

The paradox of blackmail sparked an ongoing heated debate engaging a wide array of scholars ranging from theoreticians of law, via moral and political philosophers, to economists. The paradoxicality of blackmail stems from the fact that two actions that are legal when considered individually and independently of blackmail proposals (both what the blackmailer threatens to do *and* what he demands from his victim) somehow become illegal when combined within a blackmail proposal. To put it even more simply, it is particularly puzzling how it can be that the blackmailer does not have a right to threaten to do what he has a right to do independently. There have been many attempts to solve the paradox. Some theories simply deny the paradoxicality of blackmail, thus biting the bullet and concluding that blackmail should be decriminalized. Other theories grant the validity of a moral intuition that blackmail is wrongful and are therefore in the search of constructing an argument that would account for that intuition. Those remaining theories in turn can justify their claims by appealing to moral principles that are either internal or external to the harm principle, adhered to by classical liberals and other theoreticians of similar persuasions.

The present project does not deny the paradoxicality of blackmail but takes it seriously. Our agenda also shares a common intuition that blackmail proposals (strictly speaking, one of its subspecies) should be criminalized. However, the distinctive property of our solution seems to be its elegance: instead of appealing to any moral principles over and above the harm principle, we offer the solution which subscribes to this very principle *alone*. The main objective of our project is to show that one species of blackmail proposals is fraudulent and is therefore prohibited by the harm principle. If that is indeed so, then the eponymous paradox disappears and its disappearance would not take the invocation of any other theoretical apparatus than the said harm principle. Although the body of theoretical works dedicated to the paradox of blackmail is enormous, none of the works offer a solution resembling ours. Despite the fact that some authors do liken blackmail proposals to fraudulent ones, the *reasons* they give differ from ours and so do their predictions.

However, it is not the only the paradox of blackmail that our project tackles. We are just as well interested in the consequences our solution brings to Austro-libertarianism. It transpires that in the light of our solution, there is a need to revise the Austro-libertarian theory in many respects. First and foremost, the relation between a voluntary exchange and coercion is not that simple as previously thought. If our main finding is correct, then the absence of coercion still does not suffice to render an exchange voluntary. Second, our central conclusion concerning blackmail also bears on the Austro-libertarian theory of welfare. In this respect, because we remodel the previously operative notion of a *voluntary* exchange, our predictions as to the welfare-enhancing or welfare-diminishing character of different exchanges are also novel – they considerably differ from the conclusions reached by Austro-libertarians so far. Clearly then, our work has a pioneering (e.g. a novel solution to the paradox of blackmail) character as well as multiple ramifications impacting such theoretical areas as theories of justice, rights, coercion as well as voluntariness.

Our project also boasts a well-defined methodology. *Deontic* and *propositional logic* not only serve to sharply formulate the paradox of blackmail but also permeate our work. Furthermore, we resort to the reflective equilibrium. That is, we believe that there must be a certain coherence between general principles of justice and particular verdicts in particular cases (e.g. blackmail) stemming from them. If we feel strongly about some particular case but what follows from a general principle runs counter to our intuition, then it is a general principle that needs adjusting. And conversely, if our general theory is particularly robust and we have an intuition that collides with some implication of our theory, then it is probably our intuition that should be jettisoned. Finally, our work makes ample use of thought experiments. Virtually every case that we consider is an imaginary one. Thought experiments have this advantage that they abstract from inessential variables that would only blur the picture, thus distracting us from important elements from the point of view of our purposes. Finally, thought experiments seem to presuppose and further strengthen the already-mentioned method of reflective equilibrium.