

Invisible Hands and Incantations: The Mystification of State Power (DRAFT)

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Molinari Symposium on Spontaneous Order, Boston, December 2010
praxeology.net/molinarisoc.htm

When invisible-hand or spontaneous-order mechanisms are invoked in libertarian social theory, it is customarily as a benign *alternative* to state power. Yet there are reasons for thinking that state power itself likewise depends for its maintenance on spontaneous-order mechanisms.

On the one hand, as we have learned from Hayek, there are informational constraints on the ability to organize any complex system through conscious control alone; and while the state's greater reliance on constructivist rationalism may explain its comparative inefficiency, if this reliance were total we would expect the state to be even less efficient than it is.

On the other hand, as we have learned from La Boétie and Hume, state power does not and cannot maintain itself by force alone; as rulers are typically outnumbered by those whom they rule, states of any kind – democratic or otherwise – can maintain their claim to authority only so long as most of their subjects continue to act in ways that reinforce that claim.¹ Hence while all states do in fact make threats of violence against their subjects (as is entailed by their status as territorial monopolists of the use and/or authorisation of force), the survival of the state system requires inducing acquiescence in the subject populace by means other than such threats alone.

Now as we shall see, the force/nonforce distinction does not by any means line up neatly with the distinction between constructed and spontaneous orders; so the state system's reliance on nonviolent means of self-maintenance does not *per se* entail a reliance on invisible-hand mechanisms. And indeed the state stratagems to which La Boétie himself points – mainly patronage and ideological propaganda – aren't obviously cases of spontaneous order. Nevertheless, the state's dependence on nonviolent means makes the potential role of invisible-hand mechanisms more salient.

The inadequacy of violent means for the state's maintenance might be doubted, of course. After all, while La Boétie blithely tells us “resolve to serve no more, and you are at

¹ La Boétie [1576] 2003, Hume [1758] 1985; cf. Pierre Bourdieu: “All symbolic domination presupposes, on the part of those who submit to it, a form of complicity which is neither passive submission to external constraint nor a free adherence to values” (Bourdieu 1991, pp. 50-51; quoted in Butler 1997, pp. 134-5).

once freed,” this advice might seem to run up against a collective action problem: if only a few individuals withdraw their support while most of their fellow subjects maintain their compliance, the force of the state will ordinarily be quite sufficient to bring them in line. It might thus seem as though the state could compel *all* by force, simply by compelling *each*. While this mode of state maintenance would arguably count as an invisible-hand mechanism, it would hardly be a nonviolent one. But the effectiveness of collective action problems *by themselves* in preventing mass disobedience is probably overstated; when the public mood is strong enough, collective-action constraints seem to melt away, as for example with mass resistance to the Ceaușescu regime in Romania in 1989. When oppression does *not* lead to mass resistance, then, that is when some additional explanatory factor is called for.

I propose to make some suggestions about the role of invisible-hand mechanisms in the means by which the state system maintains itself – both the state system in general, and the specific form of state system that prevails in most industrialised nations.

Let’s begin with the latter. I take the following two propositions to be fairly well established by the economic, historical, and sociological research of the past half-century or so:²

1. The form of state system that prevails, and historically has prevailed, in most industrialised nations is *corporatism*, understood here as a partnership between big government and big business. (When government and private business stand in such a relation of mutual support, I take private business to be part of the state *system* even if it is not literally part of the state.)
2. Most government policies and successful political movements, even if marketed and widely interpreted as anti-big-business (e.g. the Progressive Movement, the New Deal, the Wagner Act, the Great Society, the current Democratic administration, and most policies labeled “regulation” or “taxation”) or as anti-big-government (e.g. the Reagan Revolution, the Thatcher Revolution, the 1994 Republican Revolution, the most recent Republican administration, and most policies labeled “deregulation” or “privatisation”) serve to advance the interests

² See, for example: Beito 2000; Bernstein 1968; Brecher 1977; Buhle 1999; Carney 2006; Carson 2001, 2004, 2007, 2008, 2009, 2010a, 2010b; Childs 1971; Domhoff 1970, 1990; Ekirch 1967; Grinder and Hage 1977; Herman and Chomsky 1988; Higgs 1987, 2006; Horowitz 1967, 1969; Hughes 1977; Johnson 2007b, 2010; Kolko 1963, 1965, 1969, 1988; Martin 1975; Oglesby and Schaul 1967; Richman 2010; Rothbard 1972, 2007; Rothbard and Radosh 1972; Ruwart 2003; Sciabarra 2003; Shaffer 1996; Sklar 1988; Steinfeld 2001; Stromberg 2001; Weaver 1988; and Weinstein 1968; as well as the materials at the website of the Alliance of the Libertarian Left (all-left.net). The analysis in the present essay depends heavily on this research. Those seeking an entry point into this scholarship could do worse than to start with Childs 1971; Johnson 2007b, 2010; and Part 2 (chapters 4-8) of Carson 2007.

and power of *both* big government and big business at the expense of ordinary people, and are, in the main, demonstrably selected for that reason.

For example, supposedly progressive “regulation” typically creates hoops that are easier for large established firms to jump through than for smaller or newer firms (or less affluent individuals or cooperatives) to do so, thus consolidating the position of the corporate elite – and enabling their firms to grow inefficiently large and hierarchical – by insulating them from competition and socializing their diseconomies of scale; likewise, supposedly free-market “deregulation” typically involves removing legal constraints on corporate recipients of government privileges and subsidies, thus magnifying the effect of such privileges and subsidies.

This is not to say that the perceived hostility between big government and big business is entirely illusory. As with church and monarchy in the Middle Ages, each side would prefer to be the dominant partner, and even policies that advance the power of both partners rarely do so in equal degree or on terms equally acceptable to both; hence it is only to be expected that there should be quite genuine squabbling over the spoils between the two sides (as well as within each side, since neither big government nor big business is monolithic). The recent debate in the u.s. over whether to raise taxes on the wealthiest 2% of the population is a case in point: while each side marketed its own position as one from which ordinary people would benefit (with conservatives insisting that money left in the hands of billionaires would eventually trickle down to the masses, and liberals insisting that money transferred to the swollen Leviathan state would eventually trickle down to the masses), the issue essentially concerned the distribution of resources (mostly the ill-gotten products of exploitation) between two wings of the ruling class. The popular perception that liberals favour a higher degree of government intervention than conservatives is no longer tenable; such disputes as exist concern only the beneficiaries of intervention, not the amount of it.

Although left-wing and right-wing political factions, to the extent that they achieve mainstream influence at all, tend to promote only slightly different versions of the same corporatist policies, they would hardly win much popular support if it were obvious that they were doing this. Hence left-corporatist policies, to succeed, must be marketed as protecting ordinary people against big business, while right-corporatist policies must be marketed as protecting ordinary people against big government; through a strategy I’ve elsewhere called

“left cop, right cop,” those who find one face of the corporatist establishment unappealing are lured into supporting the other face.

And this is precisely what we see. Take for example another recent debate in the u.s., that over health care. It was in the interest of both sides to present the choice of policy as one between an unregulated free market in healthcare and a governmental takeover of the healthcare industry, even though nothing like either of those options was on the table, and both sides in fact favoured some variant of government-corporate alliance in control of healthcare. This is not to say that the dispute was unreal; while the Democrats’ healthcare proposal advanced the interests of both big government and big business (for how could a law requiring everyone to buy insurance not be a boon to the insurance industry?), it shifted the balance of power slightly farther in the direction of statocracy than of plutocracy and so was unacceptable to the Republicans. (Note that while the individual mandate was far more of an affront to free-market principles than was the public option, it was against the public option, rather than against the individual mandate, that Republicans directed most of their attacks. Surely it is no coincidence that the individual mandate was a provision that specifically assists big business, while the public option would in effect have diluted that assistance.)

If conservatives were genuine defenders of free-market healthcare, and if liberals were genuine champions of healthcare for the less affluent, one would expect to see them unite in repealing those laws that a) work to cartelise the medical industry (*e.g.*, the licensure monopoly granted to the A.M.A.), thus artificially boosting the cost of medical care; b) render the labour market oligopsonistic, thus artificially lowering people’s ability to pay for (and collectively negotiate for) medical care; c) shift healthcare funds from the 25%-devoured-by-overhead voluntary sector to the 75%-devoured-by-overhead coercive sector,³ thus decreasing the amount of healthcare that gets to needy recipients; d) transfer the power to make medical decisions for individuals from those individuals to centralised bodies, thus increasing the impact and scope of fatally bad decisions and suppressing the competitive signals that allow the identification of better and worse policies; e) wiped out the old mutual-insurance systems (basically HMOs run by the patients instead of by corporations) and empowered insurance companies at the expense of patients; and f) suppress innovation and

³ Edwards 2007.

distribution in the pharmaceutical industry in the name of “intellectual property.” Instead, both parties firmly support the corporatist agenda.

Moreover, while each side portrays the other as insidious and all-pervasive, in order to stress the magnitude of the opponent’s perfidy, yet on the other hand each side needs to portray the threat posed by the other as relatively *novel*, in order to avoid casting the *status quo* in too questionable a light. Flip on any random news channel, for example, and you will hear Republicans moaning that Barack Obama is destroying the free market (as though there existed anything remotely resembling a free market for Obama to destroy) or Nancy Pelosi warning that the Supreme Court’s feeble gesture on behalf of free speech in *Citizens United* will turn the u.s. into a “plutocracy” and an “oligarchy”⁴ (as if the u.s. has ever been anything else). The terrain of mainstream political debate is a phantasmagoric landscape radically disconnected from the underlying reality.

The *Star Wars* prequels, whatever their failings in other respects, dramatise the corporatist dynamic rather well. Their central plot concerns a civil war between two factions – one the central galactic government led by Chancellor Palpatine, and the other a collection of corporate interests (the Trade Federation, the Commerce Guild, the Banking Clan) led by Count Dooku. But while Palpatine’s and Dooku’s interests are by no means harmonious (each attempts to stab the other in the back, and one eventually succeeds), they are actually in collusion with each other for the most part, and the civil war is largely a hoax whereby each partner seeks to aggrandise his own side, *and thereby the partnership as a whole*, by portraying the other partner as a bogey (as when Palpatine invokes the need to defend the Republic against Dooku’s pseudo-rebellion as an excuse for claiming expanded powers for himself).

But the Palpatine-Dooku partnership is a *conspiracy*; and to the extent that the libertarian analysis of corporatism resembles the plot of the *Star Wars* prequels, it might thus seem to be a conspiracy theory, which is surely the opposite of an analysis in terms of invisible-hand mechanisms. Or even if “conspiracy” is not quite the right word (since conspiracy implies secrecy, while much of the collusion between the governmental and corporate elites is done quite in the open, as for example in the case of corporate interests’ publicly lobbying and

⁴ www.youtube.com/watch?v=PsM8F0DMTqA

campaigning for the supposedly anti-big-business regulations of the Progressive Era), still it may be wondered what role there could be for spontaneous order in libertarian class analysis.

Yet while the role of conscious collusion in the maintenance of corporatism is well-documented, there are (in addition to the Hayekian grounds previously mentioned) a couple of reasons to expect invisible-hand mechanisms to be at work as well. First, a system of oppression will be more stable to the extent that it is possible – if not with complete sincerity, then at least via plausible self-deception – for the oppressors to regard their actions as morally justified, which will more easily be the case if the official justifications for their policies are not such as to appear obviously false to the perpetrators. I don't mean to claim, of course, that wielders of power are typically innocent; on the contrary, the skills needed, first to rise to positions of power in corporate or governmental hierarchies, and then to exercise the functions of such offices once in them, tend to require a certain flexibility of conscience. But such flexibility requires self-deception in all but the most hardened villains; thus at least a substantial percentage of those in power need to take their own anti-big-business or anti-big-government rhetoric at face value, which will be more easily achieved to the extent that the coordination between the interests of big government and big business is accomplished by spontaneous-order mechanisms rather than by conscious conspiracy.

Second, we need to account not only for cooperation among the ruling parties but cooperation on the part of the governed as well – which requires, as La Boétie notes, the ideological indoctrination of the populace. The combination of corporate control of the media and government control of the education system can accomplish much of this, but again, the system could hardly succeed if it required most journalists and educators to be conscious collaborators in a conspiracy – especially a conspiracy from which most journalists and educators derive comparatively little benefit. Here too, then, we need invisible-hand mechanisms to take up the slack.

Hence, in short, we need to explain how those in power on the one hand, and journalists and educators on the other, could be brought to advance the interests of a big-government/big-business partnership without necessarily seeing themselves as doing so – as well as how they are able to get away with it.

Let's start with the fact that, in Jefferson's words, "the natural progress of things is for liberty to yield and government to gain ground."⁵ To see how the mere need for government to be perceived as "doing something" about problems can lead to indefinite expansion of government power, consider the ratchet effect on display in recent airline security policy:

A would-be terrorist makes a failed attempt to detonate explosives in his shoes, and millions of airline passengers are compelled henceforth to remove their shoes at security checkpoints.

A group of would-be terrorists hatches a failed plot to smuggle explosives on board in shampoo bottles, and millions of passengers are compelled henceforth to confine themselves to tiny shampoo bottles in transparent baggies.

Another would-be terrorist makes a failed attempt to detonate explosives in his underpants, and millions of airline passengers are compelled henceforth to have their genitals irradiated or groped.

Whenever the state's attention shifts to the most recent threat, the response to the previous threat remains in place; the system has a mechanism for escalation but no mechanism for de-escalation – since the costs of government policies are socialised rather than internalised (in other words, because purchase of its services cannot be declined). Politicians and bureaucrats thus need have no general plan to expand government power across the board (though of course they may); instead, even in the absence of such a plan the incentive structure inherent in the state system leads political actors to take individual decision after individual decision whose cumulative effect is such an expansion.

What of the state's tendency to legislate and rule in the interests of the corporate elite? Here too no conscious plan is necessary (though there may of course be one – as the "revolving door" between government and industry suggests); even if we were to imagine that the government issues its legislation and regulations *at random*, with no bias on behalf of big business, the result would still be much as it is now. Imagine that half of the government's regulations run contrary to the interests of the rich and the other half run contrary to the interests of the poor; what will be the result? The rich are a concentrated interest with the resources to hire lawyers and lobbyists (or make campaign contributions) in order to combat these laws; the poor are not. So when these (for the sake of argument)

⁵ Letter to Edward Carrington, 27 May 1788.

randomly chosen laws hit the filter of socioeconomic inequality, the laws that hurt the rich face pressure for repeal or lax enforcement while the laws that hurt the poor do not; thus the “fit” regulations are selected for and the “unfit” regulations are weeded out.

Moreover, government actors are disproportionately responsive to bribes because the funds they expend on behalf of the bribers are not their own; if you want to motivate me to direct a million dollars of my own money to your favoured project, you’ll need to offer me more than a million, but if you want to motivate me to direct a million dollars of someone else’s money to your favoured project, you’ll only need to offer me a few thousand. Thus the government’s taxing power and territorial monopoly status magnify the power of the wealthy (thus enhancing their ability to bribe, thus magnifying their power still further, in a self-reinforcing cycle).

What of the corporate elite’s propensity to lobby for privileges and subsidies in the first place? Here too we need not assume any adherence to an overall corporatist program; imagine, instead, that every major corporate player is a sincere and ardent proponent of free competition in general, but just wants a few exceptions in favour of his or her own company – because one’s own projects always seem exceptionally important and deserving of protection. The result would be the same as that of intentional collusion to promote corporatist policies. (Moreover, such policies are self-reinforcing, since they extend the privileges of the corporate elite and thus render them still more effective lobbyists – another ratchet effect.)

Of course we know – because they’re on record – that many among the corporate elite *do* favour, and historically have favoured, a systematic corporatist agenda. My point is that this factor is not strictly necessary (and probably is not doing *all* the work); even in the absence of an intentional commitment to corporatism, the incentive structure of the state system has a natural tendency to produce corporatist policies.

What about the tendency of the mainstream news media to support the corporatist system? Mainstream journalists like to insist that, despite corporate ownership of their media outlets, they face little or no pressure to slant their news. Although in some cases this claim seems fairly risible, I have no doubt that it is true much of the time. The selection process is more subtle than that. To be successful, journalists must get important stories; and since whatever the powerful say is important, a successful journalist needs access to governmental and corporate spokespersons. No one who routinely challenges the press

releases of the ruling class is going to enjoy the access needed to become a major journalist. Hence there is seldom any need to pressure mainstream journalists to toe the establishment line; journalists who are not inclined to toe that line will not have made it very far up the ladder of mainstream journalism in the first place. (To be sure, a mainstream journalist can frequently get away with challenging this or that governmental or corporate policy; after all, the ruling class is not monolithic, so what offends one of its factions may gratify another. But journalists with a propensity to challenge not some particular abuse but the system as such are effectively selected against.)

The prevailing journalistic conception of objectivity also tends to put the media at the service of the establishment. As an example: a recent study has shown that the u.s. media routinely referred to waterboarding as a form of torture *until* it was announced that waterboarding was an official policy of the u.s. government, whereupon such references ceased. Does this mean that journalists were consciously shilling for u.s. civil rights abuses? I don't think so (well, Fox News aside). Rather, as soon as people that journalists regard as important start defending waterboarding, then it becomes officially *controversial* whether waterboarding is a form of torture, and so to continue to refer to it as such would violate the ideal of objectivity as journalists conceive of it. Of course their idea of who counts as important simply tracks the command posts of the corporatist system, and so this vaunted "objectivity" works out in practice as arrant pro-establishment bias. But the insistence on identifying journalistic objectivity with a refusal to pick sides in a controversy among important people is vigorously promoted by government itself. (Notice the recent eagerness of government officials to explain that Julian Assange's political agenda renders him "not a journalist.")

As for educators: at the grade school level, textbooks tend to be selected by politically connected committees. While some may lean more toward the Guelphs and others more toward the Ghibellines, a text that challenges both is unlikely to be accepted. Matters are better at the college and university level, where – thanks to hard-won and always imperiled academic freedom – governmental and corporate interests have a harder time determining the curriculum. But even here, the influence of state accreditation committees and wealthy trustees is hardly minimal.

Such explanations can take us only so far, however. There is an ideological mystification at work here that goes beyond what can be explained by institutional selection pressure

alone. As we've seen, right-wing and left-wing versions of corporatist policies, though differing only minimally so far as the interests of those outside the ruling class are concerned, are marketed as anti-big-government and anti-big-business respectively, and those repelled by one side are offered the other as antidote. But the obvious question is: how are the governed led to fall for it? How do conservatives continue to maintain their reputation as foes of big government no matter how massively the state swells under their leadership? How do liberals continue to maintain their reputation as foes of big business no matter how many subsidies, bailouts, and monopoly privileges they disburse to their corporate cronies? Or, in a related question, how do liberals continue to maintain their reputation as the antiwar faction no matter how many civilians they bomb to smithereens? Why do so few people notice the discrepancy between rhetoric and actual conduct, on both sides?

Contemporary political discourse in general has a surreal, Alice-in-Wonderland quality. Conservatives label Obama a Marxist for pursuing policies virtually indistinguishable from those of his Republican predecessor. He moreover receives a Nobel Peace Prize from one side, and accusations of being an Islamist sympathiser from the other, even as he wades up to his metaphorical elbows in the blood of Pakistani children. Sarah Palin calls for the assassination of Julian Assange while continuing to position herself as a defender of individual freedom against threats from big government. Governmental redistribution of wealth is attacked or defended as though such redistribution were invariably downward, despite the fact that the vast majority of such redistribution is manifestly upward. Ronald Reagan, who pushed through what was then the largest tax increase in history, is lauded by the right and vilified by the left as a foe of high taxes. John F. Kennedy, whose chief political accomplishments were tax cuts and nuclear chicken games with the Soviet Union, whose main legacy was the Vietnam War, and who had to be dragged kicking and screaming into action on behalf of civil rights, becomes a liberal icon. Libertarians warn at the top of their lungs that government policies are creating a housing bubble – only to be told, when the bubble bursts, both that the bubble was unforeseeable and that libertarians are to blame for causing it. If this were a science-fiction movie we'd have to assume that all these people were under some sort of mind control. What's the explanation for all this bizarre behaviour?

Earlier I described the terrain of mainstream political debate as a “phantasmagoric landscape radically disconnected from the underlying reality.” Yet that phantasmagoric

landscape is *transparent*; the underlying reality is, or should be, perfectly visible through it. While spying on secret conversations or ferreting out classified documents might bring important details to light, it's not really necessary; the basic functioning of the corporatist system is mainly out in the open. *Nothing crucial is hidden*. What preserves the illusion is not a cover-up but rather a habit of mind.

Wittgenstein famously pointed out that when otherwise sensible people say crazy, obviously false things – such as that only part of me exists at this instant, or that we can't directly perceive tables and chairs – it's because they are in the grip of a picture. This is as true in politics as it is in metaphysics or epistemology. The following passage from Thomas Kuhn's *Structure of Scientific Revolutions* is helpful here:

Bruner and Postman asked experimental subjects to identify on short and controlled exposure a series of playing cards. Many of the cards were normal, but some were made anomalous, e.g., a red six of spades and a black four of hearts. ... For the normal cards these identifications were usually correct, but the anomalous cards were almost always identified, without apparent hesitation or puzzlement, as normal. The black four of hearts might, for example, be identified as the four of either spades or hearts. Without any awareness of trouble, it was immediately fitted to one of the conceptual categories prepared by prior experience. ... With a further increase of exposure to the anomalous cards, subjects did begin to hesitate and to display awareness of anomaly. Exposed, for example to the red six of spades, some would say: That's the six of spades, but there's something wrong with it – the black has a red border. ... A few subjects ... were never able to make the requisite adjustment of their categories.⁶

In other words, a mind accustomed to functioning within a certain conceptual framework will have trouble recognising deviations from the categories of such a framework; if one expects conservatives to oppose big government and liberals to oppose big business, that is what one will see. And even if contrary evidence is detected, it will be dismissed as inessential.

Consider another passage from Kuhn:

Since remote antiquity most people have seen one or another heavy body swinging back and forth on a string or chain until it finally comes to rest. To the Aristotelians, who believed that a heavy body is moved by its own nature from a higher position to a state of natural rest at a lower one, the swinging body was simply falling with difficulty. Constrained by the chain, it could achieve rest at its low point only after a

⁶ Kuhn [1962] 1996, pp. 62-63.

tortuous motion and a considerable time. Galileo, on the other hand, looking at the swinging body, saw a pendulum, a body that almost succeeded in repeating the same motion over and over again ad infinitum. ... [W]hen Aristotle and Galileo looked at swinging stones, the first saw constrained fall, the second a pendulum⁷

Aristotle and Galileo both observed the same two facts – that the stone keeps swinging back and forth for a while, and that it eventually hangs straight down. But for Galileo the swinging was the essential thing, and its cessation was merely accidental, a friction phenomenon; while for Aristotle the process toward a state of rest was the essential thing, and the sideways perturbations on the way were the accident. In the same way, for those operating within the conceptual framework that sees conservative opposition to big government and liberal opposition to big business as essential and deviations from these norms as accidental, evidence of conservative support for big government and liberal support for big business, no matter how extensive, will be dismissed as inessential – something to be noticed occasionally, and commented on as “ironic” or “anomalous” (or excused as an emergency measure, as though it were exceptional) before being forgotten.

There’s a popular and amusing internet cartoon⁸ that portrays big business as pro-market in good times and pro-intervention in bad times. Such a portrayal is the equivalent of seeing a red six of spades as a black six of spades with a red border; it represents an only partial emergence from the delusive narrative of business/government conflict. For the truth revealed by economic and historical analysis is that big business is pro-intervention in good times and bad – that it owes its privileged position to ongoing, systematic state violence.

The obscuration I’m describing can succeed even with those one might expect to be least susceptible to it. Consider how, from the *non*-mainstream right, a professed free-marketer like Ayn Rand can call big business a “persecuted minority,” or how, from the *non*-mainstream left, a professed anarchist like Noam Chomsky can insist on the short-term necessity of the state as a bulwark against corporate power, even though Rand and Chomsky have each documented *through their own scholarship* the dependence of business power on state-granted privilege.⁹ It’s as though with one part of their minds they’re pointing with horror to

⁷ *Ibid.*, pp. 118-121.

⁸ motherjones.com/politics/2008/12/free-market-clapper

⁹ Cf. Long 1998, 2008b.

governmental grants of privilege to business, even as in another part of their minds the myth of opposition between big business and big government is reasserting itself, leading them to dismiss such favouritism as an insignificant friction phenomenon and so allowing either business power (for Rand) or state power (for Chomsky) to take on the relatively benign aspect that their own work belies.

Yet in explaining the invisibility of corporatism by appealing to a delusive conceptual framework we are merely pushing the question back: *whence this conceptual framework?* To take it as arising solely from the conscious inculcation of false ideological consciousness on the part of journalists and educators would be to attribute to the mainstream journalism and education professions as a whole the clear-eyed fiendishness of a Fu Manchu. Indeed, radicals of various political stripes have often tended to find this a tempting hypothesis. But it won't do; there aren't enough Fu Manchus in the world to make it work. The mechanism for the maintenance of corporatist ideological mystification cannot depend solely on constructivist rationalism.

How, then, is the hoax to be perpetrated, if the hoaxers are to be largely unaware of perpetrating it? Here it is helpful to distinguish between primary and secondary regulation. By *primary regulation* I mean the basic pattern of state violence that is essential to creating and sustaining the corporatist system as a whole; by *secondary regulation* I mean an additional, optional layer of intervention on top of that. Secondary regulation often has the effect of redirecting the benefits of primary regulation; for example, a piece of primary regulation may endow a nominally private business with special privileges (as when deposit insurance allows banks to socialise their investment risks; or zoning laws, licensure fees, and capitalisation requirements crowd less affluent competitors out of the market; or tax-funded highways and other transportation subsidies give big-box stores a competitive advantage over local producers), and then a secondary regulation may be introduced to place a check on the powers thus granted to the corporate elite. Such secondary restraints are marketed as being in the interests of ordinary people; sometimes they are and sometimes they are not, depending on the circumstances, but they function primarily to shift a bit of power from the plutocratic to the statocratic wing of the ruling class.

When liberals and conservatives clash over regulation, it is nearly always secondary regulation that is at issue; and it is conservatives' relative (though by no means exceptionless) tendency to oppose secondary regulation that gives them the reputation of being anti-regulation. Primary regulation is largely invisible because it is part of the ordinary background conditions; it is as unnoticeable as air. Thus no conscious design is needed to disguise the nature and effects of primary regulation.

How, for example, is George W. Bush not laughed off the podium when he proclaims solemnly that the recent financial crisis compelled him to set aside his free-market principles – as if, rhetoric aside, he had ever shown any evidence of having such principles, and as if distributing governmental largess to corporate cronies were some sort of departure from business as usual? How is Alan Greenspan not likewise laughed off the podium when he says that the same financial crisis has shaken his faith in free-market principles – when he has spent his entire career directing aggressive government intervention into the economy, and when the financial crisis in question was driven by an oligopolistic banking system over which he presided, and a housing bubble his own policies of interest-rate manipulation played a direct role in creating?¹⁰ The answer is that in contemporary political culture and discourse the terms “free market,” “laissez faire,” and “capitalism” just *mean* – both to their opponents and to their putative advocates – a preference for relying on primary regulation largely unconstrained by secondary regulation. This discourse offers no means of so much as *referring* to a position that opposes primary regulation itself. So Bush's and Greenspan's sudden embrace of secondary regulation can only appear – to the average person, and *possibly* even to Bush and Greenspan themselves (who knows?) – as a departure from free-market policies previously favoured.

The invisibility of primary regulation likewise enables the “left cop, right cop” dynamic to maintain itself without the *necessity* of conscious deception on anyone's part. (Again, I am not denying the existence of such deception; I deny only that it is necessary or by itself sufficient.) Those who dislike the idea of government regulation and find the idea of a voluntary social order ethically or pragmatically superior will be drawn to the “free market” position – but when this position has been made indistinguishable from a support for primary regulation relatively unconstrained by secondary regulation, that is the cause in

¹⁰ Cf. Long 2008c.

which they will inadvertently enlist, and so they will end up as foot soldiers for the right or plutocratic wing of the ruling class. On the other hand, those who are repelled by the reality of corporate privilege and the suffering and inequity it entails will identify the “free market” as the primary culprit, and so will end up as foot soldiers for the left or statist wing of the ruling class. Thus dissent against any aspect of the system is channeled into support for the system as a whole, and political options lying outside the system are rendered both invisible and unsayable.

I’ve been discussing the means by which a particular form of state system – the corporatist system under which we live – maintains itself. But there are broader questions about how *any* form of state system maintains itself. What are the tasks that statist ideology needs to perform?

To begin with, state officials claim rights which they deny to their subjects, and enforce this claim by violence and the threat thereof. (Any organisation of which this was not true would lack the monopoly status essential to counting as a state.) As such conduct is *prima facie* at odds with ordinary standards of morality – particularly in cultures that reject doctrines of *inherent* inequality between rulers and ruled (such as the divine right of kings) – the violence of the state must be rendered invisible, in order to disguise the affront to human equality that it represents. It is not surprising, then, that statist so often treat “governmental edicts as though they were *incantations*, passing directly from decree to result, without the inconvenience of means.”¹¹

Cloaking state decrees and their violent implementation in the garb of incantation, and so ignoring the messy path from decree to result, accomplishes two purposes. First, as we’ve seen, it disguises the *immorality* of statism. But second, it also disguises the *inefficiency* of statism. There is a tendency within statist cultures to think, first, that enacting a governmental policy decreeing that X shall be the case automatically counts as doing something on behalf of X, and second, that *not* enacting a governmental policy decreeing that X shall be the case automatically counts as *not* doing something on behalf of X. This mindset, which obviously tends to promote statist over voluntary solutions to social problems, is strengthened by the incantational conception of state action.

¹¹ Long 2001.

Yet although on the one hand state violence needs to be rendered invisible in order to disguise its immorality and inefficiency, on the other hand its effectiveness depends precisely on the state's subjects being *all too aware* of the appeal to violence backing up the state's edicts. How can these two demands be reconciled? As I've written elsewhere:

[S]tatism can maintain its plausibility only by implicitly projecting a kind of grotesque parody of the Catholic doctrine of transubstantiation: just as bread and wine must be transformed in their *essence* into the body and blood of Christ in order to play their necessary spiritual role, whilst at the same time they must retain the external *accidents* of bread and wine in order to play their necessary practical role, so the violence of the state, to be justified, must be transubstantiated in its essence into peaceful incantation, yet at the same time, to be effective, it must retain the external accidents of violence. (This *sacralization of state violence* explains how proponents of gun control, for example, can regard themselves as opponents of violence whilst at the same time threatening massive and systematic violence against peaceful citizens.)¹²

Moreover, even the state's use of violence itself gets its effectiveness exaggerated by the incantational model; there is a tendency to forbear from innocent illegality on the assumption that the state's decreeing that such activity is to be punished means that such activity really *will* be punished – even though most illegality, innocent or otherwise, escapes state punishment entirely.

But how – by what means – is this ideological mystification achieved, if we wish to avoid explanations appealing *solely* to intentional indoctrination? How does something quite simple and straightforward – some people constraining the life options of other people by systematically threatening violence against them – take on this aura of incantation and transubstantiation?

Here I suspect the chief culprit is simply the common human desire to avoid facing a conflict between what one takes to be pragmatically necessary and what one takes to be morally right. Most people, most of the time, deal with one another according to libertarian principles; in day to day life we generally do not rob our neighbours, impose our ideas of personal morality on them, tell them where we will permit them to shop or what we will permit them to read, or otherwise conscript them into our projects. But the state, as a territorial monopoly with taxing power, necessarily violates this everyday libertarian morality. On the other hand, if we believe the state to be necessary, we will

¹² *Ibid.*

be reluctant to accept the straightforward application of our morality to the actions of our rulers. The desire to justify coercion that everyday morality would ordinarily condemn – to convince ourselves that *this* theft is not really theft, that *this* murder is not really murder – lies at the root of a wide variety of political myths: myths of racial and gender inferiority, myths of a collective mystical social body, myths of democratic legitimation, myths of punishment for imagined offenses, and myths of “social contracts” to which no one has actually consented. (The “social contract” has indeed the same transubstantiation character as state incantations do; it purports to convey all the spiritual effects of actual consent without the inconvenience of having to achieve such consent in physical reality.)¹³

But if the incantational/transubstantiation justification of state violence depends on the need to reconcile the putative necessity of the state with the morality that would condemn it, this only pushes the question still further back: whence this belief in the necessity of the state? Every service for which the state is supposedly needed has been successfully supplied historically by nonviolent, voluntary means; indeed, even when the services *are* officially state-provided, the state’s role is generally parasitic on, rather than a substitute for, normal nonviolent provision.¹⁴ So what – apart from intentional indoctrination, which we’re putting aside – creates the illusion of the state’s necessity?

I think part of the answer is Hayek’s: the illusion of constructivist rationalism.¹⁵ Order is one of the cues whereby we recognise the presence of intention, and so we are easily led to the assumption that conscious purpose is required wherever we find order. (This is the same dynamic that drives creationism.) The problem with invisible hands is that they are, well, invisible.

¹³ Cf. Long 1995; Johnson 2007a.

¹⁴ “[A]n anarchist society, a society which organises itself without authority, is always in existence, like a seed beneath the snow, buried under the weight of the state and its bureaucracy, capitalism and its waste, privilege and its injustices, nationalism and its suicidal loyalties, religious differences and their superstitious separatism. ... [F]ar from being a speculative vision of a future society, [anarchism] is a description of a mode of human organisation, rooted in the experience of everyday life, which operates side by side with, and in spite of, the dominant authoritarian trends of our society.” (Ward [1973] 1992, p. 14; cf. Beito 2000; Bell 1992; Benson 1990; Stringham 2007; Wooldridge 1970.)

¹⁵ Hayek 1948, 1973, 1979.

Another part of the answer is our own long childhoods. Smarter organisms have a greater ability to learn, and hence a higher learning-to-instinct ratio (since having one pattern of behaviour hardwired interferes with one's ability to acquire another). Hence smarter organisms have fewer instincts, and so need more time to learn, and hence require longer childhoods – i.e., a longer period of relative helplessness during which they require protection and training from their parents. The result is that the most intelligent organisms necessarily begin life with the greatest reliance on paternalistic authority and so are especially susceptible to nostalgia for it.

A third part of the answer is Bastiat's distinction between the "seen" and the "not seen." Since a large part of the case for a voluntary social order is based on what the state *prevents* rather than on what it causes, much of what libertarians and anarchists must appeal to will in the nature of the case be invisible.

Finally there is a tempting mistake analysed by Wittgenstein. Again, as I've written elsewhere:

The opponent of anarchy has ... fallen into the same error as the one Wittgenstein diagnoses in his rule-following paradox: the error of supposing the possibility, and/or the necessity, of a self-applying rule. Just as one may initially be thrown into intellectual vertigo by the failure to locate some mental item that all by itself guarantees its own meaning regardless of how one goes about applying it in practice, so the opponent of anarchy is thrown into vertigo at the thought of a legal system lacking any component that all by itself guarantees social order regardless of how it is applied by human agents. Just as it's tempting to think that my grasp of a rule is something independent of my actions, something that *makes* me behave in a certain way, so it's equally tempting to think that a society's legal system is something external to that society that *makes* it orderly.¹⁶

The metaphysical illusion ... is the habit of thinking of constitutional restraints (checks and balances, separation of powers, etc.) as though these structures existed *in their own right*, as external limitations on society as a whole. but in fact those structures exist only insofar as they are continually *maintained* in existence by human agents acting in certain systematic ways. A constitution is not some impersonal, miraculously self-enforcing robot. It's an ongoing pattern of behavior, and it persists only so long as human agents continue to conform to that pattern in their action.¹⁷

¹⁶ Long 2006, pp. 44-45; cf. Long 2010.

¹⁷ Long 2008a, p. 140.

I've offered a number of suggestions as to the spontaneous-order mechanisms whereby state systems in general and corporatist ones in particular maintain themselves. Do these explanations provide any basis for strategies of resistance?

I think so. Anarchism is the only political philosophy that does not require for its implementation the seizure of the state apparatus by either electoral or revolutionary means – since the point is to withdraw popular support from the state, not to put new personnel in charge of it. It makes more sense to use voluntarist means to combat the state than to use governmental means to combat the state; after all, voluntary exchange is the arena of benign spontaneous order, which we might as well have on our side. In the words of Paul Goodman: “A free society cannot be the substitution of a ‘new order’ for the old order; it is the extension of spheres of free action until they make up most of social life.”¹⁸ Or as Gustav Landauer puts it: “The state is a relationship between human beings, a way by which people relate to one another; and one destroys it by entering into other relationships, by behaving differently to one another.”¹⁹ Hence the first task of the libertarian must be counter-economics (i.e., roughly, building alternative institutions to displace the state) rather than electoral politics.²⁰

Moreover, since the existing patterns of activity are sustained by conceptual frameworks that render crucial information invisible, the second task of the libertarian must be education, and specifically education that draws attention to the invisible. Recall the experimental subjects described by Kuhn, who at brief exposures unhesitatingly classified anomalous cards as normal, and at slightly longer exposures recognised the presence of anomaly but could not make sense of it (identifying red spades as black spades with red borders, for example). Happily this was not the whole story. While some subjects were indeed “never able to make the requisite adjustment of their categories,” this result was not typical. Instead:

Further increase of exposure resulted in still more hesitation and confusion until finally, and sometimes quite suddenly, most subjects would produce the correct

¹⁸ Quoted in Ward [1973] 1992, p. 14.

¹⁹ “Weak Statesmen, Weaker People,” *Der Sozialist*, 1910; quoted in Graham 2005, p. 165.

²⁰ Konkin 1980.

identification without hesitation. Moreover, after doing this with two or three of the anomalous cards, they would have little further difficulty with the others.²¹

Hence what is rendered invisible by a dominant conceptual framework *can* become visible if attention is drawn to it with sufficient frequency.

How well have libertarians done on these two tasks? I would say that the approach recommended here remains a minority position within the movement, albeit a growing one. With regard to the first task, too many libertarians continue to place a heavier focus on electoral politics than on direct action and building alternative institutions. With regard to the second task, too many libertarians continue to cling to minarchism rather than anarchism, thus helping to reinforce the state system in general; furthermore, too many libertarians likewise continue to cling to an oppositional picture of the relationship between big business and big government, thus helping to reinforce the corporatist state system in general. Every time a free-market libertarian goes into Randian mode, singing the praises of Walmart or Microsoft – to name two especially egregious beneficiaries of state privilege – the effect is to augment the corporatist system through its plutocratic wing. (Likewise, every time a social anarchist goes into Chomskyan mode and defends the state as a bulwark against corporate power and a rapacious “free market,” the effect is to augment the corporatist system through its statocratic wing. Indeed, those of us on the libertarian left²² tend to be categorised by our ideological neighbours in much the same way that Bruner and Postman’s subjects categorised the anomalous cards, forcing the unfamiliar to fit into more familiar boxes; thus we are frequently denounced as anti-market socialists by right-wing libertarians, and as apologists for capitalist bosses by social anarchists.)

But such libertarian failures are actually good news. What they mean is that there is more reason for optimism than there might initially seem to be. It’s not as though we’ve been using our most powerful weapons against statism and still getting our butts kicked. It is rather that our most powerful weapons have remained largely in reserve.

²¹ Kuhn, *op. cit.*, p. 63.

²² I refer to the range of positions associated originally with Rothbard’s 1960s *Left & Right* (and the early years of *Libertarian Forum*), Konkin’s 1970s Movement of the Libertarian Left, and more recently the MLL’s Konkin-and-Carson-influenced successor, the current Alliance of the Libertarian Left (**all-left.net**), and not to the distinct neo-Georgist position lately defended under the “left-libertarian” label by Peter Vallentyne, Hillel Steiner, and Michael Otsuka.

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