internal Revenue Service disproves this contention immediately. Hoppe’s inconsistent use of “rights” is not fatal to his argument, but clarification of this step in his argument and a precise definition of “rights” would be welcome.[[28]](#footnote-28)

*H. Habermas’s and Apel’s “Discourse Ethics” and Gewirth’s   
and Pilon’s “Principle of Generic Consistency”*

Much of Hoppe’s argumentation ethics draws on the “discourse ethics” theories of Jürgen Habermas and Karl-Otto Apel.[[29]](#footnote-29) Hoppe’s argumentation ethic also bears some similarities to Alan Gewirth’s “dialectically necessary method.”[[30]](#footnote-30) Applying this method and the principle of universalizability, Gewirth derives the precept “act in accord with the generic rights of your recipients as well as of yourself,” which he calls the “Principle of Generic Consistency” (PGC).[[31]](#footnote-31) Gewirth holds that his theory shows that individuals have rights to “freedom and well-being,” which in turn justify a welfare state.[[32]](#footnote-32)

Hoppe criticizes Gewirth’s “dialectically necessary method” because it is based on action in general as opposed to the specific communicative subcategory of action.[[33]](#footnote-33) It is interesting to note that Gewirth’s former student, Roger Pilon, believes Gewirth’s PGC is correct, important, and pathbreaking, but that Gewirth himself has applied his own theories incorrectly in an attempt to justify the welfare state.[[34]](#footnote-34) The libertarian Pilon believes he can reform his own teacher’s work in order to justify libertarian principles.[[35]](#footnote-35) Similarly, Hoppe believes his former teacher Habermas’s discourse-ethics theories, while correct at core, are applied incorrectly by Habermas to yield a socialistic ethic; Hoppe feels that Habermas’s theories, if correctly applied (as Hoppe himself does), yield the libertarian non-aggression norm.

Hoppe states:

Apel and Habermas are essentially silent on the all-decisive question of what ethical prescription actually follows from the recognition of the “a priori of argumentation.” However, there are remarks indicating that they both seem to believe some sort of participatory social democracy to be implied in this a priori. The following [i.e., argumentation ethics] explains why hardly anything could be farther from the truth.[[36]](#footnote-36)

Although Habermas and Apel agree that argumentation implies that certain intersubjectively meaningful norms exist,[[37]](#footnote-37) they would not agree with the next step taken by Hoppe. Hoppe next recognizes that argumentation, as a form of action, requires exclusive control of the scarce resources in one’s body; this implies that “as long as there is any argumentation, there is a mutual recognition of each other’s property right in his own body.”[[38]](#footnote-38) As Hoppe observes, “That Habermasand Apel are unable to take this step is, I submit, due to the fact that they, too, suffer, as do many other philosophers, from a complete ignorance of economics, and a corresponding blindness towards the fact of scarcity.”[[39]](#footnote-39) Presumably, just as Hoppe criticizes Gewirth’s welfare-state-justifying theory, not only because of its results but also because of its action-based method, he would also find fault in Pilon’s neo-Gewirthian theory and methods, despite Pilon’s libertarian (i.e., correct) conclusions.

III. EPISTEMOLOGY

*A. The Application of Praxeology to Epistemology and Ethics*

Hoppe’s epistemology is basically an extension of Ludwig von Mises’s praxeology, which Mises had previously applied only to economics.[[40]](#footnote-40) Mises inquired into the logical status of typical economic propositions such as the law of marginal utility. Mises showed that both empiricism and historicism are self-contradictory doctrines and justified the claims of rationalist philosophy by demonstrating the existence of a priori synthetic propositions.[[41]](#footnote-41)

In the Kantian and Misesian framework, analytic truths like “all bachelors are unmarried” are true, but circular or tautological. Synthetic truths, like “all bachelors are unfulfilled” (if that were true), say something substantial about bachelors that is not already part of the definitionof bachelors. We may know a synthetic truth through experience or empirically (or a posteriori). But these truths are not *necessarily* true, and might have been false if experience had been different. According to empiricism, synthetic truths can be known only through experience.[[42]](#footnote-42) A synthetic a priori proposition is significant because it is necessarily true yet is not a tautology, thus yielding certain unchallengeable real knowledge about the world.[[43]](#footnote-43)

Mises shows that the propositions of economics are indeed knowledge that is *not* derived from observation and yet is constrained by objective laws. In the science of praxeology, the general theory of human action, the “axiom of action” (i.e., the proposition that humans act, that they display intentional behavior), qualifies as a priori synthetic knowledge because (a) the “axiom is not derived from observation—there are only bodily movements to be observed but no such thing as actions—but stems instead from reflective understanding”; and (b) this understanding is of a self-evident proposition, “for its truth cannot be denied, since the denial would itself have to be categorized as an action.”[[44]](#footnote-44) Mises shows that all of the “categories which we know to be the very heart of economics—values, ends, means, choice, preference, cost, profit and loss—are implied in the axiom of action.”[[45]](#footnote-45)

Hoppe’s achievement is to explain how praxeology also provides the foundation for epistemology and ethics (the argumentation ethichas already been discussed above). To the a priori axiom of action, Hoppe adds a second a priori axiom, the “a priori of argumentation.” This axiom:

… states that humans are capable of argumentation and hence know the meaning of truth and validity. As in the case of the action axiom, this knowledge is not derived from observation: there is only verbal behavior to be observed and prior reflective cognition is required in order to interpret such behavior as meaningful arguments. And the validity of the axiom, like that of the action axiom, is indisputable. It is impossible to deny that one can argue, as the very denial would itself be an argument.…

Recognizing, as we have just done, that knowledge claims are raised and decided upon in the course of argumentation and that this is undeniably so, one can now reconstruct the task of epistemology more precisely as that of formulating those propositions which are argumentatively indisputable in that their truth is already implied in the very fact of making one’s argument and so cannot be denied argumentatively; and to delineatethe range of such a priori knowledge from the realm of propositions whose validity cannot be established in this way but require additional, contingent information for their validation, or that cannot be validated at all and so are mere metaphysical statements in the pejorative sense of the term metaphysical.[[46]](#footnote-46)

*B. Hoppe and Kant Versus Rand*

Hoppe offers a stunning justification and interpretation of Kant’s controversial statement that “[so] far it has been assumed that our knowledge had to conform to reality,” instead it should be assumed ‘that observational reality should conform to our mind.’”[[47]](#footnote-47)

According to rationalist philosophy, a priori true propositions had their foundation in the operation of principles of thinking which one could not possibly conceive of as operating otherwise; they were grounded in categories of an active mind. Now, as empiricists were only too eager to point out, the obvious critique of such a position is, that if this were indeed the case, it could not be explained why such mental categories should fit reality. Rather, one would be forced to accept the absurd idealistic assumption that reality would have to be conceived of as a creation of the mind, in order to claim that a priori knowledge could incorporate any information about the structure of reality.[[48]](#footnote-48)

The empiricists’ critique seemed to be justified by statements such as that of Kant above. However, writes Hoppe:

… recognizing knowledge as being structurally constrained by its role in the framework of action categories provides the solution to such a complaint. For as soon as this is realized, all idealistic suggestions of rationalist philosophy disappear, and an epistemology claiming that a priori true propositions exist becomes a realistic epistemology instead. Understood as constrained by action categories, the seemingly unbridgeable gulf between the mental on the one hand and the real, outside physical world on the other is bridged. So constrained, a priori knowledge must be as much a mental thing as a reflection of the structure of reality, since it is only through actions that the mind comes into contact with reality, so to speak. Acting is a cognitively guided adjustment of a physical body in physical reality. And thus, there can be no doubt that a priori knowledge, conceived of as an insight into the structural constraints imposed on knowledge qua knowledge of actors, must indeed correspond to the nature of things. The realistic character of such knowledge would manifest itself not only in the fact that one could not *think* it to be otherwise, but in the fact that one could not *undo* its truth.[[49]](#footnote-49)

In Hoppe’s pamphlet *Praxeology and Economic Science*,[[50]](#footnote-50) which contains a discussion similar to the one in chapter 6 of his book, he makes it clear that he does not think that Kant himself meant that realityis created by the mind.[[51]](#footnote-51) Indeed, Kant had hinted at the solution presented in Hoppe’s interpretation above. Hoppe writes, “He thought mathematics, for instance, had to be grounded in our knowledge of the meaning of repetition, of repetitive operations. And he also realized, if only somewhat vaguely, that the principle of causality is implied in our understanding of what it is and means to act.”[[52]](#footnote-52)

As for the Objectivist or Randian denunciation of Kant for this statement that observational reality should conform to the mind, Hoppe states:

Among some followers of Austrianism, the Kant interpretation of Ayn Rand (see, for instance, her *Introduction to Objectivist Epistemology* [1979]; or *For the New Intellectual* [1961]) enjoys great popularity. Her interpretation, replete with sweeping denunciatory pronouncements, however, is characterized by a complete absence of any interpretive documentation whatsoever. On Rand’s arrogant ignorance regarding Kant, see B. Goldberg, “Ayn Rand’s ‘For the New Intellectual,’” *New Individualist Rev.*, vol. 1, no. 3 (1961).[[53]](#footnote-53)

*C. A Priori Truths*

Hoppe then ferrets out various truths that are implied in the very fact of arguing. The laws of logic, such as junctors (“and,” “or,” “if-then,” “not”), quantors (“there is,” “all,” “some”), and the laws of identity and contradiction:

… are a priori true propositions about reality and not mere verbal stipulations regarding the transformation rules of arbitrarily chosen signs, as empiricist-formalists would have it. They are as much laws of thinking as of reality, because they are laws that have their ultimate foundation in action and could not be undone by any actor. In each and every action, an actor identifies some specific situation and categorizes it in one way rather than another in order to be able to make a choice.[[54]](#footnote-54)

Hoppe goes on to show that arithmetic is an a priori and yet empirical discipline and “is rooted in our understanding of repetition—the repetition of action.”[[55]](#footnote-55) He even demonstrates the irrelevance of Gödel’s Incompleteness theorem.[[56]](#footnote-56) Euclidean geometry is a priori and yet incorporates empirical knowledge about space, “because it is not only the very precondition for any empirical spatial description, it is also the precondition for any active orientation in space.”[[57]](#footnote-57) Einstein’s non-Euclidean theories even presuppose the validity of Euclidean geometry: “After all, the lenses of the telescopes which one uses to confirm Einstein’s theory regarding the non-Euclidean structure of physical space must themselves be constructed according to Euclidean principles.”[[58]](#footnote-58)

Hoppe also demonstrates the a prioristic character of causality and teleology. Significantly, Hoppe shows that “everything which is not an action must necessarily be categorized causally”; and, “in contrast, everything that is an action must be categorized teleogically.”[[59]](#footnote-59) Also, because the causality principle is a necessary presupposition even of the Heisenberg Uncertainty Principle in physics, there is a “fundamental misconception involved in interpreting the Heisenberg principle as invalidating the causality principle.”[[60]](#footnote-60)

IV. ECONOMICS

*A. Public Goods Theory and the Production of Security*

*Part One: Economics* contains five interesting and insightful chapters. In chapter 1, “Fallacies of the Public Goods Theory and the Production of Security,” Hoppe shows that the distinction between “private” and “public” goods is completely illusory:

A clear-cut dichotomy between private and public goods does not exist…. All goods are more or less private or public and can—and constantly do—change with respect to their degree of privateness/publicness as people’s values and evaluations change, and as changes occur in the composition of the population. In order to recognize that they never fall, once and for all, into either one or the other category, one must only recall what makes something a good. For something to be a good it must be recognized and treated as scarce by someone. Something is not a good as such, that is to say; goods are goods only in the eyes of the beholder. Nothing is a good unless at least one person subjectively evaluates it as such. But then, when goods are never goods-as-such—when no physico-chemical analysis can identify something as an economic good—there is clearly no fixed, objective criterion for classifying goods as either private or public. They can never be private or public goods as such. Their private or public character depends on how few or how many people consider them to be goods, with the degree to which they are private or public changing as these evaluations change and ranging from one to infinity.[[61]](#footnote-61)

Hoppe then applies this analysis to the production of security, commonly held to be a public good. Because the production of security is no more a “public good” than goods and services such as cheese, houses, or insurance, there is no special economic reason that prevents markets from producing security, and thus no justification to require remedial state action, such as state monopolization of police and defense.

*B. The Economics and Sociology of Taxation*

In chapter 2, “The Economics and Sociology of Taxation,” Hoppe argues that only three ways exist of acquiring or increasing wealth: through homesteading, producing, or contracting. Since taxation implies a reduction of income a person can expect to receive from these three activities, the opportunity cost for using one’s time and body to perform these activities is raised by taxation. Thus the marginal utility of producing wealth is decreased, and the marginal utility of consumption and leisure is increased, leading to a shift away from the production of wealth and towards consumption and leisure. Therefore taxation is a means for the destruction of property and wealth-formation.[[62]](#footnote-62)

To the objection that taxation makes people actually work *harder* in order to earn the same income as before taxation, Hoppe replies that even if increased taxation causes:

… [an] increase in workaholism, it is still the case that the income of value-productive individuals has fallen. For even if they produce the same output as previously, they can only do so if they expend more labor now than before. And since any additional labor expenditure implies foregone leisure or consumption (leisure or consumption which they otherwise could have enjoyed along with the same output of valuable assets), their overall standard of living must be lower now.[[63]](#footnote-63)

Hoppe also explains “why the assumption that taxation can possibly leave the productive output of valuable assets unaffected and exclusively cripple consumption is fatally flawed.”[[64]](#footnote-64) This is because time preference—people’s preference of present goods over future goods—combines with the increased marginal utility of leisure and consumption and the decreased marginal utility of production. Because people have an increased preference for consumption (in the present), and a relatively decreased preference for production (in the future), the length of the structure of production is shortened, and thus fewer valuable future assets are produced. “Every act of taxation necessarily exerts a push away from more highly capitalized, and hence more productive production processes, and into the direction of a hand-to-mouth existence.”[[65]](#footnote-65)

After showing that taxes reduce the standard of living of consumers, Hoppe discusses the sociological reasons *for* taxation, and ever more of it. This discussion is fascinating and insightful, but it comes down to the fact that there is taxation because the government can get away with it; the government can get away with it because a majority of the population either actively or passively support such governmental policies; and the majority support government because of the lack of (complete, principled) acceptance of a private property ethic.[[66]](#footnote-66)

Government propaganda plays a role in influencing public opinion. Hoppe asks how the government could change public opinion from true ideas (i.e., the historical support in the United States for freedom and private property) to wrong ideas. He points out:

It would seem that such a change towards falsehood requires the systematic introduction of exogenous forces: A true ideology is capable of supporting itself merely by virtue of being true. A false one needs reinforcement by outside influences with a clear-cut, tangible impact on people in order to be capable of generating and supporting a climate of intellectual corruption.[[67]](#footnote-67)

(Objectivists who would criticize Hoppe because many of his ideas were influenced by Kant should note Hoppe’s radical lack of epistemological and moral skepticism evident in this statement.)

Thus the government effectively buys support from the populace through a system of transfer payments, grants of privilege, and governmental provision of certain goods, e.g., education, which makes the populace increasingly dependent on the continuation of state rule.[[68]](#footnote-68) By adopting democracy, the state “opens every government position to everyone and grants equal and universal rights of participation and competition in the making of state-policy.”[[69]](#footnote-69) Thus people gradually lose sight of the immorality of the exploitation and expropriation in which they participate, and are lured “into accepting the view that such acts are legitimate as long as one is guaranteed a say over them….”[[70]](#footnote-70)

[W]hen everyone is potentially a minister, no one is concerned to cut down an office to which he aspires one day himself, or to put sand in a machine which he means to use himself when his turn comes. Hence it is that there is in the political circles of a modern society a wide complicity in the extension of power.[[71]](#footnote-71)

Hoppe concludes that everything depends on a change in public opinion. Although this may appear hopeless, “ideas have changed in the past and can change again in the future … and the idea of private property has certainly one attraction: it, and only it, is a true reflection of man’s nature as a rational being.”[[72]](#footnote-72)

*C. Banking, Nation States, and International Politics*

Chapter 3, “Banking, Nation States, and International Politics: A Sociological Reconstruction of the Present Economic Order,” is the best and most important chapter in Part One. Here Hoppe explores how and why the state monopolizes money and banking and shows the danger of the ever-approaching international monetary order.[[73]](#footnote-73) Similarly to the discussion in chapter 2, this chapter argues that the state arises *despite* its inefficiencies and immorality and therefore depends upon public support, either active or passive. To create legitimacy in the minds of the public, the state engages in propaganda:

Much time and effort is spent persuading the public that things are not really as they appear: Exploitation is really freedom; taxes are really voluntary … no one is ruled by anyone but we all rule ourselves; … etc.[[74]](#footnote-74)

Additionally, to garner public support, the state also engages in redistribution: it takes individuals’ wealth, which individuals tend to resist, but redistributes some of it to individuals in order to corrupt them into assuming state-supportive roles. Because the state rests upon coercion, it must of course monopolize the police, defense, and courts.[[75]](#footnote-75) In order to be able to regularly exploit the population, the state must also control traffic and communications, so it monopolizes these also. The state monopolizes the field of education to eliminate ideological competition. The state also adopts a democratic system that opens up potential government jobs and votes to all, giving the people a legal stake in the state in order to reduce resistance to state power.[[76]](#footnote-76)

But “[t]he monopolization of money and banking is the ultimate pillar on which the modern state rests.”[[77]](#footnote-77) Thus the state monopolizes the minting of gold (to shift psychologically the emphasis from gold in universal terms like ounces to terms of fiat labels like “dollars”); passes legal tender laws; monopolizes the banking system; nationalizes gold; and finally cuts the last tie to gold by declaring paper notes irredeemable in gold.

But because there is still competition *among* states, which limits governments’ abilities to inflate their currencies, governments have an incentive to expand their territories and to expand the territory in which each government’s currency is in place. Historically, the tendency has been towards a one-world government, with a one-world paper currency, with the United States at the helm, and with no remaining limit on inflation of the money supply except hyperinflation and a collapse of the economy. This tendency is likely to continue unless public opinion:

… the only constraint on government growth[,] undergoes a substantial change and the public begins to understand the lessons explained in this [chapter]: that economic rationality as well as justice and morality demand a worldwide gold standard and free, 100% reserve banking as well as free markets worldwide; and that world government, a world central bank and a world paper currency—contrary to the deceptive impression of representing universal values—actually means the universalization and intensification of exploitation, counterfeiting-fraud, and economic destruction.[[78]](#footnote-78)

*D. Marxism Reformed by Praxeology*

Chapter 4, “Marxist and Austrian Class Analysis,” is an interesting chapter that reinterprets the Marxist theory of history from an Austrian economics perspective. Hoppe argues that the hard-core tenets of the Marxist theory of history are essentially correct, but are derived in Marxism from a false starting point; and that the Mises-Rothbard brand of Austrianism can give a different justification for the validity of these theses.

The five hard-core Marxist beliefs are: (1) The history of mankind is the history of class struggles; (2) the ruling class is unified by its common interest in upholding its exploitative position and maximizing its exploitatively appropriated surplus product; (3) class rule manifests itself primarily in specific arrangements regarding the relations of   
production (i.e., the assignment of property rights); (4) internally, the process of competition within the ruling class generates a tendency  
toward increasing concentration and centralization; and (5) finally, with the centralization and expansion of exploitative rule gradually approaching its ultimate limit of world domination, class rule will increasingly become incompatible with the further development and improvement of “productive forces.”[[79]](#footnote-79)

Hoppe points out that Marx’s theory of exploitation is flawed because, in maintaining that there is exploitation when a capitalist retains a surplus profit after paying a laborer, his theory does not take into account nor “understand the phenomenon of time preferencesas a universal category of human action.”[[80]](#footnote-80) Of course, once time preference  
is considered, it can be seen that “contrary to the case of slave and slave master where the latter benefits at the expense of the former, the relationship between the free laborer and the capitalist is a mutually beneficial one.”[[81]](#footnote-81) It is logically absurd to regard homesteading of unowned goods, or voluntary agreements between different homesteaders, as exploitative, because nothing is taken away from anybody by these activities, and goods are actually created. “Instead, exploitation takes place whenever any deviation from the homesteading principle occurs…. Exploitation is the expropriation of homesteaders, producers and savers by late-coming non-homesteaders, non-producers, non-savers  
and non-contractors….”[[82]](#footnote-82) Given this theory of exploitation, Hoppe analyzes the nature of government to justify the five Marxist theses above.

*E. Mises Versus Keynes*

The final chapter in Part One, “Theory of Employment, Money, Interest, and the Capitalist Process: The Misesian Case Against Keynes,” contains an illuminating discussion of the Austrian theories of employment, money, and interest. After this discussion, Hoppe states that it is now “easy to recognize Keynes’s ‘new’ *General Theory of Employment, Interest, and Money* as fundamentally flawed and the Keynesian revolution as one of this century’s foremost intellectual scandals.”[[83]](#footnote-83) Hoppe then proceeds to eviscerate Keynes’s theories against this backdrop.

V. CONCLUSION

Like *A Theory of Socialism and Capitalism* before it, *The Economics and Ethics of Private Property* contains cutting-edge economic theories and breakthroughs in epistemology and individual rights theories. Hoppe is indeed correct that, in the long run, immoral government policies depend upon the tacit support of the majority of the population. The only way to win more recognition and enforcement of our individual rights is to educate the populace of the truth and wisdom of freedom. The publication of works like Hoppe’s, with an uncompromising, hard-core (and, more importantly, correct) defense of liberty, certainly advances this cause.

1. See “The Ethical Justification of Capitalism and Why Socialism Is Morally Indefensible,” chap. 7 in Hans-Hermann Hoppe, A Theory of Socialism and Capitalism: Economics, Politics, and Ethics (Auburn, Ala.: Mises Institute, 2010 [1989]; www.hanshoppe.com/tsc). Argumentation ethics is discussed in “Dialogical Arguments for Libertarian Rights” (ch. 6) and “Defending Argumentation Ethics” (ch. 7). [↑](#footnote-ref-1)
2. Hoppe’s article, “The Ultimate Justification of the Private Property Ethic,” Liberty 2, no. 1 (Sept. 1988; https://perma.cc/6TYM-BJRZ): 20–22 (included as chap. 13 of EEPP), was the subject of the symposium, “Breakthrough or Buncombe,” Liberty 2, no. 2 (Nov. 1988; https://perma.cc/A5UU-P64A): 44–53, containing discussion of Hoppe’s argumentation ethics by several libertarian theorists, many critical, and Hoppe’s reply, “Utilitarians and Randians vs Reason” (53–54). This reply is included in “Appendix: Four Critical Replies” in EEPP; see also subsequent response to critics in idem, “PFP163 | Hans Hermann Hoppe, ‘On The Ethics of Argumentation’ (PFS 2016),” The Property and Freedom Podcast, ep. 163 (June 30, 2022).

   In addition to the response to the Liberty symposium, “Appendix: Four Critical Replies” also includes responses to David Osterfeld, Loren Lomasky, and David Conway in other publications. See David Osterfeld, “Comment on Hoppe,” Austrian Economics Newsletter 9, no. 3 (Spring/Summer 1988; https://perma.cc/4229-ZR7P): 9–10 (also including Hoppe’s reply, “Demonstrated Preference and Private Property: Reply to Professor Osterfeld,” pp. 10–12, and Sheldon Richman, “Comment on Osterfeld,” p. 10). David Conway’s review of Hoppe, A Theory of Socialism and Capitalism (pp. 11–14) and Hoppe’s response, “On the Indefensibility of Welfare Rights: A Comment on Conway” (pp. 14–16), appeared in Austrian Economics Newsletter 11, no. 1 (Winter/Spring 1990; https://perma.cc/X2PR-H8BW). Loren Lomasky’s criticism was “The Argument from Mere Argument,” Liberty 3, no. 1 (Sept. 1989; https://perma.cc/38XS-ZDEL): 55–57. Hoppe’s reply to Lomasky was “Intimidation by Argument—Once Again,” Liberty 3, no. 2 (Nov. 1989; https://perma.cc/4382-RKSQ): 37–39, republished as “Intimidation by Argument,” section III in “Appendix: Four Critical Replies.” Rothbard’s humorous response to Lomasky was “Hoppephobia,” originally published in Liberty 3, no. 4 (March 1990; https://perma.cc/JT7K-YTUJ): 11–12, reprinted at LewRockwell.com (Oct. 4, 2014; https://perma.cc/5HH6-2P78. See also the discussion re Lomasky and others in “Defending Argumentation Ethics” (ch. 7), at n.4 et pass., including excerpts from Hoppe’s and Rothbard’s responses to Lomasky’s critique.

   For more on argumentation ethics, see Kinsella, “Argumentation Ethics and Liberty: A Concise Guide,” StephanKinsella.com (May 27, 2011); idem, “Hoppe’s Argumentation Ethics and Its Critics,” StephanKinsella.com (Aug. 11, 2015).

   Regarding Yeager—in my view, he is wrong about several topics. First, he is wrong about Hoppe’s argumentation ethics; see also “Defending Argumentation Ethics” (ch. 7), n.5. Also, he is wrong about self-ownership; see “How We Come to Own Ourselves” (ch. 4), n.1. And he is wrong about knowledge and the calculation problem. On this latter issue, see “Legislation and the Discovery of Law in a Free Society” (ch. 13), at n.66, and references in Kinsella, “The Great Mises-Hayek Dehomogenization/Economic Calculation Debate,” StephanKinsella.com (Feb. 8, 2016), including Leland B. Yeager, “Mises and Hayek and Calculation and Knowledge,” Rev. Austrian Econ. 7, no. 2 (1994; https://mises.org/library/mises-and-hayek-and-calculation-and-knowledge): 93–109; Joseph Salerno, “Reply to Leland B. Yeager on Mises and Hayek on Calculation and Knowledge,” Rev. Austrian Econ. 7, no. 2 (1994; https://mises.org/library/reply-leland-b-yeager-mises-and-hayek-calculation-and-knowledge): 111–25, and Yeager, “Calculation and Knowledge: Let’s Write Finis,” Rev. Austrian Econ. 10, no. 1 (1997; https://mises.org/library/calculation-and-knowledge-lets-write-finis): 133–36. [↑](#footnote-ref-2)
3. Rothbard, “Beyond Is and Ought,” p. 44. [↑](#footnote-ref-3)
4. EEPP, pp. 314–15 [↑](#footnote-ref-4)
5. Ibid., p. 315. [↑](#footnote-ref-5)
6. Ibid., p. 316. On universalizability, see Kinsella, “The problem of particularistic ethicsor, why everyone really has to admit the validity of the universalizability principle,” StephanKinsella.com (Nov. 10, 2011); “What Libertarianism Is” (ch. 2), at n.23; “How We Come to Own Ourselves” (ch. 4), n.15; “A Libertarian Theory of Punishment and Rights” (ch. 5), Part III.D.1; “Dialogical Arguments for Libertarian Rights” (ch. 6), at n.43; and “Defending Argumentation Ethics” (ch. 7), the section “Universalizability.” [↑](#footnote-ref-6)
7. Ibid., pp. 316 & 317 (emphasis added). [↑](#footnote-ref-7)
8. Ibid., p. 317. [↑](#footnote-ref-8)
9. Ibid. [↑](#footnote-ref-9)
10. Ibid., pp. 319–22. Hoppe makes it clear that, although he agrees with Locke’s theory of homesteading by mixing one’s labor with resources, he believes the Lockean proviso—Locke’s limitation that the right to homestead extends only when “enough and as good” is left for others—is false and must be rejected (contra Lomasky). Ibid., p. 410. [↑](#footnote-ref-10)
11. For further elaboration of these issues, see “What Libertarianism Is” (ch. 2) and “How We Come to Own Ourselves” (ch. 4). [↑](#footnote-ref-11)
12. For subsequent discussion of argumentation ethics since the publication of the original article in 1994, see Kinsella, “Argumentation Ethics and Liberty: A Concise Guide” and idem, “Hoppe’s Argumentation Ethics and Its Critics.” [↑](#footnote-ref-12)
13. Kinsella, “Estoppel: A New Justification for Individual Rights,” Reason Papers No. 17 (Fall 1992): 61–74. See note 15, below. [↑](#footnote-ref-13)
14. Rothbard has developed a useful classification or typology of aggressive intervention. If an aggressor’s command or order involves only the commanded individual himself—i.e., the aggressor restricts the individual’s use of his own property, when exchange with someone else is not involved—this Rothbard calls autistic intervention. If the aggressor compels an exchange between the individual and himself, or coerces a “gift” from the individual subject, this may be called a binary intervention, since a hegemonic relation is established between two people: the aggressor and the individual subject. If the aggressor compels or prohibits an exchange between a pair of subjects, this is called triangular intervention.

    Examples of autistic intervention are murder or compulsory prohibition or enforcement of a salute or speech. Taxation, conscription, slavery, and compulsory jury service are examples of binary intervention. Examples of triangular intervention are price controls, minimum wage laws, and licensing. Murray N. Rothbard, Man, Economy, and State, with Power and Market, Scholars ed., 2d ed. (Auburn, Ala.: Mises Institute, 2009; https://mises.org/library/man-economy-and-state-power-and-market), chap. 12, §2. In chapter 3, “Banking, Nation States and International Politics: A Sociological Reconstruction of the Present Economic Order,” Hoppe makes similar distinctions among aggressive actions in pointing out why states with relatively more liberal internal economic policies are more successful in war against states with relatively less internal liberalization:

    The need for a productive economy that a warring state must have also explains why it is that ceteris paribus those states which have adjusted their internal redistributive policies so as to decrease the importance of economic regulations relative to that of taxation tend to outstrip their competitors in the arena of international politics. Regulations through which states either compel or prohibit certain exchanges between two or more private persons as well as taxation imply a non-productive and/or non-contractual income expropriation and thus both damage homesteaders, producers or contractors i.e., those that cause wealth to come into existence. However, while by no means less destructive of productive output than taxation, regulations have the peculiar characteristic of requiring the state’s control over economic resources in order to become enforceable without simultaneously increasing the resources at its disposal. In practice, this is to say that they require the state’s command over taxes, yet they produce no monetary income for the state (instead, they satisfy pure power lust, as when A, for no material gain of his own, prohibits B and C from engaging in mutually beneficial trade). On the other hand, taxation and a redistribution of tax revenue according to the principle “from Peter to Paul,” increases the economic means at the government’s disposal at least by its own “handling charge” for the act of redistribution. Since a policy of taxation, and taxation without regulation, yields a higher monetary return to the state (and with this more resources expendable on the war effort!) than a policy of regulation, and regulation with taxation, states must move in the direction of a comparatively deregulated economy and a comparatively pure tax-state in order to avoid international defeat…. A highly characteristic example of this connection between a policy of internal deregulation and increased external aggressiveness is provided by the Reagan administration.

    EEPP, p. 102–103 & n.22. [↑](#footnote-ref-14)
15. Kinsella, “Estoppel: A New Justification for Individual Rights.” An expanded discussion of the estoppel theory will be presented in my work-in-progress, Estoppel: A Theory of Rights. (Author’s note: This previous comment was included in the original 1994 article. Subsequently, I elaborated on this theory, albeit under different titles than previously envisioned. See “A Libertarian Theory of Punishment and Rights” (ch. 5) and “Dialogical Arguments for Libertarian Rights” (ch. 6).) [↑](#footnote-ref-15)
16. Murray N. Rothbard, “Beyond Is and Ought,” Liberty 2, no. 2 (Nov. 1988; https://perma.cc/8LZR-DN6Y; also https://mises.org/library/beyond-and-ought): 44–45. [↑](#footnote-ref-16)
17. Although Hoppe demonstrates the a priori character of several concepts, he neither systematically nor exhaustively catalogues them. See Part IV, below, for a discussion of Hoppe’s a priori concepts. [↑](#footnote-ref-17)
18. EEPP, p. 301. For an interesting discussion of neuropsychologist Roger W. Sperry’s writing on the subject of free will, determinism, and causality, see Charles Ripley, “Sperry’s Concept of Consciousness,” Inquiry 27 (1990): 399–423; see also Leonard Peikoff, Objectivism: The Philosophy of Ayn Rand (1991), pp. 69–72 (discussing Ayn Rand’s theory of volition and its relation to causality); and David Kelley, “The Nature of Free Will,” The Foundations of Knowledge, Lecture 6 (Portland Institute Conference, 1986; YouTube; https://youtu.be/m8qeaxNl7jE). [↑](#footnote-ref-18)
19. EEPP, p. 341. [↑](#footnote-ref-19)
20. Ibid., pp. 333–34. [↑](#footnote-ref-20)
21. Ibid., p. 313 (Alan Gewirth, “Law, Action, and Morality,” in Georgetown Symposium on Ethics: Essays in Honor of Henry B. Veatch, R. Porreco, ed. (New York: University Press of America, 1984), p. 73)). See also the related discussion in “Dialogical Arguments for Libertarian Rights” (ch. 6), the section “Argumentation Ethics and Natural Rights.” [↑](#footnote-ref-21)
22. Ibid. [↑](#footnote-ref-22)
23. Ibid., pp. 314 n.15, 315 n.17. [↑](#footnote-ref-23)
24. Ibid., pp. 321–22, quoting Murray N. Rothbard, “A Crusoe Social Philosophy,” in The Ethics of Liberty (New York: New York University Press, 1998), pp. 32–33, also published as idem, “A Crusoe Social Philosophy,” Mises Daily (December 7, 2021; https://mises.org/library/crusoe-social-philosophy). Ayn Rand’s thought related to this subject is worth noting:

    [A]s Rand maintains, all “oughts” are hypothetical, based on valuing one’s life….

    The point is not that one has to be alive in order to act to achieve anything. The point is that being pro-life is what makes end states qualify as values. Only choosing to hold one’s life as a value gives one the stake in one’s actions that is required for the whole issue of evaluation to arise….

    Contrary to biological determinism, one does not have to pursue any goals or proclaim anything to be of value. But contrary to subjectivism, if one does, the action or proclamation logically depends on implicitly accepting one’s life as one’s ultimate value….

    The issue of justifying choices arises only in the context of having already chosen to live. The choice to live is not extra-moral, but pre-moral; it is a precondition of all moral evaluation.

    Harry Binswanger, “Life-Based Teleology and the Foundations of Ethics,” The Monist 75, no. 1 (Jan. 1992): 84–103, at 99–100. As Ayn Rand states:

    Life or death is man’s only fundamental alternative. To live is his basic act of choice. If he chooses to live, a rational ethics will tell him what principles of action are required to implement his choice. If he does not choose to live, nature will take its course.

    Ibid., at 100 (quoting Ayn Rand, “Causality Versus Duty,” in Philosophy: Who Needs It (Signet 1984), pp. 95, 99. For further discussion of the structure of this Rothbard’s argument for rights here, see David Osterfeld, “Natural Rights Debate: A Comment on a Reply,” J. Libertarian Stud. 7, no. 1 (Spring 1983; https://mises.org/library/natural-rights-debate-comment-reply-0): 101–13, pp. 106–07. [↑](#footnote-ref-24)
25. EEPP, p. 345. [↑](#footnote-ref-25)
26. This is in marked contrast to Hoppe’s normal habit of clearly defining key terms. For example, Hoppe has brilliantly demonstrated that socialism “must be conceptualized as an institutionalized interference with or aggression against private property and private property claims.” Hoppe, A Theory of Socialism and Capitalism, p. 10. [↑](#footnote-ref-26)
27. EEPP, p. 320. [↑](#footnote-ref-27)
28. Lomasky makes a similar critique in “The Argument from Mere Argument.” [↑](#footnote-ref-28)
29. EEPP, p. 314 n.16. Jürgen Habermas’s works, often in German, are cited frequently throughout the book. Habermas’s work on “communicative action” is crucial in Hoppe’s own argumentation ethics. See also discussion in “Dialogical Arguments for Libertarian Rights” (ch. 6), n.25 et pass. Habermas’s writings published in English, or English-language discussions of Habermas’s works, include: Seyla Benhabib & Fred Dallmayr, eds., The Communicative Ethics Controversy (Cambridge, Mass.: MIT Press, 1990); Douglas B. Rasmussen, “Political Legitimacy and Discourse Ethics,” International Philosophical Quarterly 32 (1992; https://perma.cc/MK59-QEVV); Jeremy Shearmur, “Habermas: A Critical Approach,” Critical Rev. 2 (1988): 39–50; Kenneth Baynes, The Normative Grounds of Social Criticism: Kant, Rawls, and Habermas (Albany: State University of New York Press, 1992), pp. 77–122; Jane Braaten, Habermas’s Critical Theory of Society (1991); Jürgen Habermas, Moral Consciousness and Communicative Action, Christian Lenhardt & Shierry Weber Nicholsen,trans.(Cambridge, Mass.: MIT Press, 1990 [1983]) (containing English translation of work originally published in German as “Moralbewusstsein und communikatives Handeln”);idem, Between Facts and Norms: Contributions to a Discourse Theory of Law and Democracy, William Rehg, trans. (Cambridge, Mass.: MIT Press, 1996; https://perma.cc/27K9-YWW2); idem, Communication and the Evolution of Society, Thomas McCarthy, trans. (Boston: Beacon Press, 1979); idem, Knowledge and Human Interests, Jeremy Shapiro, trans. (Boston: Beacon Press, 1972); idem, Legitimation Crisis, Thomas McCarthy, trans. (Boston: Beacon Press, 1975); idem, The Philosophical Discourse of Modernity : Twelve Lectures, Fredrick Lawrence, trans. (Cambridge, Mass.: MIT Press, 1987); idem, Theory and Practice, John Viertel,trans. (Boston: Beacon Press, 1973); idem, The Theory of Communicative Action, Thomas McCarthy, trans. (Boston: Beacon Press, 1984 & 1987) (two volumes); Thomas McCarthy, The Critical Theory of Jürgen Habermas (Cambridge, Mass.: MIT Press, 1981); idem, Ideals and Illusions: On Reconstruction and Deconstruction in Contemporary Critical Theory (Cambridge, Mass.: MIT Press, 1993); John B. Thompson & David Held, eds., Habermas: Critical Debates (London: Macmillan Press, 1982); Michael Pusey, Jürgen Habermas (London and New York: Routledge, 1987); Richard J. Bernstein, ed., Habermas and Modernity (Cambridge, Mass.: MIT Press, 1985); Jürgen Habermas, Jürgen Habermas on Society and Politics: A Reader, Steven Seidman, ed. (Boston: Beacon Press, 1989); David M. Rasmussen, ed., Reading Habermas (Wiley-Blackwell, 1991); Stephen K. White, The Recent Work of Jürgen Habermas (Cambridge University Press, 1988); Gary C. Leedes, “The Discourse Ethics Alternative to Rust v. Sullivan,” U. Rich. L. Rev. 26 (1991; https://scholarship.richmond.edu/lawreview/vol26/iss1/4/): 87–143, at 108-11; Lawrence B. Solum, “Freedom of Communicative Action: A Theory of the First Amendment Freedom of Speech,” Northwestern U. L. Rev. 83 (1989; https://scholarship.law.georgetown.edu/facpub/1954/): 54–135, at 86–106.

    See also Karl-Otto Apel, “Is the Ethics of the Ideal Communication Community a Utopia? On the Relationship between Ethics, Utopia, and the Critique of Utopia,”in Benhabib & Dallmayr, eds., The Communicative Ethics Controversy; idem, “The A Prioriof the Communication Community and the Foundations of Ethics,” in Towards a Transformation of Philosophy (London and New York: Routledge, 1980); idem, “The Problem of Philosophical Foundations Grounding in Light of a Transcendental Pragmatics of Language,” in Kenneth Baynes, James Bohman & Thomas McCarthy, eds., After Philosophy: End or Transformation? (Cambridges, Mass.: MIT Press, 1986); Kim Davies, “Review of K-O Apel, Towards a Transformation of Philosophy (1980),” Radical Philosophy 30 (Spring 1982; https://www.stephankinsella.com/wp-content/uploads/texts/davies\_apel-review.pdf); Michel Rosenfeld, “Book Review of Habermas, Between Facts and Norms: Contributions to a Discourse Theory of Law and Democracy,” Harv. L. Rev. 108 (1995): 1163–89. [↑](#footnote-ref-29)
30. EEPP, p. 315 n.18. Gewirth’s theory is presented in his book Reason and Morality (Chicago: University of Chicago Press, 1978). For a concise statement of Gewirth’s theories, see his article “The Basis and Content of Human Rights,” Georgia L. Rev. 13 (1979): 1143–70; also idem, Moral Rationality (The Lindley Lecture, Univ. of Kansas, 1972; https://core.ac.uk/download/pdf/213402925.pdf); idem, “Law, Action, and Morality,” p. 73.

    See also the discussion of Gewirth and his libertarian student Roger Pilon in “Dialogical Arguments for Libertarian Rights” (ch. 6). [↑](#footnote-ref-30)
31. Gewirth, “The Basis and Content of Human Rights,” p. 1155. [↑](#footnote-ref-31)
32. Ibid., at 1149, 1167-69. [↑](#footnote-ref-32)
33. EEPP, p. 315 n.18. [↑](#footnote-ref-33)
34. Roger A. Pilon, “Ordering Rights Consistently: Or What We Do and Do Not Have Rights To,” Georgia L. Rev. 13 (1979; https://perma.cc/FYX4-CFNH): 1171–96, pp. 1178, 1187; see also idem, A Theory of Rights: Toward Limited Government (Ph.D. dissertation, University of Chicago, 1979; https://perma.cc/DGS3-W4UA). [↑](#footnote-ref-34)
35. Ibid at 1186–87. [↑](#footnote-ref-35)
36. EEPP, p. 335 n.2. [↑](#footnote-ref-36)
37. Ibid., p. 334. [↑](#footnote-ref-37)
38. Ibid., p. 335. [↑](#footnote-ref-38)
39. Ibid. [↑](#footnote-ref-39)
40. Ibid., p. 278 et seq. [↑](#footnote-ref-40)
41. Ibid., p. 271 et seq. [↑](#footnote-ref-41)
42. Roger Scruton, Kant (Oxford University Press, 1982), pp. 18–19. [↑](#footnote-ref-42)
43. David Gordon, The Philosophical Origins of Austrian Economics (Auburn, Ala.: Mises Institute, 1993; https://perma.cc/AQ6N-VS4H), pp. 30–31. [↑](#footnote-ref-43)
44. EEPP, pp. 275–76. [↑](#footnote-ref-44)
45. Ibid., p. 277. [↑](#footnote-ref-45)
46. Ibid., p. 280. [↑](#footnote-ref-46)
47. Ibid., p. 282, quoting Immanuel Kant, Kritik der Reinen Vernunft [Critique of Pure Reason], in vol. 3 Werke, Wilhelm Weischedel, ed. (Frankfurt/M.: Suhrkamp, 1968), p. 45. [↑](#footnote-ref-47)
48. EEPP, p. 282. [↑](#footnote-ref-48)
49. Ibid., pp. 282–83. [↑](#footnote-ref-49)
50. Hans-Hermann Hoppe, Praxeology and Economic Science (1988), later included in idem, Economic Science and the Austrian Method (Auburn, Ala.: Mises Institute, 1995; www.hanshoppe.com/esam). [↑](#footnote-ref-50)
51. Ibid., pp. 17–18. [↑](#footnote-ref-51)
52. Ibid., p. 18. [↑](#footnote-ref-52)
53. Ibid., at 45 n.14. Goldberg’s article, however, is poorly reasoned and largely unconvincing. See David Kelley, The Evidence of the Senses: A Realist Theory of Perception (1986), p. 27–31 (discussing the primacy of existence); Leonard Peikoff, Objectivism: The Philosopy of Ayn Rand (New York: Dutton, 1991), pp. 148–52 (discussing Ayn Rand and philosophy of objectivity). The notorious phrase of Kant’s can be found in English in Immanuel Kant, Critique of Pure Reason (Norman K. Smith trans. 1953 [1929]), pp. 21–22. As David Kelley, executive director of the Institute for Objectivist Studies, paraphrases Kant:

    Hitherto it has been supposed,” Kant says in his major work, “that all our knowledge must conform to the objects,” but, he argues, … under that supposition, every effort to establish the validity of consciousness has failed. So, “the experiment therefore ought to be made, whether we should not succeed better with the problems of metaphysics by assuming that the objects must conform to our mode of cognition.

    Kelley perceptively criticizes Kant here with an analogy, that of Kant’s thought applied to the driving of a car:

    Hitherto it has been supposed that our steering must conform to the road. But on this supposition it has proved impossible to establish the validity of our steering. The experiment therefore ought to be made, whether we should not have more success with the problem of driving by assuming that the road must conform to our steering.

    David Kelley, “The Primacy of Existence,” The Foundations of Knowledge, Lecture 1 (The Jefferson School Conference, San Diego; YouTube, 1985; https://youtu.be/AVBgfamJxFk).

    Author’s note (2023): As Hoppe has observed, Kant’s meaning is ambiguous or murky enough because of his wording to cause some, such as Kelley, and other, primarily American, philosophers, to interpret Kant in this idealistic way, while others, primarily on the continent, have interpreted him in a more realistic way. See EEPP, p. 282 and 282 n.17, citing, as examples of the latter, Friedrich Kambartel, Erfahrung and Struktur (Frankfurt/M.: Suhrkamp, 1968), chap. 3 as well as Hoppe’s own Handeln und Erkennen: Zur Kritik des Empirismus am Beispiel der Philosophie David Humes (Bern: Lang, 1976; www.hanshoppe.com/german). Some other books suggested to me in this regard, which I have not yet read (and I don’t know German), include: Ralph C.S. Walker, Kant (London: Routledge and Kegan Paul, 1978) (suggested by Barry Smith); Paul Abela, Kant’s Empirical Realism (Oxford: Clarendon Press, 2002) and J.N. Findlay, Kant and the Transcendental Object: A Hermeneutic Study (Oxford: Clarendon Press, 1981) (suggested by David Gordon); Paul Lorenzen, Methodisches Denken (Frankfurt/M.: Suhrkamp, 1968) and idem, Normative Logic and Ethics (Mannheim: Bibliographisches Institut, 1969) (suggested by Hoppe); Magdalena Aebi, Kants Begründung der “Deutschen Philosophie”: Kants Transzendentale Logik, Kritik Ihrer Begründung (Basel: Verlag für Recht und Gesellschaft, 1947) (suggested by Kevin Mulligan).

    But as Hoppe points out, “Whether or not such an interpretation of Kant’s epistemology is indeed correct is a very different matter. Clarifying this problem is of no concern here, however.” EEPP, p. 282 n.17. In any case, Kantians such as Mises, Kantian-Misesians such as Hoppe, and Aristotelean-Misesians such as Rothbard are in fact epistemological realists and not idealists as some philosophers construe Kant to be. To the contrary, the Misesian praxeological perspective helps to ground a realist epistemology. As Hoppe notes,

    Recognizing knowledge as being structurally constrained by its role in the framework of action categories provides the solution to such a complaint, for as soon as this is realized, all idealistic suggestions of rationalist philosophy disappear, and an epistemology claiming that a priori true propositions exist becomes a realistic epistemology instead. Understood as constrained by action categories, the seemingly unbridgeable gulf between the mental on the one hand and the real, outside physical world on the other is bridged.

    Ibid., pp. 282–83. For more on Hoppe’s realistic, Misesian-based epistemology, see his Economic Science and the Austrian Method, pp. 68–70. On Rothbard’s, see his “The Mantle of Science,” “In Defense of ‘Extreme Apriorism,’” and other chapters in Section One: Method,  
    of Economic Controversies (Auburn, Ala.: Mises Institute, 2011; https://mises.org/library/economic-controversies). On Mises’s realism, see Ludwig von Mises, “Epistemological Studies,” in Memoirs, Arlene Oost-Zinner, trans (Auburn, Ala.: Mises Institute, 2009) (formerly Notes and Recollections); Mises’s dismissive remarks on Popper in The Ultimate Foundation of Economic Science: An Essay on Method (Princeton, N.J.: D. Van Nostrand Company, Inc., 1962; https://mises.org/library/ultimate-foundation-economic-science), chap. 4, §8 and chap. 7, §4; idem, Theory and History: An Interpretation of Social and Economic Evolution (Auburn, Ala.: Mises Institute, 2007 [1957]; https://mises.org/library/theory-and-history-interpretation-social-and-economic-evolution), chap. 1, §3. See also Edward W. Younkins, “Menger, Mises, Rand, and Beyond,” J. Ayn Rand Stud. 6, no. 2 (Spring 2005; https://perma.cc/SM4J-TYBV): 337–74, p. 342 et pass. (also in Edward W. Younkins, ed., Philosophers of Capitalism: Menger, Mises, Rand, and Beyond (Lexington Books, 2005)), and Heidi C. Morris, “Reason and Reality: The Logical Compatibility of Austrian Economics and Objectivism,” Rebirth of Reason (May 10, 2005; https://perma.cc/PSR5-MNFE). [↑](#footnote-ref-53)
54. EEPP, p. 284. [↑](#footnote-ref-54)
55. Ibid., p. 286. [↑](#footnote-ref-55)
56. Ibid., p. 286 n.20. [↑](#footnote-ref-56)
57. Ibid., pp. 288. [↑](#footnote-ref-57)
58. Ibid, p. 288 n.23; see Petr Beckmann, Einstein Plus Two (Golem Press, 1987), p. 27 et pass. (proposing theory implying that Einstein’s work does not prove physical space is non-Euclidean). In the journal founded by Dr. Beckmann, who passed away in 1993, a recent article purports to have found evidence disproving part of Einstein’s theory, thereby confirming Beckmann and Hoppe. Howard C. Hayden, “Stellar Aberration,” Galilean Electrodynamics [https://perma.cc/JUY8-W7WS] vol. 4, no. 5 (Sept./Oct. 1993; https://perma.cc/GQY6-KUVK): 89–92. In this article, Hayden, a professor of physics at the University of Connecticut, claims that evidence shows that the phenomenon of stellar aberration is not due to the relative velocity of a star with respect to Earth, as is claimed by Einstein’s theory of relativity. Ibid., at 91–92. The evidence thus casts doubt on the validity of Einsteinian relativity. Galilean Electrodynamics is now edited by Howard C. Hayden. (Author’s note (2023): this original comment was written in 1994.) [↑](#footnote-ref-58)
59. Ibid., pp. 291–92. [↑](#footnote-ref-59)
60. Ibid., p. 290 n.25. [↑](#footnote-ref-60)
61. Ibid., pp. 8–9. [↑](#footnote-ref-61)
62. Ibid., p. 35. [↑](#footnote-ref-62)
63. Ibid., p. 39. [↑](#footnote-ref-63)
64. Ibid. [↑](#footnote-ref-64)
65. Ibid., p. 42. [↑](#footnote-ref-65)
66. In this book I often use “government” more or less synonymously with “the state,” although it is probably preferable to use the term state, when possible, as it is conceptually distinct from “government,” as one can imagine “governing institutions” of law and order in a private-law society. In fact many statists and mini-statists (minarchists) often engage in equivocation on this point; they presuppose that there cannot be law and order, or “government,” without the state, but if the anarchist claims to favor law and order, then the statist equates government with state and accuses the anarchist of being inconsistent. This is really simply disingenuous question-begging hidden behind an equivocation. [↑](#footnote-ref-66)
67. Ibid., p. 65. [↑](#footnote-ref-67)
68. Hoppe discusses some of these themes also in Democracy: The God That Failed (Transaction, 2001; www.hanshoppe.com/democracy). [↑](#footnote-ref-68)
69. Ibid., p. 67. This calls to mind the words of Lysander Spooner, writing in 1870. Note especially Spooner’s point 2:

    The ostensible supporters of the Constitution … are made up of three classes, viz.: 1. Knaves, a numerous and active class, who see in the government an instrument which they can use for their own aggrandizement or wealth. 2. Dupes—a large class, no doubt—each of whom, because he is allowed one voice out of millions in deciding what he may do with his own person and his own property, and because he is permitted to have the same voice in robbing, enslaving, and murdering others, that others have in robbing, enslaving, and murdering himself, is stupid enough to imagine that he is a “free man,” a “sovereign”; that this is a “free government”; “a government of equal rights,” “the best government on earth,” and such like absurdities. 3. A class who have some appreciation of the evils of government, but either do not see how to get rid of them, or do not choose to so far sacrifice their private interests as to give themselves seriously and earnestly to the work of making a change.

    Lysander Spooner, “No Treason No. 4: The Constitution of No Authority,” in The Lysander Spooner Reader (San Francisco, Calif.: Fox and Wilkes, 1992; http://www.lysanderspooner.org/works). Spooner (1808–1887), an anarchist, was a Massachusetts lawyer noted for his vigorous opposition to the encroachment of the state upon the liberty of the individual, such as the institution of slavery. In No Treason, Spooner demolishes the “consent” theory of the validity of the Constitution. Unfortunately, Spooner was a total crank and wrong on the important issue of intellectual property. See “Law and Intellectual Property in a Stateless Society” (ch. 14), n.4 et pass. [↑](#footnote-ref-69)
70. EEPP, p. 68. [↑](#footnote-ref-70)
71. Ibid., p. 69. [↑](#footnote-ref-71)
72. Ibid., p. 75. [↑](#footnote-ref-72)
73. See note 14, above (quoting Hoppe’s explanation of why more liberal or free-market states are more successful in war or imperialism than more socialist states). [↑](#footnote-ref-73)
74. EEPP, pp. 86–87. Here one is reminded of government leaders referring to taxes as “contributions.” [↑](#footnote-ref-74)
75. Ibid., p. 88. [↑](#footnote-ref-75)
76. Ibid., pp. 88–89. [↑](#footnote-ref-76)
77. Ibid. [↑](#footnote-ref-77)
78. Ibid., p. 116. [↑](#footnote-ref-78)
79. Ibid., pp. 117–19. [↑](#footnote-ref-79)
80. Ibid., p. 122. [↑](#footnote-ref-80)
81. Ibid. [↑](#footnote-ref-81)
82. Ibid., pp. 125–26. [↑](#footnote-ref-82)
83. Ibid., p. 155. [↑](#footnote-ref-83)