Brugnolo, Pietro. 2025. "The Social Problem: Is Anarchy the Solution? A Constructivist Perspective." *Journal of Libertarian Studies* 29 (2): 118–37.
https://doi.org/10.35297/001c.147814.

ARTICLES

The Social Problem: Is Anarchy the Solution? A Constructivist Perspective

Pietro Brugnolo[a]

Keywords: anarcho-capitalism, human systems, minarchism, negative liberty, radical constructivism, social order
https://doi.org/10.35297/001c.147814

Journal of Libertarian Studies
Vol. 29, Issue 2, 2025

The question of which social setting best minimizes coercion has long divided the libertarian community. Minarchists advocate for a minimal state confined to police, defense, and justice, while anarcho-capitalists call for the complete abolition of the state in favor of market-based alternatives. This enduring debate is not merely ideological but logical. This work, inspired by radical constructivism, employs a method derived from constructivist psychology, and rooted in formal logic, as a conceptual tool to analyze and deconstruct the logical underpinnings of each position. By revealing a paradox at the core of minarchism, the analysis reframes the debate and offers new perspectives on the search for a stable, liberty-maximizing social order.

Negative liberty, a conception of freedom that emphasizes individual independence from external interference and coercion, formalized by Isaiah Berlin ([1958] 1969), is a core value within the libertarian community. Its pivotal concern is with finding a social setting that maximizes negative liberty by enabling individuals, in their endeavors to fulfill their plans, to fully harness the potential of social power—that is, the creative productivity, peaceful exchange, and cooperation within a society based on private property and the division of labor. The ineluctable presence of aggressive and violent tendencies in some individuals is the underlying difficulty, since it hampers the peaceful and fruitful cooperation of others. Thus, the idea of an organization called the state, understood as the apparatus of compulsion and coercion holding the legitimate monopoly on the use of force within a given territory, appears to many as an appropriate way to protect peaceful individuals from aggressive ones. According to Hoppe (2008), the state is an agent that claims the authority to decide all conflicts within a territory—even those involving itself—while excluding others from serving as ultimate judges. It also holds the power to tax, setting the price that justice seekers must pay

a Pietro Brugnolo (pietrobrugnolo.pk@gmail.com) is an independent scholar and a PhD student at Lund University (Sweden), where he conducts research on the theory of electromagnetic fields.

for its services. As long as this entity confines itself to protecting the property rights of its citizens and refrains from engaging in activities outside this scope that, if not governed by market rules, must be financed through compulsory taxation, it is considered the right means to maximize negative liberty. This is the essence of minarchist thought.

On the other hand, anarcho-capitalists argue that such an organization is bound to fail in its task. Their critique typically rests on two main points—one moral and one structural. From a moral perspective, the minarchist state must still finance itself through compulsory taxation (even if minimal by today's standards), thereby placing itself on the same moral footing as aggressive individuals who violate others' rights. In this regard, the anarcho-capitalist position appears to derive from Frédéric Bastiat, who writes, "See whether the law takes from some persons that which belongs to them, to give to others what does not belong to them. See whether the law performs, for the profit of one citizen, and, to the injury of others, an act that this citizen cannot perform without committing a crime. Abolish this law without delay" (Bastiat [1850] 2007, 14). From a structural perspective, anarchists point to the consistent tendency of the state to expand its powers beyond any intended limits, driven by its monopoly on coercion, lack of competition, and the perverse incentives for those who operate it. As Rothbard (Rothbard [1974] 2000, 79) notes, "The State has invariably shown a striking talent for the expansion of its powers beyond any limits that might be imposed upon it." Anarcho-capitalists conclude that even if a state with limited powers can exist temporarily, it will inevitably expand its domain over time, leading to the very kinds of tragedies that fill the pages of history. Consequently, they advocate for the complete abolition of the state in favor of a society where, on top of everything else, property rights are also guaranteed by services provided by the free market.

Both minarchists and anarcho-capitalists view the other's solution as flawed, believing it will lead to a more violent outcome than the one they preach. In fact, minarchists view in the anarchist solution a configuration that would lead to the emergence of multiple fragmented local monopolies of force, ultimately resulting in widespread violence and a consequent degradation of the negative liberty of individuals. The legitimacy of both concerns leaves the two factions at an impasse with no clear resolution. Thus, adopting a new perspective to analyze the problem appears essential.

This work represents an attempt to answer the fundamental question, Which is the social setting that minimizes coercion, and thereby maximizes negative liberty, in a stable and lasting way?[1]

---

1 The author is aware that libertarians oppose only unconsented positive obligations, not all positive obligations (see, for instance, Kinsella [2023]). Making a choice and giving consent, however, presupposes a domain free from interference, where such choices can arise spontaneously. This domain is provided by negative liberty, the maximization of which is our goal. Similarly, libertarians do not reject force

To formulate a possible answer, I took inspiration from radical constructivism,[2] employing what I term the *constructivist method*. Its main contributor, Paul Watzlawick, was a prominent exponent of constructivism, and his books played a significant role in popularizing this school of thought. As the careful reader will observe, the name is particularly fitting, as the method serves as a tool to *construct* the path toward the answer.

Framework for Analysis: The Constructivist Method

The constructivist method was developed by Watzlawick, Weakland, and Fisch ([1974] 2011), a team of psychotherapists active from the 1960s at the Mental Research Institute in Palo Alto, California. Their decades-long collaboration revolutionized psychotherapy and approaches to human problems, laying the foundations of modern brief therapy. To quote their own words, "Like other therapists with orthodox training and many years of practical experience we found ourselves increasingly frustrated by the uncertainty of our methods, the length of treatments, and the paucity of their results. At the same time, we were intrigued by the unexpected and unexplainable success of occasional 'gimmicky' interventions. . . . We began to investigate the phenomena of human change, and in doing so we soon found that this required us to take a fresh look at just about everything that we had believed, learned and practiced" (Watzlawick, Weakland, and Fisch [1974] 2011, xvii–xviii). The central idea behind their method is that formal logic underlies human language and communication, which in turn shape human thought, mutual understanding, and action in social contexts. Consequently, problems that arise in social contexts can be traced back to the domain of logic, which serves as a powerful tool to analyze how problematic situations are framed and to formulate potential solutions consisting of precisely designed changes in relation to the problem.

The logical domain under consideration is built upon the concepts of *group* and *class*. A group is a structure composed of elements of any nature that share a common characteristic and is equipped with an operation, which we shall denote by the ∘ symbol, that satisfies four properties:

---

or violence per se but only when used to initiate aggression—such measures are fully legitimate in cases of self-defense. This work attempts to identify a social setting that minimizes coercion and reduces overall conflict. Clearly, such an optimum cannot be achieved by restricting defensive force alone, since this would only legitimize further aggression. Conversely, limiting aggressive force would naturally decrease the need for defensive force.

2 Radical constructivism argues that reality, traditionally understood as an independently existing world, is a structure constructed by our cognitive systems from the flow of their experience. In this view, knowledge is constructed through constant research for *fitting* ways of thinking and behaving, aiming at organizing the amorphous flow of experience into repeatable patterns and stable relationships. The possibility of constructing such an order is shaped and constrained by the prior steps. Thus, what we understand as the real world emerges only when our understanding fails to align with experience—that is, the construction breaks down—forcing us to undertake the constructing activity in a different direction. For more on radical constructivism, see, for instance, Glasersfeld (1984).

Importantly, radical constructivism should not be confused with what is often referred to in the libertarian community as *rational constructivism* (or *constructivist rationalism*)—that is, the belief that social institutions and their working principles can be deliberately designed through human reason—fully given and mastered by a single individual or a small group of "enlightened" individuals—to better satisfy our own desires. While the former is fully compatible with libertarianism, the latter is not, since it advocates for the *planning* of society. For a critique on rational constructivism, see, for instance, Hayek (2010a).

1. Closure: For any elements a and b in the group, $a \circ b$ is also an element of the group.

2. Associativity: For any elements a, b, and c in the group, changing the grouping of the terms does not affect the result, so $(a \circ b) \circ c = a \circ (b \circ c)$. This can also be extended to the order of the elements; hence, $a \circ b = b \circ a$ (property of Abelian groups).

3. Identity element: There exists an element e in the group such that for every element a in the group, the operation with e leaves a unchanged; that is, $e \circ a = a \circ e = a$.

4. Inverses: For every element a in the group, there exists an element a^{-1} in the group such that the operation between a and a^{-1} produces the identity element e; that is, $a \circ a^{-1} = e$.

A class, similar in concept to a group, is defined as a collection of elements of any nature that share a specific characteristic. The notion of class is governed by the theory of logical types, developed by Whitehead and Russell ([1910] 1925). Its central axiom states, "Whatever involves *all* of a collection must not be one of the collection" (Whitehead and Russell [1910] 1925, 1:37). In other words, any entity that refers to all members of a collection operates at a higher logical level—the level of the class—and, as such, cannot simultaneously be a member of the collection itself. If it is, then an error in logical typing is committed and a paradox can emerge. In terms of a system, a paradox is a condition that, when processed by the system's internal rules, leads to a contradiction that undermines the possibility of any consistent resolution.

In all our endeavors, we constantly engage with underlying hierarchies of logical levels, and the common confusion between these levels often leads to erroneous or misleading conclusions. For instance, *humanity* is the class of all *humans* and, of course, is not itself a human; however, certain collectivist and holistic ideologies rest on the flawed assumption that human affairs can be analyzed at the level of the class (the collective—that is, humanity) rather than at the level of the elements (the individuals—that is, humans). This foundational error has produced misguided theoretical frameworks that have repeatedly led to tragic outcomes when put into practice.[3]

Once the logical domain is established, it becomes necessary to distinguish between two types of change that can be effected within it:

3 F. A. Hayek addressed the core problem of methodological collectivism, which treats wholes (or classes, in the present analysis)—such as society, the economy, and capitalism—as given objects from which knowledge can be directly derived rather than building that knowledge from the individual attitudes of the elements composing such entities—which is, in contrast, the approach advocated by methodological individualism. See Hayek (2010c).

1. First-order change, which occurs within the structure of a group and can be identified with the operation that equips the group. According to the closure property, the result remains within the group.

2. Second-order change, which occurs at a higher logical level—that of the class. It involves a transition from one structure, governed by the properties of a given group, to another structure associated with a different group. It represents a change in the class of possible changes (since the new group will have different elements or a different operation).

At this point, it is important to note that the framework established thus far is intended as a conceptual tool, rooted in formal logic, to analyze and formulate solutions to human problems. It should not be regarded as the precise system of principles governing the mathematical realm in which these structures were originated and where their more refined implications are fully realized.

Now that the logical domain and the possible movements within it have been defined, it is crucial to understand how it can be applied to the analysis of problems. This requires drawing a clear distinction between what Watzlawick, Weakland, and Fisch ([1974] 2011, 38) define as *problems* and what they define as *difficulties*. Difficulties are "undesirable state of affairs which either can be resolved through some common-sense action . . . for which no special problem solving skills are necessary, or, more frequently, we shall mean an undesirable but usually quite common life situation for which there exists no known solution and which—at least for the time being—must simply be lived with." Problems, on the other hand, are "impasses, deadlocks, knots, etc., which are created and maintained through the *mishandling* of difficulties." In everyday life, when a deviation from some norm occurs, the initial state is typically restored by applying what we intuitively associate—consistent with the inverses property of groups—as the opposite of the factor that caused the deviation. For example, when heat escapes from a room, additional heat must be supplied to restore the original temperature. If the corrective action proves insufficient, simply applying *more of the same* often leads to the desired outcome. Watzlawick, Weakland, and Fisch, however, argue that when a difficulty is mishandled, the more-of-the-same solution will ultimately give rise to the problem itself, trapping the situation in a loop of circular causality in which the attempted solution generates the problem that, through the mishandling, is maintained by reinforcing the wrong solution. In this perspective, the attempted solution becomes a problem. Mishandlings can be categorized into three main types:

1. Action is necessary but is not taken. Ignoring or oversimplifying a difficulty can create a problem that is maintained because ignorance prevents the necessary action.[4]

2. Action is taken when it should not be. Efforts are directed toward changing a difficulty that, for all practical purposes, is either unchangeable or nonexistent. This type of mishandling is typically associated with the belief in a utopia.[5]

3. Action is taken at the wrong level. This constitutes an error in logical typing and occurs either from attempting a first-order change in a situation that can only be changed at the next higher logical level or, conversely, from attempting a second-order change when a first-order change is required.[6] This type of mishandling is typically associated with paradoxes in the logical framing of the underlying situations.

The most complex problems often arise from a tangle of mishandlings in which all three types become intertwined. Solving a problem requires breaking the loop of circular causality that defines it, enabling the actors involved to escape the impasse. To achieve this goal, the constructivist method is designed to approach a problem in accordance with the principles outlined thus far and is articulated as a four-step procedure:

1. A clear definition of the problem in concrete terms

2. An investigation of the solutions attempted and proposed so far

3. A clear definition of the concrete change to be achieved

4. The formulation and implementation of a plan to produce this change

---

4 An interesting example of the attitude that leads to this kind of mishandling is captured by the Dunning–Kruger effect, which describes how individuals with limited competence in a particular domain tend to overestimate their abilities. When such individuals confidently apply their flawed theories in practice, they often create problems rooted in their fundamental lack of understanding. For more examples of this type of mishandling, see Watzlawick, Weakland, and Fisch ([1974] 2011, chap. 4).

5 Modern times offer many examples of this type of mishandling. The essence of the Marxist utopia—"From each according to his ability, to each according to his needs"—led Marxists to attempt to eliminate poverty, a short-term unchangeable difficulty, through a series of policies and actions that ultimately resulted in a much greater poverty, thereby creating the problem. Another example is prohibitionism: having some drug addicts in society is an unchangeable difficulty, but the utopian idea of eradicating drug use through the fist of the state gave rise to the modern drug problem—criminality, violence, more deaths due to poor quality, marginalized addicts, and so on. Those more familiar with economics may recall that the essence of inflation and credit expansion lies in the attempt to boost business success through an artificial boom, an approach that inevitably leads to bad investments, capital consumption, and an eventual depression. For more examples of this type of mishandling, see Watzlawick, Weakland, and Fisch ([1974] 2011, chap. 5).

6 The previously mentioned example of a collectivist ideology that attempts to address social issues at the class level rather than at the element level is a clear illustration of this type of mishandling. For detailed examples and a thorough discussion of the behavioral effects resulting from mishandlings of the third type, see Watzlawick, Weakland, and Fisch ([1974] 2011, chap. 6).

As previously stated in the present analysis, the problem—referred to as *the social problem*—consists in finding the social setting that minimizes coercion within society and thereby maximizes the negative liberty of individuals. An analysis of the attempted and proposed solutions is presented in the next two sections.

The Rothbardian State

Murray Rothbard, the intellectual father of anarcho-capitalism, offered a compelling historical perspective on the evolution of the state from the Middle Ages to modern times. He described this evolution as a perpetual oscillation between two opposite poles. On the one hand, those individuals who sought to take advantage of social power, and the intellectuals who recognized the importance of such power, formulated theories and tools to check and limit the state, ensuring that those operating it did not exploit its monopoly on legitimate coercion at the expense of others. On the other hand, those in control of the state, aided by other intellectuals that sought personal gain from its power, gradually succeeded in transforming these very formulas and tools into further legitimizations for the expansion of state power.[7] Thus, in medieval Western Europe, the Church promoted a doctrine aimed at limiting state power by imposing the king to rule in accordance with divine law. But monarchies gradually transformed this very principle into a justification for all the king's actions. The parliament was then established as a popular check on the king's power, but later, many totalitarian regimes transformed it into little more than a rubber stamp to legitimize their actions.[8] Constitutions represent another great attempt to confine state power, but time and time again, they end up becoming mere justifications for its expansion. Here, the problem originates from the foundational contradiction inherent in constitutional courts, which are required to judge the actions of the state while simultaneously functioning as organs of that same state. As a result, the state is free to interpret the written limits on its own power.[9] In the present analysis, it is reasonable to associate the historical efforts to defend social power against the aggressive interference of the state with those who, like libertarians today, sought to preserve negative liberty. Their ultimately unsuccessful endeavors may therefore be seen as attempted solutions to the social problem.

---

7 State power refers to the coercive dictation and predation over social power. It entails the systematic exploitation of creative productivity, peaceful exchange, and cooperation within a society based on private property and the division of labor.

8 Among the vast number of examples, Italian fascism illustrates this reality particularly well. Immediately after Mussolini came to power in 1922, he began systematically diminishing the influence of parliamentary opposition and consolidating governmental authority. This process culminated in the electoral law of 1928, which introduced a single, unified list of parliament's candidates selected by the Fascist Party, only allowing voters to approve or reject the entire list as a whole.

9 Rothbard observes that the American Constitution, particularly through the Bill of Rights, represents one of the most ambitious attempts to limit state power by codifying constraints into fundamental law that is in turn interpreted by a judiciary meant to be independent. He notes, however, that over time these limits have been increasingly expanded, with judicial review itself shifting from a mechanism of restraint to a means of providing ideological legitimacy to the actions of the state (Rothbard [1974] 2000, 71).

Recent studies by Modugno (2025) on the formation of the modern state in Continental Europe have emphasized that, basically, its emergence was driven by the effort to achieve territorial pacification by resolving conflicts over competing judicial authorities and ending civil wars rooted in religious divisions. Assuming that the proponents of such a state operated in good faith, the process may be interpreted as an attempt to safeguard negative liberty by securing civil peace and ensuring the protection of individuals. Yet the modern state is effectively an organization that "habitually commits mass murder, which it calls 'war' . . . engages in enslavement into its military forces, which it calls 'conscription' . . . and has its being in the practice of forcible theft, which it calls 'taxation'" (Rothbard [1973] 2006, 29). Thus, far from being the ineluctable outcome of some universal law governing human destiny, the modern state appears as the product of a giant octopus of historical accidents—or better, mishandlings, originally aimed at resolving problems that they ultimately ended up creating. As Modugno (2025, 4) recently observed, "the State positions itself as the greatest and only possible form of political order: the political cannot be thought of outside the framework of the State and its paradigms. The State represents itself as the sole and unequivocal answer to the problem of political order. This construction that has accompanied us for five centuries also exercises conceptual tyranny over us because it tries to prevent us from thinking about politics differently, outside the framework of the State."

At this point, the connection to the logical domain introduced in the previous section becomes evident: we, as humans, have been moving inside a conceptual structure which appears to be governed by the properties of a group. According to the closure property, every single operation produces a result that is still part of the same conceptual structure. Such a structure may be understood as the totality of all possible justifications for the state, wherein each conceivable ideal form of the state emerges as an articulated complex of these justifications. Hence, this collection of conceptual states constitutes the class we shall call *statism*, which, in accordance with the central axiom of logical types, does not itself belong to the collection it defines. Within such a structure, the most extreme totalitarian conception of the state—as exemplified by Mussolini's dictum, "All within the state, nothing outside the state, nothing against the state"—may be understood as the inverse of the minarchist rationale, which conceives the state as a legitimate coercive apparatus whose sole function is the protection of individual property rights. Imagining a group operation $\circ$, defined over conceptual states, which preserves all justifications that are not patently irreconcilable and discards those that are when forming the resultant conceptual state, the combination of a totalitarian state and a minarchist state, by virtue of the inverses property, results in the emergence of the identity element. This can be seen as the simple proposition, "A state is desirable." Indeed, this proposition can be regarded as implicit within any other justification and thus, in accordance

with the identity element property, when combined with the complex of justifications characterizing a particular state, it returns that specific state unchanged, since no substantive information is added.

The question now is, Does the solution to the social problem lie within this structure? Can a social setting that minimizes coercion stably and in a lasting manner be found within the class *statism*?

The Minarchist Paradox

If a solution to the social problem is to be found within the class *statism*, it must necessarily coincide with the form of the minarchist state. This follows directly from the definition of the state that grounds this analysis: the apparatus of compulsion and coercion holding the legitimate monopoly on force over a territory. In fact, it is immediately apparent that once such an entity embarks on activities beyond the sole function of protecting the property rights of its citizens, it will inevitably fail to solve the social problem, since it will exercise coercion beyond the bare minimum, which is precisely what any viable solution must avoid. Determining whether the minarchist state is the solution will establish whether the path to the solution must be constructed as a series of first-order changes within the class *statism*—from our current position, far from minarchy, toward it[10]—or whether a second-order change is required. In this regard, it is necessary to explicitly formulate the logical framework underlying the concept of a minarchist state in relation to the social problem: the state must minimize the use of coercion across all human organizations, down to the individual aggressive actor, within society. If even a single coercive organization is excluded from this scope, the solution cannot be achieved, since such an entity would remain free to employ coercion according to its own judgment. Thus, the state must apply its coercion-minimizing function to the entire class of coercive organizations. Yet the state itself is defined as a coercive organization—one of the very entities it must regulate. This self-referential structure violates the central axiom of logical types, which states, "Whatever involves all of a collection must not be one of the collection." Consequently, within the logical domain, the framing of the minarchist state in relation to the social problem constitutes a typing error, generating a paradox because the state's functions must apply to the state itself. According to the constructivist perspective, this fundamental logical inconsistency carries over into the domain of language and communication, where its loss of logical rigor allows it to remain disguised, eventually distorting mutual understanding and influencing social behavior. Watzlawick, Weakland, and Fisch ([1974] 2011, 63) observe that

10 In practice, this entails promoting a reduction of the functions currently carried out by modern states, aiming to establish a government limited to the administration of justice, national defense, and internal security. While there is broad agreement within the libertarian community on undertaking this path, the core issue remains: Should we stop at such a minarchist state, or would even this configuration fail to resolve the social problem?

"the behavioral effects of paradox in human communication is the peculiar impasse which arises when messages structured precisely like the classic paradoxes in formal logic are exchanged." Such an impasse is a situation in which actors remain trapped, unable to achieve their ultimate goals.[11] As previously argued, this condition is characteristic of the third type of mishandling—that is, when action is taken at the wrong logical level.

Grasping the practical consequences of violating the central axiom of logical types in the conceptual framing of a particular situation necessitates a simplified example to elucidate the concept. The king of Ruritania faces a pressing dilemma: dishonesty is widespread throughout his realm, and he seeks to cultivate a culture of honesty and virtue among his subjects. In response, he enacts a decree stating, "All liars shall be hanged," and he sends emissaries to every corner of the kingdom to publicize the edict. Soon after, a court is confronted with the first case under the new statute: an elderly sophist, hailing from a remote province, appears before the court and declares, "I am a liar and therefore must be hanged according to the law." The inattentive judge takes the sophist at his word and orders him to the gallows. Some time later, a more attentive judge—recently appointed to handle cases involving liars and eager to carry out his duties to the best of his abilities—reviews past rulings to familiarize himself with relevant precedents. In the course of his study, he comes across the case of the sophist. After careful examination, he identifies a serious flaw in the earlier judgment: the sophist was sentenced to death on the assumption that he was a liar, yet this conclusion rested solely on the decision to believe his statement. In doing so, the court treated his words as truthful, thereby contradicting the very basis of the charge. In the only interaction the court had with the sophist, it assumed he was telling the truth, which would mean he was not, in fact, a liar.

A few days later, the judge presides over his first trial: a peasant accuses his neighbor of being a liar, though no evidence is provided beyond the accuser's testimony. The accused, already known to the court as a troublemaker in the village, finds himself under pressure due to the court's aggressive stance. Cornered and perhaps hoping for royal clemency, he confesses that he is indeed a liar. At this point, the attentive judge is confronted with the very problem he had previously examined. He can either accept the accused's confession as truthful, thereby sentencing him as guilty of lying, or assume the accused is lying, which would paradoxically mean he is not a liar. Moreover, any decision inevitably affects the fate of the accuser as well—for if the accused is found not to be a liar, then the accuser must be one. Recognizing the inherent contradiction, the judge issues a landmark ruling:

11 For a more in-depth theoretical analysis and practical examples of the impasses generated by paradoxical communication, the interested reader is referred to Watzlawick, Weakland, and Fisch ([1974] 2011, chap. 6).

the law's paradoxical nature renders it impossible to apply coherently in this case. Consequently, the accused is acquitted because the trial cannot proceed under such contradictory circumstances.

News of the ruling quickly spreads among legal scholars and the other judges of the realm, many of whom recognize the soundness of the decision. Judges across the kingdom begin to adopt similar reasoning in comparable cases and, in time, the interpretation established by the attentive judge becomes the dominant reading of the law. Liars, recognizing the opportunity to neutralize a law harmful to them, begin voluntarily appearing before the courts and openly declaring themselves to be liars. As more cases are decided under this interpretive framework, the body of legal decisions becomes increasingly complex and difficult to interpret. Over time, this confusion leads to a widespread reluctance to apply the edict at all, culminating in a general tendency to disregard the law altogether.

At this point, word of the situation reaches the king. Poorly advised by his councillors, he fails to grasp the full implications and, rather than rescind the edict, falls into deep disappointment. Doubt begins to cloud his trust in the judges' loyalty to the crown. In his eyes, the devil is winning the battle, as dishonesty continues to plague the realm, where all sorts of liars flourish with complete impunity. But more alarming to him now is the creeping betrayal within the very institutions sworn to uphold the sovereignty of the crown. A resolute action is needed; thus, the king opts for *more of the same*, issuing a new draconian edict stating, "All liars shall be hanged, and any who fail to uphold this law shall be deemed traitors to the crown and suffer the same fate." He then grants special powers to his secret police to investigate the conduct of the judges and uncover any traitors. Soon, all the judges of the realm, fearing for their lives, begin to overapply the edict, resulting in an increasingly convoluted and chaotic body of law—and, worse still, the widespread issuance of summary death sentences. Hence, never in the history of the kingdom had virtue felt so distant—disfigured by fear, buried beneath the weight of law without justice. Despite the good faith of the king, the mishandling of the difficulty of having some dishonest behaviors, reinforced by the insistence on *more of the same* when the attempted solution began to show its failure, has now turned into a giant problem.

We should now ask ourselves why this happened, and the answer is straightforward: a paradox, the consequence of a logical typing error—similar in nature to the one found in the framing of a minarchist state—served as the foundation for the reciprocal actions that ultimately led to the tragic outcome. While such an error is relatively easy to identify when checking for violations of the central axiom of logical types in the logical domain, it becomes more difficult to detect when it unknowingly underpins communication and mutual understanding among actors in articulated social settings. In the case of the kingdom of Ruritania, a claim that presupposes

its own truth applies a rule to the entire class of those who make false claims. When a member of this class asserts the very rule in question, it violates the central axiom of logical types and creates a paradox. Whereas our simplified example is clear, it becomes challenging to predict how similar typing errors will unfold in realistic and complex social settings. Nonetheless, their detectability within a logical framework suggests that such errors are likely to generate paradoxes. When these errors are clearly linked to paradoxical reasoning, as in the case of a liar saying the truth, the resulting conceptual structures become paradoxical, and anyone engaging with them will inevitably encounter logical contradictions. In the case of the minarchist proposal, as already outlined, the core contradiction lies in its attempt to solve the problem of coercion through an entity that is itself coercive by definition. It institutionalizes coercion in order to suppress it, much like taking a liar as the final arbiter of truth. Given the current structure of our conceptual and linguistic tools, we are unable to frame the minarchist state as anything other than a member of the very class upon which it must act.[12] This generates a self-referential loop that cannot be consistently resolved within the class. The consequence is a structural paradox in which the very mechanism intended to minimize coercion remains entangled in the logic of coercion itself.

It is important to note that this is not merely a theoretical or speculative analysis with limited practical relevance. Rather, it serves as a strong indication that actors operating within a social framework that presupposes a minarchist state are likely to exchange paradoxical messages. These misleading messages, by influencing behavior, are prone to generate new impasses that could lead to further mishandlings. Consequently, they may generate successive first-order changes within the class *statism*, ultimately diverting the system away from the minarchist state itself. Thus, just as the judges of Ruritania may, for a time, rule without encountering the paradox of a liar claiming to be one, thereby sentencing only actual liars, a minarchist state can be seen as a suboptimal solution to the social problem, especially when compared to other forms of states that rely on greater coercion. Nevertheless, its paradoxical nature, uncovered in the logical domain, cannot be ignored. It is reasonable to consider its intrinsic contradiction as a significant source of instability,[13] analogous to the functioning of the king's edict—effective only so long as those who enforce it do not encounter a liar who openly claims to be one. The consequences of such a contradiction were vividly captured by Bastiat ([1850] 2007, 4) in his observation that "[the law] has acted in

12 It could be claimed that the minarchist state somehow transcends the class of human organizations that employ coercion, operating at a higher logical level. But to coherently describe such an entity, we would require a metalanguage that itself functions at that higher logical level, which is not currently available. As a result, we are constrained to conceptualize this organization in a paradoxical manner with respect to the social problem it is meant to address.

13 The aforementioned example of constitutional courts illustrates another logical typing error: as organs of the state, such courts are tasked with evaluating the actions of the class to which they belong. Thus, Rothbard's observation of the inexorable expansion of constitutional limits over time is consistent with the present analysis and with the notion of instability as a consequence of a typing error and paradoxical reasoning.

direct opposition to its proper end; it has destroyed its own object; it has been employed in annihilating that justice which it ought to have established, in effacing amongst Rights, that limit which it was its true mission to respect; it has placed the collective force in the service of those who wish to traffic, without risk and without scruple, in the persons, the liberty, and the property of others; it has converted plunder into a right, that it may protect it, and lawful defense into a crime, that it may punish it."

Anarchy as a Second-Order Change

The inability to conceptualize a solution to the social problem within the class *statism* without encountering a paradox—as demonstrated by the logical framing of a minarchist state, the only conceivable instance within the class *statism* where a solution might plausibly be sought—undermines any attempt to associate statism with a viable resolution. The construction that associates the class *statism* with a solution to the social problem is broken: among the infinite complexes of justifications for a state that can be constructed, the problem cannot be resolved. In other words, no set of first-order changes within the group structure of statism can yield a solution; a second-order change, operating at a higher logical level, is necessary. Any attempt to locate the solution within the class *statism* can be seen as a mishandling of the third type, which reinforces circular causality, regenerates the problem, and prevents its resolution.

A second-order change, out of the class *statism*, emerges as the only logically coherent direction in which research can be directed toward a solution. As previously noted, the identity element of the class *statism* can be expressed as the simple proposition, "A State is desirable," a proposition implicitly embedded within any complex of justifications that can be assembled within the class. Consequently, the group structure of the new class must have as identity element the proposition "A State is *not* desirable." In fact, to satisfy the definition of a second-order change, this proposition must be implicit in any of the infinite possible constructs of propositions that describe a social setting within the new class. This class, within which the solution is to be sought, can be referred to as the class *anarchy*—that is, the collection of all social settings which do not presuppose the existence of a coercive apparatus holding the legitimate monopoly on the use of force over a given territory. The logical framing of the new situation, with respect to the social problem, no longer constitutes a typing error: a social setting in which the state is absent can apply a coercion-minimizing function to the class of all coercive organizations without necessarily applying it to itself. Thus, the central axiom of the logical types is satisfied.

But the assertion that the solution lies within the class *anarchy* does not result from a clever manipulation of language aimed at producing an apparently logically coherent path consistent with basic logical axioms. Rather, it results from the blatant impossibility of formulating a viable resolution within the

class *statism* without relying on a paradoxical construction. It is absolutely reasonable to assume that an enormous number of the possible conceptual social settings within anarchy involve more coercion and violence than social settings that presuppose the minarchist state or other conceptual states assembled around the defense of property rights as a guiding principle. These elements of the class *anarchy* are precisely those that minarchists commonly imagine and legitimately associate with the potential horrific outcomes that cause them concern. If, for instance, the absence of the state is associated with a collectivist creed, as anarchy was traditionally understood, the situation becomes prone to generating a range of further mishandlings, ultimately diverting the research. Nevertheless, it stands to reason that among the infinite elements of the class *anarchy*, there exists a specific social setting corresponding to the solution. As a consequence, the path toward the solution, from the present condition, manifests as a second-order change, out of the class *statism* and into the class *anarchy*, followed by an unknown number of first-order changes within anarchy toward convergence.

The constructivist method is now clearly revealed as a conceptual tool of falsification, useful for identifying where the true solution is not. This identification emerges through the uncovering of knots formed by circular causality, in which misguided attempted solutions create the very problems they aim to resolve. The new direction presents itself as a leap into the unknown, and at every stage the correctness of the path must be falsified—or better, the knots must be untangled, again and again, progressing toward convergence without ever knowing with certainty whether it has been reached.[14] As Watzlawick (1984, 251–52) reminds us, "a paradox is an epistemological warning light that begins to flash when—in von Glasersfeld's sense—a construction no longer fits or, in other words, when it becomes evident what reality is not. And, as so often happens, at such critical point the stumbling block may turn out to be the corner-stone of a totally new and better-fitting construction."

Anarcho-capitalism, developed within the libertarian tradition, represents a mature conception of anarchy, particularly concerning the social problem. Negative liberty is indeed embodied in anarcho-capitalism as a core value. To quote Rothbard ([1973] 2006, 85), "The libertarian creed can now be summed up as (1) the absolute right of every man to the ownership of his own body; (2) the equally absolute right to own and therefore to control the material resources he has found and transformed; and (3) therefore, the absolute right to exchange or give away the ownership to such titles to whoever is willing to exchange or receive them. . . . Each of these steps involves property rights." The central idea of anarcho-capitalism is that

14 If one pushes the adoption of a formal logical domain as the foundation of social analysis to its extreme, then, even assuming a social setting framed entirely free of mishandlings and logical typing errors in relation to its various goals, the implications of Gödel's incompleteness theorems suggest a fundamental limitation: the system's internal consistency cannot be fully established from within its own framework.

society should be organized around private property, with all services, including security, provided through voluntary, privatized means. This configuration can legitimately be regarded as the ultimate fragmentation into a myriad of local, territorial, or even—at the most fundamental level—geometrical monopolies on force, corresponding to various distinct private properties. A skeptical or superficial reader might therefore conclude—perhaps envisioning the case of a large landowner—that, from the standpoint of the present analysis, the underlying logical issue remains structurally unchanged. But is this truly the case?

Having an articulated organization with a devastating capacity to exercise force, particularly when compared to any private owner over their property, can in theory minimize the use of force among private individuals and enforce law to ensure they do not illegitimately harm one another. But such an organization is essentially left alone to check whether it is itself applying its enormously greater coercive power illegitimately—a power without which it could not fulfill its task of minimizing coercion among individuals. This is the paradoxical essence of the minarchist state as described within the logical domain, and it represents the greatest vulnerability of a social setting built upon it. We can imagine constructing the most resistant and sophisticated cage of concepts to meticulously prevent such an organization from exercising force beyond its legitimate domain. Yet there will always be a small hole—a single defect in the construction, a disguised manifestation of the logical typing error—that those operating the apparatus of coercion can find and exploit to escape the cage and fully harness the power of such a pernicious organization. To effectively ensure that the state is properly checked, another external organization with an even greater capacity to use force would be required, initiating a regression that would ultimately culminate in an entity capable of destroying the entire universe with a single blink while remaining unchecked in the exercise of its own power.

On the other hand, in an anarcho-capitalist society, voluntary interactions are regulated by contracts to which all parties must agree, and these contracts are guaranteed by external entities. Therefore, a large landowner cannot unilaterally determine the rent based on his whims or decide to enslave the tenant to fight his neighbors. Since the landowner in such a society must sustain himself by operating in the market, offering services at competitive prices, the system of incentives pressures him to honor contractual agreements. In most cases, doing so is also the most economically advantageous choice. The unavoidable presence of aggressive, coercive, and dishonest behaviors in some individuals is an unchangeable difficulty that we have to live with. But believing that the correct way to deal with this difficulty is to create an entity with massive coercive power, while hoping it will be operated only by enlightened individuals, shares the same seed of absurdity as the belief that, if left free and unchecked, humans will inevitably end up enslaving and slaughtering each other instead of peacefully and industriously

cooperating. Not surprisingly, this paradox disruptively manifests itself when we recognize that the worst and most heinous crimes in human history have been, and continue to be, committed by such entities.

Consider now the claim that, in an anarcho-capitalist society, contracts are enforced by external entities. If one party violates the contract and initiates aggression against the other, an external entity intervenes to resolve the conflict. A court, for example, would determine the legitimate owner of a disputed piece of land before the two contenders resort to violence. If one party refuses to accept the ruling, the court would grant legitimacy to a security agency to intervene, using coercion strictly limited to resolving that specific case. At this point, one might ask, Who oversees the actions of these courts and security agencies? *Quis custodiet ipsos custodes?* Here, the reader might sense a familiar problem of infinite regression, similar to that which arises with the state. But there is a foundational difference. As Mises ([1949] 1996) wrote,

> If one wants to apply the notion of power to phenomena of the market, one ought to say: in the market all power is vested in the consumers. The entrepreneurs are forced, by the necessity of earning profits and avoiding losses, to consider in every regard . . . the best possible and cheapest satisfaction of the consumers as their supreme directive. . . . Ownership of capital is a mandate entrusted to the owners, under the condition that it should be employed for the best possible satisfaction of the consumers. He who does not comply with this imposition forfeits his wealth and is relegated to a place in which his ineptitude no longer hurts people's well-being.

Thus, that same part of humanity—the peaceful and industrious individuals, those who play the game of the market society and have an interest in its proper functioning—will be the creators and custodians of the institutions tasked with checking its operation. And this will happen not thanks to some armed revolution or a vote cast every four years but to the complex set of actions, in continuous evolution and change, through which they express their preferences on the market—preferences that these institutions must constantly strive to satisfy if they want to survive. This represents, by far, the best feedback system to address the problem of providing an external check on organizations that may apply coercion beyond what is necessary. In practice, if a court makes an agreement with a security agency to extort some unfortunate person, the consumers' sword of Damocles will soon behead them, since paying for the services of corrupted and dangerous institutions is directly against the interest of any market actor. Conversely, the state finances itself through compulsory taxation, which gives it the ability to expand its coercive power far beyond acceptable limits before any corrective action, whether through a democratic vote or a revolution, can be taken by the

citizens. All the violence exercised before the corrective action—or during it, in the case of a revolution or a war—and in the period after it, as the state begins to expand once again, is precisely the problem.

The belief that an anarchist society will inevitably lead to widespread violence due to local warlords competing for a monopoly on force is essentially the belief that any anarchic condition is merely a proto-statist phase destined to evolve into a state-based society like the one we know today. As previously noted, however, the modern state is not an unavoidable outcome of the human condition. No organization, whether a state, a mob, or a private company, can reasonably expect to successfully extort the fruits of labor of the majority of individuals solely through the use of force, without some form of cooperation.[15] Furthermore, as Murphy (2005) points out, there is no reason to believe that a mature community, which remains lawful under a limited government, would descend into continuous warfare if the limited services provided by such a government were privatized. The misconception of anarchy arises from a mode of thought overfitted on the group structure of the class *statism*, the dominant ideological framework. As a result, efforts to envision an alternative system through the lens of statist assumptions often lead to conclusions that appear puzzling and irrational.

Since the constructivist method is designed to reveal logical inconsistencies and conceptual entanglements rather than offer definitive proofs of correctness, it cannot affirm with absolute certainty that anarcho-capitalism represents the definitive solution to the social problem. In light of the arguments presented thus far, it may be regarded as a reasonable and promising hypothesis, but no more than that. The constructive process must begin within the class *anarchy*, allowing for the generation of new insights, and potentially revise the trajectory accordingly. For now, that is the extent of what can be claimed.

Produce the Change

Thus far, the initial three stages of the constructivist method have been addressed: the problem has been clearly defined, existing and proposed solutions have been critically examined, and a clear definition of the concrete change to be achieved has been formulated. The next step must now focus on the development and implementation of a plan to produce this change.

---

15 If one considers the ratio between the average armed force of a modern state and its overall population, it becomes completely unreasonable to believe that the state can extort its entire population through force alone without any complicity from the citizens. It could be argued that the very existence of the state depends entirely on the willingness of the majority to be extorted. Personally, I find it astounding that the continued functioning of nearly every state depends on the fact that most individuals, often driven by fear of retaliation, "voluntarily" comply when it comes time to pay taxes. If it were somehow possible to hypnotize a sufficient number of people into completely forgetting the existence of taxes, the state would have no means to persecute them all and would quickly collapse under the weight of its irredeemable debts. Moreover, this attitude is found in other instances. It is the case with many criminal organizations, for example in Southern Italy, whose territorial power relies mostly on the silent complicity, *l'omertà*, of the local populations. Not surprisingly, these organizations often behave similarly to states: they extort money, provide protection from neighboring mobs and other criminals, offer some form of welfare by providing jobs for locals, and, in some cases, even distribute money and food.

Watzlawick, Weakland, and Fisch, in the context of their therapeutic work, were well aware of the difficulty involved in convincing patients to follow the prescribed therapy. They write, "The most important Achilles heel of these interventions, however, is the necessity of successfully motivating somebody to carry out our instructions. The patient who first agrees to a behavior prescription and then comes back saying that he did not have the time to carry it out, or forgot, or, on second thought, found it rather silly or useless, etc., is a bad prospect for success. Thus, one potential source of failure is inability to present the intervention in a 'language' which makes sense to our client and which therefore makes him willing to accept and carry out the instruction" (Watzlawick, Weakland, and Fisch [1974] 2011, 114). Notably, the largest group of individuals they worked with was probably a family. But what happens when the "patients" consist of billions of individuals, each with different ideas, personalities, and backgrounds? How can the majority of peaceful and industrious individuals be persuaded that the state—the whole of it—is the problem? There are no unequivocal answers; for each individual, the communication strategy will need to be carefully tailored. People have to be guided to envision such a world and believe in its possibility, and then gradually this world will begin to materialize. This work hopes to persuade at least a few more individuals who may become valuable allies. At the same time, it may also deepen skepticism in others, further distancing them from this vision. Achieving the change remains the central, unresolved challenge.

Conclusions

This inquiry, grounded in the constructivist method, has shown that the enduring debate between minarchism and anarcho-capitalism is not merely one of political preference but of logical structure. Originally conceived as a tool to resolve human problems in psychotherapy by Paul Watzlawick and his colleagues, the constructivist method is rooted in formal logic, which underlies human communication and thereby shapes mutual understanding and action in social settings.

By rigorously applying principles of formal logic—in particular, the central axiom of the theory of logical types—a critical paradox at the heart of minarchism has been exposed: the impossibility of a coercive institution holding a monopoly on force effectively restraining coercion, including its own, without violating its own premise. This paradox renders any attempt to solve the social problem from within the class *statism* inherently unstable and ultimately self-defeating. Therefore, any lasting, coherent solution must lie outside that class. Anarchy, understood not as chaos but as the class of social arrangements absent the state's monopoly on coercion, emerges as the only logically consistent domain from which to seek a stable, liberty-maximizing society.

Among the possible constructs within anarchy, anarcho-capitalism stands out as a promising hypothesis. It aligns with the values of negative liberty, private property, and voluntary exchange, while its institutions, unlike the state, must remain accountable to the individuals they serve through the mechanisms of the market. This makes it structurally more resilient against unchecked coercion.

Still, the constructivist method does not offer final answers—only a framework for continual falsification and course correction. It is a tool to uncover the conceptual knots in which knowledge and understanding become stuck in our constant endeavor to reconcile our experience with our understanding of reality. These knots are where human problems nest.

The road ahead demands persistent inquiry, principled experimentation, and, above all, the courage to step beyond the intellectual confines of statism. The final and most daunting task is to persuade and inspire the billions of individuals conditioned to see the state as a necessary institution. Change will be constructed one mind at a time.

Submitted: July 10, 2025 CST. Accepted: September 25, 2025 CST. Published: December 12, 2025 CST.

REFERENCES

Bastiat, Frédéric. (1850) 2007. *The Law*. Auburn, Ala.: Ludwig von Mises Institute. https://mises.org/library/book/law.

Berlin, Isaiah. (1958) 1969. "Two Concepts of Liberty." In *Four Essays on Liberty*, 118–72. Oxford: Oxford University Press.

Glasersfeld, Ernst von. 1984. "An Introduction to Radical Constructivism." In Watzlawick 1984, *17–40*.

Hayek, F. A. 2010a. "'Conscious' Direction and the Growth of Reason." In Hayek 2010b, 149–55.

———. 2010b. *Studies on the Abuse and Decline of Reason: Text and Documents*. Edited by Bruce Caldwell. Vol. 10 of *The Collected Works of F. A. Hayek,* Edited by Bruce Caldwell. Chicago: University of Chicago Press, 1988–.

———. 2010c. "The Collectivism of the Scientistic Approach." In Hayek 2010b, 117–25.

Hoppe, Hans-Hermann. 2008. "Reflections on the Origin and the Stability of the State." LewRockwell.com. June 23, 2008. https://www.lewrockwell.com/2008/06/hans-hermann-hoppe/to-battle-the-state/.

Mises, Ludwig von. (1949) 1996. *Human Action: A Treatise on Economics*. 4th rev. ed. San Francisco: Fox and Wilkes / Foundation for Economic Education.

Modugno, Roberta Adelaide. 2025. "The Making of the State." *Journal of Libertarian Studies* 29 (1): 1–9. https://doi.org/10.35297/001c.137041.

Murphy, Robert P. 2005. "But Wouldn't Warlords Take Over?" *Mises Daily*, July 7, 2005. https://mises.org/mises-daily/wouldnt-warlords-take-over.

Rothbard, Murray N. (1974) 2000. "The Anatomy of the State." In *Egalitarianism as a Revolt against Nature and Other Essays*, 2nd ed., 55–88. Auburn, Ala.: Ludwig von Mises Institute. https://mises.org/library/book/egalitarianism-revolt-against-nature-and-other-essays.

———. (1973) 2006. *For a New Liberty: The Libertarian Manifesto*. 2nd ed. Auburn, Ala.: Ludwig von Mises Institute. https://mises.org/library/new-liberty-libertarian-manifesto.

Watzlawick, Paul, ed. 1984. *The Invented Reality: How Do We Know What We Believe We Know? Contributions to Constructivism*. New York: W. W. Norton.

Watzlawick, Paul, John H. Weakland, and Richard Fisch. (1974) 2011. *Change: Principles of Problem Formation and Problem Resolution*. New York: W. W. Norton.

Whitehead, Alfred North, and Bertrand Russell. (1910) 1925. *Principia Mathematica*. 2nd ed. 3 vols. Cambridge: Cambridge University Press.