

Why the Market Isn't Free:

The Rigged Economy / Rigged Market
and
Why Congress Should Repeal the Taft-
Hartley Act

by Joseph W. Kopsick

for the Chicago College of Complexes

May 4th, 2024

in honor of workers for May Day (May
1st, 2024)

Introduction to Joe Kopsick

- Joseph William Kopsick Age: 37
- Residence: Waukegan, Illinois (in Lake County)
- Education: Bachelor of Arts with Major in
Political Science
 at the University of Wisconsin at Madison,
2005-09
- Blogger, self-published author, frequent
candidate (U.S. & IL House)
- Currently running for Illinois State Assembly,
60th District
- Libertarian Party 2007-2020, 2021-23
- Green Party 2000-07, 2020-21, 2023-24

Articles I've Written About Labor & Labor Law

- “Initial Reaction to Scott Walker’s Public Sector Union Reform Proposals #1: Two Days In” (February 2011)
- “Initial Reaction to Scott Walker’s Public Sector Union Reform Proposals #2: Two Weeks In” (February 2011)
- “Feudalism and the Class War” (April 2011)
- “Scott Walker vs. Unions” (May 2011)
- “The Pay-Gap Tax” (October 2011)
- “To Critics of Wisconsin Governor Scott Walker” (January 2012)
- “Compulsory Unionism vs. Right to Work” (March 2012)
- “Private-Sector Labor Policy” (April 2012)
- “Right-to-Work Laws and Union Security Agreement Contracts” (April 2012)
- “Labor Protectionism” (June 2012)
- “On Monopoly and Scott Walker Recall” (June 2012)

Articles I've Written About Labor & Labor Law

“What Didn't the Unions Do?” (April 2013)

“Proposal for Cooperative Party of Oregon” (September 2013)

“Wisconsin and Collective Bargaining: My Journey on Labor Policy” (December 2013)

“On Labor: Offering Tax Incentives to Firms to Transition Power to Workers and Consumers” (April 2014)

“Diagram of the Public, Private, and Third Sectors” (April 2014)

“Social Policies for 2012 U.S. House Run” (April 2014)

“Privatization and Industrial Combinations” (August 2014)

“Majority Unionism, Compulsory Unionism, and Compulsory Voting Hurt Workers” (November 2014)

“Janus Decision Reveals Two-Faced Nature of Collective Bargaining Law” (July 2018)

“The Case for Clear-Market Capitalism, and Why Free Markets Are Supposed to Clear” (January 2019)

“Taxing Businesses for Using Public Resources and for Benefiting from Taxpayer-Funded Privileges” (September 2020)

Why Would a Green Party Supporter
Want Freer Markets?

and

Why Should Greens Support Freer
Markets?

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Why Should Greens Support Freer
Markets?

- Free markets doesn't mean tyranny for big corporations; it means making it easier for ordinary people to start (environmentally-friendly, non-exploitative) businesses; and it means freeing the people (consumers / taxpayers) from having to buy from, work for companies they don't want to support

Why Would a Green Party Supporter
Want Freer Markets?
and
Why Should Greens Support Freer
Markets?

1. Libertarians and Greens agree about creating a voluntary society through consent, and that should apply to economic issues as well as social and political issues
2. Libertarians and Greens should both be able to agree that the economy needs BOTH more freedom AND more fairness; reducing monopolies promotes BOTH; and that freedom includes EQUAL protection under the law

Why Would a Green Party Supporter Want Freer Markets? and Why Should Greens Support Freer Markets?

3. Free markets doesn't mean tyranny for big corporations; it means making it easier for ordinary people to start (environmentally-friendly, non-exploitative) businesses; and it means freeing the people (consumers / taxpayers) from having to buy from, work for companies they don't want to support

4. Libertarians are too invested in promoting Bitcoin, opposing public assistance, and supporting total non-intervention, to bother addressing ALL the things that rig the markets; therefore:

Greens would likely do a better job at detecting and eliminating monopolies than Libertarians would

Why Would a Green Party Supporter
Want Freer Markets?
and
Why Should Greens Support Freer
Markets?

Greens would likely do a better job at detecting and eliminating monopolies than Libertarians would

But also:

We are here tonight to talk about how to make the market for LABOR (and the market for representation of workers) more free and more fair, and about which legal reforms to the markets would help BOTH workers and consumers



The Taft- Hartley Act of 1947



Background:

- Intended to address large wave of strikes in 1945-1946
- Purposes of bill included mediating labor disputes affecting commerce, equalizing legal responsibilities for labor organizations and employers, etc.
- Authored by Senator Robert A. Taft (R, OH) and Congressman Fred A. Hartley, Jr. (R, NJ)

Purposes and Methods of the Taft-Hartley Act

The law's purposes:

- to provide additional facilities for the mediation of labor disputes affecting commerce

- to equalize legal responsibilities of labor organizations and employers

- to "promote the full flow of commerce" while avoiding "industrial strife which interferes with the normal flow of commerce"

- to prevent strikes, lock-outs, and other "coercive" activities

- to prevent strikes from turning into, or

Purposes and Methods of the Taft-Hartley Act

Methods / How the Law's Goals Were to Be Achieved:

- to amend the National Labor Relations Act of 1935 / Wagner Act

- by having "employers, employees, and labor organizations" "recognize under law one another's legitimate rights in their relations with each other... [and] that neither party has any right ... to engage in acts or practices which jeopardize the public health, safety, or interest."

Act of 1947

What it Does (Legally):

- Amends the 1935 N.L.R.A. (National Labor Relations Act) / Wagner Act; specifically, section 8, which prohibited "employers from interfering with employees as they engage in concerted activity", "dominating or assisting a labor union", and "discriminating against any worker because of union activity".

- Section 14(b) allows states to enact Right-to-Work laws (which ban "union shops" a type of union security agreement in which only unionized people may be hired, and "closed shops", a type of agreement in which the only people who may be hired belong to the union currently representing workers at the given workplace / bargaining unit)

- Right-to-Work laws allow workers in a unionized shop to opt out of paying dues and becoming a member of the union

- "Right to work for less" / "right to be a scab" (strike-breaker) according to union workers.

Act of 1947

What it Does (in Terms of Effects on What Workers and Unions Can Do):

Prohibits solidarity actions (considered by the government to constitute "unfair labor practices"; including:

- Secondary boycotts (boycotts which occur in multiple firms or industries simultaneously)
- Solidarity strikes / secondary strikes (strikes which occur in multiple firms or industries simultaneously)
- Secondary picketing and mass picketing

- Jurisdictional strikes (a/k/a demarcation disputes), the refusal to work unless particular employees are given the appropriate assignments, or employment is denied to members of other unions; a type of closed-shop activity)
- Wildcat strikes (a/k/a "unofficial industrial actions"); strikes by unionized workers, which occur without permission, support, and/or approval of union leaders)

Back to Taft-Hartley Soon..

But first:

What are the differences between "free markets", "rigged markets", "anarcho-capitalism", and "corporate tyranny"?

And what are some ways that the market can become rigged?

Free Markets vs. Corporate Tyranny

- Noam Chomsky on Ron Paul and American libertarianism:
“Libertarian ideology .. may sound nice on the surface but if you think it through, it's just a call for corporate tyranny. It takes away any barrier to corporate tyranny. But, it's all academic. The business world would never permit it to happen because it would destroy the economy. They can't live without a powerful state, and they know it.”
- Essentially, “Businesses can't live without a powerful state”

Free Markets vs. Liberal Markets Under Statism

Liberal Markets Under Statism = regulation means legislation

Free Markets = regulation means keeping the flow of commerce regular (i.e., no interstate tariffs, no unfair subsidization of intrastate domestic labor and capital over that of other states)

Liberal Markets Under Statism = government promises to insure people against business fraud and labor exploitation, often fails

Free Markets = all government is self-government and is done by private actors; insurance agencies and

How to Prove That We Have Free Markets

- #1. Statistical Analyses (not my area of expertise)
- #2. Providing examples of ways the market is interfered with, or distorted, in a manner that causes us to remunerate much of our money to our employers, sellers, and/or the government (coming up next)
- #3. Princeton study

The Princeton Study on Oligarchy

Title: "Testing Theories of American Politics: Elites, Interest Groups, and Average Citizens", published in September 2014

The US is dominated by a rich and powerful elite. So concludes a **recent study** by Princeton University Prof Martin Gilens and Northwestern University Prof Benjamin I Page.

...the two professors have conducted exhaustive research to try to present data-driven support for this conclusion. Here's how they explain it:

Multivariate analysis indicates that economic elites and organised groups representing business interests have substantial independent impacts on US government policy, while average citizens and mass-based interest groups have little or no independent influence.

The Princeton Study on Oligarchy

"A proposed policy change with low support among economically elite Americans (one-out-of-five in favour) is adopted only about 18% of the time," they write, "while a proposed change with high support (four-out-of-five in favour) is adopted about 45% of the time."

On the other hand: When a majority of citizens disagrees with economic elites and/or with organised interests, they generally lose. Moreover, because of the strong status quo bias built into the US political system, even when fairly large majorities of Americans favour policy change, they generally do not get it.

They conclude: Americans do enjoy many features central to democratic governance, such as regular elections, freedom of

The Princeton Study on Oligarchy

Q: What does it mean?

A: We have oligarchy in the government
because
pro-oligopoly businesses successfully
lobby the government to pass laws that
give favors to those same business
interests.

i.e., CORPORATE CAPTURE of government

How Can the Economy (and Markets) Become Rigged?

And what do I mean by “rigged
markets”?

What do I mean by "rigged markets"?

- Rigged markets / rigged economy = the opposite of free markets / free economy
- Free markets \neq corporate tyranny; businesses should grow w/o govt assistance
- In a free market, supply and demand meet, prices adjust, and markets clear; in an unfree market, government interferes with the spontaneity and fluidity of this process (such as by buying-out and financially sponsoring companies, acting as a buyer of last resort, creating and/or acting as a monopsony, setting prices and price floors and ceilings)

Subsidization Leads to Inflation

How Companies React to Subsidization:

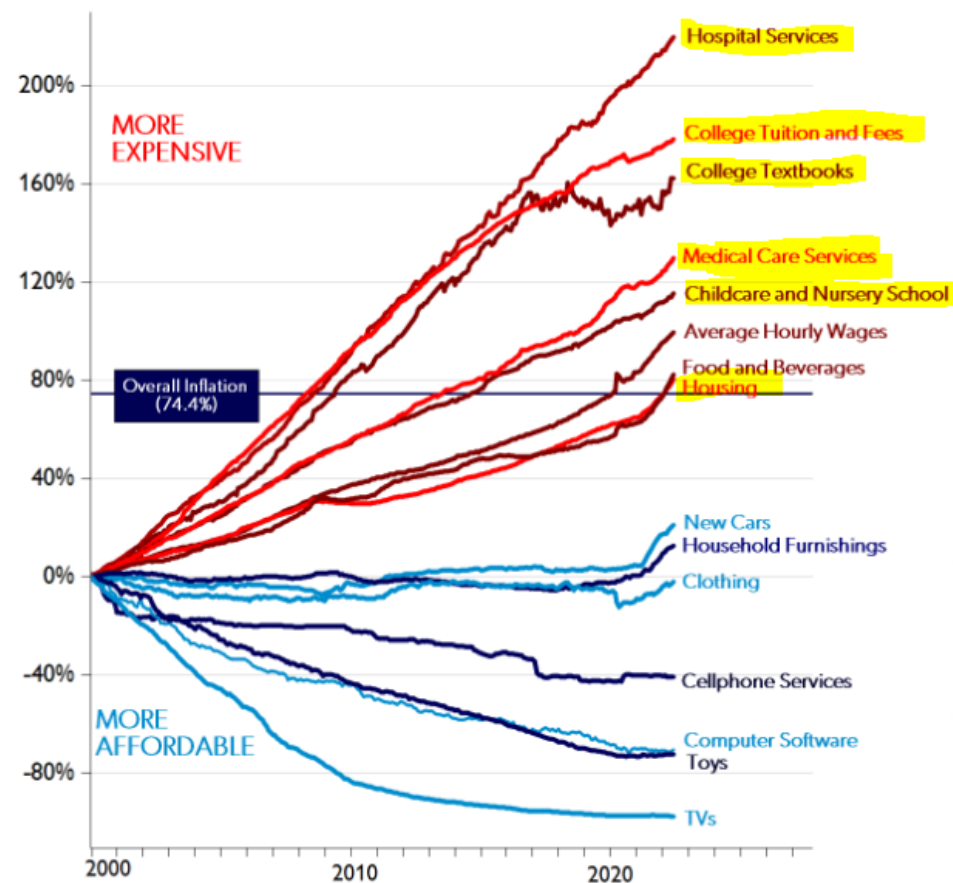
- Good companies: Use the subsidies to make the products more affordable
- Evil companies: Pocket the money, and keep raising prices

Subsidization Leads to Inflation

Goods and services experiencing highest price inflation are also made by firms among the most heavily subsidized industries

(health, education)

Price Changes: January 2000 to June 2022
Selected US Consumer Goods and Services, Wages



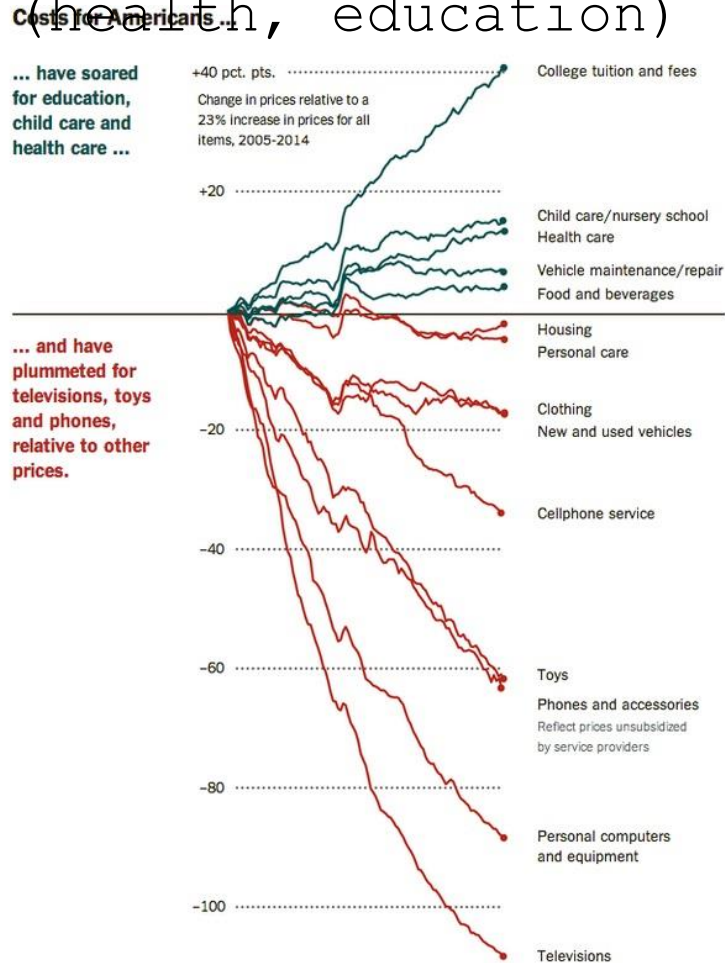
Source: Bureau of Labor Statistics

Carpe Diem 

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Therefore:

- Rigged economy = A state of affairs in which government effectively orders people to buy goods or services from certain firms (and/or from itself), and/or in which government spending and tax revenues have grown so large that the number of private businesses decrease and such

(and Markets) Become Rigged?

Eight ways (which involve government) that markets
become rigged:

CORPORATE CAPTURE OF GOVERNMENT

(incl. to facilitate any or all of the
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(incl. to facilitate any or all of the following:)

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(esp. exclusive / exclusionary claims, claims over vast swaths of land, or over entire workplaces or farms, etc.)

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2. Government intervention into the economy to choose winners and losers in the marketplace,
incl. by propping up and bailing out failing businesses,
preventing markets from clearing,

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3. Lobbying by corporations and government contractors to award exclusive contracts, effectively compelling citizens to purchase goods or services through the process of taxation and loans / subsidies / deposit insurance / etc.

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4. Government support of artificial,
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undeserved monopolies (including on the

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(incl. when government acts as an oligopsony, and government acting as a buyer of last resort without justification)

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6. Government creation of unfair, unreasonable, and/or

expensive barriers of entry into (and/or exit out of)

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7. State grants of legal and economic privileges and immunities to businesses which others don't enjoy (such as immunity from lawsuits, insulation from competition, low rates on loans and utilities, etc), and/or which require state-endorsed violence to enforce/uphold

(and Markets) Become Rigged?

Eight ways (which involve government) that markets become rigged:

CORPORATE CAPTURE OF GOVERNMENT

(incl. to facilitate any or all of the following:)

1. Violent property protection
2. Economic intervention / protectionism
3. Exclusive contracts & compelled purchase
4. Support of monopolies
5. Support of oligopolies
6. Barriers to entry
7. Privileges & immunities
8. Blurring distinction between private & public-sector entity
public ---→
(incl. through creation of public-private partnerships,
enforcement of laws regulating the use
of private
8. Blurring of the line between what constitutes a private-sector entity vs. what constitutes a

Eight Ways That Corporate Capture Rigs Markets:

#1. Violent Property Protection

- Use of state violence to protect and enforce property claims
 - (esp. exclusive / exclusionary claims, claims over vast swaths of land, or over entire workplaces or farms, etc.)
- This makes competition for parcels of land unfree and unfair
- State use of violent enforcement of claims to properties upon which exploitative private property in the means of production (including wage theft) - and/or abandonment, misuse and abuse, hoarding of land and/or environmental devastation - is or are

Eight Ways That Corporate Capture Rigs Markets:

#1. Violent Property Protection

- Government upholding especially exploitative contracts which allow exploitation of land or uncompensated takings of land for exclusive ownership and non-use
- Government upholding contracts which involve involuntary servitude, which irresponsibly risk workers' death, or which are unreasonable/irrational/nonsensical or vaguely worded
- Examples of contracts that should (perhaps) be invalid:
 - Labor contracts obligating drivers to stay in hot or cold conditions in a way that risks death
 - Unreasonably long patents (in excess of 20 years) [incl. medications, medical devices]

How land is protected, and by whom:

- Registration of land claims, by county Recorder of Deeds' offices
- Borders, sovereignty, I.C.E., border security
- Physical property protections, incl. police, military, state-licensed security guards, intelligence & homeland security agencies

Proudhon: Property is Impossible

- Pierre-Joseph Proudhon: "Property is impossible": such claims would be untenable without the use of state violence to prop up the claim, make it sustainable without popular support
- Exclusionary property, incl. enclosure of the commons (and mass trespassing events)
- Use-based / usufruct property norms / O & U (occupancy and use) norms: Every parcel of land should be open to competition as to who gets to use it, depending on who can make the most

Exclusive Dominion Over Land vs. Occupancy & Use Norms

- Schools of thought embracing O & U norms: Georgism, Geo-Anarchism, Geo-Libertarianism, Geo-Mutualism, Mutualism, some left-wing schools of libertarianism
- Land as a monopoly (one of Benjamin Tucker's four monopolies)
- Those schools of thought also embrace the idea that land is the only natural monopoly (i.e., land, water, air, minerals, and the electromagnetic spectrum): must compensate

Rigs Markets:

#2. Economic Intervention / Protectionism

- Government intervention into the economy to choose winners and losers in the marketplace,
 - incl. by propping up and bailing out failing businesses,
 - preventing markets from clearing,
 - disproportionate protection of domestic goods and services,
 - taxation and spending growing too large (crowding-out private

The Money Monopoly and the Federal Reserve

- money monopoly (one of Benjamin Tucker's four monopolies); incl. Bitcoin and Tether as false alternatives (exploitative material on Bitcoin; Brock Pierce's connections to Epstein, and to Janet Yellen re: Tether)
- Congress's Federal Reserve Act (probably unconstitutionally) authorized "independent" / "private" Federal Reserve to monopolize determination of interest rates, monopolize issuance of currency
- easy interest, credit, and loans (from the Federal Reserve Bank)

Subsidies to Businesses

- subsidies (wherein government and taxpayers take a loss to prop businesses up)
- direct subsidies, incl. governments gave nearly \$6 trillion to fossil fuel companies in 2020; Obamacare tax to compel purchase of health insurance
- corporate subsidies (from U.S. Department of Commerce [formerly the Department of Labor and Commerce], and

Bailouts and Loans

- bailout funds from the U.S. Department of the Treasury
- small business loans from Small Business Administration, at low interest rates from Federal Reserve (artificially low, according to free-marketers such as Hayek, most Libertarians)
- P.P.P. loans (from S.B.A.)

Unnecessary Taxes and Trade Agreements

- unnecessary taxes that hinder productivity needlessly (such as tariffs; sales and consumption taxes; and arguably value-added taxes and taxes on earned income / payroll taxes, and more)
- international trade agreements (e.g., N.A.F.T.A.; agreements requiring that certain percentages of vehicles and/or vehicle components be made in certain countries): "Free trade doesn't need a treaty" - Gary Johnson
- trade promotions and protections, from the Office of the U.S. Trade Representative

Eight ways that corporate capture
Rigs Markets:

#3. Exclusive Contracts & Compelled Purchase

- Lobbying by corporations and government contractors to
award exclusive contracts, effectively
compelling citizens
to purchase goods or services through the
process of
taxation and loans / subsidies / deposit
insurance / etc.

Four Principles Regarding What Makes a Purchase Free and Fair

1. Coercion / compulsion makes purchase involuntary; obligation to support a particular firm is not consensual market activity
2. Taking people's choices away for no good reason effectively coerces them into buying different or other goods or services
3. Taft-Hartley Act's limitations upon boycotts serves as a free speech and expression (and purchase) chilling effect; causes people to become intimidated into not talking about what goods and services they are refraining from buying, and makes government less afraid to write laws that direct taxpayer money towards such businesses. This takes away people's choices unfairly.
4. If you have to hire a lobbyist to lobby for a change in the

Note on Non-Governmental Rigging of Markets

Before going into compelled purchase:

Private sector does it too; not just
government:

Company towns, company stores, debt
slavery,

thieves, gangs, mobs, organized crime,
etc.

[continued in the section about the

Compelled Purchase: **Direct** vs. Semi-Direct vs. Indirect

- Compulsory participation in the Social Security system - and the obligation to obtain a Social Security Number in order to work legally - are probably the only forms of direct compelled purchase (but it's not purchase of a good)
- We're funding each other's retirement and other "family services" [including alimony, through Social Security Title IV-D] and funding the purchases made

Compelled Purchase: Direct vs. **Semi-Direct** vs. Indirect

Semi-direct / difficult to avoid:

- Government goods and services (such as military "protection") which are funded by taxes on earned income / payroll taxes (can only avoid by avoiding working)
- Clothing: nudity legal in some places & under some circumstances, but for most part must be clothed, obtain clothes (usually through buying them)
- Vagrancy laws: have enough money to buy hotel, or leave town, or go to jail
- Obamacare tax to fund compelled purchase of health insurance (must buy as a consequence of "owning your own body", supposedly)

Compelled Purchase: Direct vs. Semi-Direct vs. **Indirect**

Indirect / easily avoidable:

- Government services (and outsourced, privatized services) that are funded through sales taxes and consumption taxes (which can be avoided by not buying or selling certain items)
- Toll roads (can avoid by using other roads)
- Car insurance (can avoid by not driving)
- Process of taxation and subsidization; with or without the awarding of exclusive contracts to

Rigs Markets:

#4 & #5. Support of Monopolies & Oligopolies

- Government support of artificial, unnatural, and undeserved monopolies (including on the legitimate violence, land, money, banking and other businesses, the provision of government services, the representation of unionized labor, etc.), distorting price calculation and the fairness of markets

Remember:

Oligopoly Firms Lobby for Oligarchical Powers

- U.S. is an oligarchy; businesses lobby government to grant businesses oligarchical privileges, incl. to collude to keep new, small, experimental businesses from forming, cutting-in on "their" (yet unearned) profits
- This creates "corporate capture", a situation in which government agencies come to be "captured" / controlled by the business interests that those agencies are supposed to be regulating
- This increases the risk that our taxpayer money will be spent on goods and services in a manner which we will have no right to refuse or resist

What is a Monopoly?

Monopoly = one seller

Monopsony = one buyer

Oligopoly = few sellers

Oligopsony = few buyers

Polyopoly = many sellers

Polyopsony = many buyers

	Supply Side	Demand Side
Monarchy/ Statism	Monopoly ONE SELLER (ex.: State monopoly capitalism, State-sponsored corporate monopoly)	Monopsony ONE BUYER (ex.: universal and/or single-payer government welfare programs)
Oligarchy/ Monopolistic Competition	Oligopoly FEW SELLERS (ex.: large-scale sales distributors)	Oligopsony FEW BUYERS (ex.: large-scale purchasing cooperatives)
Polyarchy/ Panarchy	Polyopoly MANY SELLERS (ex.: free unlicensed interpersonal trade)	Polyopsony MANY BUYERS (ex.: markets with no or few barriers to entry for individuals)

Oligopolies = in danger of becoming monopolies

Examples of Monopolies (and Oligopolies)

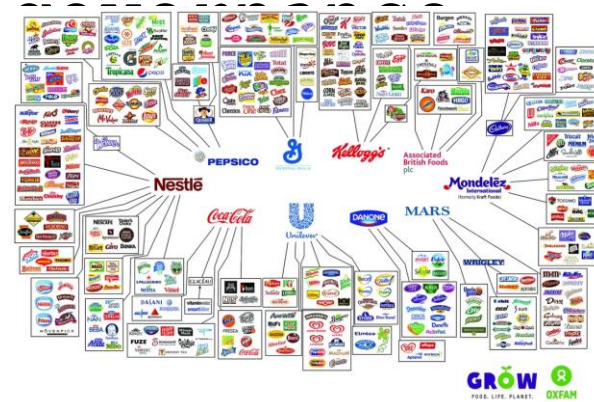
- Benjamin Tucker's Four Monopolies: Money, Land, Tariffs, Patents

- The "market" for legitimate violence / and legislation / law enforcement, incl. "protection" from police and military

- Microprocessors (Israel, Taiwan)

- Food companies-----
-----→

- Reduction of number of media outlets and



GRÖW 8
FOOD. LIFE. PLANET. OXFAM

More Monopolies and Oligopolies

- Eyeglasses
- Consulting
- Airlines
- Soda

Monopoly and Antitrust

- Sherman Antitrust Act in the U.S.; done by Federal Trade Commission and Department of Justice's (D.O.J.) Antitrust Division
- Presidents derelict in duty to provide antitrust; presidents and governors should exercise more power, but also consider creating MULTIPLE antitrust agencies
- Government IS a monopoly: Only one Monopolies Commission in the U.K.; only one Antitrust Division of the Department of Justice. Government monopolies assist the

Eight Ways That Corporate Capture Rigs Markets:

#6. Barriers to Entry

- Government creation of unfair, unreasonable, and/or expensive barriers of entry into (and/or exit out of) markets (for the selling of goods, services, labor, etc.)
- Definition: Barriers created when entrant firms bear costs not borne by firms already in the industry (Opposite of free-rider effect)
- Examples:
 - permit fees, incl. driver licensing fees
 - transaction costs not necessary to cover costs of administration
 - excessive fees for business licensing, construction permits, fishing hunting permits, other things necessary to survive

Eight Ways That Corporate Capture Rigs Markets:

#7. Privileges and Immunities

- State grants of legal and economic privileges and immunities to businesses which others don't enjoy (such as immunity from lawsuits, insulation from competition, low rates on loans and utilities, *etc*), and/or which require state-endorsed violence to enforce/uphold

Immunities That Businesses Receive from Government

- easy credit, low interest rates, and loans, from the Federal Reserve System ("independent" / "private", but created with the authorization of Congress)
- discounts on utilities, from the local and state government which contract with utilities companies
- Insulation from competition, including professional licensing laws that favor entrenched business interests: Businesses lobby government to grant businesses oligarchical privileges, incl. to collude to keep new, small, experimental businesses from forming, cutting-in on "their" (yet unearned) profits
- government awarding of exclusive contracts to utilities companies
- legal immunity: limited liability protections, and corporate charters, from the state Secretary of States' offices

Rigs Markets:

#8. Blurring Distinction between Private & Public

- Blurring of the line between what constitutes a private-sector entity vs. what constitutes a public-sector entity, incl. through:
 - creation of public-private partnerships,
 - enforcement of laws regulating the use of private property
 - under vaguely defined circumstances,
 - nonsensical differences between duties of public military and
 - police vs. private security guards,
 - suppression and infiltration of the

Principles Regarding the Blurring of the Sectors

- Coercion / compulsion makes purchase involuntary; obligation to support a particular firm is not consensual market activity
- Taxation involves extortion and mass waste; therefore it is non-consensual
- This is a taking of public property for private use; deprivation / privatization / outsourcing / inverse totalitarianism exists, in addition to eminent domain
- Government stealing from people / taxpayers: taking of private property for public use (eminent domain / redistribution / expropriation)

Compelled Purchase and Public Takings

- Compelled purchase - whether direct or indirect - constitutes a taking of private property for public use without just compensation, and also constitutes involuntary servitude (violations of Amendments V and XIII to the U.S. Constitution); however, Supreme Court did not find that way in *Heart of Atlanta Motel v. U.S.*

- Civil Rights Act of 1964: Vague definition of "substantially affecting interstate commerce" and "public accommodations" led to private accommodations "substantially" affecting interstate commerce being treated as "places of public accommodations"; leading to the taking of "private"

Blurring Distinction Between Private and Public: More Examples

- Right of businesses to sue governments for loss of (future, potential, hypothetical) profits, through the World Bank's International Centre for the Settlement of Investment Disputes (headquartered in Washington, D.C.)
- John Deere lawsuit: Prohibition on filing lawsuits against companies whose goods you bought and then repaired using

Private vs. Public Sector:
Simplistic View

Public Sector =
Private Sector =
Government
Businesses

Private vs. Public Sector:

Expanded View

(Pure) Public Sector (State, Non-Private Actors)

- politicized administration of government departments and bureaus
- taxpayer funding of government services
- totalitarian, authoritarian, statist, coercive, and centralized governments
- international governmental organizations (United Nations, military alliances [N.A.T.O., Warsaw Pact], etc.)
- governments that nationalize industries for primary benefit of government, citizens, and/or workers
- governments that empower

Private Sector (Non-State, Private Actors)

- privately-owned enterprises
- enterprises which operate for profit without receiving funds from taxpayers
- (often) hierarchically managed enterprises
- businesses without explicit social purpose
- multinational businesses
- business alliances and professional associations
- (some) industry trade groups
- business unions / yellow union
- company towns and company

"The Third Sector": Two Different Kinds

#1. The Pragmatic / Statist / Involuntary / Coercive Third Sector (State and/or Private Actors)

- government-sponsored enterprises / state-managed firms
- statutory corporations and government-owned corporations
- public benefit corporations (also known as P.B.C.s, Benefit Corporations, or B Corps)
- governments that nationalize businesses or industries for primary benefit of private owners of land and/or businesses / workplaces
- firms receiving bailout money funded by taxpayers, firms which had their P.P.P. loans forgiven, etc.
- firms that operate for-profit while receiving funds from taxpayers
- contractors which win bids to provide services to government, and then "privatize the gains, socialize the losses", incl. outsourced / privatized firms, businesses which lobby government for special favors and privileges
- corporations and employees which receive limitations on personal and corporate liabilities (*i.e.*, L.L.C.s / Limited Liability Corporations)

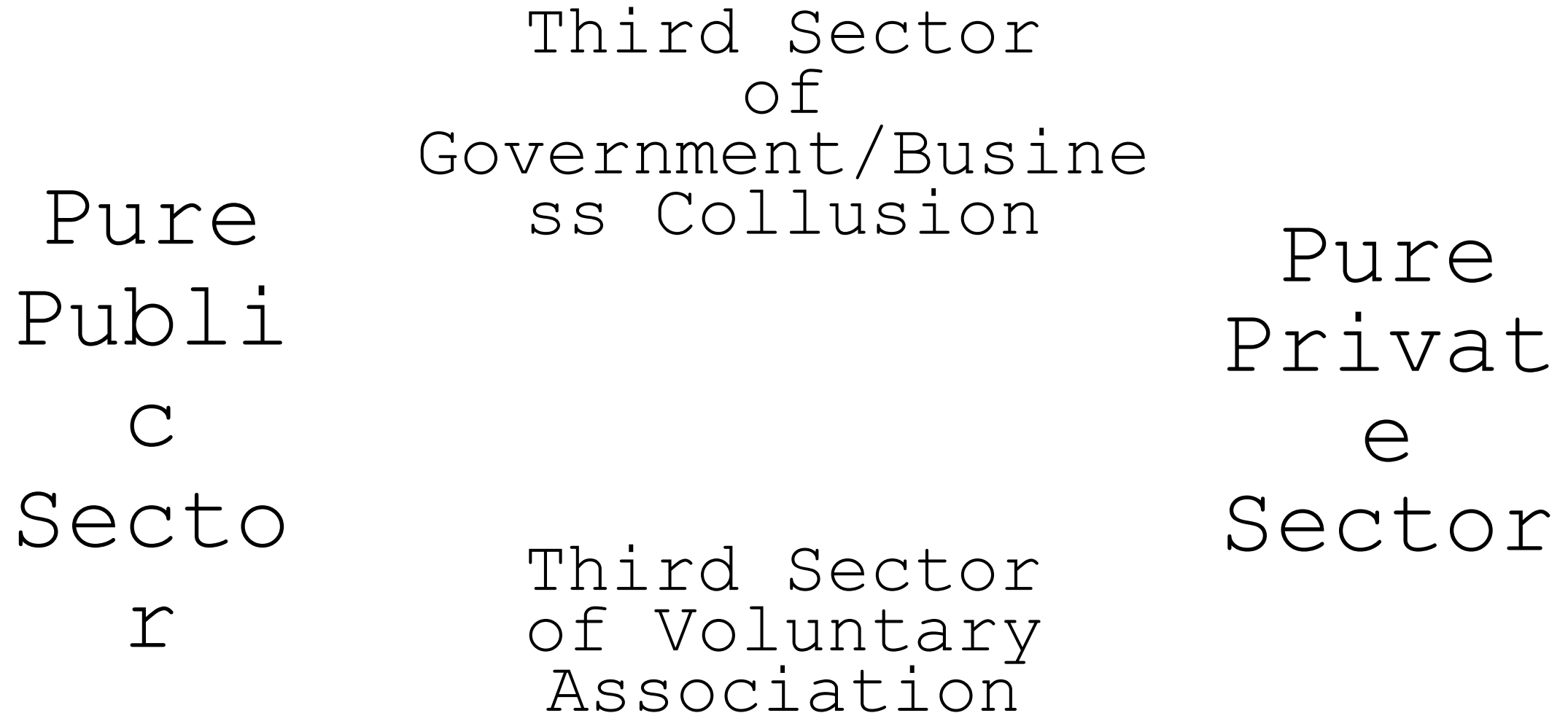
"The Third Sector": Two Different Kinds

#2. Radical / Non-Profit / Voluntary / Community / Social Third Sector (Non-State and Non-Private Actors)

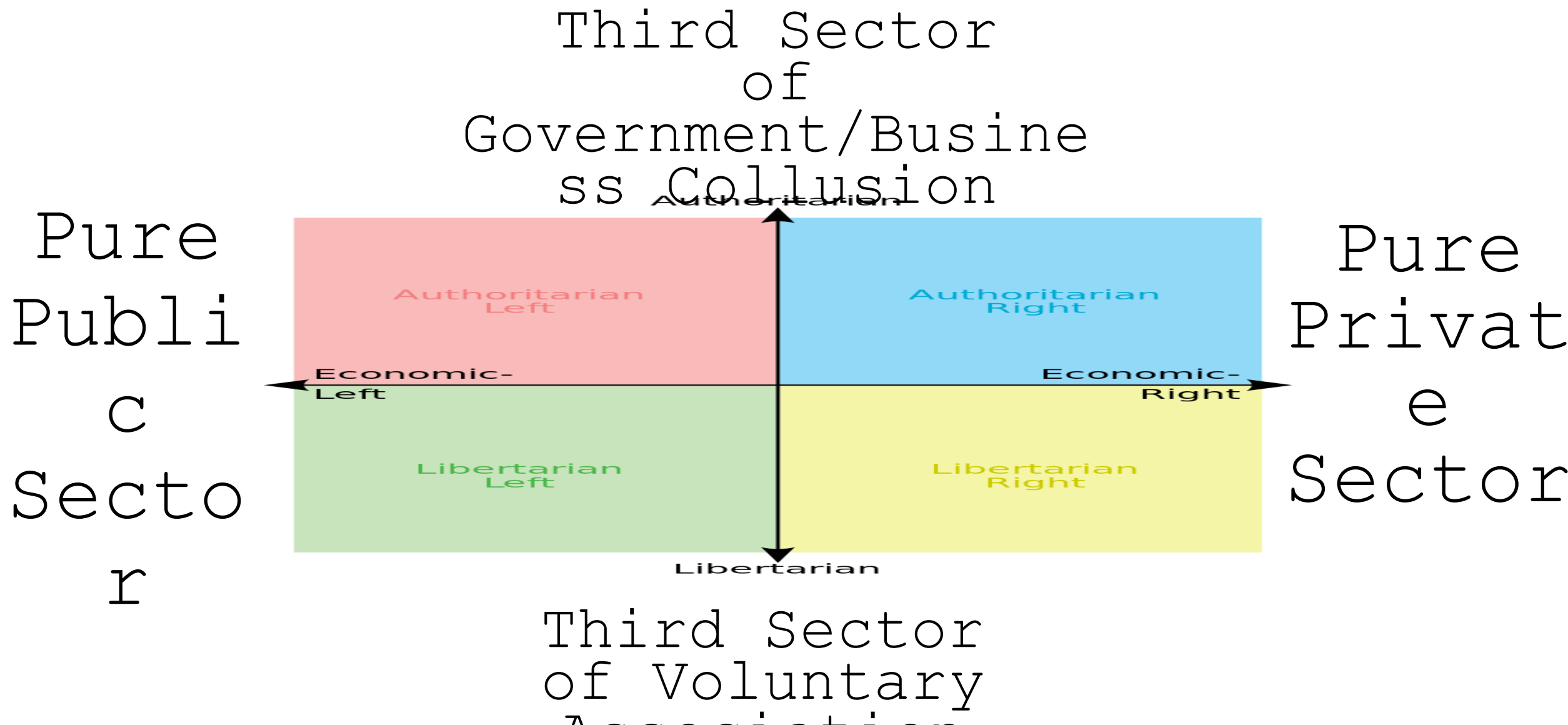
- non-profit and non-for-profit firms
- charities and charity coalitions
- local and unincorporated governments
- voluntary associations
- non-governmental prefigurative associations
- voluntarily-funded non-governmental democratic groups
- quasi-nongovernmental organizations (Q.U.A.N.G.O.s)
- nongovernmental or quasi-nongovernmental agencies which formulate safety, health, and/or technical standards (such as Underwriters Laboratories, or the I.S.O. [International Organization for Standardization])
- cooperatives and consumer cooperatives (food, housing, health,

- consumer-cooperatives and consumer interest advocacy organizations (incl. lobbying groups)
- egalitarian labor-managed firms and worker cooperatives
- businesses with explicit social purposes, incl. social-purpose enterprises and ventures
- local businesses and fair-trade businesses
- independent business alliances (such as A.M.I.B.A.)
- unions at workplaces operating within a framework of members-only collective bargaining / M.O.N.M.U. (Members-Only Non-Minority Unionism), and/or dual or plural or proportional unionism
- autonomous unions, and unions practicing

Private vs. Public Sector: Expanded View



Private vs. Public Sector: Expanded View



Summary of Rigged Markets

Does this look like a free market to you?

Agencies That Coerce Our Purchasing Choices and/or Violently Enforce Property Claims:

Does This Look Like a Free Market
(in Land, and Finance of Businesses and Purchases) to You?

LAND:

- County Recorder of Deeds' offices (register property claims)
- Border security agencies and officials, incl. Customs Enforcement (I.C.E.), Transportation Security Administration (T.S.A.)

FINANCE OF BUSINESSES AND PURCHASES:

- Department of Justice's U.S. Trustee Program (oversees bankruptcies)
- Small Business Administration (forgave P.P.P. loans)
- Export-Import Bank / Ex-Im Bank
- Federal Deposit Insurance Corporation (F.D.I.C.)
- U.S. Office of the Trade Representative
- U.S. Patent Office
- Internal Revenue Service (I.R.S.) [imposes tariffs, etc.]
- State and local departments of revenue (collect sales taxes, etc.)
- World Bank's International Centre for the

Agencies That Coerce Our Purchasing Choices and/or Violently Enforce Property Claims:

Does This Look Like a Free Market (in Security and Defense)
to You?

Policing

- Central Intelligence Agency (C.I.A.) [foreign enforcement arm of federal government]
- Federal Bureau of Investigators (F.B.I.) [domestic enforcement & investigation arm of federal government]
- Department of Homeland Security (D.H.S.) [oversees & coordinates between C.I.A. & F.B.I.]
- 14 other federal intelligence agencies (D.I.A., etc.)
- Secret Service
- U.S. Armed Forces (five branches)
- Local, county, and state police departments and officers
- "Private" security officers / guards licensed through states' monopolies on professional licensing (in some states)
- States' monopolistic professional licensing agencies (Illinois Department of Financial and Professional Regulation, etc.)

How Can the Economy (and Markets) Become Rigged?

A ninth way that markets can become rigged, which does not involve the government:

9. Non-governmental violence and coercion, including:

- intimidation by organized crime / mobs / Mafia; gangs
 - intimidation by people and groups posing as legitimate public officials
- theft (incl. wage theft, retail theft, [arguably] taxation)
- "red market" activity (murder-for-hire, kidnapping, etc)
[incl. as opposed to black, gray mkts]
- commercial fraud, exploitation, misrepresentation
- company towns, company stores, company unions, debt slavery

Back to the Taft-Hartley A

Lobbying, Corporate Capture,
and Compelled Purchase through
Subsidization (by Way of
Limitations Upon the Right to
Boycott)

How Taft-Hartley's prohibitions on voluntary forms of secondary boycotts (especially in the private sector) unfairly limit our rights to refuse purchase / resist indirect compelled purchase through the process of taxation and subsidization

Why the Tait-Hartley Act is so Destructive to Workers' and Consumers' Rights

- Limitation upon the right to boycott across multiple industries is limitation upon the right to EFFECTIVE, coordinated, organized boycott
- Prohibitions on boycotts are nonsensical; there is no real difference between not buying something and boycotting it, except that you talk about it. Boycott interferes with our natural freedom not to buy / freedom to refuse purchase / freedom to resist compelled purchase
- Nearly everyone who works also buys things, so "worker-consumers" rights matter; including the rights to strike, buy or not buy (boycott), form a union, leave a union, etc.

What good is the Fair Labor

Act?:

Should Any Part(s) of It Be
Retained,

or Enacted Again After Repeal?

- Formerly prohibited unions from donating to federal election campaigns [this section was repealed in 1948]
- Formerly prohibited government employes from engaging in strikes [this section was repealed in 1955]
- Prohibits "political strikes" (strikes intended to pressure government to change policies); right-libertarians likely to support continuing to prohibit such strikes, especially by public-sector workers
- Retaining these prohibitions would leave private-sector unions totally free, while limiting what public-sector unions can do; this could "de-politicize" labor
- Prohibits representatives of labor from receiving money from drivers who unload cargo

How Right-Libertarians Feel About Unions

- Fine if unions are strong in private sector, but workplaces should align people with profits
- Public-sector unions should be weak and/or limited, so government doesn't nationalize industries, grow itself unrestrained

The Wagner Act's Majority Unionism, and its Monopoly on Representation of Organized Labor

- Wagner Act / National Labor Relations Act of 1935: Majority unionism and compulsory unionism
- Unions "must" represent all workers in each bargaining unit / workplace
- In Janus decision, Janus asked "but do they"?
- "Free rider problem": Not unions' fault.
- 1980s: Reid Larson (of Right to Work Committee) told Ohio-based A.F.L. leader Wes Wells that Larson doesn't want workers to free-ride either
- Wagner Act CREATES the problem by CREATING the free riders

How to Address the Free Rider Problem

While Protecting Workers: 3 Different Ways

- Members-only collective bargaining
- Dual unionism and minority unionism (two or multiple unions in same workplace / bargaining unit)
- M.O.N.M.U.s (Members-Only Non-Majority Unions) [incl. Japan]
- Compromise along the lines of the Abood decision (*i.e.*, prohibit unions from collecting mandatory fees from workers except as necessary to cover "expenses of collective bargaining, contract administration, and grievance adjustment purposes")
- Compromise allowing dues to be extracted solely to cover the

Ending Monopoly Unionism Would End

Large Unions' Monopolies on the Representation of Workers in Each Workplace / Bargaining Unit

- Why Right-Libertarians Should Support This:
 - more unions
 - easier to leave a union
- Why Libertarian-Leftists Should Support This:
 - more unions
 - easier to form a union
 - easier to join a union


Hartley and
the Wagner Act's Majority
Unionism Section
Would Have Upon Union-Employer
Relations

(and How We Think About Them)

- Face fact that unions are private-sector entities
- Even governments are defined as corporations, for financial purposes - and political parties are private too - therefore public-sector unions are (in several ways) private-sector entities as well

Federal Government is a Corporation

- State as a corporation for financial purposes; eastern states began as corporations made up of landowners who lived in the same territories
- Corporate charters, incl. Secretary of States' offices

-   https://www.law.cornell.edu/definitions/uscode.php?def_id=28-USC-2032517217-15940179 [Support CORN](#)

United States

(15) "United States" means— (A) a Federal corporation; (B) an agency, department, commission, board, or other entity of the United States; or (C) an instrumentality of the United States.

Hartley and
the Wagner Act's Majority
Unionism Section
Would Have Upon Union-Employer
Relations

(and How We Think About Them)

- Face fact that unions are private-sector entities
- Even governments are defined as corporations, for financial purposes - and political parties are private too - therefore public-sector unions are (in several ways) private-sector entities as well
- This means a private-sector union contracts with private-sector employers

Hartley and the Wagner Act's Majority Unionism Section Would Have Upon Union-Employer Relations

- Face fact that a union only becomes entangled / blurred with the public sector if and when a government **(and How We Think About Them)**
 - (a) confers to it a monopoly power over representation of workers (by way of "requiring" it to represent all workers [*i.e.*, in the opinion of the union leadership]); and/or
 - (b) grants the union (and its members) an exclusive contract to provide a service to the public
- Would make us think about how government, businesses, and unions all grant exclusionary privileges, and act in ways befitting of private entities and monopolies
- Would re-open debate regarding the permissibility of "Yellow Dog Contracts" (agreement to hire someone on condition that

Why Should Right-Libertarians
Support
the Repeal of the Taft-Hartley
Act
(and State Right-to-Work Laws)?

- Cons (for right-libertarians):
 - This would make state Right-to-Work laws illegal
 - This could be construed as a violation of the 10th Amendment (because regulating labor is not an explicit power of Congress, so the states and/or the people have the right to regulate labor, meaning that whether to have Right to Work laws should be up to each state)

Why Should Right-Libertarians Support the Repeal of the Taft-Hartley Act

• (and State Right-to-Work Laws)? Pros:

- Repeal of Taft-Hartley means more freedom to not buy things, talk about it, protest about it

- Friedrich Hayek: Right-to-Work laws shouldn't be necessary

- Friedrich Hayek: Right-to-Work laws are special legislation

- Right-to-Work laws prohibit contractual agreements which are perfectly voluntary, and

Support the Repeal of the Taft-Hartley Act

(and State Right-to-Work Laws) ?

From a 2011 pro-Right-to-Work article:

“A strong argument in favor of Right to Work (featuring F. A. Hayek)”:

Hayek: (in The Constitution of Liberty, 1960): “...there ought to be no need for special “right-to-work laws”...”

Hayek: “the situation created in the U.S. by legislation and.. the Supreme Court MAY MAKE special legislation.. practicable...”

If legislation, jurisdiction, and the tolerance of executive agencies had not created privileges for the unions, the need for special legislation concerning them would probably not have arisen in common-law countries. But, once special privileges have become part of the law of the land, they can be removed only by special legislation. **Though there ought to be no need for special 'right-to-work laws,' it is difficult to deny that the situation created in the United States by legislation and by the decisions of the Supreme Court may make special legislation the only practicable way of restoring the principles of freedom.**

Footnote: Such legislation, to be consistent with our principles, should not go beyond declaring certain contracts invalid, which is sufficient for removing all pretext to action to obtain them. **It should not, as the title of the 'right-to-work laws' may suggest, give individuals a claim to a particular job,** or even (as some of the laws in force in certain American states do) confer a right to damages for having denied a particular job, when the denial is not illegal on other grounds. The objections against such provisions are the same as those which apply to 'fair employment practices' laws. [Emphasis added in **bold**. Reference link [here](#).]

Who Supports Repealing the Taft-Hartley Act?

- Senator Bernie Sanders (I / D, VT)
- Senator Elizabeth Warren (D, MA)

- Both: Repeal Section 14(b) (which allows states to enact Right-to-Work laws that ban union security clauses from labor agreements)
- Both: Prohibit holding workers "captive audience" for mandatory anti-union propaganda meetings
- Warren: Eliminate Landrum-Griffin Act's prohibition of "hot cargo agreements" (wherein unions and third-party employers to boycott primary employer in a labor dispute)

[Source: "Sanders and Warren Take Aim at Taft-

Back to Friedrich Hayek's Views on Right-to-Work Laws

- Hayek: "If legislation... had not created privileges for the unions, the need for special legislation concerning them would probably not have arisen... once special privileges have become part of the law of the land, they can be removed only by special legislation."
- This "special legislation" granting "special privileges" to unions, includes the Wagner Act / National Labor Relations Act of 1935, which created the National Labor Relations Board (N.L.R.B.), and obligated employers to negotiate with the union receiving the majority vote in elections.
- This is the only reason that the Taft-Hartley Act and

Should we require libertarians support
Retaining the Wagner Act's
Requirement
That Employers Must Negotiate
with Labor?

- Cons:
 - Law requires negotiation, implicitly to be enforced through legalized violence; this is inadmissible according to Non-Aggression Principle (N.A.P.)
- Pros:
 - Negotiation will occur, which promotes continuation of voluntary / consensual free-market activity in the private sector
 - Peaceful discourse to achieve negotiation is arguably the default setting if the use of violence to achieve a settlement is

Joe Kopsick

- www.aquarianagrarian.blogspot.com
- May 2017 article "Two Collections of Essays, and Another Book, Now Available on TheBookPatch" (www.thebookpatch.com)