



The Failure of Marxism

Marxism is dead. This is acknowledged almost everywhere, with the exception of university campuses and among stodgy Old Leftists and uninformed media pundits. "The [Marxist] dream is dead," wrote Samuel Edward Konkin III. "The institutions move on, decadent zombies, requiring dismemberment and burial. The 'gravediggers of capitalism' approach their own internment."

Marxism failed on many fronts, perhaps on all fronts. Most fundamentally, though, its failure was economic. Marx's "map of reality" — his class theory — was fatally flawed, and economics was the measure by which his philosophy could be checked with reality. The failure of its economics led inevitably to Marxism's failure to live up to its political and historical predictions. Wrote SEK3:

"Remember well that Marx outlined history and brooked no significant wandering from the determined course. Should History not unfold according to the determined pathway 'scientifically' obtained, all Marxist theoretical structure crumbles. ...

"Marxism failed to produce a 'workable model of reality.' On the other hand, it has won the hearts and souls of billions in the past century. In order to bury Marx, it is necessary to deal with his apparent success, not his failures. His strong points must be overcome, not his weak, if [radical Rothbardians, agorists] hope to replace his vision as the prime inspiration of the Left."

Marxist Problem: The revolutionary class appears to work against its own interest; the proletariat support reactionary politicians.

Agorist Solution: The Counter-Economic class cannot work against its interests as long as it is acting counter-economically. Those supporting statists politically have internal psychological problems without doubt, but as a class, these acts dampen the weakening of the State marginally. (Someone who earns \$60,000 tax-free and contributes up to \$3000 politically is a net revolutionary by several thousand dollars, several hundred percent!)

Marxist Problem: "Revolutionary" States keep "selling out" to reaction.

Agorist Solution: There are no such states. Resistance to all states at all times is supported.

Marxist Problem: Revolutionary parties often betray the victimized class before taking power.

Agorist Solution: There are no such parties; resistance to all parties at all times is supported.

Marxist Problem: Little objective relief can be accomplished by reformist action. (Agorists agree!) Therefore, one must await the revolution to destroy the system. Until then, revolutionary activities are premature and "adventurist." Still, the productive class remains victimized until the class reaches consciousness as a whole.

Agorist Solution: Each individual may liberate himself immediately. Incentives for supporting collective action are built in and grow as the self-conscious counter-economy (agora) grows.

Marxist Problem: The class line blurs with time — against prediction.

Agorist Solution: Class lines sharpen with time — as predicted.

in the near future.

"Agorist class theory is quite practical."

The Marxist Appeal

Karl Marx himself asserted that should History fail to bear him out, he would admit he was wrong. History has passed judgment.

Just as Ludwig von Mises forecast in his landmark book Socialism (1922), in which the impossibility of economic calculation under Marxist statism was demonstrated, Marx's economics failed horribly. This economic failure led inevitably to the failure of Marx's political and historical predictions, and Marxist-controlled institutions today coast on intellectual capital and historical inertia.

But Marxism still won the hearts and souls of billions in the past century, and continues to do so among many even now. Why? What is Marxism's appeal? Samuel Edward Konkin III wrote:

"The most appealing part of Marxism may well have been the vision of sociopolitical revolution as a secular apocalypse. While others offered explanations of Revolution, only Marx gave it such meaning. No longer were the oppressed to merely oust the old regime to bring in a new regime brutal in a slightly different way, but the Revolution would make things so great that no further revolution was necessary. Marx's legerdemain was actually profoundly conservative; once the Revolution was over, there would be no more. Even diehard monarchists flinched from that much stasis.

"Yet the combination was unbeatable to motivate political activists: one all-out effort and then home free. More realistic presentations of Revolution tended to excite less dedication and commitment."

But the truth remains: today, Marxism is bankrupt. On the Left, faith is gone, morale is low, and activism is paralyzed. The Left needs a new ideology to supplant its failed and discredited Marxism.

Agorism — the purest, most consistent, and revolutionary form of libertarianism — is that supplanting ideology. Agorism can motivate and direct the underclass's struggle against the overclass — and return the Left to its radical anti-state, anti-war, pro-property, promarket historical roots.

Explained SEK3:

"Agorism and Marxism agree on the following premise: human society can be divided into at least two classes; one class is characterized by its control of the State and its extraction of unearned wealth from the other class. Furthermore, agorists and Marxists will often point to the same people as members of the overclass and underclass, especially agreeing on what each considers the most blatant cases. The differences arise as one moves to the middle of the social pyramid.

"Agorists and Marxists perceive a class struggle which must continue until a climactic event which will resolve the conflict. Both sides perceive select groups which will lead the victims against their oppressors. The Marxists call these groups of high class consciousness 'vanguards' and then extract even more aware elements designated 'elites of the vanguard.' Agorists perceive a spectrum of consciousness amongst the victims as well, and also perceive the most aware elements as the first recruits for the revolutionary cadre. With the exception of 'intellectuals,' the Marxists and agorists sharply disagree on who these most progressive elements are."

the statist swamp or be borne away on the winds of revolutionary change."

Konkin offered a scenario, using agorist class theory, to illustrate the difference between a limited-government libertarian and an agorist:

"Consider the individual standing at the corner of the street. He can see two sides of the building behind him as he prepares to cross the street. He is hailed and turns around to see an acquaintance from the local libertarian club approaching in one direction. The latter advocates 'working through the system' and is an armed government agent. Walking along the other side of the building is another acquaintance, same age, gender, degree of closeness and so on, who is a practicing counter-economist. She also may be armed and is undoubtedly carrying the very kind of contraband the State's agent is empowered to act on. Seeing you, the first individual waves and confirms she indeed has the illegal product — and is about to run into the 'libertarian statist' at the corner. Both are slightly distracted, looking at you.

"The situation is not likely to happen too often but it's quite possible. Only the removal of 'complicating factors' is contrived. If you fail to act, the counter-economist will be taken by surprise and arrested or killed. If she is warned, she may — at this last-minute — elect to defend herself before flight and thus injure the agent. You are aware of this and must act now — or fail to act.

"The agorist may take some pains to cover his warning so that he will not get involved in a crossfire, but he will act. The socialist has a problem if the State agent works for a socialist state. Even the 'libertarian' has a problem. Let's make it really rough: the State agent contributes heavily to the local 'libertarian' club or party (for whatever reasons; many such people are known to this author). The counter-economist refuses to participate except socially to the group. For whose benefit would the 'political libertarian' act?

"Such choices will increase in frequency when the State increases repression or the agorists increase their resistance. Both are likely

of the State but actually direct and control it. In 'socialist' countries, these are the top officeholders of the governing political party who usually (though not always) have top government offices. In the 'capitalist' countries, these super-statists seldom appear in government positions, preferring to control directly the wealth of their state-interfaced corporations, usually banks, energy monopolists and army suppliers. Here we find the Power Elite, Higher Circles, Invisible Government, Ruling Class and Insider Conspiracy that other ideological groupings have detected and identified.

"Towards the other end of the spectrum [from statists] are fulltime counter-economists," SEK3 explained. "They reject government offerings and disregard State regulations. If they report an income, it is a tiny proportion of what they actually earn; if they file a report, it's highly misleading but plausible. Their occupations are fulfilling demand that the State strives to suppress or exterminate. They not only act freely, but often heroically."

Just as the superstatists understand the State's workings and use it consciously, there exist those at the counter-economic end of the spectrum who understand the pure libertarian consistency and morality of their acts; these are the agorists. "Against the Power Elite is the anti-power elite — the Revolutionary Agorist Cadre (or New Libertarian Alliance),"

Konkin wrote.

But what of the "middle class" on the spectrum? What of those who mix commission of some counter-economic acts (black spots) with some statist acts (white spots), their lives summed up by grayness? Konkin described the middle-class this way:

"To the statists, they are the victims, the herds of cattle to be slaughtered and sheep to be sheared. To the Agorists, they are the external marketplace, to receive nearly everything in trade — but trust.

"And some day they shall either take control of their lives and polarize one way or the other, or fail to do so and shall stagnate in

Precursors to Marxist Class Theory

Although today's academics largely credit the doctrine of class conflict to Marx and Engels, historian Ralph Raico has for many years advanced the 19th Century classical liberal exploitation theory of Comte and Dunoyer as a much superior, more correct precursor to the Marxist class model. However, Konkin begins his examination of class theories much earlier than Comte-Dunoyer or Marx. He wrote:

"Rome had three citizen classes and a fourth alien class written into its legal codes. Medieval Europe continued the concepts and much of the rest of the world had its versions. The upper class was the nobility, that is, the royalty and aristocracy, who controlled the land and directed its resources. The lower class were those who worked that land, peasants, serfs, villeins, etc. Most people fit in the lower class but those that fit in neither were, at least in numbers, at least as numerous as the upper class. Many were merchants, and as they turned villages into towns and then large, powerful cities, they were given the term Middle Class or terms meaning city-dweller: burger, bourgeois, etc."

Enter Comte, Dunoyer, and the rest of the "French school." But we will get to libertarian (and agorist) class theory later. First...Karl Marx.

Marxist Classes

Marx recognized that the millennium-old class structure of Europe was drastically and noticeably changing and that he lived in a revolutionary time. As SEK3 explained:

"The old order was making way for a new one. The Aristocracy was on its way out, either to liquidation (as in France and the U.S.) or to vestigial status, kept around for ceremonial purpose by a sentimental bourgeoisie (and lower classes) as in England. The bourgeoisie was in the ascendancy in the first half of the nineteenth century — Marx's formative and most active years.

"Future events could and were explained by this class struggle theory: the Europe-wide rebellion of 1848 swept away much of aristocratic power restored after Napoleon's defeat; the American Civil War was the Northern bourgeoisie's way of smashing the remnant of landed aristocracy preserved as by the South.

"While this phenomenon so far was widely acknowledged (though it applied poorly to the Franco-Prussian War of 1870-1), Marx was as interested in the transformation of the Lower Class as in that of the Upper Class. Peasants were being driven off their farms, serfs were given their freedom to go to the cities to become industrial workers. And here was the focus of Marx's insight."

First, based on Adam Smith's Labor Theory of Value, Marx saw the evolving workers as the only real productive class. He saw the bourgeoisie evolving into a smaller, aristocratic group that held ownership of the new means of production: factories, assembly lines, distribution/transportation systems, etc. The world, Marx said, was being neatly divided between a non-productive class (the former bourgeoisie, now capitalists) and a productive class skilled in using capital goods but not owning them (the proletariat). Capital would control the State. To Marx, this was the world of the future, as evident in his present.

assaulting. "These 'red marketeers' (dealing in blood, not gold or trade goods)," SEK3 explained, "are best looked upon as degenerate factions of the ruling class, in contention with the State's police as the Cowboys fight the Yankees, the Morgans fight the Rothchilds or the Rockefellers, and the Soviet statists fight the American statists." These "red marketeers," say agorists, are criminals.

At the same time, all so-called (by the State) "criminals" (or criminal acts) that do not involve initiation of violence or the threat of it (coercion) are counter-economic. Since they run counter to the interests (real or perceived) of the State, and are usually productive, they are forbidden by the State. They are, therefore, objectively agorist and thus objectively revolutionary. Wrote Konkin:

"Agorist class theory has the best of both positions: a sharp class line and a graduated spectrum. Individuals are complex and confused. An individual may commit some Counter-Economic acts and some statist ones; nonetheless, each act is either Counter-Economic or statist. People (and groups of people) can be classified along a spectrum as to the predominance of agorism over statism. Yet at each given moment, one can view an action, judge it immediately, and take concrete counter-action or supportive action, if desired."

What about motivation, awareness, consciousness of actions and their consequences, and professions of agreement? They are irrelevant; agorists judge one solely by one's acts. And one is responsible for fully restoring one's victims to the pre-aggression state of being for each and every act (see New Libertarian Manifesto, chapter 2). Konkin explains:

"Regular, repeated patterns of aggression make one a habitual criminal — a statist (or 'pure statist'). These people earn no wealth and have no property. Their loot is forfeit to revolutionary agorists as agents of the victims. The pure statist subclass includes all political officeholders, police, military, civil service, grantholders and subsidy receivers. There is a special subclass of the pure statists who not only accept plunder and enforce or maintain the machinery

Agorist Class Theory

Murray Rothbard took Franz Oppenheimer's distinction between the political means of gaining wealth (State theft) and the economic means (production) and then portrayed them as Power vs. Market (in his book Power and Market). Unfortunately, most libertarians haven't applied Rothbard's concept completely and thoroughly. Explained Konkin:

"Since many libertarians arrived at anarchy from the limited-government, classical liberal position, they retain a sort of three-cornered concept of struggle: the State at one apex, 'real' criminals at a second, and innocent society at a third. Those who commit victimless crimes, in the minarchist view, may often be put in the criminal class not for their non-crime victimless act but for avoiding trial by the State and remaining at large. Again, some anarchists have yet to entirely free themselves from this liberal statist hangover.

"Remember, the liberal statists want to restrain the State to increase the production of the host to maximize eventual parasitism. They 'control their appetites' but continue the system of plunder. The recent political example of supply-side economics starkly illustrates the basic statist nature of such ideas: the tax rate is lowered in order to encourage greater economic production and thus a greater total tax collection in the long run."

Likewise, "free-enterprise" conservatives, and "libertarian" minarchists call for retention of the State, however restricted or restrained. They are the enemy of the agorists, the free market, and complete liberty. They fall on the statist side of the class line. "The libertarian rhetoric they offer," Konkin wrote, "may be 'turned' or continued to consistency in winning over confused and marginal potential converts — but they offer no material substance for freedom. That is, they are objectively statists."

What is meant when a person or group or people are called objectively statist? To agorists, the term is used for those who emulate the State by murdering, stealing, defrauding, raping, and

Marx's second insight was based on Hegel's dialectical materialism. History was an ongoing clash of ideas: the thesis existed, the antithesis rose in opposition, and the clash created a synthesis (a new thesis). Wrote SEK3:

"This is why Marxist sloganeers always call for 'struggle' — it's all their theory allows them to do!"

So just as the bourgeoisie ousted the aristocracy to create capitalism (the synthesis), Marx declared that the new proletariat would oust capital and synthesize into, well, nothing. The proletariat victory, Marx predicted, would eventually end classes and class conflict. Granted, the proletariat (or, rather, its vanguard elite) would control the State temporarily. But once classes vanished and there was no class conflict to repress, the State would "wither away."

The Agorist Critique of Marxist Class Theory

Marx's Class Theory failed to see that those workers classically considered proletariat would become growingly obsolescent. In North America, unionized skilled workers are in decline, being absorbed by new entrepreneurship (franchising, independent contracting and consulting), the service industry, scientific research and development, increased managerial function without human labor underneath for exploitation, and bureaucracy. Wrote SEK3:

"The entrepreneurial problem is unsolvable for Marxism, because Marx failed to recognize the economic category. The best Marxists can do is lump them with new, perhaps mutated, capitalist forms. But if they are to fit the old class system, they are petit bourgeois, the very group that is to either collapse into proletarians or rise into the monopoly capitalist category. Small business should not increase in the 'advanced, decadent stages of capitalism.'"

Marxism also does not deal with the persistent Counter-Economy (i.e., a peaceful black market or underground economy). There is a spectrum of the Counter-Economy "tainting" workers, entrepreneurs, and even capitalists. Said Konkin:

"Scientists, managers, even civil servants do not merely accept bribes and favors but actively seek second, unreported employment in the 'black market.' And the more 'socialist' the State, the bigger the nalevo, 'black work' or 'underground' component of the economy. ... [T]his turns Marx 'on his head' ... : 'advanced capitalism' is generating runaway free-enterprise (the Old-Fashioned kind) in reaction; the more decadent (statist) the capitalism, the more virulent the reaction and the larger the Counter-Economy.

"But even worse is the class of Counter-Economists. That is, by Marxist class structure, the black marketeers cannot be a class: workers, capitalists and entrepreneurs in active collusion against a common enemy, the State. True, many do not perceive themselves as in a common class and some even try to deny their 'black' activities even to themselves, thanks to religious and social guilt

"Agorists have had no such problem with a distinction, nor do they find any disjunction between means and ends. Furthermore, the simple premises of agorist class theory lead quickly to sharp judgments about the moral nature (in libertarian theory) and practical nature of any individual's human action. That is, agorists have a comprehensive class theory ready to supplant the Marxist paradigm which also avoids the flaws in semi-libertarian halfhearted theory and its attendant compromises. As to be expected, it begins with Counter-Economics."

characteristics previously seen in other holders of State power and privilege. Rothbard's discovery and dissemination of Domhoff's work provided a solid base for his Power Elite analysis.

In nearly every ruling-class theory, the top of the statist pyramid was occupied by David Rockefeller's interlocking-directorate corporate control of U.S. and international finance and the band of Court Intellectuals and corporate allies found in the Council on Foreign Relations, the Trilateral Commission, and lesser-known groups. Once a ruling group was identified, its nature could be examined further and its actions observed and eventually predicted.

Two formidable blocks have prevented even the radical libertarians from offering a comprehensive class model to compete with essentially dead Marxist alternatives. The first block is a "culture lag," most notably in the U.S., where talking about classes is perceived as "offensive" and "impolite." As SEK3 remarked,

"Only rightist kooks and commies talk about ruling classes and class structures."

The second roadblock is simply the limitation of libertarian theory. With the exception of agorists, even most radical libertarians see a political solution to statism. Wrote Konkin:

"In building political coalitions to seize the apex of State control, it pays not to look too closely at the class interests of your backers and temporary allies. ...

"This limitation can be understood in another way. When libertarian ideologues attack alleged libertarians for not freeing themselves of State institutions, State subsidies, or actual State jobs, they reply 'tu quoque.' That is, how can the 'purist' libertarians enjoy the supposed benefits of State roads, monopolized postal delivery and even municipal sidewalks and then accuse those wearing a Libertarian label of selling out by getting elected to office, accepting tax-collected salaries and wielding actual political power — on the way to 'withering away' the State, no doubt.

induction. And yet, when the agents of the State appear to enforce the 'laws' of the Power Elite, the Counter-Economists from taxdodging businessman to drug-dealing hippie to illegal alien to feminist midwife are willing to signal each other with the universal: 'Watch it, the fuzz/pigs/flics/federales/etc.!' ...

"Even in extreme cases, the commonality of the Counter-Economist has generated an economic determinism as strong as any Marx considered to weld 'class unity.' But this is still not the worst.

"This class unity is not that of a workers' class (though workers are heavily involved) nor of a capitalist class (though capitalists are involved) nor even of a ruling class — this class is based on the commonality of risk, arising from a common source (the State). And risk is not proletarian (or particularly capitalist); it is purely entrepreneurial.

"Again, to make it clear, if the 'entrepreneuriat' are tossed into the capitalist class, then the Marxist must face the contradiction of 'capitalists' at war with the capitalist-controlled State.

"At this point, Marx's class analysis is in shreds. Clearly, oppression exists, but another model is needed to explain how it works."

Libertarian Class Analysis

Marx's class analysis, with its recurring problem of the cross-class nature of statists and anti-statists, lies in shreds. Clearly, oppression exists, but another class model is needed to explain how it works.

The Libertarian Class Model advanced by Murray N. Rothbard is based on the relation of the individual to the State, which springs from Franz Oppenheimer's paradigm of the evolution of the State. The sweep of history, Oppenheimer wrote, was a long account of the parasitic class continually transforming itself with new religions and ideologies to justify its existence and repeatedly hoodwink the productive class into serving it. As SEK3 explained:

"Today the State uses democracy (victim participation in his own plunder), liberalism (leash the State to make it more palatable), conservatism (unleash the State against 'enemies' — commies or capitalists, perverts or straights, heretics or orthodox believers, difference 1 or difference 2), and other nostrums, snake-oil or anticoncepts to beguile its victims into accepting continued plunder (taxation), murder (war and execution), and slavery (conscription and taxation again)."

Socialism, including Marxist variants, is just another dogma used to justify the State's existence, and it is one of the most appealing.

Almost all libertarians accept that the State divides society into two classes: those who gain by the existence of the State and those who lose. Most libertarians also agree that society would be better off if the State were eliminated or at least shrunk significantly. But despite efforts of the late Rothbard and others to raise libertarian class consciousness, most American libertarians seem to find discussion of class theory offensive, "impolite," and "not respectable." They appear to believe that only right-wing kooks and commies talk about ruling classes and class structures.

Nevertheless, efforts to expand Libertarian Class Theory into a comprehensive model have continued.

Radical Libertarian Class Analysis

Murray Rothbard himself continued to expand upon Libertarian Class Theory. His roots in the Old Right had introduced him to populist "bankers conspiracy" theories and the like. Added class viewpoints came from Left-statists and earlier anarchists. What he discovered was that the proponents of ruling classes, power elites, politico-economic conspiracies, and Higher Circles pointed to roughly the same gang at the top of the sociological pyramid.

Rothbard introduced the work of three Left Revisionist analysts to Libertarian Class Theory: Gabriel Kolko, Carl Oglesby, and G. William Domhoff.

Historian Kolko's Triumph of Conservatism detailed how "capitalists" thwarted the relatively free marketplace of the late 19th century and conspired with the State to become "robber barons" and monopolists. Rothbard's adoption of the Kolko viewpoint severed the alliance between radical libertarians and free-market apologists for conservatism.

Oglesby, a former president of Students for a Democratic Society, coauthored Containment and Change in 1967, which argued for an alliance between the New Left and the libertarian, non-interventionist Old Right in opposing imperialistic U.S. foreign policy. In The Yankee and Cowboy War (1976), Oglesby tied in current assassination-conspiracy theories to present a division in the ruling class. Important for both Rothbard and Oglesby was the division within the Higher Circles; the internal conflict between those controlling the State manifests itself in political electioneering, corruption and entrapment (Watergate), assassination and, finally, outright warfare. Wrote SEK3:

"The class consciousness of the superstatists, while high, does not include class solidarity."

What were the "Higher Circles"? The term came from Domhoff, a research professor of psychology, who described them as a subtle aristocracy with similar mating habits and association