

# Libertarian Marxism: Reality or Illusion?

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Over the past few years, several works have been written relating to the issue of libertarian socialism. In my presentation, I seek to critically investigate two contemporary systematic attempts at a distinctly libertarian reading of Karl Marx and Friedrich Engels' work. Theodore A. Burczak's 2006 book, *Socialism After Hayek* constitutes an ambitious synthesis of F.A. Hayek's notion of catallaxy and Marxism. Self-organization, Burczak argues, has a place in Marxist theory and may be unified with an anti-capitalist social philosophy. In fact, socialism would be the epitome of society as a self-organizing system, and the inclusion of market mechanisms does not endanger egalitarianism. A similar emphasis on freedom may be found in Ernesto Screpanti's 2007 book, *Libertarian Communism*. From Marx's work, Screpanti extracts an emphasis on voluntary association, and suggests that true communism would constitute the emancipation of the individual, a paradoxical position that contradicts the standard view of communism as collectivist politics. I suggest that both Burczak and Screpanti's approaches ultimately fail to produce a political philosophy that is consistently libertarian.

**Keywords:** catallaxy, individualism, libertarianism, Marxism, social philosophy

## Introduction: Socialism and Economic Freedom

One of the primary dilemmas in socialist thought has been the issue of what place, if any, market mechanisms should have in an ideal, egalitarian society. During the 1920s and 1930s, economists of various persuasions, most notably Ludwig von Mises and Friedrich August Hayek on the libertarian side, and Oskar Lange on the part of the socialists, debated whether socialism is compatible with the calculation of prices. Today, this is known as the "calculation debate."<sup>[1]</sup> In historical hindsight, it is difficult to defend the position of the market socialists in this debate. Apparently, state socialism has proven, on a long term basis, incapable of adequately integrating market mechanisms into its operations. Accompanied by tremendous waste and inefficiency, every centrally planned economy has proven incapable of efficiently coordinating supply and demand. Central planning has proven disastrous for economic efficiency. This is a circumstance of empirical economic history that may be taken as given.

For a market-oriented libertarian such as Friedrich Hayek, it should come as no surprise that central planning of any form must, of necessity, be inferior in economic performance to a decentralized, self-organizing system. The issue is that of knowledge-coordination. Knowledge, according to Hayek, is inherently dispersed, and must be discovered. The ultimate reason markets perform economic functions more satisfactorily than even the most informed of planning bodies is that markets aggregate knowledge in a spontaneous manner. As the motivations and preferences of individuals diverge radically, it is impossible to really know in advance where human desires will lead, or what preferences will look like in the future. The market is not something deliberately constructed. Rather, it is the contingent result of radically divergent individual preferences. As Hayek notes, „the cosmos of the market neither is nor could be governed by (...) a single scale of ends; it serves the

multiplicity of separate and incommensurable ends of all its separate members.”[2] The spontaneous market order allows for peaceful coexistence without the need for individuals to agree on any hierarchy of ends.[3] No needs have precedence over others, every individual entity is permitted to follow their own rules, provided none interfere with the freedom of other agents. This allows for what Hayek terms a „catallaxy”, a self-organizing structure that perpetuates itself, irrespectively of the concerns of its constituents. It does not matter what individuals feel or desire, what is important is that their actions create an artificial, inorganic spontaneous order whose complexity is far greater than that of any deliberate construct: „the important point about the catallaxy is that it reconciles different knowledge and different purposes which, whether the individuals be selfish or not, will greatly differ from person to another.”[4] Market orders do not necessitate anything beyond a set of abstract rules that provide a basic framework for various market participants. Aside from this minimal requirement, we cannot derive „any positive powers governments ought to have.”[5] In this following, we shall outline two leftist responses to the evidently superior economic efficiency of self-organizing markets. What we are concerned about is not whether libertarianism as such constitutes the final answer to political philosophy, but rather, do the two supposedly libertarian socialist concepts outlined below actually deliver on their promises? Specifically, our question is the following: is socialism in any manner compatible with libertarianism?[6]

### **Burczak’s Hayekian Socialism**

Theodore A. Burczak summarizes the thorny epistemological issue of knowledge-coordination as Hayek’s „knowledge problem.”[7] In what way can socialism address the problem of finding a non-statist solution to coordinating irreducibly heterogeneous forms of implicit and explicit knowledge? Rather than summarily dismissing Hayek’s knowledge problem, Burczak takes the Hayekian emphasis on „spontaneous order” very seriously. Burczak is a socialist who takes the libertarian challenge seriously. While planned, constructed top-down organizations demand a common agreement upon ends, „it is the great advantage of the spontaneous order of the market that it is merely means-connected.”[8] We do not have to agree with somebody else’s system of ethics in order to enter into a contractual relationship with them. An important evolutionary advantage of modern market societies is that, for the most part, they have abandoned traditional ethical restrictions upon economic activity. This important separation between morality and the economy is an essential ingredient of Hayek’s liberalism, and a point of contention that divides Hayek from most of conservative and left-wing thought alike. Burczak believes that inequality must be opposed on a moral basis, but also affirms that any socialism of the 21st century must learn the lessons of the previous century and accept the irreplaceability of decentralized market mechanisms, moral qualms notwithstanding.

This would be a socialism without any form of central planning, characterized by diverse forms of ownership. Why then call this construct „socialism” at all? Socialism, as opposed to social democracy or other, less radical forms of leftism, seeks actively to abolish class exploitation, „which occurs when the producers of surplus labor do not participate in appropriating the fruits of their efforts. At a minimum, a socialist future calls for worker participation in the appropriation of surplus labor and in decision making regarding the distribution of that surplus.”[9] Of key importance here is the issue of participation. A socialist order is a *demoktesis*, characterized by democratic ownership of the means of production. For Burczak, the existing socialisms of the 20th century failed the test of authentic socialism because, while eliminating private ownership of the means of production, the working classes were still nonetheless exploited by state-owned enterprises. Clearly then, „socializing ownership of the means of production does not necessarily eliminate capitalist exploitation.”[10] Instead of nationalizing everything in sight, Burczak proposes a simple restriction upon economic life, one that will, he hopes, nevertheless emancipate the great majority of working people: the prohibition of wage labour.

According to the wording of a proposal authored by Jaroslav Vanek and approvingly cited by Burczak, „whenever people work together in a common enterprise (whatever their number), it is they and they only who appropriate the results of their labors, whether positive (products) or negative (costs or liabilities), and who control and manage democratically on the basis of equality of vote or weight the activities of their enterprise. These workers may or may not be owners of the capital assets with which they work, but in any event such ownership does not impart any rights of control over the firm. Only possession of and income from such assets can be assigned to the owners, to be regulated by a free contract between the working community (i.e., the enterprise) and the owners.”[\[11\]](#) This may be taken as a workable definition of *demoktesis*.

One glaring problem presents itself at the outset, namely the issue of exactly just what it is that constitutes „appropriation” – something never actually defined by Burczak or Vanek, and the not unrelated issue of taxation. The problem of taxation is never directly addressed by Burczak. Yet this issue is one that no genuine libertarian can avoid. Robert Nozick, for instance, argues that taxation is equivalent to the extraction of free work, and therefore constitutes a form of forced labour: „if people force you to do certain work, or unrewarded work, for a certain period of time, they decide what you are to do and what purposes your work is to serve apart from your decisions. This process whereby they take this decision from you makes them a part-owner of you: it gives them a property right in you.”[\[12\]](#) Furthermore, governments rarely consult their citizens about the spending of taxpayer funds. Citizens are never asked whether they consent to government purchases conducted in their name. Provided that workers actually had a say in the appropriation of their surplus labor, it would seem highly doubtful that these producers would consent to what amounts to the theft of their ward-won profits by governments. Without the opportunity to opt out of centralized wealth-redistribution systems, one could not say that these producer-collectives or co-operatives would be entirely free in their usage of their own surplus. If socialism is equivalent to the collective self-ownership of the working class, then compulsory taxation cannot be said to be permissible under a truly socialist order, for taxation too is a form of exploitation along with capitalist wage labour. This problem does not even occur to Burczak. For him, the prohibition of wage labor is a supposed panacea for all social ills. But nonetheless, workers subject to taxation and compulsory wealth-redistribution surely cannot be said to be the full owners of the surplus they produce.

What of freedom in general? Burczak agrees with the basically modern separation of politics and economic decisions. At the very least, it is not helpful if the capital investment decisions of any market participant are controlled or distorted by political or ideological interests.[\[13\]](#) But the abolition of wage labor by no means implies a complete eradication of state interference in individual decisions. Burczak ominously – and flagrantly erroneously – equates private property rights with „public goods.” According to Burczak’s confused train of thought, private property would not even exist without public authorities that graciously guarantee the maintenance of such rights.[\[14\]](#) In Hayek’s view, the abstract rules that govern the game of catallaxy in modern societies are the result of a gradual process of evolutionary selection. Through trial-and-error, rules evolve which stabilize the social order. Essentially, Burczak misunderstands the nature of property rights. Private property cannot belong to the realm of „public goods”, because as a social institution it is not the product of some deliberate legislative construction, at least if we accept the Hayekian view of legal evolution. The equation of private property with the public realm is delusional on an empirical level too, for three important reasons. On the one hand, time and time again, it is the state that has routinely abused its power and constituted the greatest danger to property, through either taxation or outright looting of producers through „nationalization” or „collectivization” under various pretexts, racism included.[\[15\]](#) On the other hand, it is difficult also to conceive of private property as constituting a public good when many agents utilize private services to defend their right to undisturbed ownership of their assets.[\[16\]](#) Furthermore, a system of legality entirely based upon private law is far from impossible.[\[17\]](#)

It would seem that Burczak, for all his dislike of central planning, proves incapable of avoiding the socialist temptation to enlarge the role of government in social life. This is especially glaring in his revision of Ackerman and Alstott's proposal for a universally applicable „social inheritance”, to be funded by a flat wealth tax.[18] In this plan, the government would collectively finance a one-sum inheritance to be paid to every citizen at the age of 18, no strings attached. Burczak's constructionism leads him to propose a restriction upon the range of goods and services individual citizens may purchase with their social inheritances. Central planning of needs and desires, whilst overtly rejected, slips back again through the back door: „a socialist interpretation of the capability approach maintains that people should have equal opportunity to enter into non-exploitative work arrangements, through self-employment or by joining a labor-managed firm. A socialist, stakeholder society should therefore promote nonexploitative forms of good living. It would do so by providing a social inheritance to finance investments in human and physical capital: postsecondary education, vocational training, equipment to become an independent contractor, and potential membership fees to join a labor-managed firm. Perhaps the stake could also be used to purchase real estate, since it could readily be used as collateral to finance self-managed work opportunities.”[19]

As a socialist libertarian, Burczak seeks to have his cake and eat it too. The “capability approach” developed in parallel by Martha Nussbaum and Amartya Sen, and also advocated by Burczak, holds that a just society should, ideally, provide equal opportunities for citizens to achieve the maximum unfolding of their capabilities. Underlying this social philosophy is an essentially Aristotelean equation between growth in one's capabilities and the broader ethical good. Simply put, it is good if the greatest possible number of human beings attain the greatest possible increase in their capabilities. From a Hayekian perspective, an obvious problem is how government officials are supposed to measure capabilities and preferences that radically diverge. Burczak readily admits that Sen and Nussbaum fail to adequately address the knowledge problem. The finite nature of knowledge on the part of decision makers places clear limits upon the government mandate to secure the greatest possible increase in capability for the greatest possible number of citizens.[20] Another issue relates to the issue of ecology. Breena Holland has argued for a substantial modification of the capability approach, emphasizing the need to limit human capabilities in order to protect the environment from excessive degradation.[21] The exclusive focus on human capabilities would seem to overly privilege a certain type or form of agency, at the expense of other becomings, and cannot but strike us as hopelessly out of date.

A libertarian cannot advocate for a certain type of lifestyle, because this constitutes a violation of the right to self-ownership. Neither may libertarians allow active, prolonged intervention in economic life, because this inevitably erodes the self-organizing processes that constitute modern societies. Burczak would nevertheless prefer that persons invest in higher education or real estate, rather than sexual excess or drug-fuelled dissipation. But does anybody have the right to restrict personal economic preferences on a moral basis in such a manner? Socialism, even the libertarian variety propounded by Burczak, places a great variety of restrictions upon the emancipation of the forces of production. Basic human needs are taken as given, and production must be rendered subservient to such supposed needs. In spite of the absence of central planning within the model of Burczak's libertarian socialism, we discover a desire to reconstruct human desires along the lines of some perceived greater ethical good. This corresponds to a notion of the „good life” that would supposedly guide the members of the ideal society.[22] A fundamental source of what Hayek has termed the „fatal conceit” is the confused identification of artificiality and constructability. The artificial nature of a social order, say, that of a competitive mechanism of price calculation, does not automatically imply its deliberate amendability. Just because something is unnatural does not mean that it is susceptible to any application of top-down reorganization or optimization. Hayek calls for the abandonment of the natural/artificial dichotomy, arguing that such a rigid differentiation ignores the spontaneity of many social phenomena.[23]

## **Screpanti and the Oxymoron of „Libertarian” Communism**

Do other models of libertarian socialism fare any better? A contemporary of Burczak, Ernesto Screpanti, has attempted, in *Libertarian Communism* (2007) a no less ambitious synthesis. Screpanti's stated goal is somewhat less ambitious than Burczak's heterodox experiment, remaining firmly centered around a „libertarian” reading of the works of Friedrich Engels and Karl Marx. Screpanti himself admits at the outset that his interpretation of Marx and Engels will be highly selective, highlighting the process of emancipation, while bracketing more authoritarian and statist aspects. Screpanti proposes reading the late Marx in particular as the proponent of a non-humanist „theory of communism as liberation.”<sup>[24]</sup> An obvious question never openly addressed by Screpanti is what exactly do we gain by sticking to a highly selective reading of an author who never was in accordance with libertarianism, while ignoring the monumental body of work done on left-wing anarchism, anarcho-syndicalism and anarcho-communism? Screpanti's stated goal is the complete emancipation of the individual. Libertarian communism would constitute a method of liberating individualism from the fetters of exploitation.<sup>[25]</sup> No individual can be considered free until they are emancipated from wage labour. However, this goal should by no means be understood to imply any utopian teleology. Full communism is not the final destination of a preconceivable, predictable historical trajectory. Communism for Screpanti is „a liberation process”, and is not synonymous with the stasis of some mythical state of abundance, a „Land of Cockaigne” wherein the New Man is achieved.<sup>[26]</sup> Liberation is a perpetually open process. Instead of deferring the realization of „full communism” to a mythical realm, Screpanti proposes that we take seriously Marx and Engels' emphasis upon the plasticity and self-creative character of the human element: „human 'nature', for Marx and Engels, is plastic, i.e. strongly influenced by the economic, social and cultural contexts in which man is historically placed; but it is self-poietic too, in that the economic, social and cultural contexts are in turn determined by human actions.”<sup>[27]</sup> The ideal society emancipates self-poiesis, eliminating obstacles to self-creation stemming from outdated production relations.

Crucial to Screpanti's project is a rereading of Marxism as a political philosophy of individual freedom. Such a reading is far from uncontroversial. Screpanti holds that a key advantage of modernity as compared with previous social forms is the radical increase in differentiation it makes possible. Freedom allows for an exponential increase in the variation of forms of social interaction, as well as an immensely specialized separation of functions. Screpanti correctly emphasizes Marx's acceptance of the increase in the division of labor.<sup>[28]</sup> Modernity contains within itself the preconditions for exponential multiplication. As Hayek notes, „thanks to multiplication, differentiation, communication and interaction over increasing distances, and transmission through time, mankind has become a distinct entity preserving certain structural features that can produce effects beneficial to a further increase of numbers.”<sup>[29]</sup> We discover in Marx's *Capital* an affirmation of specialization as a dynamic to be preserved, accelerated and reintegrated into the workings of the socialist society of the future. „Manufacture”, writes Marx, „is characterized by the differentiation of the instruments of labor - a differentiation whereby tools of a given sort acquire fixed shapes, adapted to each particular application.”<sup>[30]</sup> Marx's sole issue with this process is that, within the context of a capitalist society, it serves the interests of the capitalist classes at the expense of the majority.

In and of itself, specialization is not deleterious in any way to society, and actually serves to accelerate the growth of productive forces. Later on, in Volume One of *Capital*, Marx explicitly connects specialization with quantification, another key aspect highlighted by Hayek as well: „the division of labour in manufacture provides the social process of production with a qualitative articulation and a quantitative proportionality. It thereby creates a definite organization of social labour and at the same time develops new, and social, productive powers of labour.”<sup>[31]</sup> Screpanti does not err when pointing out Marx's positive relation to the process of social differentiation. The growth in the division of labor increases productive power, strengthening the emancipation process.

In no uncertain terms, Screpanti declares that „Communism is not the model of an ideal society”; rather, it is a description of „a set of concrete individuals who unite and organize themselves to change their living conditions.”[32] If we expand this working definition to encompass concrete, individual institutions as well, then the final vestiges of humanism are left behind. Communism would be the self-ownership of institutions that actively empower themselves and transform their environments.

Screpanti’s anti-humanist Marxism presupposes an Althusserian abandonment of universal, generic humanity.[33] According to praxis-oriented Marxism, it is always a concrete set of agents who strive toward Communism, namely the proletarians, defined as the authentic producers of value. For anti-humanist Marxists, it is solely the producers of value who really matter in a historical – the rest of humanity is not so important, because only those have the power to transform the world who are in some way connected with the production process. Such a reading of Marx is refreshing because of its non-essentialism, very much reminiscent of Bertell Ollman’s work on internal relations.[34] The „proletarian” too is nothing more than a set of relations, and is in no manner, way or form more essential or more human than the capitalist. It can even be argued that institutions too may be considered as constituting „proletarians”, insofar as such organizations produce value. What is important from Screpanti’s libertarian perspective is the emancipation of exchange from exploitative social relations: „in communism, at any rate, exchange is not abolished. Rather, a new form is realized”, the free exchange of individuals liberated from the capitalist process of surplus labor accumulation.[35] According to Marx, the „private exchange” of goods and services within a restricted capitalist framework „stands in antithesis” not only with traditional property forms, but also to the „free exchange among individuals who are associated on the basis of common appropriation and control of the means of production.”[36] While it is tempting to latch onto any and all libertarian aspects, a word of caution is in order here. What is at issue here is how far a creative, libertarian reading can progress without colliding with a variety of hermeneutical obstacles. The goal of Screpanti’s libertarian communism would be the liberation not only of individual value-producing agents, but also the emancipation of institutions from the shackles of capitalist production relations. Freedom, in this framework, is conceived of as a quantity. The more freedom proletarians and their allied institutions have, the less capitalists are able to exploit them. This presupposes something deeply problematic, namely, the idea that freedom, aside from being quantifiable, is also redistributable.

What would true freedom look like, as defined by Screpanti’s vision of libertarian communism? Screpanti identifies four essential components of a free society: „1. Self-government of the producers. 2. Capacity for self-realization. 3. Faculty of choice. 4. Self-government of the commune.”[37] In this framework, self-realization can mean anything whatsoever, which puts Screpanti somewhat closer to an authentically libertarian position than Burczak’s unfortunate differentiation of positive, self-affirming consumer spending choices from supposedly negative life choices. But what counts as freedom? Whose freedom are we talking about? Freedom is none other than the autonomy of the producers, i.e. persons and institutions that create value.[38] Provided we take this seriously, any centralized form of wealth-redistribution becomes inherently problematic in Screpanti’s framework. But why then does this same author advocate for a radical increase in wealth taxation?[39] Surely, if we seek to erase exploitation, then compulsory taxation too must be abolished? Freedom, for Screpanti, is always somebody’s freedom. Hence, it follows that it is perfectly acceptable for a communist society to „expand” the freedom of the oppressed by subtracting the freedom of the privileged, exploitative classes.[40] Screpanti himself admits that there is zero normative basis for such a criminally-minded looting of business owners. Ethical individualism entails the consequence that communism is fundamentally amoral, in the sense that it rejects universal abstract moral dogmas equally applicable to any and all members of a society.[41] Communism is about the freedom of the working classes, nobody else’s freedom matters. An obvious

problem with such a viewpoint is its ignorance of Hayek's recognition that freedom is unquantifiable. One person's preferences are fundamentally different from another's. Furthermore, the Nozickian-Kantian prohibition on the instrumentalization of persons is also ignored in this framework.

Resource redistribution is an instrument subservient to the goal of a maximally free society; communism is „a movement.“[\[42\]](#) But if it is merely „a“ movement among many, there is no metahistorical reason it should win the trial of history. If we accept the full consequences of ethical individualism, as proposed by Screpanti, this also means that we must abandon any teleological or ethical legitimation of communism. Any work dealing with Marxism must come to terms, in some manner, with the deeply problematic concept of a proletarian dictatorship, an idea that contributed to the ideological legitimation of some of the most murderous totalitarian regimes in human history. Sadly, Screpanti attempts to rehabilitate the „dictatorship of the proletariat“ as some form of bottom-up democratic struggle. Communist revolution is „a self-government process“, consisting of a „permanent revolution“ within which workers transform production relations and subtract power from professional politicians to an ever larger degree, until centralized government effectively gives way of its own accord to an anarchistic self-government of the producers.[\[43\]](#) Why stick to the „dictatorship of the proletariat“? This dictatorship supposedly „demolishes the State but does not demolish democracy. Quite the contrary, it achieves true democracy, on the one hand, by abolishing the political power of the state, its separateness from civil society and its subordination to professional politicians; on the other, by building the economic basis for an effective exercise of self-government of the producers.“[\[44\]](#) In no way does Screpanti ever indicate what kind of mechanisms would prevent the abuse of such a „democratic“ dictatorship by certain interests or factions. It is profoundly difficult to envision how such a society would not degenerate into a totalitarian dictatorship, albeit one perhaps using the camouflage of civil society or even participative democracy to institute a redirection of economic value towards the state not unlike that experienced within 20th century state socialist regimes. Screpanti is certainly aware of the negative historical connotations of socialism, but nevertheless does not abandon the concept of a proletarian dictatorship. This results in a self-contradiction that is all but fatal for his defense of a socialist type of liberty. In Screpanti's framework, neither the self-ownership of the individual, nor the self-organizing nature of society are safeguarded. In the end, we are left with a worn-out model of Communism that is not really differentiated from the inefficient and morally indefensible top-down style experiments of 20th century Communism.

What may we say about the idea of communism as freedom of movement? Most famously in *The German Ideology*, Marx equates the process of „liberation“ with the unbinding of the forces of production: „'liberation' is a historical and not a mental act, and it is brought about by historical conditions, the development of industry, commerce, agriculture, the conditions of intercourse.“[\[45\]](#) Strangely, Screpanti seems oblivious to the radically posthumanist implications of this restatement. Freedom in the late works of Marx is, in a very real sense, dependent upon the liberation of the forces of production. In fact, one could make the argument that within modernity freedom is equal to the aggregate growth in the forces of production. The following description is telling: „factories show how, at a certain stage of development of the material forces of production, and of the social forms of production corresponding to them, a new mode of production develops and is formed *naturally* out of the old.“[\[46\]](#) Why does Marx call the outgrowth of new modes of production „natural“? In our view, what Marx is aiming at is a description of society as an aggregate of self-organizing forces and energies. Marx was compelled to label the historical transformation of the modes of production a natural process, his original intention being the description of a process that is independent of the intentions of any and all human agents.

## **Conclusion: Expanding Libertarianism and Reforming Socialism**

Liberation is material, taking place as the unintended consequence of human actions, alongside a great variety of other nonhuman processes. The development of a new mode of production is natural insofar as it separates itself from human intentions, following its own course. Liberation means the self-emancipation of the forces of production. Increasingly, society depends ever less upon the presence of an anthropological substrate. What matters is the ever more unconditional unbinding of the forces of production. Differentiation and multiplication without end: such would be the inner logic of the process of unbound Promethean modernity. Heretofore occluded by political philosophy, Marx and Hayek provide, in their own divergent ways, two keys towards unlocking the cypher of what the modern world is about. No longer may freedom be kept safely locked away within the anthropological cage. Prometheus has been unchained. Why not affirm the pandemonium of the forces of production as the victory of a generalized, more-than-human form of liberty? Libertarianism must take into account the need for an expansion of the concept of self-ownership, while allowing for more-than-human forms of self-organization. Similarly, if socialism is to have any future in the 21st century, it must adequately incorporate both individual rights and the utilitarian emphasis on the spontaneity of economic life. Unfortunately, neither Burczak nor Screpanti articulate a coherent model of socialism which does not violate either one of the libertarian side-constraints outlined above.

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## Notes

[1] Cf. MISES, L.: „Die Wirtschaftsrechnung im sozialistischen Gemeinwesen.“ *Archiv für Sozialwissenschaft und Sozialpolitik* 47, 1921, pp. 86-121.; LANGE, O.: „On the Economic Theory of Socialism, Part One,“ *Review of Economic Studies*, 4(1), 1936, pp. 53-71.; LANGE, O.: „On the Economic Theory of Socialism, Part Two,“ *Review of Economic Studies*, 4(2), 1937, pp. 123-142.; HAYEK, F.A.: „Socialist Calculation: The Competitive Solution‘.“ *Economica* 7.26, 1940., pp. 125-149.

[2] HAYEK, F.A.: *Law, Legislation and Liberty. Volume 2. The Mirage of Social Justice*, Routledge: London and New York, 1998., 108.

[3] HAYEK 1998: 109.

[4] HAYEK 1998: 110.

[5] HAYEK 1998: 119.

[6] Under „libertarianism“, we understand both a social order that:

A. respects the self-ownership of the individual, broadly defined, but by no means restricted to, as property rights.

B. Operates in a self-organizing manner, or at least allows self-organizing processes to operate in as free a manner as possible.

This definition is by no means a restrictive one. However, that being said, any violation of either A or B automatically invalidates any claim of „libertarianism.“ Hence, it must be proven that a proposed social and political philosophy fulfils both of these criteria simulateneously. A and B function as „side constraints“ in the sense of the term used by Robert Nozick. cf. NOZICK, R.: *Anarchy, State, and Utopia*, Blackwell: Oxford and Cambridge, 1999, 30-3.

[7] BURCZAK, T.A.: *Socialism After Hayek*, Michigan University Press: Ann Arbor, 2006., 2.

[8] HAYEK 1998: 112.

[9] BURCZAK 2006: 98-9.

[10] BURCZAK 2006: 109.

[11] VANEK, J.: „The Austrians and self-management: A positive essay.“ *Advances in Austrian Economics* (40), 1996, pp. 27-40., 29.

[12] NOZICK 1999: 172.

[13] BURCZAK 2006: 129.

[14] BURCZAK 2006: 93.

[15] The historical socialist advocacy of eugenics is a particularly telling example of what Hayek identifies as the constructivist desire for planning social phenomena. For a review of the underappreciated historical connection between the eugenics movement and socialist politics, see: SPEKTOROWSKI, A.: „The eugenic temptation in socialism: Sweden, Germany, and the Soviet Union.“ *Comparative Studies in Society and History* 46.1, 2004, pp. 84-106.

[16] MCCARTHY, N.: „Private Security Outnumbers The Police In Most Countries“, <https://www.forbes.com/sites/niallmccarthy/2017/08/31/private-security-outnumbers-the-police-in-most-countries-worldwide-infographic/#7d608989210f>, 2017.

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[19] BURCZAK 2006: 133.

[20] BURCZAK 2006: 96.

- [21] HOLLAND, B.: „Ecology and the limits of justice: Establishing capability ceilings in Nussbaum’s capabilities approach.“ *Journal of Human Development* 9.3, 2008. pp. 401-425.
- [22] BURCZAK 2006: 87. Burczak, completely unfoundedly, states that Hayek also advocates some notion of „the” good life, ignoring the fact that the latter held a radically subjectivist theory of value. Subjectivism obviates any supposedly objective enumeration or aggregation of human well-being, hence Hayek’s rejection of simple utilitarianism. Abstract, universal rules do not work better because they fulfill a set of fixed human needs, but rather, on their own terms, and allow for the differentiation of human desires along multiple lines.
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- [30] MARX, K.: *Capital. A Critique of Political Economy. Volume One.*, trans. Ben Fowkes, Penguin Books: London, 1990., 460.
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- [36] MARX, K.: *Grundrisse. Foundations of the Critique of Political Economy*, trans. Martin Nicolaus, Vintage: New York, 1973., 159.
- [37] SCREPANTI 2007: 92-102.
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