



Guest: Walter Block

**WOODS:** Well, this is it, Walter. Friday. That's it. That's the end of Walter Block Week. So I'm going to throw as many topics I can get in here at you. The first one will probably be the longest one, though, and that's on libertarian punishment theory. Now, you've described this – and again, I think you're following in the footsteps of Rothbard on this, of describing your punishment theory as two teeth for a tooth. So I steal your TV, then you're entitled not only to get your TV back, but in effect to get my TV also. So two teeth for a tooth. So the question is obviously, to some degree, punishment is sort of arbitrary. There's nothing etched in the nature of the universe that makes it one thing or the other. So is there a way we can justify and defend that particular one as the libertarian kind of punishment theory?

**BLOCK:** Tom, in a previous day, I forget which day it was, you asked me what are the things I'm most proud about, and I mentioned abortion and sociobiology and privatization and blackmail and economic freedom. I forgot punishment theory. Punishment theory is another thing that I've contributed and I'm very proud of and I'm very happy with what I've done.

Okay, so two teeth for tooth. Well, yes, if I steal your TV, the first thing that has to happen when I'm caught by the hopefully private police, but even the public police, is I've got to give you your TV back. Now, from a pragmatic, utilitarian point of view, if all I have to do is give you the TV back, then the present discounted value or the or the expected value of my theft is half the TV, assuming I get caught half the time. Because if I get caught, all I have to do is give you your TV back, and if I don't get caught, I get your TV. So if half the time I steal your TV, the expected value of me stealing your TV is half a TV, assuming that I'm only caught half the time. So this will not be much of an incentive for me not to be committing crimes.

But that's just pragmatism. I think a part of libertarianism, which I get in the interstices of libertarianism, depend on as they do from the Constitution, is a what I did to you has to be done to me. Well what I did to you is I took you to TV, so therefore, you should take my TV. So we now have 2.0, not 1.9, not 2.1 TVs, but 2.0 TVs. One, I have to give you back your TV, and two, I have to give you one of mine, assuming that's of equal value.

But I don't think that's enough. I think we have to go further. In addition to giving you back the TV, let's suppose it took five years for you and your friends, the private police to find me. Well, who's going to pay for that? It took you five years to find me, and you were looking, maybe not full time, but finally you caught me. Well, who's going to pay for all that time and effort? Me. So I have to pay for the cost. Now, suppose that immediately right after I steal your TV, I go right to the private police, and I say, "Hey, I stole Tom's TV. I'm sorry. Here it is." Well, then there's no cost of capture.

But when I stole your TV, I did something else. What I did was I scared you. Now, even if you're Arnold Schwarzenegger, and you're not scared of anything, still, your sense of security is weakened. Well, I think that I have to be scared too. The punishment has to fit the crime. And how are you going to scare me? Go up to behind me and go, "Boo," or maybe break a balloon and make it pop? No. What you have to do is make me play Russian Roulette with a number of bullets and the number of chambers proportional to how badly I did it. If I came to your house empty-handed, well, then fewer bullets and more chambers. On the other hand, if I came with a gun, well, then more chambers. And if you were not at home, well, then fewer

chambers. But if you were at home and I waved the gun at you, then more bullets and fewer chambers. I'm not giving you any numbers here.

Now, it's true, it was only a stinking, lousy TV, and we don't want me to be killed over it. But maybe instead of Russian Roulette where I have to put a gun at my forehead, maybe I'll put it at my pinky. And if I lose, I have to shoot my pinky off or something like that. I credit former students of mine who changed my views on this. I've got some brilliant students that I'm very grateful to.

So in my view, the true punishment theory – and I think Murray agreed with me on this. I forget whether I started this or he started this, but he and I agree on this. It's two teeth for a tooth, plus cost of expenses, plus compensation for scaring. That would be my view of what the proper libertarian punishment theory is. And I think that this meets two criteria. One pragmatism or utilitarianism, namely, we're going to be pretty draconian, we libertarians. We don't really much like thieves, and we're going to make him pay not only for the cost of capture, but also for the scaring, and that can be very serious. So that's just the pragmatic or the utilitarian.

But I think from a deontological point of view, it's justified to do these things to me. Who the hell am I to steal your TV? Now, if I'm a kid, if I'm six years old, things are a little different for children. Children we have to be easier with, because they're not really functioning adults. Or maybe even a senile person. What the heck? There are gray areas all over the place. But I'm an adult. I'm in my own right mind, and I steal your TV? Oh, no, we're not letting me get away with two TVs. It's two TVs plus cost of capture, plus punishment for scaring.

**WOODS:** How does this translate into a libertarian discussion of the death penalty?

**BLOCK:** Well –

**WOODS:** I mean, what's your view of the death penalty, and do you think it's justified under libertarianism?

**BLOCK:** Let me –

**WOODS:** Now, not the question of can the state have the power to kill somebody? But in principle, at least, regardless of who it is doing it, in principle, could death be a legitimate punishment?

**BLOCK:** Well, let me give you an example that will make the voluntary slavery look easy. I defend the libertarian concentration camp guard. Let me say that again. Libertarian concentration camp guard. Okay, so here's the situation. The Nazis have a concentration camp guard, and they're killing Jews and blacks and gypsies and gays and whoever else they're killing. And each guard has to kill 100 people a day. But I come in there, and I only can kill 90 people, and I won't be caught by the Nazis, whereas if I kill 89 or fewer, they'll unearth me and they'll say, *You're no real concentration camp guard. We're going to execute you.* So I kill 90 people a day. Why do I do it? Because I'm a libertarian, I want to save lives, and I know that 100 people a day are going to die, and I'm going to save 10 people a day. At the end of the week, I've saved 70 people, and I've killed 630 people.

Well, what should happen to me? What should happen to me is I'm now at court by the Nuremberg Trial, and I make my plea. I say, look, I'm a murderer. If any of the heirs of the 630 people want to kill me, they're justified because the death penalty is justified, because I stole a life, and therefore, I should really get two lives, but if people were like cats and had nine lives, I'd owe two plus cost of capture and scaring. But we only have one life. I owe a life. However, I plead with you. Please let me go, because I wish I could have saved your uncle, your aunt, your son, your parent, your child, but I just saved people at random. I didn't know who I was saving. I just saved 10 people a day, and I had to kill 90 of people a day. Otherwise, I wouldn't have gotten away with it. But if you want, the death penalty is justified, and you're perfectly entitled put me to death, but you really should have a little

ticker tape parade for me first and give me a little medal, because I saved 70 people. And the reason I did it – and motivation is pretty important. So I favor the death penalty, and I'm trying to give you this case to show that I don't shrink from tough examples, like from voluntary slavery or anarchism. Well, you know, libertarian concentration camp guard is pretty far out there.

**WOODS:** Good grief, Walter [laughing]. What the hell is wrong with you?

**BLOCK:** [laughing] I love it, Tom.

**WOODS:** It's about time somebody said this. All right, look –

**BLOCK:** [laughing]

**WOODS:** All right, let's try to get on something less controversial. How about –

**BLOCK:** [laughing] What do you mean "controversial"? This is very straightforward.

**WOODS:** Yes. How about organs? We hear some libertarians talking about there should be a market in organs, and the reason that people who need organ transplants are on waiting lists forever and then they die is that we've artificially priced organs at zero. And so if we didn't do that, people would be much more willing to donate organs. But then I've heard as an objection to that, that you would get criminal organ harvesters who would see the profits to be made from human organs. And they would step up their kidnapping efforts just to get the organs, and so people would be endangered by this. What do you think?

**BLOCK:** Oh, I favor markets in organs. Just because there could be criminals, look, maybe we shouldn't have gold mining because criminals will steal gold. Maybe we shouldn't grow food because criminals will steal the food. I don't think much of that argument. And what's this "we" white men stuff? You know, "we" did this. Lew Rockwell is always telling me don't say "we" when we refer to the state, "they." I never do it. I make the same mistake.

There are 80,000 people on the waiting list for a kidney, and they're on a dialysis machine, and a dialysis machine, I think you have to go every other day or maybe every day depending upon how badly your kidneys are. And you have to sit connected to a machine, which is very inconvenient and hurts, for six, eight hours a day to do the job of the kidney. And yet there are kidneys that go into the grave. And this offends me both as an economist and as a libertarian theorist, because from the libertarian point of view, the only thing that we proscribe, the only thing that we prohibit is the initiation of violence.

Yes, we're against people grabbing kidneys, but if I donate a kidney to you, Tom, that's okay. But if I charge it for it, it's not okay? Well, that means it's an attack on commerce. Look, if I go to bed with a girl, I might be accused of fornication or adultery or whatever, but it's usually not against the law. But if somehow I pay for it, then that's bad? Well, this is crazy. This is offensive to the economist in me and to the libertarian in me. Just because you pay for something that is otherwise okay, you're a criminal? No. So if you can donate a kidney, you should be able to charge for it. If you can go to bed with a woman, she ought to be able to charge you if she wants, namely prostitution. And payment for kidneys would be legal.

See, the problem is here you have people dying because they don't have a kidney, and then you have other people with kidneys who go into the grave with perfectly good kidneys. But you know what they call motorcycles? They call them donor mobiles, because people my age, I'm 78, and we don't drive motorcycles that much. And the good thing about motorcycle deaths is that you die like that, quickly, and all your innards are working fine, you're 25 years old. Whereas if I gave a kidney to somebody, the kidney might not be worth all that much because it's an old kidney. So you have people needlessly going to their death because they don't have a kidney, and then you have other people who go into the cemetery with perfectly good kidneys. And you have to ask their parents right at the time when they're grieving, "Can you please give me your son's kidney?" And you don't get that many kidneys.

So we were talking about murder before? Well, the people responsible for this are murderers. These people are murderers. They're putting people in cemeteries, the kidney dialysis people – and say nothing about heart and spleen and liver and others. There was this case in Canada where a four-year-old boy needed a liver, and the father put in an ad in the paper, saying I'll pay a million dollars for a liver, and they put him in jail. They put the father in jail. I mean, this is really despicable. So I'm a big supporter of free enterprise and free enterprise not just for post offices and for paperclips and cough drops, but for innards, kidneys, hearts, livers, whatever it is.

**WOODS:** All right, I've got a few more, and so we've got to just jump from one topic to the other completely at random, it seems, but they're just things – I was looking through your articles, and I just picked out a few things that you and I have never talked about before. You have an article on conjoined twins. Do you remember this?

**BLOCK:** [laughing] I forgot what I wrote.

**WOODS:** [laughing] I don't mind. But how does the Walter Block brain work on the spot if I say: you've got conjoined twins. What's the libertarian approach to this?

**BLOCK:** Oh, Tom, you're nasty.

**WOODS:** All right, I don't mind skipping it. That's dirty pool on my part.

**BLOCK:** Let me try to reconstruct this. The question is who owns what. And my answer, and I forget what I wrote about it, but my answer right now, right off the top of my head, is going back to John Locke and Murray Rothbard and Hans Hoppe, who are my three favorite people on homesteading. Whoever homesteaded first is the owner of it. So the older twin if there's a – look, if there's no conflict, well, then the conjoined twins just do their thing. But if there's a conjoined twin and one wants to go to the left and one wants to go to the right, the older one should have the power to decide that, because the older one homesteaded the material that's owned by both, or say the head, whatever, the leg. I don't know, wherever the conjoined twins are conjoined. But if they're conjoined, then a part of them is owned by both. And now we have a conflict. One wants to eat pizza, and one wants to have a burger. Well, how do they decide? Well, they should – namely, I'm trying to apply libertarian theory to esoteric cases, and conjoined twins are pretty esoteric from a libertarian point of view. So that would be my answer right off the bat. And now what I'm going to do after I get off is I'm going to go read what I wrote and see if I wrote that. And if not, I'm in trouble.

**WOODS:** One of my favorite Walter Block publication stories is the one about the book review where you reviewed a book, and then you write so much that you reviewed the book again, because you'd forgotten that you'd already reviewed it. So you had two.

**BLOCK:** I'm getting senile, Tom. I couldn't help myself. I wrote the same book review twice. It's really pathetic. And now I'm working on *Defending the Undefendable III*, and I find that I've written [inaudible] twice. I'm pathetic. They ought to cart me off to the loony bin or something. But I have one saving grace. A lot of times I can't think of a word, and I think I'm getting senile. But then I remember when I was in college, I had two roommates. And we always had this rule that after dinner, everybody studies for two or three hours, except for one thing. If you couldn't think of a word, then you were allowed to disturb your roommate. And we were always disturbing each other. So even when I was 23 or so, I still couldn't think of words sometimes. So I think I'm still okay, but just barely. I'm struggling.

**WOODS:** Well, look, I mean, to my mind, you're unbelievable, still cranking stuff out that the pace you're doing it. I have a couple more. One of them is also drawn from an article that you might not remember. It's from 2011. But it just interested me because I'd never heard of this. And it was called "Toward a Libertarian Theory of Charitable Donations." But I don't even know what's involved there, that there would need to be a libertarian theory of that. Do you remember what you were thinking about there?

**BLOCK:** Mark Hughes, a buddy of mine, he and I have coauthored some stuff on charity. And I do have a chapter in one of the *Undefendables*, I forget which one, "The Non-Contributor to Charity"?

**WOODS:** Yes, that's right.

**BLOCK:** Namely everyone's saying charity is good, charity is good. So getting back to my two college roommates, when I was in college, and I had these two roommates, they had these dolls where they had a wire for the neck and you sort of hit the head of the doll and the doll goes *yes*. Well, they got a doll, and you hit the head, it goes *no*, and they gave it to me. So I'm sort of an off-the-road kind of a person. When everyone says this, I'm trying to think of alternatives.

Well, everyone's favorite charity, and I favorite charity. Charity is a virtuous thing to help the poor. So my natural thing is, well, can we attack this? Well, suppose somebody refuses to give charity. Is he a violator of rights? No. And then I would go into all the negatives of charity. If you give people charity, they become dependent. They don't work as hard as they otherwise would. So charity is a mixed bag. Yes, it's virtuous to help the poor, but sometimes the best way to help the poor is with tough love and not to give them money or not to give too much money. Bill Gates has got a problem. He's got a \$22 zillion and he's got kids. Well, how much would you give to them? If he gives them 10 billion each, will that hurt them? Will that detract them from working hard, or will they just sit back in and drink iced tea for the rest of their lives and not do anything and have miserable lives? So there are negatives on charity as well as positives.

**WOODS:** Okay, so then one that you recall quite vividly, of course, because of where you are, namely New Orleans, is Hurricane Katrina. And you've done some work on how libertarians should think about that disaster. So is there a way of looking at in which a society not dominated by the state would have coped better?

**BLOCK:** Yes. Well, there are two or three things about that. One is I wrote a coauthor article with my friend Lew Rockwell, who I'm a big admirer of too. He's the head of the – not the head of the Mises Institute. He's the founder of the Mises Institute. He was the head of it, and now Jeff Deist is the president of it. Lew Rockwell and I coauthored an article on that, and I did a few more articles on that. So I have a few things to say about Katrina.

First of all, Katrina, never hit New Orleans. It missed us by 40 miles. It went east of us in the Mississippi. On the other hand, it knocked down a few buildings. The problem with an earthquake is how much notice do you get from an earthquake? One minute? Ten seconds? You know how much notice people had for Katrina? They had, I don't know, a week or two. It was on TV. *Well, Katrina is out here and we expect it's going to land fall next Tuesday at three o'clock in the morning or something like that.* People had plenty of time to get out, but they didn't get out. A lot of people didn't get out.

And people say, Katrina killed 1,900 people. No, Katrina didn't kill 1,900 people. What killed 1,900 people was the Army Corps of Engineers. Because what happened was the levees that try to keep the – you know, New Orleans is in a bowl under the sea level, and they have these levees that are supposed to keep the Mississippi River away from us, and the levees failed. Now, the economist in me is very unhappy, not so much that 1,900 people died. You know, we're callous, we economists. The libertarian part of the or the human part of me is very unhappy 1,900 people died. A lot of them died because the water kept going up and up, and they couldn't get through their attics. They didn't have an axe or something, and they just drowned.

But the reason that the people died was, one, they didn't get out, and two, it was the Army Corps of Engineers. So the economist in me is very unhappy that they're still in business. Can you imagine if McDonald's killed 1,900 people, God forbid, or Walmart killed 1,900 people?

They wouldn't be in business anymore. But the Army Corps of Engineers are still in business, and this is straight out of Henry Hazlitt.

And by the way, we mentioned my books, *Defending the Undefendable*. Those are my homage to Henry Hazlitt's *Economics in One Lesson*. Now, I don't put my books in the same category as his, but he has a principle and 35 instances of it, and that's what I have in my books, *Defending the Undefendable*.

So what Henry Hazlitt would say is, well, if the river were privatized – and now I have a book on privatizing rivers, oceans, and lakes, and stuff like that – if the river were privatized, probably the levees would have held, and if they didn't hold, then the Mississippi River would have gone into other hands. They would have gone bankrupt. They would have been sued and, and we would have had different people in charge of the Mississippi River. So those are two points about it.

And the third point is price gouging. When the Mississippi River overflowed and people were living here, the prices skyrocketed. And Governor Blanco, the governor of Louisiana at the time, said anyone price gouging I'm putting in jail. Well, we have some motivations for people in Montana to come out here and help us. One is benevolence, which would be operational no matter what. But the other is greed or seeking profits. Well, at the old prices of orange juice for a buck a quart or whatever it was, they're not coming. But if orange juice all of a sudden is 20 bucks a quart, well, then they're going to come down here with a truckload of orange juice and help us. So that's one benefit of price gouging. When the prices rise, it's a signal for help. It's sort of like if you're in the wilderness and you have decibel control and all you can go is, "Help, help," you can't yell, "HELP!". That's the effect of that.

And the other is that the egalitarians are going to like this, because look, at the old prices, the first 300 people in the Walmart are going to grab up everything. But if instead of \$1 a quart for orange juice, it's \$20 a quart for orange juice, people at the front of the line are going to act as if they have some benevolence for people at the back of the line, and they'll leave something left over for them. So price gouging is good. And when I get freshmen students in my class and I mention price gouging or the minimum wage, they are biologically hardwired to hate it because they're full of benevolence, but their adherence to free enterprise is not as strongly hardwired in their bodies. So the other point that I would make about Katrina is price gouging is a beneficial thing, and it's compatible with libertarianism. And I'll probably stick it in *Defending III* if I haven't already done it. I'll have to look and make sure I don't write about it again.

**WOODS:** Well, how about this as we're starting to wrap up Walter Block Week? Would you be willing to take one of the topics you're covering in *Defending III* and give us a sneak preview of yet another unpopular type of person you're defending this time around?

**BLOCK:** Wow, let me see. I'd have to go and – ah, here it is. I just have it on my screen. No, that's not it. No, it is. That's it. Let me see if I can come up with a list of *Defending II*. Bum in the library. Cannibal.

**WOODS:** Wait, wait, wait. No, no, no, no, no. No, wait [laughing].

**BLOCK:** Voluntary cannibalism.

**WOODS:** [laughing] No, stop. I can't take anymore. I can't take anymore. It's been a whole week of Walter Block. This is more than I can take. [laughing] I can't take it. All right, I'm sorry I asked. I'm begging you for mercy, Walter.

**BLOCK:** Ah, here we go. Adulterer. Alcoholic.

**WOODS:** No, no, no.

**BLOCK:** Anti-Semite.

**WOODS:** This is like –

**BLOCK:** Climate Denier. Collectivist. Company Town Corporation. Buy-Backer. Burka Wearer. Boycotter. Bottle Deposit Opponent. Confederate Sympathizer. Corporation. Entrepreneur. Euthanasiast. Evictionist. Executioner.

**WOODS:** Oh my –

**BLOCK:** Ex Post Facto Judge. I favor ex post factor law. Hair Braider. Indulgence Seller. Mutilator. Polygamist.

**WOODS:** All right, that's it. That's it. People can be surprised by the rest. They can be surprised when the time comes. All right, look, if there's one thing you can say about Walter – actually, there's probably a whole bunch, but one of them would be fearless. And I think he has proven that to us over the course of Walter Block Week. So when do you think you might have this book ready, the third one?

**BLOCK:** Well, maybe next year, 2021.

**WOODS:** Okay, well, I'll clear the schedule to make Sure we have you on to talk about that, and I'm just going to have to – I don't know, I know you don't drink, Walter, but thanks to your book, I sure do. So I will be ready for that conversation.

**BLOCK:** Tom, I'm just delighted to be with you for a whole week. It was really a great experience.

**WOODS:** You were very generous with your time, and I know the listening audience has really enjoyed it. Thanks so much.

**BLOCK:** Tom, take care. Thanks. We'll be buddies, and we'll see each other soon.