

## Left-Libertarianisms

A liberal in the 19<sup>th</sup> century was a believer in small government, free markets, and individual freedom, roughly what we now call a libertarian.<sup>1</sup> The label had earlier been used for left anarchists, still earlier for believers in the doctrine of free will. Early in the 20<sup>th</sup> Century, after the opponents of liberalism stole its name, believers in classical liberalism started calling themselves libertarians.

While “libertarian” can still mean a left anarchist, “left libertarian” usually means a libertarian in the newer sense who supports ideas or policies identified with the left. The oldest and probably best worked out doctrine along those lines is geolibertarianism, based on the ideas of Henry George, a prominent Nineteenth Century economist and journalist. Its central tenet is that since no individual has a just claim to the income from the site value of land, government ought to support itself by taxing all and only that income.<sup>2</sup> The amount of money needed by a government, at least in the view of a libertarian, is much less than the total produced by such a tax, leaving the rest free to be distributed among the population. Thus the Georgist position provides an argument for some level of what others would regard as income redistribution.

Libertarians mostly base ownership on creation — I made it so it’s mine — but land, with rare exceptions, is not created by humans. John Locke famously argued that humans acquire ownership over land by mixing their labor with it, clearing the jungle or digging out the boulders, provided that there is as much and as good unowned land left for others, but that solution raises a number of problems. One is the question of why mixing your labor, or anything else you own, with something gives you ownership of it. As Robert Nozick put it, “If I own a can of tomato juice and spill it in the sea so that its molecules ... mingle evenly throughout the sea, do I thereby come to own the sea, or have I foolishly dissipated my tomato juice?”

A second problem is the Lockean proviso, the requirement that your act of appropriation leaves “enough and as good left in common for others.” That is unlikely to be true of land in any densely settled country, which seems to imply that the conversion of land from commons to property must stop as soon as the amount of commons becomes small enough that reducing it farther means that some people can no longer wander over the commons, feed their pigs on its acorns, collect deadwood, as well as before. A possible response is that the condition is satisfied as long as everyone is better off than he would be if all the land had remained commons, that the large gain from the greatly increased production due to treating land as property can be set against the loss from a reduction in the amount of land in the commons.

The Georgist solution raises problems too. Not only did I not create the land, we did not create it either, so how is the government entitled to give someone the right to exclude people from land that neither he nor the government justly owns? Readers who share my interest in the issue may want to look at an old [article](#) of mine in which I offered my own not entirely satisfactory solution.

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<sup>1</sup> Nineteenth century liberals also favored expansion of the franchise. Modern libertarians mostly take no position on the details of democracy.

<sup>2</sup> Two recent books, *The Origins of Left-Libertarianism* and *Left-Libertarianism and its Critics*, both edited by Peter Vallentyne and Hillel Steiner, discuss Georgism, aka geolibertarianism, and other positions along similar lines.

## Seducing Socialists<sup>3</sup>

*Markets not Capitalism: Individualist anarchism against bosses, inequality, corporate power, and structural poverty*<sup>4</sup> (hereafter MnC) presents a form of left libertarianism that descends from the ideas of 19<sup>th</sup> century anarchists who self-identified as individualist socialists in contrast to state socialists such as Marxists, writers such as Benjamin Tucker and Pierre-Joseph Proudhon.<sup>5</sup> The left libertarians whose views are represented in MnC would like to reclaim the socialist label. They refuse to call what they support “capitalism” on the not unreasonable grounds that, to most people, the term describes a mixed economy in which governments play a large role. They reject the term “free market” on similar grounds — the existing market is not free — in favor of “freed market,” what would exist after government and its interventions were eliminated. They argue that most of the things socialists dislike about present societies would not exist, or at least be much less common, in a freed market, hence that socialists should be libertarians.

The problem is that there is no good reason to believe it is true.

For example:

The funding of public highways through tax revenues, for example, constitutes a de facto transportation subsidy, allowing Wal-Mart and similar chains to socialize the costs of shipping and so enabling them to compete more successfully against local businesses; the low prices we enjoy at Wal-Mart in our capacity as consumers are thus made possible in part by our having already indirectly subsidized Wal-Mart’s operating costs in our capacity as taxpayers. (MnC Chapter 20).

The author does not mention that, during the period of Walmart’s initial expansion, federal regulation made transport more expensive by cartelizing the trucking industry, as demonstrated by the sharp drop in costs after the industry was deregulated.<sup>6</sup> Nor does he mention that libertarians expect governments to produce goods and services less efficiently than private firms, making costs higher and quality lower. That gives us one government activity that made transportation cheaper, two that made it more expensive. The author mentions the one that pushes in the direction he wants, ignores the other two, and concludes that transport was less expensive due to government.

A good analogy is subsidies to freeways and urban sprawl, which make our feet less usable and raise living expenses by enforcing artificial dependence on cars. (MnC Chapter 40).

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<sup>3</sup> This section owes a good deal to Gary Chartier, who was generous in his time and effort responding to my questions about and criticism of his, and other left anarchists’, views

<sup>4</sup> Edited by Gary Chartier & Charles W. Johnson, Released by Minor Compositions, London / New York / Port Watson.

<sup>5</sup> A conveniently webbed summary of left libertarian positions is “[The Distinctiveness of Left-Libertarianism](#)” by Gary Chartier, one of the compilers of *Markets not Capitalism*.

<sup>6</sup> The industry was deregulated in 1980. “By 1985, deregulation [saved](#) shippers \$7.8 billion annually due to lower common carrier rates, \$6 billion due to lower private carrier costs, and \$1.6 billion annually due to more rapid service. By 1998, real operating costs per vehicle-mile [fell](#) by 75 percent for truckload carriers and by 35 percent for less-than-truckload carriers.” “[Forty Years After Surface Freight Deregulation](#),” *The Regulatory Review*.

“The Walmart chain proper was founded in 1962 with a single store in Rogers, expanding outside Arkansas by 1968 and throughout the rest of the [Southern United States](#) by the 1980s” (Wikipedia, “[History of Walmart](#)”).

Subsidies to mass transit, the urban alternative to cars pushed by opponents of urban sprawl, are about a hundred times as large per passenger mile as the subsidy to highways.

Walmart and urban sprawl are not the only things socialists dislike about the modern world so not the only things left libertarians would like to claim that a freed market would reduce or eliminate. Others include large corporations, wage labor, the cash nexus and income inequality. Things they would like to see replace them include workers' cooperatives, self-employment, gift economies.

In each case there may well be ways in which government intervention in the economy pushes things in the direction they claim. But in each case, as with highway costs, there are effects in the opposite direction as well. To demonstrate that point, here are arguments for the opposite of the conclusions offered by left libertarians:<sup>7</sup>

### Corporate Size

A large hierarchical organization has to pass a lot of information up and down the hierarchy in order that the people at the top can know what those at the bottom are doing and those at the bottom know what those at the top want them to do. The more such information there is and the more hands it passes through, the more legible the firm's activities are to the government, making it easier to collect taxes and enforce regulations. At the other end of the scale, in the limiting case of a one man firm, the boss cum worker does not have to trust anyone but himself to keep his secrets, which makes it easier to evade taxes — for instance by classifying consumption expenditures as business expenditures or not reporting payments in cash — or regulations. So one effect of a government that taxes and regulates is to increase the advantage of smaller firms over larger.

Another effect is to encourage gift economies, informal transactions more generally. If I do my friend's taxes for her and she babysits my kids, neither transaction ever shows up on our income tax forms. That is one way in which the existence of government makes gift economies more, not less, common.

Another way in which the existence of government discourages hierarchical organizations is by the structure of taxation. Corporate profits pay taxes twice, once in corporate income tax and a second time as income to the stockholders, although the second may, depending on the details of tax law, be diluted by special treatment for dividends or capital gains. The same activity done in an unincorporated form, as by a doctor in private practice, pays taxes only once.

### Wage Labor

One way of getting things is by paying someone else to do it, another by producing them yourself — cooking your own dinner, growing tomatoes in your back yard. One way of making a living is to work for someone else for pay, another is to work for yourself, make jewelry or art and sell at art fairs, write books. Here again, one advantage of making your living that way is that your activities are less legible to tax collectors and regulators. Arguably the shift from self-employment to wage labor over the past hundred and fifty years was one of the causes of the growth of government expenditure from about ten percent of national income in the U.S. in the Nineteenth Century to about forty percent currently.

### Income Inequality

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<sup>7</sup> The [BHL forum](#) that contained Gary Chartier's account of left libertarian views contained criticisms, along similar lines to mine, by [Daniel Shapiro](#), [Steve Horwitz](#) and [David Gordon](#).

Most high income people at present get their income either as highly skilled workers, such as physicians, or successful entrepreneurs, both roles that would continue to exist in a freed market. While government activities result in some people being richer, some poorer, than they would otherwise be, their least ambiguous effect on the income distribution is through taxation. Taxing capital gains makes it more difficult to accumulate wealth. Income taxation in the U.S. at present is heavily biased against the rich: The top one percent of taxpayers pay about 29% of their income in federal taxes, the bottom quintile about 3%.<sup>8</sup>

### The Advantage of Ignorance

The 19<sup>th</sup> century individualist anarchists were in a better position than their modern successors to claim to offer what socialists wanted because they knew less economics. They seem to have believed that if anyone could open his own bank and print his own money, loans would be freely available — according to Tucker at an interest rate of less than one percent. They were confusing money with capital. In a system of private issue anyone can invent his own money and print it, but that does not mean that people will give him things in exchange.

At least some of them seem to have viewed rent as well as interest as a government creation.

It was obvious to Warren and Proudhon that, as soon as individualists should no longer be protected by their fellows in anything but personal occupancy and cultivation of land, ground rent would disappear, and so usury have one less leg to stand on. Their followers of today are disposed to modify this claim to the extent of admitting that the very small fraction of ground rent which rests, not on monopoly, but on superiority of soil or site, will continue to exist for a time and perhaps forever, though tending constantly to a minimum under conditions of freedom. (Benjamin Tucker, MnC Chapter 2)

A world where anyone who wanted to work for himself could get an almost interest-free loan and anyone who wanted to farm could get almost rent-free land would look to a 19<sup>th</sup> century socialist more like what he wanted than anything twenty-first left libertarians can believably promise.

### Left Libertarians: A Typology

Limiting it to libertarians in the modern sense, there are at least four categories of left libertarians:

The Bleeding Heart Libertarians discussed in Chapters XX and XX have constructed versions of libertarianism designed to be acceptable to the academic left, their fellow philosophy professors.

The left libertarians who view themselves as the heirs of the individualist socialists of the Nineteenth Century have constructed a version, and a presentation, designed to appeal to people who would describe themselves as socialists, more nearly the left of the labor movement than of the academy.

The Geolibertarians are distinguished not by their target audience but by their argument, offering their solution to the problem of initial appropriation as a justification for taxation to support needed government functions and what other libertarians would view as income redistribution.

The fourth group are distinguished not by their view of libertarian doctrine, which is conventional, but by their view of everything else. They are likely to regard themselves as feminists, to be

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<sup>8</sup> <https://www.pgpf.org/budget-basics/who-pays-taxes>

concerned with racism and climate, to favor same sex marriage. On what might be loosely described as culture war issues they take the side identified with the left.

The groups have some overlap of members and ideas. Bleeding Heart Libertarians make use of the Georgian argument to justify income transfers. Members of the first two groups are likely to agree with the left on some culture war issues, making them at least fringe members of the fourth.

#### Verbal Plumage

Identification of left libertarian variants is most easily done by text, not garb or physical appearance. Bleeding Heart Libertarians speak respectfully of Rawls, whose name appears nowhere in *Markets Not Capitalism*. “Boss” appears forty-five times in the book but its only appearance in the contributions by Bleeding Hearts to the Cato symposium I shared with them was a reference to the book’s subtitle and it makes no appearance in *Progress and Poverty*, the founding document of Georgism. References to the ruling class and the oppression of workers are more likely to appear in the rhetoric of my second and fourth groups than in that of other libertarians.

#### One More Category

The people discussed so far mostly self-identify as left-libertarians. There are also people who think of themselves as leftists but have been convinced by, or worked out for themselves, enough of the libertarian argument to be in some sense libertarians. Examples would be Cass Sunstein, who occasionally describes himself as a libertarian, Larry Lessig, whom I have occasionally tried to persuade that he should, and Scott Alexander, the author of one of the anti-libertarian faq’s discussed in Chapter XXX, not all of which he still agrees with. James Scott, author of at least two books that I and many other libertarians, like, is arguably another example, despite his efforts to make it clear to his readers that he is not one of those icky libertarians. I discuss him in Chapter XXX.