“A Burnt offering at the Altar of Anarchio-Capitalism…The Integration of Christianity with Natural Law

Man’s ultimate purpose while existing, is to bring honor to God. Man does this through action. He acts because the world is incomplete. This is recognized in the Dominion Covenant. But man cannot act efficiently if his private property is plundered by the State. The State is a representation of autonomous man trying to be like God and oppress others. When the State is affirmed, it disrupts the natural law of the Market. The Market has the ability to not only allocate goods and services, but scatter power throughout many individuals, rather than having it be, in one central hand. It is because of the state that man cannot fulfill the Dominion Covenant to the best of his ability and therefore hinders production and the economic environment of consumption.

And God Said, Let us make man in our image, after our likeness: and let them have dominion over the fish of the sea, and over the fowl of the air, and over the cattle, and over all the earth, and over every creeping thing that creepeth upon the earth. So God created man in his own image, in the image of God created he him; male and female created he them. And God blessed them, and God said unto them, Be Fruitful, and Multiply, and replenish the earth, and subdue it: and have dominion over the fish of the sea, and over the fowl of the air, and over every living thing that moveth upon the earth.¹

Whether a man is a saint or a whore, redeemed or unredeemed, he is called to follow the Dominion Covenant. The Dominion Covenant is not just for the Christian who

¹ Genesis 1:26-28
has repented and has found favor in God’s image, but rather the Dominion Covenant is for all of humanity. This is so, because since God is creator, “God must be honored by all of creation.” And “for man to honor God, he must have respect for God’s law-order.”

“Man was created specifically to be God’s representative on Earth. . .[And] he cannot be properly understood apart from the two facts revealed by Genesis 1:26.”

First, man is made in God’s image. He is therefore the capstone of all creation. Though for the present, “he is made a little lower than the Angels” in terms of knowledge and power, man will ultimately judge the angels. “Second, man is to have dominion over all creation.” Meaning, man has sovereignty over all of nature. This does not mean however that man has sovereignty over his fellow man. In fact, it is heresy to think such a thing. Hence, it is man’s ultimate purpose to exercise dominion and be God’s image bearer while on earth over creation[to not have dominion over others]

Since the Dominion Covenant is the bedrock of which man should live his life and find purpose in, this command is not a “take it or leave it” variety of command. For it is God’s own self –counsel that establishes dominion as the very function of human nature.

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2 North, Gary, The Dominion Covenant: New York: Christian Liberty Press. 27
3 North, Gary 27
4 North, Gary 27
5 Psalms 8:5
6 See Paul’s first epistle to the Corinthian Church of the sixth chapter in verse three.
7 North, Gary 28
8 North, Gary 28
9 North, Gary, 28. See also the enormous heresy of Marxists, post-darwinian thinkers, social planners, and enlightenment thinkers. This is the first quotation that cleaves to the demonic nature of the state.
10 North, Gary 28. North states that God has specified this in Genesis and it is the bedrock of what man looks to for purpose.
11 North, Gary 29. It is important to understand context in what North means by “human nature.” He is not speaking about man’s nature of sin, but rather what God in the beginning set up for man to be a part
"Man must exercise dominion as he goes about his daily tasks. Even the hermit, who is not part of the economy’s division of labor—the ultimate means of dominion used by man—must plant, or hunt, or search for berries. He displaces other life. The animals fear him and give him deference, a feature of life which is part of God’s reaffirmation of the covenant with Noah.‖

However, the aspect of sin has perverted the Dominion Covenant. Evidence of this is found in the self proclaimed autonomous men to exercise humanistic dominion apart from God or God’s law-order. As Rooshdoony has commented: ‘‘As a result of the fall, man’s urge to[have] dominion is now a perverted one, no longer an exercise of the power under God and to His glory, but a desire to be God. This was precisely the temptation of satan, that every man should be his own god, a deciding for himself what constitutes right and wrong.’’ The question should be asked here as an introduction to the reader: is the state part of the kingdom of God or the evil one? From here North goes into The Dominion Covenant being an activity.

The Dominion Covenant is a matter of self conscious activity. This is true because it is a religion demanding ethical passivity. With respect to God, the source of all ethical standards, man is to be wholly passive. It was because of the

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12 North, Gary 29. Look to Genesis chapter nine, verse two with the dominion covenant established with Noah. It is also important to note that here the dominion covenant is establishes as something that cannot be escaped; for cannot do away with his responsibilities while being on the earth, unless he wants to starve, or lean on the evils of the state that help those monetary wise in their act of rebellion.
action of Adam and Even in the Garden where they attempted to be ethically determinative. They sought a zone of pure autonomy, where they might test the Word of God. Humans were assigned a passive role in relation to God: they were to think His thoughts after Him, in creaturely fashion. Then they were to extend God’s authority over all the earth. Passivity before God was to lead directly to active dominion. They were assigned the task of subduing the earth.¹⁴

“God assigned a task to the first humans. They were to subdue the earth, an indication that the natural world, while unquestionable good in itself, was incomplete.”¹⁵ Hence this calls for active action, which is fascinating because this is a call before the ground is cursed.¹⁶ North then gives us our first preview of natural law. A natural law given to Adam by God, which was his “tool for dominion.”¹⁷

Within God’s creation there is the sun, the moon, and the stars, which possess’ regularity, which serves the purposes of man and, in subordinate fashion, the living creatures of the earth.¹⁸ Meaning, there was a natural order set up for man, which brings about a cosmic personalism and shows that law should never be autonomous.

Adam was called to honor the created law of God that governed the natural realm. He was also to respect the laws revealed directly to him by Adam because of his position as God’s image bearer. The point is this: his knowledge of law was his tool of dominion.

¹⁴ North, Gary 31-32
¹⁵ North, Gary 32. See also Genesis chapter one verses: ten, twelve, eighteen, twenty-one, and twenty five.
¹⁶ Genesis chapter three verses seventeen through nineteen.
¹⁷ North, Gary 32
¹⁸ Genesis 1:14-18
As a creature, he was under law, but as God’s image-bearer, he was able to use his knowledge of law to become subordinately active under God and subdue the earth.

There is no question that rebellious man, who has asserted his independence from God as a self-proclaimed active and autonomous agent, has frequently become a destroyer. Nature has suffered at his hands. Unrestrained by biblical law or a sense of responsibility, rebellious men have subdued the earth for their own glory and profit, and the result has been the disruption of the earth. We are told, for example, that the reason why the Israelites had to be carried off into captivity for 70 years was that they had refused to honor the law of God by giving the land its Sabbath rest every seventh year.\(^\text{19}\) As a result, as read further in Second Kings chapter 24 verse 14, the only ones that were allowed to stay on the land were those that practiced a limited sort of dominion. There are also those such as Eastern Mystics that believe we should live in harmony with nature. Meaning we are not above creation or below it, but rather equal to it. North says this “actively defies God and through this act of disobedience under the covenant of dominion, this leads to a passivity before nature and the state.

As a repercussion of the fall of man, the Christian acknowledges that man has become a rebellious destroyer. He acknowledges that nature groans to be delivered from “the bondage of corruption”\(^\text{20}\) Due to this bondage the earth is under a curse because of man. The Christian realizes that man will never return to a utopian setting, which goes against all utopianists such as Marx. And a distinguishing factor arises from the previous

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\(^\text{19}\) 2 Chronicles 36:21, Jeremiah 50:34. It is in these chapter that one can see the repercussions of not obeying the natural law; laid down by God.

\(^\text{20}\) Romans 8:21. Letter from St. Paul to the Roman Church discussing the nature of man.
statement: man is not a destroyer as a result of the Dominion mandate, but rather his desire to be a rebel, to rule his own earth, and journey far from the law-order of God [is in fact, an act of rebellion]. This sets up once again a particular juxtaposition from the rebel and the Christian. The Christian display humility to the natural law and acknowledges that he is under the law of God, while the rebel revolts against the law of God and creates his own fiat law, which is the state.

Through the dominion Covenant man is to subdue the earth, not destroy it. Man is to replenish it, care for it, and use it for God’s glory. This permits him to benefit from the fruits of the land, for he is made in the image of God. He lives in a universe governed by the laws of order and natural regularities and within this world there is also a Moral law.

This moral law is what provides a “negative feedback” to the rebel. The best example of this in Scripture according to North “is the tree of the knowledge of good and evil. Man rebelled against God through their father, Adam.”  

Adam ate of the tree and the whole creation was cursed. God respects His word more than he respects the external regularities of the creation. “Because of this, man’s fundamental tool of dominion is the moral law of God. Secondarily, natural law, permits man to examine natures external regularities, which be discovered by man, and serves as a tool of dominion, a dominion assignment which is subordinate to the moral law. It is this moral law that restrains man and gives him insight into rebellious activity that will bring harmful repercussions to the earth, such as the state. But if man obeys the law of the Dominion Covenant he will not

21 North, Gary 35. See also Romans 5.
22 2 Peter 3:4-7. This provides a greater understanding into the Moral Law.
receive death. And he will progress as a human as he turns over the soil, sweats by his brow, and labors the land, which brings about wealth through the fruits of his labor. God also through the natural law set up certain laws that regulate and govern his earth. It is these laws that regulate what is called, the market.

The Market has traditionally been seen as something “impersonal, meaning one man’s influence is infinitesimal from the point of view of the overall market system. The market is understood as an impersonal mechanism in the sense that it is the product of millions of human decisions and actions at any point in time.” As a result, “People enter into voluntary exchanges with one another, and the results of their activities have far-reaching implications when considered as a whole.” F.A. Hayek went so far to describe the attitude toward the market—a attitude which he shares, and which he has defended more eloquently than any other social philosopher of the twentieth century— as an “attitude of humility toward the impersonal, an anonymous social processes by which individuals help to create things greater than they know.” It is this impersonalism that spawns personal freedom. From a biblical point of view the view that the market is impersonal is simply not true even though from the individual observer it may seem true, but the market is not impersonal at all from the view point of God (“the omniscient observer”).

As Gary North notes: “The Christian economist must assert from the beginning

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23 Proverbs 8:36
24 North, Gary, 9. The word impersonalism is used because F.A. Hayek saw a traditional view of the market as being in-human.
25 North, Gary, 9
27 North, Gary, 10
that this supposed impersonalism of the market process must never be understood to be a process autonomous from God. . . The operations of the market, like the operations of the atom, are ultimately guided by and upheld by God. . . In fact, the strongest philosophical and theological argument in favor of the free market is that it thwarts the attempt of power-seeking men to attempt to imitate God by centralizing the economic planning system through the civil government, thereby directing the lives of other citizens in terms of the goals of some elite central planning board. . . The free market decentralizes economic power. . . It has one of the most important functions a definite religious purpose: to restrict men in their attempt to play God. In the book “Road to Serfdom” by F.A. Hayek which was first published in Readers Digest in 1945, which states a case for the market. It argues that the quest for power that has gone on since the birth of man is what decentralizes man’s profound desire to monopolize power over his fellow-man.28 So from here we can gather that the market does not just allocate goods and allow for voluntary exchange, but it is also a protector from the rebelliousness of the Dominion Covenant and God to gain power.

It is also important to note that the market was not designed by man, but rather God. As North States: “Men did not design a free market to fit their needs for social, economic and political order, but this in no way implies(as the socialists, Marxists, and central planners in general assert) that the market does not fit men’s needs for social, economic and political order. . . The market has a whole series of purposes for man

28 Hayek, F.A., The Road to Serfdom (Chicago: University of Chicago Press, 1944). The reprint from the Readers digest was published in 1979 by the Economic Institute for Research and Education, P.O. Box 611, Boulder, Colorado 80306
because it is a direct outgrowth of the application of the fundamental moral and economic principles that were established by God to meet the needs of the responsible human agents. . . It is part of God’s comprehensive social law-order. To show further how the market develops naturally we will turn to Robinsonian economics used in the book, Ethics of Liberty, by Murray Rothbard. It is an example that shows how the market begins naturally, orchestrates human labor, and creates goods that display the glory of God.

In Classical Economics the most “common derided economic theory is Crusoe Economics, the analysis of an isolated man face-to-face with nature. . . It serves to isolate man as against nature, thus gaining clarity by abstracting at the beginning from interpersonal relations.” The question arises though from a practical standpoint: since the real world is not filled with solitude and Robinson is alone on an island, how can this example be carried into a more believable reality? For this Rothbard brings in the example of Friday, for he states: “later on, this man/ nature analysis can be extended and applied to the real world. The bringing in of “Friday,” or of one or more other persons, after analysis of strictly Robinsonian isolation, then serves to show how the addition of other persons affects the discussion.”

Let us consider Crusoe, who landed on his island, and to simplify matters, has contracted amnesia. What inescapable facts does Crusoe confront? He finds, for one thing, himself, with the primordial fact of his own consciousness and his own

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29 North, Gary, 11. This is a crucial few sentences because amongst the common man, there is the notion, that the market was created by the craft of man, and not the craft of God.
body. He finds, second, the natural world around him, the nature-given habitat and resources which economist sum up in the term “land.” He finds also that, in seeming contrast with animals he does not possess any innate instinctual knowledge impelling him into the proper paths for the satisfaction of his needs and desires. In fact, he begins his life in this world by knowing literally nothing; all knowledge must be learned by him. He comes to learn that he has numerous ends, purposes which he desires to achieve, many of which he must achieve to sustain his life: food, shelter, clothing, etc. After the basic needs are satisfied, he finds more “advanced” wants for which to aim. To satisfy any or all of these wants which he evaluates in accordance with their respective importance to him, Crusoe must also learn how to achieve them; he must, in short, acquire technological knowledge or recipes. . . [Crusoe] also finds that the natural world about him does not satisfy [his needs] immediately and instantaneously; he is not, in short, in a Garden of Eden. . .”31

Rothbard then brings out a certain truth that Crusoe economics can bring to the fore-front of economic knowledge: “if Crusoe economics can and does supply the indispensable ground work for the entire structure of economics and praxeology- the broad, formal analysis of human action- a similar procedure should be able to do the same thing for social philosophy, for analysis of the fundamental truths of the nature of man vis-à-vis the nature of the world, which he is born, as well as the world of other men.

31 Ibid., 29-30
Specifically, it can aid greatly in solving certain problems such as the role of liberty and property.\textsuperscript{32}

“So in order for Crusoe to live on the island he must establish certain technological ideas that exert labor to create capital goods that provide for him shelter and food. “Thus, Crusoe may build himself, out of a given natural raw materials, an axe (capital good) with which to chop down trees in order to construct a cabin (consumer good). Or he may build a net (capital good) with which to catch fish (consumer good).”\textsuperscript{33}

This establishes a crucial element that is outside most economic knowledge, “Crusoe must \textit{produce} before he can \textit{consume}. . . And by this process of production, of transformation, man shapes and alters his nature-given environment to his own ends, instead of, animal-like, being simply determined by that environment.

The next primary topic that establishes real world example and the flourishing of man with his necessities being met (clothing, shelter, food, etc.) is to bring in the character Friday, for man must deal with interpersonal relations as his time as a human and Robinsonian economics affirms this.

“Economics has revealed a great truth about the natural law of human interaction: that not only is \textit{production} essential to man’s prosperity and survival, but so also is exchange. In short, Crusoe, on his island or part thereof, might produce fish, while Friday, on his part, might grow wheat, instead of both trying to produce fish, while Friday, on his part, might grow wheat, instead of both trying to

\textsuperscript{32} Ibid., 29
\textsuperscript{33} Ibid., 30
produce both commodities. By exchanging part of Crusoe’s fish for some of Friday’s wheat, the two men can greatly improve that amount of both fish and bread that both can enjoy. This great gain for both men is made possible by two primordial facts of nature—natural laws on which all of economic theory is based: (a) the great variety of skills and interests among individual persons; and (b) the variety of natural resources in geographic land areas.

Robinsonian economics further demonstrates the natural law and order God set up through the Dominion Covenant; for it was Robinson, Friday, and billions more that spawned from Adam and Eve that have the ability to subdue the earth through their creativity and purposeful behavior to form factors of production and consumer goods in the market that would glorify God. However, this natural order has been disrupted through the rebellious nature of man that has created sovereignty over fellow-man and formed a state that performs robbery through taxation. To use a biblical example of this, we turn to the book of first Samuel and an article by Jefferey Herbener.

Since the state is a creation of man’s rebellion against God and the natural order, which was established previously in the paper, we have already make the argument that it goes against the natural order of God. For this point is further validated in the Old Testament with the Israelites asking Samuel for a king. Jeffrey Herbener demonstrates this point in his paper ‘Imperialism’ by stating: “During the period of Israel’s time in the wilderness, people with disputes came to Moses to judge between them. Because the task overwhelmed him, he took the counsel of his father-in-law and appointed judges from
among the people. Because the people had been taught the law of God and accepted its authority, they submitted to decisions of the judges. The system of the judges persisted in Israel until the time of Samuel when the people rejected God and His law and demanded a king to judge them.™

The reasons for establishing a king was not because the natural order had failed, but rather it was because of rebellion and to be” like other nations™ as the book of Samuel States. God tells Samuel the profound repercussions for breaking the moral law: He says, “This is what the king who will reign over you will claim as his rights: He will take your sons and make them serve with his chariots and horses, and they will run in front of his chariots. Some he will assign to be commanders of thousands and commanders of fifties, and others to plow his ground and reap his harvest, and still others to make weapons of war and equipment for his chariots. He will take your daughters to be perfumers and cooks and bakers. He will take the best of your fields and vineyards and olive groves and give them to his attendants. He will take a tenth of your grain and of your vintage and give it to his officials and attendants. Your male and female servants and the best of your cattle and donkeys he will take for his own use. He will take a tenth of your flocks, and you yourselves will become his slaves.”

To break this down, let us first begin with the following: first, the established king will claim certain things as his right. Meaning, he will establish an arbitrary form of law that benefits himself rather than the people. We spoke before about fiat law. This is an application of Anarcho-Capitalism at work, since power was not in the hands of a central leader, but rather scattered.

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34 Herbener, Jeffrey, 'Imperialism. Ludwig Von Mises Institute. This is an application of Anarcho-Capitalism at work, since power was not in the hands of a central leader, but rather scattered.

35 1Samuel 8:5. This is one of the most profound passages for man’s rebellion to be autonomous and to create a state.

36 1Samuel 8:11-17
prime example of fiat law at work. Second, the king will use your sons and make them serve with his chariots and run in front of his chariots. Meaning, the king will establish a form of force, which will be used through his military, which will consist of the sons of Israel, whose lives are less valuable than his because they will run before his chariots.

The Baptist preacher, economist Francis Wayland said: “the most athletic and vigorous laborers must be selected for slaughter because it is part of the national expenditure of the state. And why wouldn’t the king use the best sons of Israel for battle? Could it not be part of his right as king? The rest of the sons will be allocated according the needs of the king. Some will harvest the fields that will bring the king wine and food, and some will be used to make weapons for the commanders that range in the thousands. Third, he will confiscate the private property of his own citizens through taking away vineyards, olive groves, and a tenth of the grains, which he will redistribute to his attendants. And last, he will take a tenth of his people’s flocks and after he has been established as one who has the right “to act in robbery” the people will become slaves. From the last sentence, one can infer that God had never planned to have his people live under a central hand. And further, God understood the slavery and productive decapitation from taxes. It is taxes that not only enslave individuals through the confiscation of private property, but also through the destruction of the production structure. To speak further on this we turn to Jean Baptiste Say, Hans Herman Hoppe, and Murray Rothbard.

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38 Rothabrd, N. Murray, Power and Market. 83
Jean Baptiste Say said: “It is a glaring absurdity to pretend, that taxation contributes to national wealth, by engrossing part of the national produce, and enriches the nation by consuming part of its wealth. imposed upon individuals, either in a separate or corporate character, by the ruling power for the time being, for the purpose of supplying the consumption it may think proper to make at their expense; in short, an impost, in the literal sense. Say continues by saying: “Taxation is the transfer of a portion of the national products from the hands of individuals to those of the government, for the purpose of meeting public consumption or expenditure as, whatever be the denomination it bears, whether tax, contribution, duty, excise, custom, aid, subsidy, grant, or free gift, it is virtually a burden imposed upon individuals, either in a separate or corporate character, by the ruling power for the time being. 

This notion and argument of taxing being robbery is something that exist. It is the act of taking from the hands of one to pay another. This money is then changed in the area of where it is spent. Meaning, it shifts production. For example, X is paid a sum from his profits. His initial plan could be (could because we can never definitively predict human action) to use part of his income to invest in further endeavors that spawn greater productivity, but due to a sum being taken out by a central hand, those projects will have to wait or may never come about because of a lack of income and funds for further investment. It is also important to note time preference will not be truly represented as a product of this, because since individuals want things sooner rather than later, they must save and then invest. This disrupts that natural process of when projects should be started and when they shouldn’t, which

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damages efficiency. Also, the central planner who is now getting funds will spend the money on projects that don’t reflect true time preference, because the central planner has almost an unlimited amount of funds being facilitated in. That central planner spends the money on projects that are less efficient because of the element of the states time preference. Further, this is an inefficient use and destruction of private property and the resources of the land, because it is artificial.

As Hans Herman Hoppe says in the ‘The Economics and Ethics of Private Property,’ “taxation is foremost- and above all-is and must be understood as a means for the destruction of property and wealth formation [which] follows from a simple logical analysis of the meaning of taxation. Taxation is a coercive, non-contractual transfer of definite physical assets (nowadays mostly, but not exclusively money), and the value embodied in them, from a person or group of persons who first held these assets and who could have derive an income from further holding them, to another, who now possesses them and now derives an income from doing so. This is seen as example with the state. 40

From this it follows that any form of taxation implies a reduction of income a person can expect to receive from original appropriation, from production, or from contracting. Taxation is not just a punishment of consumption without any effect on productive efforts; it is also an assault on production as the only means of providing for and possibly increasing future income or expenditure. By lowering the present value associated with future-directed, value-productive efforts, taxation raises the effective rate

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of time preference i.e., the rate of originary interest and, accordingly, leads to a 
shortening of the period of production and provision and so exerts an inexorable 
influence of pushing mankind into the direction of an existence of living from hand to 
mouth. What is happens as well, is that the entrepreneur who bears the risk of succeeding 
in his end because the future is uncertain is being robbed from his success. Because in 
order to create wealth, entrepreneurs must succeed in action, and if they do, they should 
naturally benefit from the fruits of their labor with correctly predicting the future. Would 
it be right for one who has thought out, planned, acted, and succeeded in action to give 
part of his wage to his neighbor who has not engaged in behavior of risk at all? Of course 
not, this is an unethical act and goes against the moral law, and further disrupts the 
natural process of the capital structure flourishing, which further provided goods and 
services to individuals in demand. Hoppe illustrates this further by saying: “[funds] come 
into one’s possession either by one’s having perceived certain nature-given goods as 
scarce and having actively brought them into one’s possession before anyone else had 
seen and done so; by having produced them by means of one’s labor out of such 
previously appropriated goods; or through voluntary, contractual acquisition from a 
previous appropriator or producer.” Since this is true and happens every day with the state 
confiscating property from those who bear the risk, then the economic environment and 
market that was meant to reward those who acted appropriately with scarcity, are the 
ones being robbed, while the ones who bear no risk are being rewarded. This begins to 
not only destroy private property and allocate good where they would not have been 
demanded, but actually harms the earth. We spoke before about man being a good
steward of the earth, not being wasteful, but being as efficient as he can, but in a system with central planners, an efficient use of the earth’s resources are not being used at all and morally it goes toward man wanting to have sovereignty over his fellow man as discussed earlier in the paper.

It is also important to talk about how the state, especially here in the U.S., taxes even more those that break a certain income bracket, or are considered rich. Hoppe addresses this by stating: “one can observe rich men consuming more than poor ones; therefore, their high level of consumption must be responsible for the fact that they are rich.” Meaning, “the rich are not rich because of their high level of consumption but because they previously abstained from consumption and engaged instead in value-productive actions.” Man lives in an environment that deals with scarce resources, therefore there is uncertainty involved. Meaning the future is uncertain. So if a man who sees an opportunity to make a profit or many profits, he is entitled to the fruits of his labor because he rose against the uncertainty and planned correctly with valuable decisions. But as with the state, the situation simply does not exist. As a product of taxation overall growth for the economy is profoundly stagnated. This is so because taxation “is a punishment of value-productive efforts” and destroys consumers desire to want to have things sooner rather than later. The entrepreneur has the ability to provide for peoples time preferences when he is not hindered, by taxation, but when he is he cannot satisfy peoples wants and desires. This in return makes society poorer because it takes “not yet consumed assets from producers (in the wider sense of the term including

41 Hoppe, 37
appropriators and contractors) to people who have not produced them. Taxation reduces producer’s present income and their presently possible level of consumption. Moreover, it reduces the present incentive for future production of valuable assets and thereby also lowers future income and future level of possible consumption.\(^\text{42}\)

It now becomes apparent why the assumption that taxation can leave the productive output of valuable assets unaffected and exclusively cripple consumption. If taxation reduces one’s income (which includes that derived from present consumption and leisure), and given the universal fact of time preference, that is, that human actors invariably prefer present goods over future goods (that they cannot do without continuous consumption and can engage in lengthier, more roundabout methods of production only if a provision in the form of consumption goods has been made for the corresponding waiting period), then it necessarily follows that a person’s effective rate of time preference must have been raised through this very act (the disutility of waiting must have increased), and that he will have to shorten the length of the structure of production as compared to the one that he otherwise would have chosen. Accordingly, his output of valuable assets available at future dates will have to be lower than would be the case otherwise. If with lower or no taxation his income had been higher and his time preference schedule being given (whatever it happens to be at any particular point in time), he would have invested in lengthier production processes. As a consequence, his output of valuable future assets would have been relatively greater. Murray Rothbard

\(^{42}\) Hoppa, 38
stated the following with the production structure being hindered through taxes in *Man, Economy, and State*.

In any sort of division-of-labor economy, capital goods are built, not for their own sake by the investor, but in order to use them to produce lower-order and eventually consumers’ goods. In short, a characteristic of an investment expenditure is that the good in question is not being used to fulfill the needs of the investor, but of someone else—the consumer. Yet, when government confiscates resources from the private market economy, it is precisely defying the wishes of the consumers; when government invests in any good, it does so to serve the whims of government officials, not the desires of consumers. 43

Therefore in conclusion, it is because of the state’s power to levy taxes that dismantles the production structure and robs from the efficient. As a product of this, man becomes stagnated when attempting to subdue the earth with his creativity. As a result, the earth suffers, because the Earth’s resources are not used efficiently, but rather bid into other areas of production that are indeed artificial. As a product of this, the natural order of the environment is disrupted and man becomes poorer, and therefore digresses as a species because of Autonomous man trying to be like God.

The world is incomplete, and therefore demands human action. This was set up by God through the Dominion Covenant, and as long as the state exists, and power is not distributed throughout communities, which is what the market has the ability to do, man

will not be able to act to the best of his ability. He will continue to be hindered with not producing all he can for consumption, and will therefore be handicapped in fulfilling his God endowed potential to flourish with producing goods that reflect the glory of God.

\[\text{\textsuperscript{1}}\text{Hoppe, 35}\]