

GROUNDING POLITICAL DEBATE

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I. Introduction

THIS ESSAY IS INTENTIONALLY ONE-SIDED. Almost all other essays by either defenders of capitalism (libertarians) or defenders of government (statists) are oppositely one-sided. They claim that capitalism's voluntariness or government's coerciveness mean that capitalism or government better fosters such things as art, happiness, education, jobs and world peace, and never much emphasise factors that may undermine their commentary. This essay emphasises the mitigating factors that others gloss over.

Arguments about the advantages or disadvantages of capitalism or government dominate political debate. This essay contends that these arguments, when they are not just about their author's feelings, are usually incorrect or misleading. They often use value-judgments on behalf of others, disguised by false measures of happiness invented from economic data or surveys, and then applied across demographics and time. Another common error is to talk only of the positive side of something and ignore the negative. Libertarians spot these errors in statist, yet often do not hold themselves to the same standard.

This essay hints that capitalism has a legal (as distinct from legislative) basis and that government does not.¹ But this is not the essay's focus—

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¹ Those interested in this, and what I mean by distinguishing law from legislation, should read Murray Rothbard's *The Ethics of Liberty* (New York and London: NYU Press, 2002); Hans-Hermann Hoppe's *A Theory of Socialism and Capitalism* (Boston/Dordrecht/London: Kluwer Academic Publishers, 1989), especially ch. 7; N. Stephan Kinsella, "Legislation and the Discovery of Law in a Free Society," *The Journal of Libertarian Studies*, vol. 11, no. 2 (Summer 1995), pp. 132–81; and Bruno Leoni, *Freedom and the Law* (Indianapolis: Liberty Fund, 1991). All the titles in this footnote, and in most of the others, are available free online.

although section IV and section VI do go a long way towards explaining it. The essay is limited to clearing away certain concerns about happiness and usefulness that cloud, distract and mislead debate on the law.

II. Happiness is Subjective

An individual might know if he is happier than he was or what he would prefer to strive towards, but there is no valid way to ascertain this for other people, as there is no unit of measure for happiness. Consider the phrases, “Do you know what I’m thinking?” and “How much do you love me?” People ask them, when sincerely, because they do not know the answer. And love, like happiness, is subjective. What unit is love measured in? Would different people define, appraise and measure it in the same way?

What pleases one person may upset another. It could be argued that most philosophies and lifestyles support capitalism, but it is a bit rich to claim that they all do. Robert Spillane has personally and illustratively shown that people live heroically, rationally, cynically, stoically, religiously, politically, mindedly, sceptically, romantically, naturally, existentially or in many other ways.² Some of us live in many of these ways at the same time and change occasionally, often or erratically. And there are many different ways the above categories can be lived under. To show the relevance of this to the essay, try answering these questions: Would the hero prefer capitalism to feudal monarchy? What reason for preferring it would the stoic give?

Even if someone’s belief is erroneous, their belief, being the topic of discussion, cannot be corrected without defeating the whole exercise. And, as we shall see, it is not only from ignorance that capitalism might, in certain situations, be considered unfavourable.

Not everyone cares for freedom. Many try³ to give up on it by being obedient; they prefer following instructions or expectations to questioning them.⁴ Others consider happiness an entitlement of their existence and play the victim. Despite fallacious reasoning, they are often rewarded with government handouts, among other things, so often they do benefit.⁵

² Robert Spillane, *An Eye for An I* (Melbourne, Aus.: Michelle Anderson Publishing, 2007).

³ Voluntary slavery is oxymoronic, but to act as if one is a slave is possible and often self-fulfilling.

⁴ See, for example, Wyndham Lewis, *The Art of Being Ruled*, ed. Reed Way Dasenbrock (Santa Rosa, CA: Black Sparrow Press, 1989), e.g., pp. 130, 131, 132, 148, 149, 151, 357.

⁵ The existence of the psychiatric profession is further proof, since it is based on fallacious reasoning that leads to all sorts of benefits granted by government. On the

What makes people happy is highly varied and impossible to know, let alone measure. Below, more errors of happiness analysis and its application are addressed.⁶

III. Happiness is Unusable in Comparative Historical Analysis

The addition of time to an investigation into relative happiness provides a further impasse to arguing for changes in happiness-levels. As Wyndham Lewis said, “Could you penetrate the distant future ... you would behold the same world, but one storey up, still perspiring, fighting and fuming to give actuality to the existence of the next-storey-up.”⁷ Similarly, Max Stirner correctly predicted, “The men of the future will yet fight their way to many a liberty that we do not even miss.”⁸ Inversely, Robert Burton states, “when a thing has once been done, people think it easy; when the road is made, they forget how rough the way used to be.”⁹

What appeals to many people seems to be the thrill, novelty, routine, religion or morality of chasing something higher, further or faster. Other people might be just as happy living in a less technologically-advanced and capital-rich age, especially if they are unaware of what the future has in store. There are also those who claim to know what the future has in store and don’t like it, and therefore feel guilty that they have a higher standard of living that they now appreciate less than if they had a lower standard of living.

It cannot be demonstrated that anyone would be happier in a different time. What you thought would make you happy in the past might not have made you happy, or might not make you happy any more; or you might not have thought it would, but you might now, or in the future; and on it goes.

In the next section, further difficulties in analysing happiness through time are addressed.

relationship between utilitarianism and psychiatric tyranny, see the work of Thomas Szasz: especially *Faith in Freedom* (New Brunswick, NJ: Transaction Publishers, 2004), pp. 83–93.

⁶ See also, for further critique of utilitarian economics, Murray N. Rothbard, *The Ethics of Liberty*, pp. 201–14. And for further critique of utilitarianism, see Hans-Hermann Hoppe, *A Theory of Socialism and Capitalism*, esp. ch. 7 on utilitarian ethics.

⁷ Wyndham Lewis, *Time and Western Man*, ed. Paul Edwards (Santa Rosa, CA: Black Sparrow Press, 1993), p. 427; see also pp. 218, 219, 223, 426.

⁸ Max Stirner, *Ego and Its Own*, trans. Steven Tracy Byington, ed. David Leopold (Cambridge, UK: Cambridge University Press, 1995), p. 114.

⁹ Robert Burton, *The Anatomy of Melancholy*, ed. Holbrook Jackson (NY: NYRB, 2001), p. 27. There is a reference to Lucius here, but I cannot determine whether it is quoting, paraphrasing or inspired by him.

IV. Utility *Ex Ante* and *Ex Post*

Just because people think they are going to benefit by a trade—which by definition they must, otherwise the trade would not take place (if a “trade” is forced it is theft)—it does not mean they benefit after it. This may seem obvious, but even those who acknowledge the distinction between utility *ex ante* (before trade) and *ex post* (after trade) often ignore it.

Ex post utility cannot be demonstrably proven, because it cannot be proven that expressions of *ex post* utility are not really evidence of acting, joking, lying or playing. But insincerity assumes rather than denies there is something to treat insincerely. Therefore, it is incorrect to talk of the beneficence of trade on the basis of *ex ante* utility alone.

In Murray Rothbard’s reconstruction of welfare economics he rightfully limits his analysis to *ex ante* utility.¹⁰ But more emphasis is needed, to avoid misunderstandings, on the fact that *ex ante* utility is only suitable for showing whether trade is voluntary, not whether it is beneficial.¹¹

It could be argued that when a trade takes place, since the *ex ante* benefits are achieved there is benefit in that respect. But this is just an additional line of reasoning that delays dealing with the fact that one’s idea of what is beneficial may have changed. To reason that *ex ante* utility fulfillment does result in happiness is to assume that what makes one happy remains constant, rather than often changing. It is to assume that people are all-knowing or at least competent, rather than constantly making mistakes and regretting their actions. If one is trying to be scientific and not impute any value-judgments, then one must neither assume that people know what is best for them, nor that anyone else does. There is no reason to blindly assume that people are smart or competent. It seems to me that there are a great many more incompetent than competent people. Therefore, as it reads in the *Chuang Tzu*, “the good men under heaven are few and the bad men are many. Thus the benefits of sages to all under heaven are few and their harms to all under heaven are many.”¹² Perhaps, then, they shouldn’t be called sages.

¹⁰ Murray N. Rothbard, “Toward a Reconstruction of Utility and Welfare Economics,” in his *The Logic of Action One* (Cheltenham, UK: Edward Elgar Publishing, 1997), pp. 211–54.

¹¹ A similar application of this observation can be found in Walter Block, “Libertarianism and Libertinism,” *The Journal of Libertarian Studies*, vol. 11, no. 1 (Fall 1994), pp. 117–28.

¹² Chuang Tzu, *Wandering on the Way*, trans. Victor H. Mair (Honolulu: University of Hawai’i Press, 1998), p. 86.

As Nietzsche said, “to be unwilling to help can be nobler than that virtue which jumps to help.”¹³

Even allowing for the exemption of *ex post* utility from consideration, *ex ante* utility analysis still fails when it is used to show the benefits of trade rather than its consensual nature. This is so because *ex ante* utility analysis, when it is not used to determine consent, is misleadingly used as an imaginary construction of a situation with no historical setting. Whether capitalism is desirable is not just a question of whether we prefer it to government control; it is *also* a question of whether we prefer bothering with the extra—or different—effort, risk and uncertainty required to get rid of government programs and safeguard our liberties, especially when such ends are already compromised. It is analogous with ignoring bad debts and transaction costs when calculating profit.

We may willingly acquiesce to, and benefit from, what we do not consent to. For example, prisoners can help wardens imprison them without consenting to their imprisonment. They might think this method gives them a better chance of reprieve, improved treatment or a welcome opportunity to intimidate their fellow inmates. Such satisfaction cannot be compared with possible satisfaction in the outside world. Anyway, a benefit that one is deluded about still brings satisfaction, for satisfaction is subjective. Even if the end aimed at is impossible¹⁴ or becomes disliked later, it does not eliminate the possible satisfaction that may be experienced in trialing it, or failing to get there but believing it possible and likely. As Adam Smith said:

[H]appy contrivance of any production of art, [is] often ... more valued, than the very end for which it was intended; and ... the exact adjustment of the means for attaining any conveniency or pleasure, [is] frequently ... more regarded, than that very conveniency or pleasure, in the attainment of which their whole merit would seem to consist.¹⁵

¹³ Friedrich Nietzsche, *Thus Spoke Zarathustra*, trans. Walter Kaufmann (London: Penguin Books, 1978), p. 265.

¹⁴ Pure communism is an example, because no individual could do anything without violating communist principles, but communism could not survive unless individuals took into account their own preferences, but then it would not be pure communism. See Ludwig von Mises, *Economic Calculation in the Socialist Commonwealth*, trans. S. Adler (Auburn, Ala.: Mises Institute, 1995).

¹⁵ Adam Smith, *The Theory of Moral Sentiments*, ed. D.D. Raphael and A.L. Macfie (Indianapolis: Liberty Fund, 1982), pp. 179–80, IV.1.3. A perfect illustration is provided by a joke Freud tells, which can also be applied to “positive-thinking” types:

In the temple of Cracow the great Rabbi N. is sitting and praying with his disciples. All of a sudden he utters a cry and, when asked by his anxious

What was once merely a means to an end often becomes an end in itself, further marginalizing economic arguments, which are only applicable to, or favourable to capitalism with, more typical or traditionally defined ends. For example, the end can simply be the success of interventionist ideas, and many people are so committed to this that the supposed ends of the interventionist idea takes a backseat. Joseph Schumpeter understood this:

Political criticism cannot be met effectively by rational argument ... [T]he only success victorious defence can hope for is a change in the indictment ... For [many], it is the short-run view that counts ... and from the standpoint of individualist utilitarianism they are of course being perfectly rational if they feel like that.¹⁶

Ludwig von Mises realised the same, “Progress in the division of labour depends entirely on a realization of its advantages, that is, of its higher productivity.”¹⁷ Do monopolistic services really tend to produce an inferior quality product at higher cost than if there was competition to contend with?

disciples, pronounces: “The great Rabbi L. in Lemberg has just died.” The congregation goes into mourning for the departed. In the course of the next days anyone arriving from Lemberg is asked how the Rabbi died, what was the matter with him, but they know nothing about it, they left him in the best of health. It is finally established quite certainly that Rabbi L. in Lemberg did not die on the hour in which Rabbi N. had a telepathic sense of his death, for he is still alive. A stranger takes the opportunity to mock a disciple of the Cracow Rabbi. “Your Rabbi did make a fool of himself, didn’t he, that time he saw the Rabbi L. in Lemberg die? The man is still alive.” “No matter,” replied the disciple, “it was wonderful of him to gaze all the way from Cracow to Lemberg anyhow.”

From Sigmund Freud, *The Joke and Its Relation to the Unconscious*, trans. Joyce Crick (London: Penguin, 2002), p. 54. See also, for further examples of means, or what are generally considered to be means, becoming ends: H.L. Mencken, *Letters of H.L. Mencken*, ed. Guy J. Forgue (New York: Knopf, 1961), p. 188, where he says he argues, not to convince, but as an end in itself; Benito Pérez Galdós, *Nazarín*, trans. Jo Labanyi (OUP, 1993), p. 18, where the worse the means, the more the end is achieved; Gareth Garret, *Harangue (The Trees Said to the Bramble Come Reign Over Us)* (New York: E.P. Dutton & Company, 1927), p. 197, where the feeling of happiness is intentionally divorced from reality; and J. Fenimore Cooper, *The Monikins* (New York: Stringer and Townsend, 1855), pp. 98–99, where the anticipation of happiness is aimed at of itself and considered superior to the receipt of it. (Some of these are references to fiction, but fiction is generally more truthful and realistic than non-fiction.)

¹⁶ Joseph A. Schumpeter, *Capitalism, Socialism and Democracy* (New York: Harper Perennial, 1976), pp. 144–45.

¹⁷ Ludwig von Mises, *Socialism*, trans. J. Kahane (Indianapolis: Liberty Fund, 1981), p. 286; see also Joseph T. Salerno, “Ludwig von Mises as Social Rationalist,” *Review of Austrian Economics*, vol. 4, 1990, pp. 26–54, esp. pp. 49–53. An implicit corollary of Mises’s statement is that government rests on the acquiescence of the masses. More information on this is provided in the following footnote.

If so, wouldn't that mean that competitive enterprise should have out-competed government services?

If trade really were necessarily beneficial, then people would be aware of their perceived benefit—otherwise it would be no benefit at all (although it could be misidentified, as the next paragraph addresses)—and because government rests on the acquiescence of the masses, it would consequently disappear¹⁸—not that the argument from utility *ex ante* to the benefits of trade acknowledges that government, which relies on non-voluntary transactions, ever existed in the first place.

It is true that people can like something, but not realise that it is due to trade and the division of labour that such a thing is possible. But it still does not mean that trade is beneficial, for it may well be, when they discover their error, that their embarrassment and humiliation will outweigh anything else—maybe even the satisfaction the defender of trade might have felt in helping them to see the truth (not that satisfaction can be quantified and compared, anyway).

If people are not made to see that the market satisfies them better than government could, and it then leads them to support government (as said above, government relies in such support for its existence), and government then disadvantages them compared to if they understood the apparent goodness of the market and ceased supporting government, then it cannot be said that the market better satisfies people than government, for why else would they support government if they thought the opposite?

Ignorance is one answer, but it does not defend capitalism, for the educational/propagandistic activities favouring government have out-competed, or become a significant competitor to, educational/propagandistic activities favouring capitalism. There is much fuzziness in this, because capitalists often act against their own interests, as does government, either out of ignorance or lack of principle. Or because it is necessary for their function: for example, to survive capitalists often need government permission, and government needs taxes to function, which can only be collected by allowing capitalism some scope. Whether one side argues more at cross-purposes than the other would be a tough call to make.

¹⁸ For explanation of this important point, consult Albert Jay Nock, *Our Enemy, The State* (Caldwell, ID: Caxton Printers, 1946), p. 3; see also, for elaboration, Étienne de La Boétie, *The Politics of Obedience*, trans. Harry Kurz (Montreal: Black Rose Books, 1984), p. 46; David Hume, "Of the First Principles of Government," in his *Essays: Moral, Political, and Literary*, ed. Eugene F. Miller (Indianapolis: Liberty Fund, 1987), p. 32; Gustave LeBon, *The Crowd* (New Brunswick, NJ: Transaction Publishers, 1997), pp. 90, 92, 99; and Ludwig von Mises, *Human Action* (Auburn, Ala.: Mises Institute, 1998), pp. 189, 190, 859.

Therefore, even those who believe the capitalist system is beneficial must not believe it is beneficial when it leads to its compromise. So a defence of the benefits of capitalism by its defenders fails, even on its advocates.

Ludwig von Mises covered much of the same ground when he said:

Optimists hope that at least those nations which have in the past developed the capitalist market economy and its civilization will cling to this system in the future too ... It is vain to speculate about the outcome of the great ideological conflict between the principles of private ownership and public ownership, of individualism and totalitarianism, of freedom and authoritarian regimentation ... We have no knowledge whatever about the existence of agencies which would bestow final victory in this clash on those ideologies whose application will secure the preservation and further intensification of societal bonds and the improvement of mankind's material well-being. Nothing suggests the belief that progress toward more satisfactory conditions is inevitable or a relapse into very unsatisfactory conditions is impossible.¹⁹

Only by choosing facts partially can any tendency towards freedom or tyranny be discovered. Often libertarians will argue both that capitalism tends to satisfy people better than government and that government tends to enlarge itself. But they don't present these arguments alongside each other, for that would dampen them. They don't acknowledge sufficiently that value is subjective and that government exists and is popular.

More and mostly simpler examples of one-sided reasoning about the benefits of capitalism are addressed in the next section.

V. The Möbius Effect

A common philosophical error is to use a "tendentious selection"²⁰ of examples to defend and justify an argument. The purveyors of this error may not intend it, although they are guilty of being prematurely enthusiastic.²¹ The

¹⁹ Ludwig von Mises, *Human Action* (Auburn, Ala.: Mises Institute, 1998), pp. 856–57.

²⁰ David Stove, "The Columbus Argument," in his *Cricket versus Republicanism and Other Essays*, ed. James Franklin and R.J. Stove (Sydney, Aus.: Quakers Hill Press, 1995), pp. 58–62; see also James Fitzjames Stephen, *Liberty, Equality, Fraternity*, ed. Stuart D. Warner (Indianapolis: Liberty Fund, 1993), p. 4 ff.

²¹ Cf. Joseph A. Schumpeter, *Capitalism, Socialism and Democracy* (New York: Harper Perennial, 1976), p. 264: "Selective information, if in itself correct, is an attempt to lie by speaking the truth."

examples they list may be correct, but are partial, and often people even go so far as to consider such unrepresentative examples as proof of an axiom or tendency, without providing any further evidence or reasoning. The result of using a biased list of examples is a twisting of the facts. You end up with a very curious thing, like a Möbius strip.²²

The error has not gone unnoticed by libertarians, who often talk about “what is not seen” and “the forgotten man”,²³ which are more popularly considered (though not exhausted) under the rubrics of opportunity costs and unintended consequences. However, many libertarians have made the same mistake.²⁴

Libertarians often argue that if you forcibly take money off someone, they are then unable to put that money where they would have otherwise, and therefore they lose out, because where they would have put their money voluntarily is where they most wanted to put it. But it could just as easily be argued that they benefit, for one could say that what they had in mind for their now expropriated property was probably a silly thing anyway, and the theft prevents such a personalised consequence to the misuse of the resource. Now, this is a value-judgment, but so is the claim that people do know how to look after themselves, and I am not using it to justify force, only to agree with what many people discover after they have made a trade: that they shouldn’t have made it, or made the wrong one, or that it was not as beneficial as they thought it would be. This does not provide justification for government, but it does eliminate or compromise certain arguments in favour of the free market.

²² A Möbius strip is a length of paper joined in a loop with half a twist. It has only one edge and one face.

²³ See, respectively, Frédéric Bastiat, *Selected Essays in Political Economy*, trans. Seymour Cain, ed. George B. de Huszar (New York: Foundation for Economic Education, 2001), pp. 1–50; and William Graham Sumner, *What Social Classes Owe to Each Other* (Caldwell, ID: Caxton Printers, 1974), pp. 107–31.

²⁴ A blatant, eloquent and representative example is in F.A. Hayek, *The Constitution of Liberty* (Chicago: Gateway, 1972), p. 31:

We shall never get the benefits of freedom, never obtain those unforeseeable new developments for which it provides the opportunity, if it were not also granted where the uses made of it by some do not seem desirable. It is therefore no argument against individual freedom that it is frequently abused. Freedom necessarily means that many things will be done which we do not like. Our faith in freedom does not rest on the foreseeable results in particular circumstances but on the belief that it will, on balance, release more forces for the good than for the bad.

Surely, “on balance” is an attempt to quantify the unquantifiable. And why associate it with “faith”?

Libertarians necessarily argue—for how else are they to explain why Lysander Spooner and Ludwig von Mises are not household names?—that success in the marketplace of ideas is neither necessarily nor tendentially a sign of their truth or value. Yet they often claim there is no such thing as market failure, or superior government provision of goods that are valued, when the existence of government itself must be an example to the contrary.

Libertarians often list all the good, peaceful and civilised things that trade has made possible: improved medicines, educational facilities, hygiene and much more. But they never seem to emphasise things like improved availability of terrible newspapers, silly self-help guides and books against liberty. There is no greater threat to liberty than a free press.

Many libertarians criticise Karl Marx for his inconsistency in using capitalist means of distribution to communicate his ideas. Yet most of these same people claim that trade is or tends to be beneficial. Marx's own words are instructive:

[T]he Protective system in these days is conservative, while the Free Trade system works destructively. It breaks up old nationalities and carries antagonism of proletariat and bourgeoisie to the uppermost point. In a word, the Free Trade system hastens the Social Revolution. In this revolutionary sense alone, gentlemen, I am in favor of Free Trade.²⁵

Even if the “antagonism” Marx talks of is based on incorrect reasoning, it can still be antagonistic, as it was for the millions who suffered and died, in part due to capitalist distribution of Marxist writings. Trade, therefore, far from always leading to increased happiness, may lead to unhappiness. And if it sometimes may lead to unhappiness, there is no sense in saying that there is even a tendency towards increased happiness, as we are dealing with generalities and the presumption of free will.

To claim that there is a universal tendency for trade to affect happiness in a certain way is to make a deterministic argument where freedom and economics are nonsense. Some people might argue that there is a tendency which has not yet come to fruition, but how much longer than the entire span of human history, so far, will it take? Government can only come to exist after there is something to govern and tax, so voluntary transactions really have had longer than coercive ones for their tendency to better satisfy people to display itself.

²⁵ Karl Marx, “Speech on the Question of Free Trade,” in Karl Marx and Frederick Engels, *Collected Works*, vol. 6 (London: Lawrence & Wishart, 1976), p. 465.

One might object that although it is true that Marx used the market to spread his ideas, it was government or force that was used to implement them, and therefore it is in fact true that free trade leads to such values as peace. But to reason like this is to say that free trade is peace, which I agree with. But there is still the question of whether peace or trade now leads to peace or trade later, and so the objection fails. There is no reliable relationship whatsoever with peace or trade now and peace or trade later.

Another argument to the contrary tries to show that because peace or trade brings prosperity people are more inclined to not do anything to risk their losing it by engaging in war or other violent activity. But this implies that people actually understand the causes of their prosperity and that they avoid war and other violent relations accordingly. This is to consider the costs (including opportunity costs) of war as a determinant of its price (not that this “price” is purely voluntarily agreed upon). The argument also ignores the fact that in a prosperous society there is more to be jealous of.

Another point to be clarified is that despite the advocacy of violence in Marx’s writings, it is not a violation of law (I do not mean legislation) for them to be in one’s possession or to be aware of its content; for intention plays its part: what begins as the possession of a historical curiosity or attempt to understand the enemy, might later become a harbinger of violence.

For what it’s worth, Lord Acton agreed with Marx:

[The] idea that it is better to spare error and let it be free is the triumph of Liberalism. Conservatism tends to suppress error. Liberalism to treat it on equal terms ... If happiness is the end of society, then liberty is superfluous. It does not make men happy.²⁶

Acton’s comments exaggerate and generalise. I include them for two reasons: (1) they might be correct in particular circumstances; and (2) they display the opposite sentiment to, but same degree of overstatement as, most defenders of trade.

The answer of Ludwig von Mises to the statements of Marx and Acton is quite good:

It is true that all this straining and struggling to increase their standard of living does not make men any happier. Nevertheless, it is in the nature of man continually to strive for an improvement in his material condition. If he is forbidden the

²⁶ Lord Acton, *Essays in Religion, Politics, and Morality*, ed. J. Rufus Fears (Indianapolis: Liberty Fund, 1985), pp. 566 and 490–91.

satisfaction of this aspiration, he becomes dull and brutish. The masses will not listen to exhortations to be moderate and contented ... Now, whether it is good or bad, whether it receives the sanction of the moral censor or not, it is certain that men always strive for an improvement in their conditions and always will.²⁷

But this fails as a defence of capitalism, for there is nothing to stop people from striving—not attaining, but striving—for improvement through government.

To deal with a final issue that is often argued one-sidedly: capitalism might enable more cultural and learning opportunities, but there is reason to believe them to have the opposite effect, as Erik von Kühnelt-Leddihn observed:

It is true that a book used to cost during the Middle Ages the equivalent of two to five hundred dollars whereas [they] can [now] be bought [for] \$1.49 and even less. Libraries [in less capital-rich times] were the privileges of a very few. But on the other side people enjoyed books far more, and the purchase of a book was a greater event in life than today the acquisition of a Cadillac. Nowadays one walks nonchalantly into a bookstore, pushes two and a half dollars over a counter, reads the book and forgets it[,] sometimes in the suburban train.²⁸

Mises claimed, “Only nations committed to the principle of private property have risen above penury and produced science, art and literature.”²⁹ But was Voltaire’s France or Solzhenitsyn’s Russia committed to private property? Does tyranny dishearten or provoke? If John Bunyan were not unjustly imprisoned, would he still have written *The Pilgrim’s Progress*? As H.L. Mencken proposed, “all authors should be benefited by a [jail term], and ... all other men who devote themselves to telling humanity what [life] is all about.” He gives an example in support, “In manner and aspect Cosima [Richard Wagner’s wife] was far nearer a police sergeant than a sweetie, and life with her must have been comparable to going through an earthquake

²⁷ Ludwig von Mises, *Liberalism*, trans. Ralph Raico (San Francisco: Cobden Press, 1985), p. 190.

²⁸ Francis Stuart Campbell, pseudonym of Erik von Kühnelt-Leddihn, *The Menace of the Herd* (New York: Gordon Press, 1978), p. 86. And let us not forget the disadvantages of being educated: see, for example, Albert Jay Nock, *The Disadvantages of Being Educated and Other Essays* (Tampa, Florida: Hallberg Publishing Company, 1996), pp. 13–27.

²⁹ Ludwig von Mises, *Socialism* (Indianapolis: Liberty Fund, 1981), p. 533.

every day, or fleeing endlessly from a posse of lynchers, but the effect upon Wagner was superb.”³⁰

Quantity can decrease respect for quality. Efficiency can compound error. Peace and trade can lead to war. Tyranny can inspire immeasurable, incomparable and priceless ingenuity. Of course, bad things often lead to bad things too, so doing or preaching them is not preferable.

VI. Environmental Impact Statement

There are many criticisms of capitalism. No matter whether it is argued that capitalism is too tough or too lenient, government cannot logically be argued an improvement; for such arguments are ultimately statements about the goodness of the individuals involved, and since government consists of these same individuals the predicament cannot be escaped.

Libertarians generally counter these criticisms erroneously. They do not neutralise them by arguing that government could do no better for it consists of the same ignorant or evil people, but instead argue that the free market caters better to individual desires than government (or tends to). The sections above have shown how wrong this claim is.

Once these arguments against capitalism and in favour of government have been neutralised, it then illegitimatises the use of force to impose and fund (through taxation) government programs in the name of increased usefulness and happiness.

In addition to these advantages, avoiding arguments about usefulness and happiness, or using them negatively, has another advantage for libertarians. They provide themselves with the strongest defence—short of injuring or killing their accusers—against being derided as optimistic, uncritical, utopian or having an overgenerously positive view of man.

However, not every defender of capitalism will benefit. For example, some may choose not to advocate capitalism as passionately, some may have their reputation as a logical writer compromised, and on it goes.

I *vouch* only for the truth of this essay. But even if the essay were not logically correct, its immeasurably negative *feeling* towards happiness studies cannot be ignored by its practitioners, according to their own beliefs.

I do *hope* it will please everyone, although I admit enjoying heckling the ignorant, the incompetent and the wicked. I also hope this essay will

³⁰ H.L. Mencken, *A Second Mencken Chrestomathy*, ed. Terry Teachout (New York: Alfred A. Knopf, 1995), p. 341–42.

encourage more focus on the fact that capitalism is voluntary and government is coercive, and what this means in terms of justice now that value-judgments on behalf of others are invalidated.