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What Do Anarcho-Capitalists Actually Want?



Rainer Zitelmann May 01, 2025

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When they hear the word "anarchism," most people probably think of leftwing extremists or theorists such as Michael Bakunin, Karl Marx's rival. However, there is a historical tradition of anarchism that has nothing to do with left-wing, anti-capitalist thinking, but which – on the contrary – combines pure capitalism in the economy with complete freedom from domination.

The American economist and philosopher Murray Rothbard, for example, is one of the most prominent advocates of this perspective. The Argentinian President Javier Milei also describes himself as an "anarcho-capitalist" and made a highly acclaimed speech at Davos earlier this year, stating, "The state is not the solution. It is the problem." One of the leading German anarchocapitalists is the economist Antony Peter Mueller, who has just published a book entitled Anti-Politik.

I approached this book with some skepticism, as I consider myself a radical anti-utopian who questions the effectiveness of social systems constructed by intellectuals in their ivory towers. However, Mueller's analysis is spot on in many ways: "the state apparatus is consuming an increasing amount of resources, leading to the exploitation of the productive members of society." More and more people are rejecting government, and fewer and fewer are willing to work to support others. "The solution lies not in bigger government and more politics, but in a smaller government and less politics."

Over the past 15 years, we have witnessed almost everywhere – in China, the USA, Latin America, and Europe – how market forces are being increasingly constrained, and government intervention in people's lives, and especially in the economy, is on the rise.

According to Mueller, the interventionist state has taken control of the economy. The government's economic policy is actually exacerbating many of the ills it claims to want to cure. Rather than smoothing the economic cycle, as politicians and central banks assert, the policy's repercussions are actually undermining and destabilizing the economy.

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Mueller describes how private ownership of the means of production, while technically still in place on paper, is increasingly being eroded and becoming an empty shell because owners can no longer decide what to do with their property and assets. It is the state that now dictates production decisions, such as which cars companies should manufacture and which heating systems homeowners should install.

So what solution does Mueller propose? Depoliticization. He suggests that the party system is detrimental and should be replaced by randomly elected assemblies. Over time, he says, the majority, if not all, state functions, including those related to security, should be privatized. The goal, he declares, should be to facilitate the coexistence of people, largely without the intervention of the state.

My problem with this is that while such concepts can be thought up on paper, if you ask where in the real world they exist, or have ever existed, you get the same answer you get when you ask the same question to most Marxists: nowhere. However, comparing reality to an idea or vision developed in a book is about as fair as comparing a real-life marriage to a romantic novel. And history serves as a reminder that attempts to turn utopian visions of a perfect world into reality have not improved people's lives, but have often turned them into hell.

In Mueller's defense, however, it is important to note that he is firmly opposed to "a big-bang approach to implementing anarcho-capitalism." This, he concedes, is a totally unrealistic option anyway. Instead, he views the idea as a "goal" and his aim is to "steer the economy and society, as they exist in reality and in the present day and age, toward greater economic and personal freedom." The idea of anarcho-capitalism serves Mueller more as a framework, rather than as a rigid ideology which should be implemented 1:1 in reality

Mueller argues that it is futile to speculate about a world built on libertariananarcho-capitalist ideals – and yet that is what he does in some sections of his book. But I agree with him unreservedly when I writes: "Our conclusions are twofold: first, the thesis that market-driven approaches would have led to improved living standards; second, the empirical data showing that statecontrolled economies and societies have not achieved the success touted by their proponents."

Pure capitalism does not exist anywhere in the world – and it is not necessary to massively improve people's lives. Even a few drops of capitalism make a huge difference: the market economy reforms introduced by Deng Xiaoping in China reduced the proportion of Chinese living in extreme poverty from 88 percent in 1981 to less than one percent today. Similarly, in Vietnam, which was the poorest country in the world in the beginning of the 1990s, the number of people living in extreme poverty fell from 80 percent to less than five percent – all thanks to the introduction of private property and market economy reforms.

History is dynamic, with no definitive end state. Neither freedom nor oppression are durable or even eternal. Rather, throughout history, we

witness a continuous battle between the forces of freedom and unfreedom. There have been periods, such as the 1980s and 1990s, where economic freedom made great advances thanks to reformers such as Ronald Reagan, Maggie Thatcher, Leszek Balcerowicz, and Deng Xiaoping, and other phases – such as today – when free enterprise is being curtailed on a global scale.

The world would be a far better place if governments were to refocus on what should be their core responsibilities, namely ensuring internal and external security and providing a stable framework as a constitutional state. Instead, wherever we look we see that the state is far too strong where it should be weak, particularly in areas such as economic regulation and shaping public opinion. And because the state's priorities have shifted to redistribution and interventionism, it is far too weak where it should be strong and can no longer even secure the borders.

If anarcho-capitalism is an ideal that serves to limit the influence of politicians and the state in the economy and in intellectual life, it should be embraced. However, if it is presented as a blueprint for a flawless society, then we should be skeptical, as with all utopian visions.

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