

# The Paradox of Imperialism

*Editor's Pick. Written by Hans Hoppe.*

## **The State**

Conventionally, the state is defined as an agency with two unique characteristics. First, it is a compulsory territorial monopolist of ultimate decision-making (jurisdiction). That is, it is the ultimate arbiter in every case of conflict, including conflicts involving itself. Second, the state is a territorial monopolist of taxation. That is, it is an agency that unilaterally fixes the price citizens must pay for its provision of law and order.

Predictably, if one can only appeal to the state for justice, justice will be perverted in favor of the state. Instead of resolving conflict, a monopolist of ultimate decision-making will provoke conflict in order to settle it to his own advantage. Worse, while the quality of justice will fall under monopolistic auspices, its price will rise. Motivated like everyone else by self-interest but equipped with the power to tax, the state agents' goal is always the same: to maximize income and minimize productive effort.

## **State, War, and Imperialism**

Instead of concentrating on the internal consequences of the institution of a state, however, I will focus on its external consequences, i.e., foreign rather than domestic policy.

For one, as an agency that perverts justice and imposes taxes, every state is threatened with "exit." Especially its most productive citizen may leave to escape taxation and the perversions of law. No state likes this. To the contrary, instead of seeing the range of control and tax base shrink, state agents prefer that they be expanded. Yet this brings them in conflict with other states. Unlike competition between "natural" persons and institutions, however, the competition between states is eliminative. That is, there can be only one monopolist of ultimate decision-making and taxation in any given area. Consequently, the competition between different states promotes a tendency toward political centralization and ultimately one single world state.

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