



Austrian

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From the publisher

Jeff Deist

"If the power of government rests on the widespread acceptance of false indeed absurd and foolish ideas, then the only genuine protection is the systematic attack of these ideas and the propagation and proliferation of true ones."

> Hans-Hermann Hoppe, Democracy: The God That Failed

Hans-Hermann Hoppe is a compelling figure: bold in his arguments, unstinting in his criticisms, and razor sharp with language and definitions. In the 1980s he became a protege and close friend of the late Murray N. Rothbard, first moving from his native Germany to New York City, and ultimately joining Rothbard on the economics faculty of the University of Nevada, Las Vegas. His work on private property, socialism, and argumentation ethics quickly propelled him to the fore of libertarian thinkers, but his 2001 classic Democracy: The God That Failed really put him on the map—and in the crosshairs of critics. It's a book that everyone who is serious about what ails the West should read.

Our interview with Professor Hoppe goes in depth on a variety of subjects, many of which he seldom discusses publicly. We start with his childhood experiences under German reunification in the 1940s, and the US-led campaign to rewrite history from the victor's perspective. Hoppe's anticommunist roots run deep, stemming from his parents' terrible losses at the hands of Soviet expropriators. A stint studying under left-wing intellectual Jürgen Habermas in Frankfurt informed Hoppe's view on method, but failed to convert him to left-wing critical theory. By the time he reached the US, Hoppe was fully committed to Rothbardian political philosophy and Misesian economics, but he would push the boundaries of both men's thought.

Our interview touches on several of those boundaries. For example, Professor Hoppe does not shy away from discussing the role of Christianity in shaping Western thought. Latin Christendom, in Hoppe's view, gave us the ideas of natural human rights and individualism. It gave us concepts of property, law, and just war. The Christian church, for all its faults, served as a bulwark against the ambitions of kings

for absolute control. Today's clergy, by contrast, use their waning authority to cheer for the very state programs and warmed-over distributism which renders them irrelevant to official secularism.

Hoppe similarly pulls no punches in attacking egalitarianism in all forms, or in making the case for fully private contractual societies. Libertarians focus on free association, but what of the corollary of free dissociation? Both are touchstones in the Hoppean worldview, and both are possible only through rigorous adherence to property and contract norms. Dr. Hoppe questions the compatibility of property rights with open borders under any taxpayer-funded regime, and proposes applying a "full-cost" principle to mitigate the burdens and highly subjective benefits imposed by mass migration on those who pay for "public property." Do we need a vast state apparatus at the border, along with a Byzantine and opaque immigration policy? No, says Hoppe, all we need is contractual mechanisms to allow immigrants and sponsors—rather than taxpayers—to absorb the full cost of their arrangements. In other words, surety bonds instead of Checkpoint Charlie.

Finally, David Gordon reviews a surprising new book from George Mason University law professor F.H. Buckley titled American Secession: The Looming Threat of a National Breakup. Buckley is a conservative and not prone to wild-eyed pronouncements or prognostication. But like so many on both Left and Right today, he questions whether the current political arrangement known as the United States of America is worth saving. Our nation is too big and diverse, our federal bureaucracy too sclerotic, and our cultural divide too wide for small reforms or tinkering, and thus we have reached the point where the benefits of breaking up may outweigh the risks. Moreover, evidence seems to show smaller states produce happier people and less corrupt governments, while states with huge numbers of people under one central rule—China and India, not to mention the US—produce lower trust and more divided political rule.

While libertarians in the Mises Institute camp like Hoppe have made the secessionist argument for years, rock-ribbed conservatives like Buckley and Angelo Codevilla are new to the idea. So too are thoughtful people on the Left in organs like the New Republic, people whose newfound support for federalism and nullification grows out of their alarm at Trumpism. We should welcome and encourage both "sides" to the win-win concepts of federalism, subsidiarity, decentralization, nullification, and secession as the humane and workable alternatives to an outright hot civil war where we all lose.

Thank you as always for reading The Austrian, and please continue to send me notes via jeffdeist@mises.org. We deeply appreciate your support for, and interest in, the mission of the Mises Institute.



JEFF DEIST: Your recent talk in Vienna mentioned growing up happy but poor, the son of East German parents who had been driven west during the Cold War by the Soviets. Can you elaborate on the lasting impact their experience had on you, in terms of how you view state power and its attendant evils? Are you in some ways still influenced by their "eastern" roots?

HANS-HERMANN HOPPE: The fact that my parents were both refugees, ending up in the West by the accident of WWII, driven away and separated from their original homes in Soviet-occupied East Germany, played a huge role in our family life. In particular the expropriation of my mother's family and its expulsion from house and home by the Soviets, in 1946, as so-called East Elbean Junkers, was a constantly recurring topic at home and assumed even more importance after the collapse, in 1989, of East Germany and the following German "reunification." My mother, as many other victims of communist expropriations, then sought and hoped for the

Hans-Hermann Hoppe, an Austrian school economist and libertarian/ anarcho-capitalist philosopher, is professor emeritus of economics at UNLV, where he taught with Murray Rothbard, a Distinguished Senior Fellow with the Mises Institute, founder and president of the Property and Freedom Society, former editor of the Journal of Libertarian Studies, and a lifetime member of the Royal Horticultural Society. He is the author of Democracy: The God That Failed, The Economics and Ethics of Private Property, The Private Production of Defense, The Myth of National Defense, and A Theory of Socialism and Capitalism, among others.

restitution of her property—in which case I would have been set for life. However, as I already knew and correctly predicted by then, this was not going to happen. There was to be no justice. But my parents were shocked and outraged.

The numerous trips we took to visit various relatives in East Germany confirmed my parents' judgment of the Soviet

system. Shortages, waiting lines, empty stores, inferior products, and lousy services. All around controls, spies, and informants. Everywhere grey ugliness and decay. A prison wall built around the whole country to prevent anyone from escaping. And commie-proles droning on endlessly about the great successes achieved under their leadership.

Yet as a little boy and a teenager I did not understand the reason for all this mischief and misery. Indeed, the East German experience did little if anything to shake my own leftist convictions at the time. East Germany, I thought, was just the wrong type of socialism, with the wrong people at the helm.

Apart from their anticommunism, my parents, as most people of their generation, were highly guarded or even timid regarding political pronouncements. Germany had lost a devastating war, and the German population was subjected to a systematic, American-led reeducation campaign, a *Charakterwaesche* (character-wash), as I was to realize only many years later, of truly enormous proportions, which involved a complete rewriting of history from the victor's viewpoint, essentially portraying Germans as congenital villains. This made it all the more difficult to finally discover the fundamental importance of private property rights and the evil of statism and so-called public property.

As far as any genuine "eastern" influences are concerned, I am skeptical. Far more important in any case was the fact that my parents were impoverished refugees who eagerly wanted to recover from their losses, get

Far more important in any case was the fact that my parents were impoverished refugees who eagerly wanted to recover from their losses, get ahead in life, and instill their own will to succeed also in their children.



Murray Rothbard with Hoppe at our 1992 conference at Jekyll Island.

ahead in life, and instill their own will to succeed also in their children. (In fact, empirical studies later on demonstrated the comparatively greater professional success of refugee children as compared to their nonrefugee peers.) However, in the German context you may count my Protestant—Lutheran—upbringing and the character traits typically associated with it, i.e., the "Protestant ethic," as described by Max Weber, as somehow eastern.

Mises University, 1996. Bottom row: Hoppe, David Gordon, Robert Batemarco, Ralph Raico, Joe Salerno, Andy Barnett, and Jeff Herbener. Top row: Mark Thornton, Tom DiLorenzo, John Sopheclus, and Guido Hülsmann.

JD: You also mentioned your time at university, studying philosophy under the direction of left-wing critical theorist Jürgen Habermas. Although your political philosophy differs radically from his, discuss his influence on you and your development of "Austrian" class analysis. Is he purely a malign figure, or can we learn from him?

HH: Looking back, I can certainly say that Habermas has been a largely malign figure. He became Germany's most famous and influential intellectual, and as such played an important role in Germany's gradual but steady move leftward, both economically and culturally. Indeed, he can be regarded as the high priest of historical and political correctness, of social democracy, and of political centralization.

Nonetheless, my relationship with Habermas, while not close, was cordial, and I learned quite a bit from him, especially from his earlier works such as *Erkenntnis* und Interesse (Knowledge and Interest). (Since the late 1970s I essentially stopped following his work, as it was increasingly tedious and murky.) In any case, it was Habermas who introduced me to the Anglo-Saxon tradition of analytic philosophy and the philosophy of language. He helped me understand "methodological dualism," i.e., that the study of objects with which we can communicate (and communicative action) requires different methods than those appropriate for the study of noncommunicative objects (and instrumental action). And contra all empiricist and relativist claims, Habermas always defended the notion of some sort of synthetic a *priori* truths.

As far as my work on class analysis and the theory of history is concerned, however, it owes nothing to

Habermas, who had actually little interest in economics and political economy, but instead to my earlier study of Marx. I wrote the original paper on the subject for a Mises Institute conference on Marx, and I tried to show how, by only substituting State for Business Firms and Taxes for Wages, Marx's exploitation theory and his theory of history would make perfect sense.

JD: Your speech titled "Coming of Age with Murray" in New York City two years ago reveals much about your personal relationship with the late Murray N. Rothbard. In fact you moved to New York primarily to work with him. Looking back, are you glad to have left Germany for America? Would your career and work look very different had you remained at a European university?

HH: Oh yes, that move was about the best and most important decision I ever made. Given my views at the time, i.e., my Misesian-Rothbardian outlook, an academic career in Germany, even if not entirely impossible, would have been extremely difficult, even with stellar academic credentials. I might have become depressed and given up. Certainly, without constant encouragement such as I would receive from Rothbard in America, I would have written less and then mostly in German, which no one but Germans read.

In the meantime, thanks to the growing influence and worldwide internet presence of the Ludwig von Mises Institute in Auburn, the situation has significantly changed. It is still difficult, but nowadays you can also have a successful academic career in Europe even as an Austrian (but you will have to write in English).

JD: Rothbard remains relevant and controversial today. Is he misunderstood? Given your long history with him, both in New York and at UNLV, what do his critics fail to grasp? Was he warm and convivial as his supporters contend, or acerbic and mercurial as per his detractors? Does his work in social theory overshadow his work as an economist?

HH: Rothbard was a genius of the first order. He ranks among the greatest economists, but he was not and did not want to be a mere economist-economist. He was also a great philosopher, sociologist, and historian, and as such became the creator of a grand, integrated intellectual system. Anyone familiar with Rothbard's entire oeuvre can only stand in awe before his achievement. But there also lies the problem. The sheer volume and the interdisciplinary character of Rothbard's work makes it difficult for anyone but the most dedicated and talented student to give a full and fair account of his work. Moreover, especially economics, the centerpiece of Rothbard's system, is a rather dry, technical field with very limited sex appeal. Much easier, then, for the envious, lazy, and talentless to engage in nit-picking. And easier still not to talk about Rothbard's scholarly work at all, but reduce him to the libertarian activist (that he also was, if only in his spare time and for his own amusement).

As far as Rothbard the man is concerned there is something to both seemingly contradictory statements about his personality. You certainly did not want to become the target of one of Rothbard's many written missives. As a writer, Rothbard could be merciless and devastating, ready to go in for the argumentative kill. On the other hand, as a person, in social gatherings, he was a softy: warm, convivial, charming, and entertaining.

JD: Rothbard frequently defended you and your work, charging critics with "Hoppephobia." What did this mean to you as a young scholar? Why does loyalty and gratitude seem so scarce in academia generally, and in libertarian circles?

HH: If you write and take a clear and unambiguous stand on highly contentious issues, you should expect some heat. Otherwise, if you don't like the heat, stay out of the

kitchen. Given what I wrote or said in public (or the way I said or wrote it), I knew that I would be a controversial figure; and as a young man I took a good deal of delight from provocation and vigorous intellectual debate. Nonetheless, I had no idea how downright personal, nasty, and even defamatory and libelous some critics and criticisms could get. In such situations, then, Rothbard's coming forward in my defense was a welcome relief and gave me a great boost of confidence. After some years in academia, however, I developed quite a thick skin and learned that many a critic and criticism were not worth my attention and best ignored.

As a writer, Rothbard could be merciless and devastating, ready to go in for the argumentative kill. On the other hand, as a person, in social gatherings, he was a softy: warm, convivial, charming, and entertaining.

As for loyalty and gratitude, it is necessary that a person recognizes and admits that he owes something to another person; that this other person has done something of value for him that deserves to be acknowledged. I tend to agree with your assessment of academia and certain libertarian circles as ranking rather low in this regard. And in both cases I suspect the prevalence of egalitarian ideas to be responsible for this outcome. The typical or "modal" libertarian, as described by Rothbard, is an egalitarian, respect-no-authority guy, with little knowledge of history and world affairs. He fancies himself to have come up with everything he has and knows on his own, as a self-made man, and as such thinks that he owes no one any gratitude or special respect.

The egalitarianism of academia, or more precisely that part of it that is principally concerned with writing and speaking (rather than doing, such as engineering,

Hoppe speaking at a Mises Institute event in the 1990s.

for instance), is of a different kind. Let's call this group the intellectuals. Intellectuals generally suffer from an inflated ego. They consider intellectual work and hence themselves as more important than mundane or manual work and workers. In their eyes, then, the fact that they are all subsidized today and kept financially afloat by nonintellectuals is only how things should be anyhow. No need to be thankful for what is self-understood, as far as they are concerned. In this regard, intellectuals are elitists. Vis-à-vis each other, however, they are typically egalitarians. They all equally write and speak, and who is to say that this writing is better or more original than that. True enough, their salaries and their standing in academia may be quite different. However, such differences are solely the result of bureaucratic procedures and criteria that have nothing to do with truth or beauty. Nor does popularity matter as far as truth and beauty are concerned. No need, then, for an intellectual to ever feel less of an intellectual than anyone else.

JD: You mention sharing with Rothbard a profound interest in religion and the sociology of various faiths despite being an agnostic. Have you changed your perspective on Christianity and its influence on the West? Is the post-Christian West going to be a nasty and tribal place, contra the assurances of secularists?

Whether you are a believer or not, there is no way of denying that religion has played a hugely important role in human history...

HH: Whether you are a believer or not, there is no way of denying that religion has played a hugely important role in human history and that it is the West, i.e., the part of the world shaped by Latin Christendom in particular, that has surpassed all other world regions both in terms of its material as well as its cultural achievements, and that among its superior cultural achievements in particular is also the idea of natural human rights and human freedom. The Christian notion that each person is created in the image of God contributed to the uniquely Western tradition of individualism and was instrumental in abolishing, at long last, the institution of slavery within the Christian orbit (all the while it lingered on outside the West, even until today). And the institutional separation and jealous competition for social recognition and authority in the West between the Christian church and its hierarchy of popes, cardinals, bishops, and priests, on the one hand, and all worldly power with its hierarchy of emperors, kings, nobles, and heads of households on the other contributed greatly to the uniquely Western tradition of limited (as opposed to absolutist) government.

This happy, power-limiting arrangement began to crumble already in the sixteenth and seventeenth centuries with the Protestant Reformation and the Counter-Reformation following. Today, the various Christian churches are essentially appendices of the

state. As such they promote even the mass importation of people of rival faiths into formerly Christian lands, thus further undermining whatever authority they may still possess in public opinion and strengthening at the same time the power of the all-secular, post-Christian state.

JD: Democracy: The God That Failed remains perhaps your best-known and most controversial book.

Hans-Hermann Hoppe

The God That Failed

The Economics and Politics of archy, Democracy, and Natural Order

Nearly twenty years later, give us your thoughts on the book's legacy. Are you happy with its notoriety and impact, or do you wish your work on socialism, property, and ethics was better appreciated?

HH: Indeed, of all of my major writings *Democracy* has been the bestseller, and it is no exaggeration to say that the book in the meantime has exerted some notable influence in helping desanctify

the institution of democracy (majority rule) in public opinion. Naturally, I am quite happy about this. The book has a certain "sex appeal," if you will. It is interdisciplinary and not too technical, and it offers some new, original, and provocative theoretical theses and insights, combined with alternative, revisionist historical vistas and perspectives. It may be the only major work of mine a person reads and associates with my name. But then, I always hope, there may also be other people to whom it opens the door to some other, possibly more important if less sexy, works of mine.

JD: Both your fans and critics seized on a passage in *Democracy* arguing that individuals with goals and lifestyles at odds with a libertarian social order would be "physically removed" from that community. Since then you have clarified how this phrase functions as an adjective, not a verb. In other words, people at odds with the agreed-upon terms of a private community simply should live elsewhere, just as one town is physically separate from a nearby town. What are your thoughts about the controversy today?

HH: This harks back to your earlier question concerning Hoppephobia. The whole affair, most likely initiated by one of the usual left-libertarian suspects from the DC beltway, was a deliberate attempt to smear and malign me personally and with that also the program of a realistic or right-libertarianism first outlined in the book.

Essentially, I did not say anything more controversial or scandalous in the short passage than that anyone insisting on wearing a bathing suit on a nude beach may be expelled from this beach (but be free to look for another one), just as anyone insisting on nudity may be expelled from a formal dinner party (but be free to look for another party). In my example, however, it was not nudes but homosexuals that figured. I wrote that in a covenant established for the purpose of protecting family and kin, people openly displaying and habitually promoting homosexuality may be expelled and compelled to look for another place to live. But in some "woke" circles, mentioning homosexuality and expulsion in one and the same sentence apparently leads to intellectual blank-out and a loss of all reading comprehension.

Ultimately, the entire smear campaign failed and even backfired, only increasing my own popularity and the influence of the book.

JD: At your Property and Freedom conference in Turkey you have spoken on the process of "de-civilization," whereby positive law overtakes natural law under the domination of a monopolized state actor. Property rights and adjudication of

Walter Block, Hoppe, Roger Garrison, and Richard Ebeling at The Meaning of Ludwig von Mises conference in Auburn, in 1992.



conflicts fall under the grasp of this monopoly power. We like your conception of the opposite: a social order emerging from "justice principles," taking the form of a private-law society—entirely voluntary—more in harmony with simple natural order. It sounds better and more reasonable than anarchism to ordinary people! Are anarcho-capitalism and resulting private "covenant communities" actually far less radical than commonly thought? Are they in fact outgrowths of natural law concepts that many people already accept?

HH: Indeed, yes, and yes again. Even if it appears to be little more than a shift in semantics, for the reasons you mention I have long preferred the terms "privatelaw society" and "natural order" to "anarcho-capitalism." Because everyone is familiar with the basics of private law. From our everyday lives, we know what property is and implies and how it is acquired and transferred (and how not). As well, we know what an exchange, an agreement, and a contract are (and what is not to count as such). There is nothing difficult or especially demanding about the natural law of property and contract. Indeed, in many small villages people live by these laws, without the presence or pressure of any outside government police or judge. There is self-policing. Yet whoever polices is subject to the same rules as everyone else. And if need be, in the case of conflict, there is self-arbitration and self-adjudication. But whoever acts as judge or arbiter, too, is subject to natural private law.

The emergence of a natural order ruled by private law, then, is not difficult to explain. What is difficult to explain is the emergence of a state. Why should there be anyone, any institution, not subject to private law? Why should there be someone who can make laws? Why should there be an institution that can exempt itself from the rules applied to everyone else? Why should there be some policemen who cannot violate the law or some judges who cannot break the law? Why, indeed, should there be any ultimate and final judge, exempt from any and all prosecution? Certainly, all of this cannot be the result of an agreement or contract, because no one in his right mind would sign on to a contract which stipulated that in any conflict that might arise between you and me, you will always have the final word.

JD: Let's turn to immigration. You propose contractual admission of immigrants, with sponsors (or immigrants themselves) funding a bond or liability insurance to pay for any criminal or civil cost imposed on existing taxpayers. Immigrants remain in their new home conditionally for an initial period, subject to revocation of admission for contractual violations. They do not receive "welfare"; citizenship and voting rights come much later. You refer to this system as satisfying the "full cost principle." In many ways this is far more "open" than open borders proposals, because it requires no checkpoints or intake centers or vast border police agencies. It uses contracts and market forces to shape immigration, rather than political machinations. This seems far more humane and practical, yet you are assailed as anti-immigration. What explains this?

HH: As already touched upon, in some circles the mere mention of two words in one sentence—this time "immigration" and "restriction"—is sufficient to trigger a blank-out. No need to read any further and try to comprehend. First homophobe, then xenophobe. In fact, I have never met a serious advocate of "no immigration, period!" Nor have I ever taken a stand that could be described as anti-immigration. Instead I have always argued for the commonsensical approach of selective immigration.

Ideally, with all pieces of land and everything on them privately owned, there would be a huge variety of entrance requirements, i.e., of degrees, respectively,

Instead I have always argued for the commonsensical approach of selective immigration.

of openness and closedness. I have described this, for instance, in my piece "Natural Order, the State, and the Immigration Problem." Airports, roads, shopping malls, hotels, etc., would be rather open, whereas residential associations, private retreats, clubs, etc., might be almost

completely closed. In any case, however, all migration would be by invitation and invariably the full cost principle would apply. Either the inviting host or the invited guest or both jointly would have to pay the full cost associated with the guest's presence. No cost could be shifted and externalized onto third parties, and the inviter and/or invitee would be held liable for any and all damage resulting from the invitation to the property of others.

If and as long as there is a state with so-called public property in place, as happens to be the case in today's world, then the best one may hope for is an

immigration policy that tries to approach this ideal of a natural order. You have mentioned some possible measures in this regard. But to advocate, under current conditions, the adoption of a "free immigration" policy—every foreigner can come in and move and stay around the entire country, no questions asked—is certainly no way to achieve this goal. To the contrary, it would make forced integration and cost-shifting ubiquitous, and quickly end in disaster. Only people devoid of all common sense could possibly advocate any such policy.

JD: In your exchanges with Walter Block about immigration, he argues that all government property ought to be subject to open homesteading by immigrants. Your response is often characterized as "taxpayers should own taxpayer-funded public goods." But in fact your argument applies only in the context of Block's argument, to disprove the notion that public property should be viewed as "unowned." If we must have public property, state agents at least ought to act as trustees of that property on behalf of the taxpayers who fund it. Accurate?

HH: Accurate. Let me only add that in today's world the sometimes mentioned "wilderness" of mountaintops, swamps, tundra, etc., is no longer truly wild and thus ready to be homesteaded. There is no inch left on earth today that is not claimed to be the "property" of some government. Whatever wilderness there is, then, it is wilderness that has been barred and prevented



Hoppe receiving the Frank T. and Harriet Kurzweg Prize, 2004.

by some government, i.e., with taxpayer funds, from being homesteaded by private parties (most likely by neighboring property owners). If anyone, it is domestic taxpayers who are the legitimate owners of such wilderness.

And quite apart from this, even if some wilderness were opened for homesteading, it would be neighboring, domestic residents, who had been most immediately and directly barred from doing so before, who should have the first shot at homesteading, well before any distant foreigner.

JD: Hoppean argumentation ethics remains a subject of rigorous debate, most recently between (economist) Robert Murphy and (legal theorist) Stephan Kinsella. How important is a purely logical justification for human liberty, as opposed to Rothbard's normative natural law arguments or Mises's utilitarianism? Is the shared human experience of physical personhood the best starting point for arguments against the initiation of violence, i.e., arguments against the state?

HH: There are some questions that can be answered definitively by the performance of a simple experiment. For many others that is not possible. Sometimes we are satisfied with answers that sound plausible or appear convincing on intuitive grounds. But to the curious



Hoppe and his wife, Dr. Gülçin Imre Hoppe, at AERC 2019.

mind, some questions are of such great importance as to ask for more than just plausibility or intuition.

Transcendental arguments are designed to satisfy this desire for more, i.e., for logical certainty or ultimate justification. They are answers to the skeptic who denies that there is any such thing as ultimate justification and *a priori* truths. They try to establish, by means of self-reflection, what the skeptic must already presuppose as given and true simply in order to be the skeptic that he is, i.e., to make his skepticism possible. One has reached certainty about something, then, if one can show that even a skeptic must admit to it, if only in order to meaningfully express his very own doubt.

The ethics of argumentation is the answer to the ethical relativist, i.e., to any one person claiming—as a proponent *vis-à-vis* an opponent in argumentation—that there is no such thing as a rational or objective ethics.

In response to the relativist proponent it is essentially pointed out that by virtue of his own engagement in argumentation he has already effectively rejected his own thesis, because argumentation is an activity, a special, conflict-free form of interaction between a proponent and an opponent with the specific purpose of clarifying and possibly coming to a mutual agreement concerning some rival truth claims. As such, it presupposes the acceptance as valid of such norms or rules of human conduct as make argumentation itself possible. And it is impossible, then, to argue against and

deny the validity of such norms without thereby running into a performative or dialectic contradiction.

The praxeological presuppositions of argumentation, then, are twofold—and we all know them from personal experience more generally also as the conditions and requirements of peace and peaceful interactions: first, each person is entitled to exclusive control or ownership of his physical body (that he and only he can control directly, at will) so as to act independently of others and come to a conclusion on his own. And

secondly, for the same reason of mutually independent standing or autonomy, both proponent and opponent must be entitled to their respective prior possessions, i.e., the exclusive control of all other, external means of action appropriated indirectly by them prior to and independent of one another.

Rothbard immediately accepted my proof. In fact, he hailed it as a major breakthrough. As for the various criticisms I have encountered, I have not been impressed, to put it mildly.

JD: Are you generally optimistic or pessimistic about the future of the West? Do you think sclerotic, bureaucratic states will yield to happier and more decentralized political arrangements? Or do you think Washington, DC, Brussels, et al. will repeat the terrible mistakes of the twentieth century: aggressive foreign policy, unrestrained central banking, and political globalism?

HH: In the short and medium run, I am pessimistic. True, our living standards have gone up and technological progress allows us to do things not long ago thought impossible, but at the same time the coercive powers of the state have continuously expanded, and private property rights and personal freedom have been correspondingly diminished. The process of political and monetary centralization has proceeded unabated. Central banks create more money and credit out of thin air than ever before. Government debt and obligations

have risen to exorbitant heights, so as to make some future default a virtual certainty. All the while taxes and regulations have brought economic growth to a standstill. It is clear, then, that a severe economic meltdown is in the making.

At the same time, throughout most Western countries the populations have been thoroughly dehomogenized by immigration policies favoring multiculturalism. And migration into the West by non-Westerners has been massively increased still as a fallout of the endless US wars and military adventures in the Middle East and elsewhere. Most Western countries now contain within their own native cultures large pockets and clusters of people of not just different, but rival and even hostile cultures.

Combined with a major economic crisis, this makes for an explosive mixture, the ingredients of a civil war.

It is amazing how the ruling elites have so far managed to keep the show running. But there can be no doubt that the day of reckoning must eventually come, and when it does I see two likely scenarios of how to escape the danger of civil war. The first one is the strong man variant, an authoritarian regime that tries to hold all things together by means of centralized, dictatorial powers. And the second variant is that of decentralization: of secession, separation, and disaggregation so as to

Lew Rockwell awarding Hoppe the Murray Rothbard Medal of Freedom. 2015.



approach the ideal of a natural order. Naturally, the second variant is the one favored by libertarians (and recommended by Mises). Yet to make this variant win, libertarians have to prepare the ground. The public must be educated about the economic and social advantages of small, competing political units, and it is necessary to find and nurture potential charismatic leaders for the various decentralist and secessionist causes.

JD: Finally, how does living in Turkey affect your perspective? Are old notions of East and West breaking down, and should we consider looking East for allies in the fight for civilization and property?

...there exists far more sociocultural variety and variance on earth than the typical Westerner might imagine.

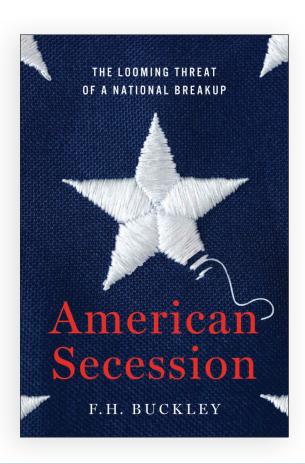
HH: As mentioned before and emphasized also by Mises, the idea of liberty is originally a Western idea, created by white Western males, and although it has lost some strength there, it is still most prominent and widespread in the West. That does not mean that it is restricted to the West or only accessible to Western minds, however.

If there is anything I have learned from living in various countries and from my many travels, it is that there exists far more sociocultural variety and variance on earth than the typical Westerner might imagine: not just the variety of different countries, but even more so the regional and local variations within each country. Almost everywhere you can find a few libertarians or classical liberals, and you should look out for them wherever they are, of course. But just as we must learn in our private dealings with other individuals how to distinguish between potential converts on the one hand and hopeless cases on the other, so as not to waste our time and effort to no end, so, and for the same reason, we must also learn in our search for allies how to distinguish between hopeful, less hopeful, or even hopeless countries, regions, and localities. And we must realistically recognize that different places offer hugely different and unequal prospects and potential in this regard.

BIGNESS IS BADNESS: THE CASE FOR A NATIONAL DIVORCE

DAVID**GORDON** REVIEWS

American Secession: The Looming Threat of a National Breakup By F.H. Buckley Encounter Books, 2020 Xi + 170 pages



Buckley, a Canadian lawyer, political philosopher, and economist who now teaches at the Scalia School of Law at George Mason University, has written a book that challenges conventional wisdom and is all the better for that. America, he tells us, is so bitterly divided that we should consider breaking it up into several separate countries. To do so would not be without risk, but it has many advantages. People tend to be happier in smaller countries, and as Buckley makes clear, this is no accident.

One might object that political discord is hardly new in American history, but, aside from the Civil War, this has not resulted in a breakup of our nation. Why should things be different now? Buckley answers that

we're less united today than we've been at any time since the Civil War, divided by politics, religion and culture. In all the ways that matter, save for the naked force of the law, we are already divided into two nations just as much as in 1861. The contempt for opponents, the Twitter mobs, online shaming and no-platforming, the growing tolerance of violence—it all suggests we'd be happier in separate countries.

The split in America includes but is not confined to the division between North and South, and some Southerners, including the philosopher Don Livingston, call for secession as a way to preserve the distinctive values of the South. That is a belief long prevalent there, and Buckley cites the nineteenth-century South Carolina lawyer James Pettigru, who thought that his state was "too small for a republic but too large for an insane asylum."

Even if secession has much to be said for it, isn't it unconstitutional? Buckley maintains that it is far from clear that it is. An influential argument against secession is found in *Texas v. White* (1869). Chief Justice Salmon Chase said that the Constitution has as its purpose to form a "more perfect" union than the one already existing under the Articles of Confederation, which was already "perpetual." For that reason, the Constitution is also perpetual and indissoluble.

Buckley shows that this was by no means the stance taken by the delegates to the Constitutional Convention. They readily contemplated the breakup of the United States into separate republics:

The delegates thought of the government under the Articles of Confederation, and then under the Constitution they were drafting, as a compact among thirteen states, and they believed that when one state thought its rights had been traduced by the federal government, it could withdraw from the compact, even as one party can rescind a contract when the other party has breached it. That's what Madison argued. . . Virginia's ratification of the Constitution was expressly conditioned on a right of secession. How then could it be deemed unconstitutional?

Not everything that is constitutional is desirable. Should we regard secession as a regrettable necessity, or is it rather a positive good? Buckley shows that there is much to be said for the latter view. "When we look at the evidence from SWB [subjective well-being studies] we find that [Roger] Sherman was right, along with Montesquieu and Rousseau, while Hume and Madison were wrong. People in small countries are happier. Bigness is badness." By the way, Buckley holds that Roger Sherman was more influential than Madison at the Constitutional Convention. Madison's nationalist proposals were rejected.

Why are people happier is small states? For one thing,

big states are more corrupt. As Montesquieu and Rousseau argued, there's a greater sense of solidarity in smaller states, such as Finland, where people are less



diverse and more trusting of each other. . . . Montesquieu was also right in thinking that small countries won't have so many wasteful interest groups as larger ones. In sum, governments will be more attuned to the interests of their citizens in smaller states.

The case is not all on one side. Sometimes local governments are corrupt, and the federal government brings them to justice.

Again we're looking at tradeoffs. If a state seceded from the United States, its citizens would lose the benefit of the federal government's oversight of local criminal corruption. On the other hand, being smaller, the seceding state would be less affected by noncriminal corruption. . . . There would be fewer dollars in play, and a smaller set of interest groups and dollars diverting public dollars to their private ends through legal means. And it's the noncriminal corruption that's ordinarily more troubling.

To my mind, Buckley's best argument that small governments are better than large ones has to do with the military. Large states like to "throw their weight around," and the United Sates, the largest military empire in world history, is a prime offender.

The costs of a large military, in money and in lives, might be acceptable if you like a strong military for its



own sake, and regional or world dominance. So then you might favor a large country with a huge population. But if you're not sure that military glory is worth the cost, you might prefer a small state, with a modest military budget. And that might be

an argument for secession. Imagine what the last fifty years of history would have looked like if America had been split into two or three different countries. There would likely have been no Vietnam War and almost certainly no second Iraq war.

Buckley also argues that small states are more likely to be free than large ones, though this is not always the case.

If bigness invites rule by a dictator, dictators also like bigness. With greater size comes grander palaces and more power to push neighbors around....[S] eccession would serve to bring the government closer to the people, and in so doing it would make people freer.

Small states also tend to be wealthier than large states, though again the evidence is not all on one side.

The evidence...suggests that bigness is not an economic advantage for a country....The advantages of bigness, in terms of things like internal free trade, don't appear to

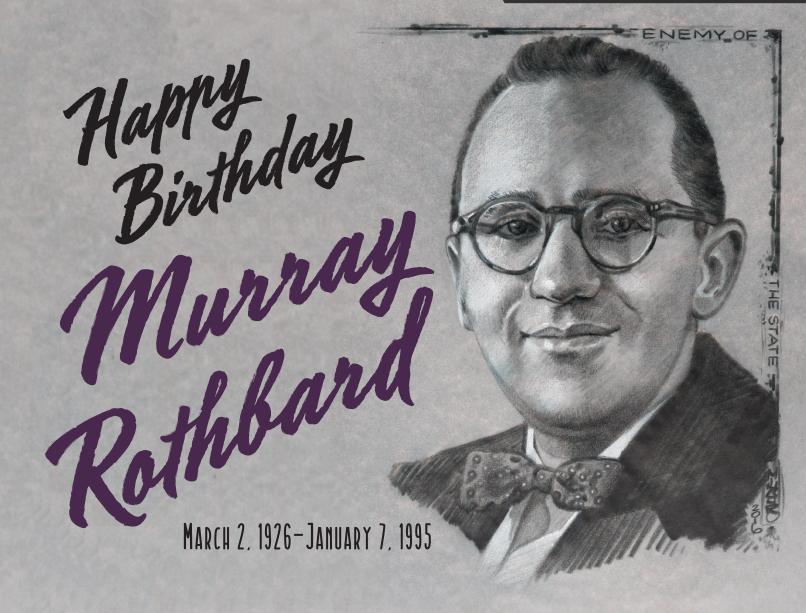
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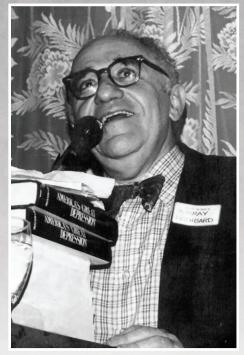
outweigh the disadvantages. . . .Like a huge conglomerate whose managers are incompetent to oversee its varied divisions, an overlarge country wastes resources because its officials can't govern efficiently.

To some extent, in my view unfortunately, Buckley retreats in the last part of the book from full support for secession. He calls for "secession lite," that is to say, devolution of power to the states and localities, while retaining in place the federal government. I wish he had moved in the other direction and explored the ways people can solve their problems without resort to the state. If "Tiebout competition" between states is good, why is not competition between private individuals and firms even better?

Buckley would I am sure have a forceful answer to this challenge. All friends of freedom can learn a great deal from this outstanding book.

David Gordon is Senior Fellow at the Mises Institute, and editor of *The Mises Review*.





This year would have been Murray N. Rothbard's ninety-fourth birthday. One of the most prolific American scholars of the twentieth century, his work was instrumental to the development of both the American libertarian movement and the revival of the Austrian school of economics. As the first academic vice president of the Mises Institute, Dr. Rothbard played a significant role in designing our programs to train and develop future generations of Austrian economists. Mises University is one such program.

This year marks twenty-five years since we lost Murray, but we continue to benefit from his genius. Not only do his great works on economic theory, history, and political philosophy continue to be consumed by aspiring young scholars around the world,

but we continue to add new Rothbardian material to our online library. Last year, we published the fifth volume of *Conceived in Liberty*, edited by Dr. Patrick Newman, completing Rothbard's revisionist treatise on the libertarian origins of the American nation. We've also added tens of hours of new audio content, including numerous complete lecture series. Several of these lecture series were sent to us by former students and recorded years ago.

There may never be another Murray Rothbard, but the Rothbardian tradition has never been stronger.

Help us celebrate Murray by donating today. You can donate online at **mises.org/celebraterothbard** or through the form on the back of this issue.

THE MISES INSTITUTE AT LOYOLA UNIVERSITY NEW ORLEANS

The *constitutional* crisis in America



Ever since he joined the faculty of Loyola University, Walter Block has played a major role in helping grow a new generation of young libertarians and Austrian economists. Many of these former students credit him directly with their conversion to the ideas of freedom, a testament to the impact a single scholar can make in a student's life.

while Jeff highlighted the degree to which America's economic problems—particularly a \$200 trillion fiscal gap on entitlement programs—are beyond a political solution.

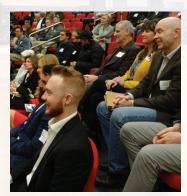
The Mises Institute was glad to join Dr. Block in New Orleans in February for an event looking at the current state of liberty in America today. Judge Andrew P. Napolitano also addressed the crowd with a scathing critique of the failure of the Constitution to preserve the ideas of the American Revolution. That was followed by a thorough Q&A session moderated by Jeff, with the Judge offering his opinion on questions such as the Deep State, the electoral college, and the federal takeover of so much of our judicial system.

Highlights included a debate between Jeff Deist and Cliff Maloney on the degree to which politics can address the underlying issues facing the country. Cliff highlighted the work Young Americans for Liberty has done in trying to build a base of "new Ron Pauls" to help advance the message of liberty,

Audio of this event is available at mises.org/neworleans2020.

Photos of this event are available at mises.org/NewOrleans20.









2020 UPCOMING EVENTS



MARK YOUR CALENDAR

MARCH 20–21

Austrian Economics Research Conference Auburn, AL

MAY 9

Mises Institute Seminar Birmingham, AL

JUNE 7–12

Rothbard Graduate Seminar Mises Institute Auburn, AL

SUMMER 2020

Ron Paul 85th Birthday Tribute Lake Jackson, TX

JULY 12-18

Mises University Mises Institute Auburn, AL

FALL 2020

Libertarian Scholars Conference, New York, NY

OCTOBER 8-10

Supporters Summit 2020 Jekyll Island, GA

NOVEMBER 14

Mises Institute Seminar Orlando, FL

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OCTOBER 8-10
2020

SUPPORTERS SUMMIT











Tom DiLorenzo

Join us for our 2020 Supporters Summit, October 8-10, at the historic Jekyll Island Club Resort on Jekyll Island, Georgia.

Register online at mises.org/events or call 334-321-2100

STUDENT SCHOLARSHIPS AVAILABLE.

Apply online at mises.org/\$\$2020

Amity Shlaes



Peter Klein



Joe Salerno



Mark Thornto



Patrick Newmar

We'll kick off the 2020 Supporters Summit with a gala reception and dinner on Thursday at the Jekyll Island Club Resort where the Federal Reserve was conceived. Friday includes brunch and sessions, closing with an oyster roast on the beautiful beach of Jekyll. Optional activities on Saturday include brunch with the speakers, a tour of historic Jekyll Island, golf or croquet on Jekyll Island, a tour and shopping on nearby St. Simons Island, or a trip to the Georgia Sea Turtle Center.

To reserve accommodations at the Jekyll Island Club Resort please call them at 800-535-9547 or 912-635-2600 or email reservations@jekyllclub.com before September 8 and mention the Mises Institute for a special rate of \$199 per night, plus resort fee and tax.



IRAROLLOVER

The IRA charitable rollover (tax-free) is back! To qualify, you must be 70 1/2 or older at the time of your gift and the transfer must go directly from your IRA to the Mises Institute.

Contact your financial planner or Kristy Holmes at the Mises Institute for more details, 334-321-2101 or kristy@mises.org.

Find more information at mises.org/legacy



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