

THE MISSING LINK
OR:
DEVELOPING AUSTRIAN ECONOMICS
INTO AUSTRIAN ETHICS.
AN OUTLINE¹

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self-ownership.net

Abstract

The works of Rothbard and Hoppe can be understood as an evolution of the Austrian School from rational economics² to rationally justified ethics, which in turn would make up the logically complete foundation of economics. The structure of this intellectual edifice is outlined in a condensed way and the already elaborated complementary third axiom³ will be further developed.

A stringent, consistent and factually accurate representation of the human condition is found in the new formula which is: the autonomous equal

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As an outline, this paper does not provide explanations or defense of controversial views. For these, if not otherwise noted the reader is particularly referred to the following treatises: von Mises: Human Action; Rothbard: Man, Economy, and State; Ethics of Liberty, with an introduction by Hoppe; Hoppe: The Economics and Ethics of Private Property, which I will refer to in reworded passages.

² Mises: Theory and History, p. 271: "The very fact of valuing is a thymological phenomenon. But praxeology and economics do not deal with the thymological aspects of valuation. Their theme is acting in accordance with the choices made by the actor. [. . .] It [praxeology] is neutral with regard to the factors that determine the choice and does not arrogate to itself the competence to examine, to revise, or to correct the judgements of value. It is *wertfrei*." Original italics.

³ Preusse: The Third Axiom, or A Logic of Liberty. On the Structure of Ethics and Economics as One Unified Aprioristic Science.

rank of self-owning bearers of the right to value⁴. By depicting the ‘dignity’ of humans, i.e. their position, this representation can replace the vaguely phrased appellative term ‘equality’ of humans as such by the short formula of the human rank.

This is the mirror-image equivalent of deconstructing the overloaded and consequently vague term freedom into a simple definition. Simultaneously, it bases the desideratum of freedom on the solid deduction of the given of self-ownership from the self-evident axioms of action, variety, and human rank.

Further need for clarification is shown with regard to the axiomatic character of autonomous equal rank of self-owning bearers of the right to value. Also addressed is its relationship to the demand that all ethical maxims be universalizable.

The limited scope of even this expanded ethical theory is shown.

The Background

PROBABLY NO OTHER WORD has been so over-utilized in public dialogue as that of freedom. Can terms as diverse as national freedom, freedom from want and freedom as necessity be considered as one concept? Is it possible to create a clearly comprehensible core concept, devoid of any adjectives, from often seemingly bi- or tripolar terms such as economic, political and individual freedom?

Even in the Austrian tradition, when discussing freedom, differences in meaning exist which are far greater than just nuances; nuances that are essentially about the more or less successful intellectual vanquishing of the state. However, in the history of libertarian thought, freedom or liberty⁵ is the central identity-establishing concept from which it gets its name.

This contrasts with the concept of equality, which, outside the libertarian tradition, is understood as being almost synonymous with justice, sanctified with the glory of

⁴ Since *italics* will be used from page 8 onwards to indicate terms defined in this paper, I am using s p a c i n g as emphasis. Underlining indicates the introduction of each definition. See footnote 28.

⁵ Translator’s note: As there is only one word in German (Freiheit) for liberty and freedom, no distinction in meaning between the two is made in this paper.

being an ethical essential⁶, and, in case of doubt, usually trumps freedom. The sacrosanct status of equality with the disastrous equation of inequality and iniquity on the one side corresponds to the taboo of equality and a biased emphasis of inequality on the other, the Austrian side⁷. It has limited itself to busting the taboo of its statist-socialist opponent, but thereby has ignored the question of the extent to which humans as such are somehow 'equal' after all. Although the Austrian School postulates equality before the law, it foregoes theoretically illustrating the scope of the concept of equality. I believe this is, beyond the position of statist interests, one of the reasons for the relatively low acceptance rate of its ideas in intellectual and semi-intellectual circles: the many feel included by egalitarian socialism, but excluded from elitist libertarianism, while a numerous self-styled elite enjoys itself in subordinate rulership, legitimized by egalitarian ideology.

The Stage

What can one do if almost all words describe skewed, vague concepts, which seem to get twisted between mouth and ear as if by a dysfunctional auto-correction device? The only helpful thing to do is to develop, and work on the basis of, explicit fundamental assumptions, which are a priori self-evident, verifiable, without contradiction, and universally applicable. Whatever is constructed on this foundation must adhere closely to strict logic, rather than being tortuously adjusted to convention and special interests.

This paper does not deal with empirical evidence and history; rather, it is solely about an a priori axiomatic-deductive foundation, unchangingly valid always and everywhere; the foundation, namely, of both economics, as formulated in particular by Ludwig von Mises, and of rational ethics, into which Rothbard and Hoppe later strived to develop it, particularly by introducing argumentation ethics⁸.

⁶ de Jasay: Political Philosophy, Cleary. pp. 119-138

⁷ Pertinent to the claim of novelty, I have in a peer review been made aware of John Locke describing equality in a libertarian sense; in his Second Treatise of Civil Government, Chap II, Of the State of Nature, dated 1690, John Locke states that men of the same species and rank live in a natural state of perfect freedom and equality with the same advantages of nature and the same faculties. I cannot understand this as compatible with the axiom of variety.

⁸ An excellent overview can be found in Kinsella: Argumentation Ethics and Liberty: A Concise Guide.

This is a single and identical foundation of economics and ethics; I would even like to suggest that, contrary to the development over time of economics as praxeology into rational ethics, it is in fact the complete edifice of legal or duty-ethics that constitutes the entire foundation of economics. Economics and ethics do not then appear as two separate sciences resting on one common foundation, and certainly not on two different foundations. Rather, all ethics constitute the foundation of economics. In other words, economics then would turn out to be just applied ethics.

Here, too, it seems to me that a clarification of terms and an unambiguous use of language is necessary⁹, inasmuch as even within the Austrian School the terms ‘morals’ and ‘ethics’ are not always sharply discriminated.¹⁰ I use the terms in the following way:

Ethics¹¹ is concerned with interpersonal interaction. It poses and answers the question of legitimacy, and establishes norms¹², namely the non-aggression-principle and private property, that are without alternative, given the rational nature of human beings and the affirmation of the will to life. The method and form of ethics is cognition, its statements are is-statements, and it is concerned with objective matters of consent and coercion.

⁹ de Jasay: Justice and its Surroundings, p. vi: “If ‘a thing is what it is, and not something else’—a safe enough proposition—we ought not to call it by something else’s name or describe it by something else’s defining characteristics. [. . .] It seems to me that by promoting clear thought, however, one would be doing a greater service to the good society than by promoting good principles.”

¹⁰ e.g. Hoppe: The Economics and Ethics of Private Property, p. 316: “Yet the universalization principle only provides one with a purely formal criterion for morality”. See also footnote 18 there: Habermas: Moralbewusstsein und kommunikatives Handeln. [Moral consciousness and communicative action.] Alike in Rothbard: Ethics of Liberty, p. 24: „But what may be the moral or immoral ways of exercising that right is a question of personal ethics [. . .]” (Emphasis added, see footnote 4.)

¹¹ The term ethics is confined here to what may be called legal ethics or ethics of duty; what lies beyond may be characterized as love-ethics or ethics of compassion on the one hand; this is difficult to distinguish from morals in that the potential reach of compassion and the degree of compassionate action is basically unlimited. On the other hand, one’s disposition and dealing with truth vs. self-interest is an ethical category that may not fully be included in ethics of duty and love. For duty and compassion, Schopenhauer in his *Über die Grundlage der Moral (On the Basis of Morality)* gives the Latin quote *Neminem laede, imo omnes, quantum potes, juva* (Harm no one, but help all as you can), while truth-ethics is represented by the motto he chose for this brilliant piece of philosophy: *vitam impendere vero* (devote one’s life to truth).

¹² Regarding norm and convention see Hoppe: The Science of Human Action.

Morals are concerned primarily with intrapersonal value hierarchies, but also with those conveyed within a society. Moral claims are conventional, that is they have alternatives and usually differ from one culture, ethnicity, or group to another in many respects and change over time. Instead of being universalizable, they may motivate a differentiation between “we” and “them”. Their subject is the will, they are subjective, arbitrary, conventional and potentially, but not necessarily ethical. Their statements are ought-statements about what is regarded as good and evil.

Economics analyses the interpersonal relationships of people striving to overcome scarcity of any material or immaterial good at any level. Methodologically individualistic and rationalistic, economics poses and answers the question of how goals can be attained. In the process of doing this, it finds that only what is ethically legitimate is also economically effective¹³, in short: *aggression* does not pay.

Ever since Ludwig von Mises the requirement of deductive logic has been a core element of Austrian epistemology.¹⁴ However, astonishingly enough, the logical structure as such of Austro-libertarian thought has never, as far as I know, been explained: which are the axioms, what is deduced in which way from which axiom or axioms using which definitions?¹⁵ Allow me to attempt this in all due brevity and without undue simplification though without aspirations to formalization¹⁶, after which I will develop, on that basis, a meaningful concept of equality. I choose to

¹³ Hoppe: The Economics and Ethics of Private Property, p. 332: „According to political economy, the most efficient means of alleviating, if not overcoming, scarcity is the institution of private property.“ *ibid* p. 333: „[. . .] the institution of private property [. . .] is just—in fact [. . .] only this institution is just and [. . .] any deviation from it is not only economically inefficient but unethical as well.“

¹⁴ von Mises: Nationalökonomie, p. 17: „[W]ir denken das, was im Begriffe des Handelns steckt, bis ans Ende und entfalten aus ihm alles, was er enthält.“ (“[. . .] we will think through to its end the meaning of the term action and will reveal everything contained in it.”) Although in the corresponding passage in ‘Human Action’, ‘The Formal and Aprioristic Character of Praxeology’, von Mises speaks of ‘fundamental logical relations’ (p.34), he does not explain them.

Hoppe: Introduction to Rothbard: The Ethics of Liberty, xxvii.

¹⁵ see also Preusse: The Third Axiom, in particular footnote 20 there

¹⁶ In many, perhaps not all respects the challenge of formal logic may be missed. While there is much talk of logic and deduction in Austro-Libertarian accounts, I am not convinced that all arguments pass the scrutiny of formal logic. What we seem to have instead is some form of complex conceptual explication, which may well be rational and defensible to some extent, but not necessarily logically complete. In the cases of self-ownership and free will, e.g., I quoted what was presented as a deduction. In addition I strived to build a broader axiomatic basis for a successful deduction of self-ownership.

preserve this historically evolved order of appearance of the axiomatic structure; however, the quest for an accountable way of deduction of what had so far rather been an intuition revealed that what comes last in designating the structure of axioms in the Austrian School, namely the axiom of the human rank, is essentially involved in the very first deduction on the present author's path through that space of thought, which happens to be the deduction of self-ownership. It goes without saying that ownership must be rationally determined before one can expect to deduce self-ownership. It turns out that the third axiom of the autonomous interpersonally equal rank of the right to value is implied even in the more basic concept of ownership itself. So more or less the story has to be understood from its end.

This paper is based on the theoretical writings of von Mises, Rothbard, and Hoppe in particular, but also those of de Jasay; referring to these views, it can do without a thorough and complete elaboration of the indicated content in favour of a clear overview. It is not the objective of this essay to engage in arguments defending this against other possible views inside the Austrian School. Contrary to the historian of philosophy, however, I try to confine myself to using a limited set of strictly defined terms in order to gain solid ground for the sky scraping, if not heaven-assailing intellectual edifice of Austrian Economics and Rational Ethics, which, in another common metaphor, claims to be gulf-bridging¹⁷. This self-restraint seems to be imperative since, e.g., even a central notion like action, defined in the very first line of von Mises' *opus magnum* as purposeful behavior, is heterogeneously taken to be an ultimate given¹⁸ and a category¹⁹ by von Mises or as an axiom²⁰ by Rothbard and followers—regardless of the fact that the phrasing of an “action axiom” is not to be found anywhere in von Mises' major writings²¹—, while Oliva Córdoba's piece of

¹⁷ Hoppe: *Economic Science and the Austrian Method*, p. 20: “Since it [an epistemology claiming the existence of true synthetic a priori propositions] is understood as grounded in categories of action, the gulf between the mental and the real, outside, physical world is bridged.”

¹⁸ von Mises: *Human Action*, p. 17: Human action [. . .] must be considered as an ultimate given [. . .]

¹⁹ von Mises: *Human Action*, p. 64: “The scope of praxeology is the explication of the category of human action. All that is needed for the deduction of all praxeological theorems is knowledge of the essence of human action.”

²⁰ Rothbard: *Preface to Mises, Theory and History*, p. xvi: “It is from this axiom, the fact of purposive human action, that all of economic theory is deduced.”

²¹ Hoppe, in his *Economic Science and the Austrian Method* (pp. 22, 61), most regrettably does not indicate where he found the quote from von Mises: “Economic propositions flow directly from our reflectively gained knowledge of action; and the status of these propositions as a priori true statements about something real is derived from our understanding of what Mises terms ‘the

formal logic “Getting Mises Apriorism Right” takes action just as a concept or a notion²².

The epistemic status of “Praxeology, the a priori science of human action”²³ as a whole, is controversial in many respects²⁴. Particularly the terms of analytic and synthetic a priori true propositions are antithetically applied to praxeology. Hoppe writes²⁵: “The characteristic mark of Kantian philosophy is the claim that true a priori synthetic propositions exist—and it is because Mises subscribes to this claim [no quotation given] that he can be called a Kantian. [. . .] According to Kant, mathematics and geometry provide examples of true a priori synthetic propositions.” Mises, on the other hand, presents the “concept of money” as an example of an a priori concept that implies “all the theorems of monetary theory” and states in his “Human Action”²⁶: “Aprioristic reasoning [. . .] cannot produce anything else but tautologies and analytic judgements. [. . .] All geometrical theorems are already implied in the axioms. The concept of a rectangular triangle already implies the theorem of Pythagoras. This theorem is a tautology, its deduction results in an analytic judgement.” It strikes me as conspicuous that this conflict of views regarding the analytic or synthetic status of geometry doesn’t seem to have drawn too much attention. Ambiguity of terms even in geometry is not an indication for their utility in praxeology. I do not explicitly take sides in this argument and appease myself with the words of the master: “Praxeology is a priori. All its theorems are products of deductive reasoning that starts from the category of action. The question whether the judgements of praxeology are to be called analytic or synthetic and whether or not its procedure is to be called ‘merely’ tautological is of verbal interest only.”²⁷ Be it the analytic or be it the synthetic way: Reasoning will never yield sensible and meaningful results in a purely formal way without “understanding”, however this is introduced by meaningful definitions or by material axioms, respectively.

axiom of action’.” The same applies to his Economics and Ethics of Private Property, p. 339: “He [Mises] calls this conceptual knowledge the “axiom of action” without a reference.

²² Oliva Córdoba: Getting Mises Apriorism Right, pp. 3- 4: “We must first turn to the core notions involved, i.e. the concept of *uneasiness* and the concept of *action*. [. . .] As was already emphasized, the notion of action is to be taken as comprising the notions of doing, believing and wanting.” Original italics.

²³ Mises: Theory and History, p. 309

²⁴ For an overview, see the introduction of Oliva Córdoba: Getting Mises Apriorism Right.

²⁵ Hoppe: Economic Science and the Austrian Method, p. 18. Emphasis added.

²⁶ Mises: Human Action, p. 38. Emphasis added.

²⁷ Mises: The Ultimate Foundation of Economic Science, p. 39

To illustrate the logical structure I use the following set of terms²⁸:

1. A *definition* is a proposition providing a short explanation for a denoted complex set of facts. It does not disclose hidden content matter of a term, and thus provides no insight.²⁹

2. A *material axiom* is an is-proposition that fulfils the following, to some extent overlapping, six requirements: first, it is self-evident in a reflective rather than an intuitive way. Second, a *material axiom* is basic, i.e., it describes a basic aspect of experience without presupposing complex concepts that tacitly imply additional unnamed preconditions. Third, it is a priori valid, i.e. it does not depend on historical and external experience. Fourth, it is irreducible, meaning it does not follow from another proposition. Fifth, it is universally, that is to say comprehensively, applicable and, sixth, it cannot be refuted without committing a performative contradiction.

I will disregard the experimental and playful concept of the axiom as a random and arbitrarily chosen starting point for a formal construct³⁰ as well as the meaning of an axiom as a fundamental postulate. It is in this latter sense that Rothbard later describes the *nonaggression* principle as an axiom, which is a clear ought-proposition.³¹ Instead, I will follow the earlier Rothbard, consistent with von Mises, who distinguished from these concepts by talking of the ‘category’: for him, human

²⁸ Concepts determined *axiomatically*, *deductively* and by *definition* are hereafter *italicized* in the main-text, but not in quotations, headings or footnotes.

²⁹ Popper: Die offene Gesellschaft, Band II, pp. 20 f.

³⁰ For a discussion of different concepts of a priori, particularly the conventionalist approach, cf. Machan: A Priori: A Brief Critical Survey.

³¹ Rothbard: For a New Liberty: “The libertarian creed rests upon one central axiom: that no man or group of men may aggress against the person or property of anyone else. This may be called the ‘nonaggression axiom.’” Emphasis added.

action is an ‘ultimate given’.³² Following Kant and Hoppe³³, the term of a *material axiom* appears to be appropriate to designate this specified concept of an axiom.

3. A *deduction* is a proposition drawn from the logical inference gained from applying one or more *axioms* on a particular situation.³⁴

Propositions compiled like this are, similar to those in mathematics, often superficially banal. However, they become explosive when they are combined and stringently applied. As in any *rational* communicative setting the concepts and notions do not stand in isolation but are imbedded in a multi-relational, thus quasi-spatial structure of the body of thought. Evaluation of the single aspect in the light of the whole and of the whole in light of the single aspects involved is necessary to see whether or not the *axioms* are essential, the *definitions* are operative and the *deductions* are stringent. Attempting to minimize, among other flaws, inconsistency, truism and circularity, I argue that one possible and intrinsically logical linear path through that space of thought therefore is the following:

The Sketch

The first material axiom: Rational action of choice

³² Rothbard: In Defense of ‘Extreme Apriorism’: “(1) it is a law of reality that is not conceivably falsifiable, and yet is empirically meaningful and true; (2) it rests on universal *inner* experience, and not simply on external experience, that is, its evidence is *reflective* rather than physical; and (3) it is clearly *a priori* to complex historical events.” Original italics.

von Mises: Human Action, p. 18: “As—at least under present conditions—it cannot be traced back to its causes, it must be considered as an ultimate given and must be studied as such.”

Hoppe: The Economics and Ethics of Private Property, p. 275: „Rather, what makes them [certain propositions] self-evident material axioms is the fact that no one can deny their validity without self-contradiction, for in attempting to deny them one already presupposes their validity.“

³³ Hoppe: Economic Science and the Austrian Method, p. 18: “First, how is the truth of such [synthetic] propositions derived, if formal logic is not sufficient and observations are unnecessary? Kant’s answer is that the truth follows from self-evident material axioms.”

³⁴ With reference to the action axiom only, Hoppe formulates in The Economics and Ethics of Private Property, p. 277f: „[. . .] all true economic theorems consist of (a) an understanding of the meaning of action, (b) a situation or situational change—assumed to be given or identified as being given—and described in terms of action-categories, and (c) a logical deduction of the consequences—again in terms of such categories—which are to result for an actor from this situation or situational change[. . .] Provided there is no flaw in the process of deduction, the conclusions which economic theorizing yields must be valid a priori.“

The fundamental *material axiom* of *rational human action of choice*, in short *action*, is the term for the rationing of scarce means for the attainment of ends.³⁵ “We find the concept of action within ourselves; as acting men we recognize the essence of action from a knowledge given to us prior to all experience.”³⁶ Thinking and *acting* are two aspects of the same *thing*, i.e. of the real, not just reflective, but also *active* relationship of *human beings* with the external world.³⁷ *Rational action* always means *a choice* between the mutually exclusive states of giving and taking, if need be via several intermediate goals instrumental to achieving a strategic end. This applies both to the external relationship of *trading* with others, as well as to the internal relationship of *exchanging* alternative uses of one’s *own* body-time³⁸ for this or that goal according to one’s inner hierarchy of *values*. Even today, the crucial difference between *human* and animal nature can be regarded to be the ability to think in terms of means and ends³⁹ and the monopoly of negation⁴⁰ that is attached to basic behavioral patterns and can superimpose and overarch them.

This theorem—*action* is *rationing* scarce means for the attainment of *chosen* ends—meets the formal requirements of a *material axiom*: It is an is-proposition that is (1) reflectively self-evident, (2) basic in itself and not dependent on complex concepts (3) a priori, (4) irreducible, (5) universally valid, and (6) irrefutable.

As mentioned above Ludwig von Mises did not use the term “axiom” to characterize the epistemic status of *human action*; in all of his major writings he uses the terms of

³⁵ von Mises: *Human Action*, p. 40.: “There is no mode of action thinkable in which means and ends or costs and proceeds cannot be clearly distinguished and precisely separated. There is nothing which only approximately or incompletely fits the economic category of an exchange. There are only exchange and nonexchange; and with regard to any exchange all the general theorems concerning exchanges are valid in their full rigidity and with all their implications.”

³⁶ von Mises: *Nationalökonomie*, p. 17; the axiomatic quality, though unnamed as such, is highlighted in the following passage p. 25: “We concede, it cannot be proved that my logic is fellow men’s and the only human logic in general, and that the categories of my action are the categories of fellow men’s and human’s action in general.” For Schopenhauer (*Über die vierfache Wurzel des Satzes vom zureichenden Grunde*, *On the Fourfold Root of the Principle of Sufficient Reason*) inner experience is the actual link of representation to will as the thing in itself; this “Weltknoten” [node of the world] allows for the most reliable insight ever achievable for man.

³⁷ *ibid.*

³⁸ Hoppe: *Democracy*, p. 10

³⁹ Papineau: *Die Evolution des Zweck-Mittel-Denkens*, p. 244

⁴⁰ Brandt: *Können Tiere denken?* p. 57

a category and an ultimate given.⁴¹ But what exactly is the ultimate given? In *Human Action*⁴² we read: “Concrete value judgements and definite actions are not open to further analysis. [. . .] [A]s long as we do not know how external facts—physical or physiological—produce in a human mind definite thoughts and volitions resulting in concrete acts, we have to face an insurmountable *methodological dualism*. [. . .] Human action [. . .] must be considered as an ultimate given and must be studied as such.” Should one even say: There are two ultimate givens in *human action*? 1. The *choice* of anything to be an ultimate end for an individual, more generally speaking: the *valuation* attached to different aspects and states of reality, and, 2. the human *rationality* that rations available means to *chosen* ends, viz., assumed causality associates *valuations* and volitions⁴³ and actually performed *action* and analyses the effects of *action* performed or considered. Praxeology deals with the role of *ratio* interacting with *value* and volition.

I could not find any unambiguous indication whether or not von Mises looks at the second element, *human rationality*, as an ultimate given in itself. At least it is abundantly clear that *rationality* is a necessary element of every *human action*: “Human action is necessarily always rational. The term ‘rational action’ is therefore pleonastic and must be rejected as such.”⁴⁴ Even more to the point one could say: *Human action of choice* includes the irrational ultimate given of *choice* of ends and the *rational* ultimate given of *action*; it is a rational *action* based on an irrational *choice*.⁴⁵ Praxeology deals with rationality in *action*, history with irrationality in *choice*.⁴⁶

⁴¹ It may be speculated that he wished to mark a distinct contrast to the notion of axioms in mathematics or conventionalist philosophy. cf. Machan: *A Priori: A Brief Critical Survey*.

⁴² von Mises: *Human Action*, p. 17. Emphasis added.

⁴³ According to Schopenhauer (*The World as Will and Representation*) volition is the primary entity that makes up our being; our valuations, then, would appear simply as representation of our will in what has evolutionarily become our human mind.

⁴⁴ von Mises: *Human Action*, p. 18. The alleged opposite of rational action, “irrational” action, is here characterized as a misleading judgement substituting the actors choices and valuations with an outside view. In this article I use the term in the pleonastic meaning to stress rationality in action.

⁴⁵ von Mises: *Theory and History*, p. 15: “Choosing means is a matter of reason, choosing ultimate ends a matter of the soul and the will.”

⁴⁶ von Mises: *Theory and History*, p. 49: “Utilitarianism [. . .] does not deal at all with ultimate ends and judgements of value. It invariably refers only to means.”

The first deduction: Self-ownership

Self-ownership meaning ownership of one's body precludes control from outside.

By whom can man be *owned*? In the following passages *ownership* will be *deduced* from the *axioms of action*, of *variety* and of *human rank*. *Ownership* or *property* means exclusive control of use, alteration, and disposal. Hence, to arrive at a stringent concept of *self-ownership*, two interrelated questions need to be answered: 1. Can man's *will* be controlled by anyone but himself? 2. Is man's *will* alienable?

First, to the extent that man is a *rational* being, he is an *acting* being, i.e. he rations his means, internal as well as external, to his ends; so even if, a., his ends were in foreign control by *legally* binding and successful alienation of his *will* and, b., all external means were not his *property*, he still and invariably is as a matter of fact the only *entity* to perform and control his inner means, be it organic or metaphysic. Hence, the first question is answered in the negative: man's *will* cannot be controlled but by himself.

Second, if by nothing else man's *will* is subject to change by changing organic conditions. So even if and as far as metaphysic means like intelligence and character were irrelevant or successfully alienated, organic changes still largely determine the *will*. Since you cannot dispose of and alienate what you do not factually have, future *will* is *inalienable*. It follows that man can command absolute control over his body's *resources* and can thus carry out his *own freely chosen actions*.⁴⁷

This being said it is virtually unnecessary to rebut concepts of collective *ownership* in a person⁴⁸ or concepts even more out of context⁴⁹. Foreign control through *ownership* being thus excluded, the negative thesis of *self-ownership* is stated.⁵⁰ But is positive *self-ownership* a stringent concept? This amounts to the question whether or not a person can be *owned* at all. Here I have to anticipate the *deduced* concept of *ownership* as a necessary prerequisite of the notion of *self-ownership*: By purposefully modifying resources found in nature they become the *property* of the *laborer*, i.e. *labor* enables exclusive control

⁴⁷ Hoppe: Eigentum, Anarchie und Staat, pp. 98 ff.

⁴⁸ Rothbard: The Ethics of Liberty, p. 45 and Introduction by Hoppe p. xvi

⁴⁹ Casey: Feser on Rothbard as a Philosopher, pp. 4-9, deals with a "list of other alternatives that, in his [Feser's] opinion, Rothbard should have considered but didn't. These are: (a) that no one owns anybody; (b) that God owns everyone; (c) that one class of people has a right to partial ownership of another class; (d) that everyone has partial or unequal ownership of everyone else."

⁵⁰ Casey: Can You Own Yourself? p.1

of use, alteration, and disposal. Applying this result of a *deduction* to the intellectually intricate and emotionally so tender loving relationship of the self to the self⁵¹, we find that, yes, each of us human beings can and does purposefully modify resources found in his nature, his muscles and ganglions, e.g., and yes, we all can and do exercise exclusive control of use, alteration and disposal of our bodies.

So man can be *owned*, and can be *owned* by himself only. Thus *self-ownership* epistemologically has the status of a *deduction* from the *action-axiom*, in that it is manifested in purposeful behavior. However, it is additionally a *deduction* from the *axiom of variety*, in that *action* at the same time presupposes and causes unequal distribution of resources, and even more so from the *axiom of the human rank*, which is required to avoid conflicts of *rational acting men*.

As *self-ownership* is not irreducible, it is not itself an *axiom*, as we often read, for example in Rothbard's work.⁵² On the other hand, we can read a passage in "For A New Liberty", e.g., as an allusion to the third *axiom of the human rank* to be a necessary element in the concept of *self-ownership*: "The right to self-ownership asserts the absolute right of each man, by virtue of his (or her) being a human being, to 'own' his or her own body, that is, to control that body free of coercive interference."⁵³

Hoppe argues that the very fact of arguing presupposes both *self-ownership* and *ownership* of scarce outer goods. An individual's body is "the *prototype* of a scarce

⁵¹ Personally I favor the approach of Arthur Schopenhauer's *The World as Will and Representation*, resulting in the will "owning" representation, except for the rare and hard to achieve bright moments for the few of liberated representation in arts and philosophy; this approach even includes purposeful disposal of the self, which is consistent with von Mises: *Human Action*, p. 19: "To live is for man the outcome of choice, of a judgement of value."

⁵² Rothbard: *The Ethics of Liberty*, p. 60: "[. . .] from the fundamental axiom of the natural right of every man to property in his self [. . .] libertarian theory deduces the absolute morality and justice of all current titles to property [. . .] The fundamental axiom of libertarian theory is that each person must be a self-owner [. . .]" Emphasis added. Idem earlier in *Man, Economy, and State*, p. 185, affirmatively quoting the "British political philosopher" Auberon Herbert: "[. . .] each human being forms with his or her body and mind a separate entity—from which we must conclude that the entities belong to themselves and not to each other." Emphasis added. I grant that the chicken-and-egg-problem can be seen from both sides and that human freely chosen action could be deducible from self-ownership; however, I prefer to follow the tradition of Austro-libertarian thinking and take 'the existence of human action' as '[T]he Fundamental Axiom (the nub of praxeology)' (Rothbard: *In Defence of 'Extreme Apriorism'*).

⁵³ Emphasis added. A "right to [. . .] a right" and to "'own' his or her own body" may be understood as indication of vague terms allowing for new ideas to shine through.

good for the use of which property rights, i.e., rights of exclusive ownership, somehow have to be established, in order to avoid clashes."⁵⁴

The first definition: Freedom

Instead of wanting to establish what the 'essence' and necessary conditions of *freedom* are, de Jasay simply postulates that the preliminary presumption of *freedom*⁵⁵ is to do anything achievable with one's *own resources*. Such *action* is legitimate as long as the utilized *resources* are *legally* obtained, and as long as the *action* does not either violate other people's *rights* or stop me from performing my *own duties*.⁵⁶ Then *freedom* can be *defined* negatively as the absence of arbitrary coercion⁵⁷, or, even more to the point: *Liberty is the state of non-aggression.*

The second definition: Aggression

In the sense of *definitions*, meaning short explanations, *aggression means infringement on property by other self-owners without contractual consent.*

The third definition: Contracts

A contract is a *voluntarily reached agreement on the transfer of rights and duties.*

The second deduction: Free will

In contrast to animal conduct *human action* is indicative of *free will* insofar as it can aim at ends by conscious interference with the causal chain of events, be it alleged or real, successful or vain.⁵⁸ The knowledge necessary for survival is not innate to humans; the simple fact that for this they have to use their intelligence, hence

⁵⁴ Hoppe: A Theory of Socialism and Capitalism, p. 9. Original italics.

⁵⁵ de Jasay: Political Philosophy, Clearly, p. 79: "The presumption [of liberty] springs, not from a moral consideration, but simply from the epistemology of validating a descriptive statement and the asymmetry between two ways of doing this, namely, verification and falsification."

⁵⁶ de Jasay: Against Politics, pp. 158 ff., idem: Justice and its Surroundings, p. vii: "If you needed a right to a freedom, it would not be a freedom."

⁵⁷ von Hayek: Die Verfassung der Freiheit, p. 14

⁵⁸ Mises: Theory and History, p. 179: "Free will means that man can aim at definite ends because he is familiar with some of the laws determining the flux of world affairs. There is a sphere within which man can choose between alternatives. He is not, like other animals, inevitably and irremediably subject to the operation of blind fate. He can, within definite narrow limits, divert events from the course they would take if left alone. He is an acting being. In this consists his superiority to mice and microbes, plants and stones. In this sense he applies the—perhaps inexpedient and misleading—term 'free will.'"

performing the *action* to use or more or less refrain from using available intelligence, proves, according to Rothbard, that they possess *free will* which goes beyond natural determinism⁵⁹ and which thus results *deductively* from the concept of *rational actions*. The most exact description of the sphere of *free will* is that of a fundamental *choice*, available only to *humans*, to *act rationally* or irrationally according to the *human* or animal aspects of their nature.⁶⁰

In both imagining an end and *choosing* the appropriate means man *acts* according to definite ideas he has mentally acquired. Developing ideas instead of just being driven by instincts is the core concept of *free will*. As Mises writes and elaborates in detail it is ideas that drive history. Hence, without *free will* history would be limited to natural evolution.⁶¹

The fourth definition: Rights

A *right* is the *rational affirmation of the status of ownership that the individual has with regard to his body and the products he has himself originally appropriated through labor and through the contractual exchange of titles.*

Thus every *right* is a *property right*,⁶² what is usually called ‘*property rights*’ in the plural is at core just this one *right*, which is sometimes made somewhat more complicated by complex *exchange* relations and complex share formations. For that reason one can speak of a primary or secondary *right*, but not of independent ‘*rights*’. Notionally any *right* is indicating nothing but a relationship of *ownership* or *property* that, first, passes the *prima-facie*-scrutiny of direct versus indirect, primary versus secondary and prior versus later control and, second, can rebut adversary *ownership* claims by demonstration of homesteading and *contractual* title transfer.

On the other hand, all positive right is purely declamatory and is supported by power and / or convention, which means it could and in fact permanently does vary. However, a positive right has no *rational-ethical* substance. Indeed, this ‘possibility

⁵⁹ Rothbard: *The Ethics of Liberty*, p. 31

⁶⁰ van Dun: *Argumentation Ethics*

⁶¹ Mises: *Theory and History*, p. 187-88: “It is ideas that distinguish man from other beings. Ideas engender social institutions, political changes, technological methods of production, and all that is called economic conditions. And in searching for their origin we inevitably come to a point at which all that can be asserted is that a man had an idea. [. . .] Ideas are the ultimate given of historical inquiry.”

⁶² Rothbard: *Man, Economy, and State*, pp. 1337 ff.

of being different anytime' is the only common denominator of positive rights. Probably any historical perspective makes this obvious; it even seems to be the very essence of history.⁶³

The fifth definition: Duty

Duty is labor owed under contract. Thus, a *contract* containing *duties* has an effect on the future. As the *will* cannot renounce itself, an ordered withdrawal from a *contractual duty* must be possible. Therefore, any *contract* of that kind entails, either explicitly or, via the *legal process*, implicitly, an alternative way of fulfilling an assumed *duty*, e.g. in the form of a transfer of *legal titles* in the case of non-compliance. This may go beyond simply annulling and reversing the transaction of the *contract*.

The sixth definition: Labor

Labor is purposeful activity to overcome a situation of scarcity. However, it is only a typical special case of *freely chosen action by humans* inasmuch as its purpose is to rectify, by *acting* in the present, either a current deficiency or one that is only concretely or potentially anticipated in the future.

The terminological proximity to *action*, expressed e.g. in the Romanic 'neg-otio', meaning 'non-leisure', may be responsible for a certain amount of confusion in the history of ideas: at some point Rothbard describes *labor*, or rather its inconvenience, as an axiom or postulate. In another instance the 'lesser', 'subsidiary postulate' of leisure as a consumption good, being 'actually empirical', is 'actually' no longer 'necessary'.⁶⁴ However, in his 'Nationalökonomie' of 1940, von Mises rejects the a

⁶³ For a short discussion of the Hohfeldian distinction of positive, i.e., trilaterally or socially conveyed right on the one hand and natural right establishing "latent or virtual ownership" on the other, see Casey: Can You Own Yourself?

⁶⁴ Rothbard: In Defense of 'Extreme Apriorism' (original italics, emphasis added): "praxeology contains one Fundamental Axiom—the axiom of *action*—which may be called *a priori*, and a few subsidiary postulates which are actually empirical." These are "(1) the most fundamental [hereof] —variety of resources, both natural and human[. . .]. (2) less important, that *leisure is a consumer good*[. . .]. (actually, only Postulate 1 is necessary)" [Two other postulates, indirect exchange and maximization of money profit, are simply introducing "limiting subdivisions into the analysis."]. By contrast, in the first German edition of his magnum opus (Nationalökonomie, p. 41 f), von Mises explicitly says that 'Arbeitsleid' (disutility of labor) 'ist nicht *a priori* einzusehen' ('is not a priori recognizable'); [wir] sehen, dass Menschen [. . .] für die Musse Opfer bringen, und leiten daraus ab, dass das Freisein von Arbeit als Gut angesehen wird und die Aufwendung

priori and therefore axiomatic character of the proposition of the disutility of *labor*. He ascertains that the praxeological experience of the disutility of *labor* always presupposes the a priori theory of *action* and not vice versa.⁶⁵

The second material axiom: The variety of resources

The *resources* found naturally in our *own* bodies and in our environment are scarce and *unevenly distributed*. All such known and accessible *resources* of the external world are already *property* of the first users and their *legal* successors. New *resources* can be created by making previously inaccessible ones accessible, or when previously unused attributes are made usable – be it of *freely* available *things* or those that have been transferred *contractually* into *ownership*.

This proposition's epistemological status as a *material axiom*⁶⁶ is based on the fact that it is neither a banal *definition* nor *deducible* from what is already known; instead it is the self-evident and a priori valid description, in a reflective and universally valid form, of a primary phenomenon, that is to say the discovery of the world as living space. The attempt to logically refute *variety* would, in claiming to be based on a better and therefore different insight, immediately result in self-contradiction.

The third deduction: Property / Ownership

By purposefully modifying *resources* found in nature they become the *property* of the *laborer*, i.e. *labor* enables exclusive control of use, alteration, and disposal.

[Mises: Human Action, p. 679]

Possession of external resources is the necessary prerequisite for human as well as animal or plantal *action*; in particular, the term possession means specifically the nexus of man and matter in the direction from man to matter. E.g. "I take this." Generally speaking, temporal and local presence of *material* or *immaterial entities* is necessary for causal interaction in the inorganic and organic world. In distinct contrast, the terms of *property* and *ownership* refer to a *rational* concept, namely that

von Arbeit als Nachteil.' (we 'see that humans [. . .] have to make sacrifices for leisure, and deduce from that, that not having to work is regarded as a good and the effort of labor as a detriment.' Original italics, emphasis added.

⁶⁵ von Mises, Nationalökonomie, p. 41 f.: See previous footnote.

⁶⁶ For the conceptual classification by von Mises and Rothbard see also Preusse: The Third Axiom, or A Logic of Liberty.

of *original appropriation* of previously *unowned* goods. This is not just an arbitrary volition. Instead only the intersubjectively ascertainable traits or features or properties that the good bears as a consequence of the *act of appropriation*, i.e., of *labor* mixed with it, indicate that the good is actually *owned*. This is the way in which *property* means the nexus in the direction of matter to man. E.g. "this book bears my signature". If and when this nexus is abstract, it is a rational concept rather than a factual case. It is clear enough that only rational beings can exercise *ownership*.

One can differentiate between *ownership* and the *right to ownership*. Usually this differentiation refers to the societal aspect of rights⁶⁷ that is negated here. A *right* is taken to be the *rational* affirmation of *ownership*, which in itself is a *rational* concept; a *rational* affirmation of a *rational* concept seems unnecessary if not circular. However, explicitly including the separate term of *right* in addition to *ownership / property* in this essay may prevent conventional misunderstanding.

The normative quality of *ownership* as the exclusive *right* of a person to control, i.e. use, alter, dispose of a good at his *will* is demonstrated by Hoppe: Acknowledging *ownership* to a person due to the *act* of homesteading and through title transfer is the only rule that enables conflict-free handling of scarce resources among *rational men*.⁶⁸

Hence, *property* is a precondition to conflict-free *acting of rational men* entitled with the *equal rank* of their *right to value*, in a world of *unevenly distributed* resources, both external and internal ones. So it can be stated that the concatenation of the three *material axioms of action and of variety* as formulated above with the *material axiom of human rank* implies the concept of *property*; thus the complex notion of *property* or *ownership* is a genuine *deduction* from the *action-axiom*, the *variety-axiom*, and the *human-rank-axiom*, using some *definitions* and applying them to the situation *acting man* necessarily finds himself in.

The status of *ownership / property* as a *deduction* could not be built upon the *action-axiom* alone; the interpersonal *equal rank* of the *right of valuation* between competing users of scarce resources as expressed in the third *axiom* below is a logically necessary

⁶⁷ Casey: Can You Own Yourself?, p. 2: Based on Hohfeld, Casey introduces the idea of rights as "a recognition by the members of a society of the validity of a pre-existing claim by one or more of its members"; to me this is dysfunctional without a strict definition of "society" and "recognition" by a multitude. Escaping the dilemma, Casey chooses to favor "a notion of latent of virtual ownership."

⁶⁸ Hoppe: Of Private, Common, and Public Property and the Rationale of Total Privatization

element to prevent a latecomer from successfully claiming a superior *right* over the first *appropriator*.

Opposing claims to *property* have to be proven by objective evidence of *labor* by the claimant, or by a *contract* that proves a valid *right* has been transferred to him. The category of *property* cannot be meaningfully applied when goods that are not actually scarce are made artificially scarce by force, and therefore, in the particular case of intellectual *property*, is obsolete.⁶⁹

The fourth deduction: Exchange

A human society is created by the exchange of rights and by contract. Unlike a power relationship, a *contractual* relationship respects *rights*, meaning the status of *ownership* between an individual and his *rightful* possession as a result of *self-ownership*, which in turn is an emanation of a *rational freely chosen action* of a being with *human rank* in a world of *variety*, which is what distinguishes *human beings* from other animals.

The fifth deduction: Injustice

It is an injustice to invade someone else's property by intervening in or acquiring it without consent, and these invasions are the basis for compensation claims. A status of *ownership* does not expire due to seizure by someone else, just as a unilaterally broken *contract* is not annulled by the breach. Since no-one else's *rights* are infringed, a violent re-*appropriation* of stolen goods or the restitution of *contractual rights* is a *freedom*⁷⁰ of the aggrieved party or his inheritors.

The sixth deduction: Sanctions

A sanction against a breach of contract is a reduction in the perceived value of future services offered by the party in breach of contract. All potential *contract* partners factor in the risk of a breach of *contract* into its *value*, based on information previously available to them, so that a defaulter will find that any *exchange* opportunities to his advantage are drastically reduced. This factual and sober assessment is the outcome of a normative *ethic* that has no alternative. On the other

⁶⁹ Kinsella: Against Intellectual Property

⁷⁰ According to the meaning given in de Jasay, see footnote 56.

hand, punishment that goes beyond the restitution of an infringed *right* has an arbitrary, i.e. *aggressive* character, even if it is widely accepted.

The seventh deduction: Insurance

Insurance against damages due to breach of *contract*, *injustice* and risk can be stipulated *contractually*.

By teaming up and commissioning agents, an attempt may be made to reinstate infringed *rights* and to optimize the containment of damages. In a *contractual* relationship a provider whose service is *insured* against default and liability has better *exchange* opportunities than a non-*insured* provider.

In an *insurance* case restitution and damage containment are paid primarily by the *insurers* to the damaged party. In the case of third party negligence, i.e. in cases of breach of *contract* and *injustice*, the secondary restitution is transferred, if need be by force, that is by using *freedom*, from the liable party to the *insurers*. Hoppe has demonstrated in particular that in the field of security the *insurance* solution is always superior in terms of productivity, and that it has a systematically civilizing effect.⁷¹

The eighth deduction: The price of insurance

The *price of the insurance* reflects one's behaviour with regard to the *contract*. This means in every situation *contract* observance is in everyone's personal interest and is, broken down to *material* self-interest, the core of the civilizing force of private security production.

The ninth deduction: Legal proceedings

Legal proceedings in *contract* matters can be *freely* agreed upon. Parties interested in *legal* security are all bearers of *rights*, be it to themselves, to *acquired* or *exchanged* things, or to *contractually defined* services. Therefore, *contractual* partners, in particular with respect to *insurers* of damages, default, *injustice*, and liability, have an interest in agreeing upon an arbitrator before damage or loss occurs. Competing arbitrators can offer their services, each with total *freedom* of association in breadth as well as in depth: in breadth means here *cooperation* with physically distant and

⁷¹ Hoppe, Democracy – The God That Failed. Chapter 12: On Government and the Private Production of Defense, pp. 239 ff.

suitably qualified partners, and in depth means in the case of an appeal. In contrast to a right as such, being a rational affirmation of the state of ownership, legal proceedings, being the enforcement of a right, do have a societal aspect.

The seventh definition: Value

The position on the hierarchical ordinal scale of preferences up to which an individual is prepared to have his *freedoms* and *rights* limited, in order to acquire a certain *thing* as *property*, is called *value*. There is no such *thing* as intrinsic *value*. *Value* exists only in the *actual choice* made by a *chooser*, e.g. a purchaser, who places a higher *value* on the *chosen*, e.g. purchased *thing*, than on that which he has parted with in *exchange*. This *valuation* is the expression of a strictly ordinal scale of *values* which varies over time, and from individual to individual. On this scale, the *value* of identical units also depends, among other *things*, on the amount of units of the *thing* already or still available, and on the availability of variable amounts of other *things*.⁷²

The eighth definition: Things

Material items, services or *non-material entities* are called *things*. They appear in pure or mixed form and are all placed in the respective hierarchy of *values* according to their relative scarcity with regard to pursued goals.⁷³

The ninth definition: Material items

Freely available conditions such as light and air, and scarce *resources* such as goods and one's lifetime, are called *material items*. Everything that can be used as a means to attain goals is scarce and is therefore subject to the consideration: to what extent should it be employed for the attainment of which goal? This constitutes its character as an *economic* good. To the extent that they are available anytime, anywhere and in any quantity, air, light, water, and land are examples of the general circumstances of existence, which, under changing circumstances, namely emerging scarcity, become *economic* goods.

The tenth definition: Non-material entities

⁷² von Mises: Human Action

⁷³ Rothbard: Man, Economy, and State, Chapter 1

The mental states of one's *own* head or those of others are known as *non-material entities*. The fact that in an intrapersonal hierarchy of *values* we always have to weigh up *non-material entities* against *material things* and services means that these *definitely* belong in the sphere of *economics*. The concept of 'homo economicus'⁷⁴, interpreted only in *material* or even just in *monetary* terms, falls short, perhaps intentionally so.

A *right* in a *non-material entity*, meaning a status of *ownership*, is inconceivable with regard to the mental state of someone else's mind, because his *free will* is *inalienable*. However, every concept of honor rests on precisely this claim to the *property* of other people's minds. As this is illegitimate, it can only be enforced with the use or threat of violence within the framework of convention.

The tenth deduction: Division of labor

Division of labor increases productivity and thus the sum total of wealth of each and every participant. Experience tells us that *division of labor* leads to higher productivity because of the *inequality* of human and extra-human *resources* and because through the *division of labor* all participants, even the weakest, can achieve their goals more easily than under conditions of autarky. This is the reason why humans are successful as social beings, not because of their devotion to a mythical Moloch called society.⁷⁵

The eleventh deduction: Money as a medium of exchange

Any good which contract parties agree upon is a possible medium of exchange. Only a commodity that is *valued*, meaning one that has a *non-monetary value*, is suitable as a universal medium of *exchange*. The reason for this is that it cannot be multiplied arbitrarily. Secondary desirable features of a *monetary* commodity are consistency, divisibility, portability.

The twelfth deduction: Inalienability

Expressions of self-ownership are alienable; the subject of self-ownership is inalienable. Because *labor* is an expression of *self-ownership* and *free will*, it and its products are alienable. Because *free will* cannot be discarded, neither it nor its bearer, the self as *self-owner*, is alienable.⁷⁶

⁷⁴ e.g. Westerhoff: Urteile und Vorurteile, p. 159

⁷⁵ von Mises: Human Action p. 160

⁷⁶ Rothbard: The Ethics of Liberty, p. 41

The thirteenth deduction: Right to value

If our lifetime and our health lasted forever, it would be neither necessary to *choose* between goals, nor to *ration* any means. This is because at some point, however long it takes, all means will be acquired to accomplish every goal, even the most contradictory. As two bodies cannot be in the same place at the same time, the only a-priorical limitations would be time and space.

In this situation there would be little, if any, reason to *value*. However, the constant *valuations* we are continually obliged to undertake under the conditions of limited lifetime and health ultimately refer precisely to this primordial scarcity of *self-ownership*. We cannot wait until we're offered a ride to happiness and wisdom; in order to achieve this or that we must take charge of our limited means now: we must *act*. The source, the tertium comparationis of all our *valuations* is what Hoppe has called 'body-time'.⁷⁷ This is what we each align our *valuations* to, which are manifested in our *freely chosen actions*. The *valuations*, being *non-material entities*, are our *property*, which means we have a *right* to our *own valuations*, i.e.: as self-owners we have the right to value.

The third material axiom: The equal rank of the bearers of equal rights

The equal right of inalienable self-ownership to value has interpersonal equal rank.

A single primary threat can affect the *self-ownership* of several bearers of the *right to value*. To name some striking examples: a current attack on a stateless society by a state or a state-embodying ruling power, a wildfire, threatening to use weapons of mass destruction, or a hostage situation in an airplane. The effect of secondary *actions* taken against such collective dangers can again be collective, even if, according to each situation, they may be individually planned and executed. We will call them indivisible secondary *actions*. For those who are actually or allegedly threatened in their *self-ownership*, it is possible to arrive *ethically* and without conflict at differing judgments regarding the effectiveness, or ineffectiveness, of various possible indivisible secondary *actions* to prevent, avert, or confine danger and to limit damage.

Those who are collectively threatened might, however, disagree with the assessment of the potential danger to their *self-ownership*, which the discussed secondary

⁷⁷ Hoppe, Democracy – The God That Failed p. 10

indivisible individual or collective measures (to repel, deter, and defend) pose to them. Insofar as neither those dangers to life or health arising from primary attack, nor those arising from secondary defense, can actually be allotted to individuals, we have a fundamentally different conflict situation: one that cannot be sufficiently described by solely using the two *axioms* of human *freely chosen action* and of *variety*, and *deductions* derived from them. The attacker remains responsible for his attack, even if an attempt to defend may have aggravated him in the eyes of a tactical appeaser. Yet, the collective danger emanating from an *act* of defense itself will only be justified by those who rate this danger lower than the one arising from the primary attack. This new kind of conflict emerges only where dissenters are endangered or damaged by the secondary *act* of defense, who would rather have accepted the danger of the primary threat, or who would have preferred an alternative, but not concurrently possible defense.

In that case, as even non-action means a kind of *action*, an *action* against the *rightful valuation* by *self-owners*, and thereby an infringement of *self-ownership*, is literally inevitable. At the same time, the delegation of such a decision to an institution, regardless of how it may allegedly be legitimized, is impossible, because *self-ownership* and therefore *free will* are *inalienable*.

This obvious dilemma raises the question of the interpersonal *value* of competing *rights*. As interpersonal *exchangeability* cannot be assumed, equal *value* of *self-ownership* as the *value* reference point of all bearers of the *right to value* cannot be *deduced*, but only postulated to be autonomous. Such an assumption can be made not only intuitively, but also after reflection, because otherwise the requirement that every *ethical* maxim should apply equally to everyone, i.e. be universally applicable, would obviously make no sense. Because this very demand of universal applicability describes the principle equality of all humans with regard to the *conditio humana*. This, however one understands it, is based on an equal *right* to life, i.e. on an equal status of *ownership* of one's body, and thus on an equality of *self-ownership*, as it otherwise would be a *conditio domini servique*, which obviously can be perceived as a *moral* rather than an *ethical* term.

Taking into account the fact mentioned that, due to the lack of *exchangeability*, the concept of *value*, as determined in the seventh *definition*, is not applicable here, we will instead use the terms of weight, validity and especially the interpersonal equal *rank* of *bearers of equal rights*.

The statement thus phrased – *the autonomous equal rank of self-owning bearers of the right to value* – is intellectually self-evident, basic in itself and not implying additional preconditions, universally applicable and a priori of historical experience valid, and moreover not *deducible*. The final rigorous criterion for attaining *axiom* status is a self-contradiction in which its antithesis must inevitably become entangled.⁷⁸

This antithesis has to justify why the scale of *values* of one bearer of the *right to value* should *rank* higher and why it therefore ought to be adopted by another, non-consenting bearer of the *right to value*. It could do this, first and foremost, by attacking the *autonomy* of *equal rank*. It would have to justify the primacy of society over the individual – and thereby get lost in the self-contradiction, indicated earlier, of a person trying to deny *self-ownership* and at the same time using any aspect of his body that does not exclusively belong to him.

A second approach of denying the *equal rank* of the *rights to value* is the claim that one's *own* scale of *values* is more suitable and that this can be measured in an objective way – e.g. by majority vote, academic credentials, theoretical stringency or historical experience including one's *own economic* success. Whoever frames the argument this way would be renouncing his *own* scale of *values*, because he claims the existence of an objective scale of *values* that overrides all others, including his *own*. He could no longer argue as 'I', i.e. as *actor*, but would have to rely on *non-material entities* beyond the Kantian chasm between being and consciousness, which are thereby also outside the Misesian category of *action*. The self-contradiction seems to take this form: I know that I know nothing, but I know this for certain.

Whether or not these are the right antitheses and whether or not the second really is self-contradicting has to be left to further consideration – so that the *axiomatic* character of the statement of the *equal rank* of the *rights to value* can, for the time being, only be assumed.

The fourteenth deduction: The exit option

The bearer of the *right to value*, who dissents from an inevitably indivisible foreign action affecting his *self-ownership* has the *option to exit*.

⁷⁸ Hoppe: The Economics and Ethics of Private Property, p. 275

This is the only solution in such an inevitable and territorially limited case of conflict, by which an infringement of *self-ownership* can be avoided. There is no reason to object that those who use the *exit option* thereby suffer a (possibly drastic) decrease in the market *value* of real estate left behind, because it is not an infringement of their *rights*, i.e. their alienable *property*, but simply the normal procedure, i.e. that the *exchange value* of a *property* at any given time depends on the hierarchy of *values* of other people.

However, a question that is perhaps altogether impossible to answer satisfactorily in various such hypothetical situations is: who must leave the allegedly dangerous territory, if need be permanently? Without going through all the possible scenarios, we can at least *definitely* say that this depends, along with the assessment of the situation of danger, above all on the differing *material* possibilities for defense. As it is impossible to make interpersonal comparisons, an attempt to allocate the *right* of residence according to the greatest happiness of the greatest number is erroneous.

A much greater problem is likely to arise from situations in which a territorial limitation is not sufficiently plausible and in which the *exit-option* is not available. Life has always been a very uncertain affair. Nevertheless, even though nature is a threat to life at every level, it cannot be denied that human *action*, which, contrary to the variability of natural situations, is an *ethical* category, has with the progress of technology achieved an increasing and global reach. It looks as though the theoretical structure of the Austrian School is also reaching a limit, beyond which theory-free facticity, e.g. that of lies and power, reigns even less restrained than on this side of the limit.

The Outlook

The scope of *rational ethics* seems to have been delineated by the statements made so far. All relevant interpersonal non-violent *actions* have been categorically listed and described. These *actions* include the conflict situation regarding *unalienable property*, just discussed in the third *axiom* and the *deduction* following it. The *deductions* and *definitions* following logically from this, which are not presented here, constitute the specific subject of *economics*, e.g. marginal costs, time preference, minimum wage, *monetary* theory, business cycle theory etc.⁷⁹ Seen this way, the logical structure described here should be approached, as far as content is concerned, as *rational ethics*. At the same time, it constitutes the foundation of the science of *economics*. What implications the expansion of the *axiomatic* structure will have for *economics* remains to be seen; although *economics* is concerned with alienable *property* and the equal right of *self-owners* to *value* is concerned with *inalienable property*, it is to be expected that *economic* implications will result due to the situationally inseparable involvement of both spheres of *property*.

What have we gained from all this? Outside the Austrian tradition the more or less preconscious motive of defending perceived ‘equality’ has led to bizarre twists in thinking. Recognition of their own species is part of the established behavioural pattern of all higher developed animals. The attempt to transpose this biologically given equality into philosophical terms has obviously led to careless equations. These in turn have come into conflict with empirical data and thus fall short of formulating universal *ethics*, and instead generate self-contradictory *moral value*-systems. Attempts to argue away the de facto inequality by asserting an ‘essential’ equality often do not lack ‘good intentions’, that is to say the recognition of ‘dignity’ even of people less able and adjusted; however, these attempts at levelling and reckoning up are not without dishonest, hence ludicrous, affectation either.

On the other hand, Austrian analysis of equality did not focus on inalienable property and does not seem to have drawn too much attention; thus it may have given away the chance to be appreciated by adherents to the idea of equality.

⁷⁹ e.g. Rothbard: In Defense of ‘Extreme Apriorism’: “[T]he Fundamental Axiom (the nub of praxeology): the existence of human action. From this absolutely true axiom can be spun almost the whole fabric of economic theory: Some of the immediate logical implications that flow from this premise are: the means-ends-relationship, the time-structure of production, time-preference, the law of diminishing marginal utility, the law of optimum returns etc.”

The suggestion arising from the above discussion is to give up the term 'equality' with regard to human beings. Instead it is our conviction that the term '*autonomous equal rank of self-owning bearers of the right to value*' properly, stringently and without contradiction reflects the *conditio humana*, thereby human dignity.

Assumed 'equality' is replaced by the logically and factually correct term 'equal *rank*' between human beings, or, to have an even more concise expression: The *human rank*. It can satisfy the desire for dignity even of those who believed they had to postulate 'equality' in their defense of human dignity. Correspondingly, '*freedom*', which here has shrunk to a mere *definition*, is replaced by the logically and factually correct term of 'exclusive and unlimited *self-ownership*'. It can satisfy the desire for individuation even of those who believed they had to overload and overwork the term '*freedom*' as a core term in their defense of the individual.

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