

# ***A Useful Tool, Not A God***

***How Markets Can Reinforce Egalitarian  
Societies Of Abundance***

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***William Gillis***

Markets, that is to say, *networks of exchange*, can grow in a vast variety of forms, with highly differing norms. Indeed, long before and far from the "limited liability corporation" that made British imperialism a matter of stock investment, there were developed markets in surprisingly egalitarian civilizations from the Indus Valley to Norte Chico.

But production for the needs of daily life for average people doesn't leave behind monuments. Further, village marketplaces were seen in many inegalitarian cultures as social spaces for *women*. Fishmongers and craftswomen engaged in haggling and complex relationships of trust and mutuality at the center of a village that often seemed opaque or low-status to writers focused on the simplistic violence and hierarchies of formal leaders and foreign armies. When the Inca Empire tried to verticalize their economy or when the Spanish tried to enslave mesoamerica, there remained unsuppressible networks of crafty indigenous women bartering goods in communal spaces.

To characterize these varied markets as "proto-capitalist" is to miss the diversity, agency, and complexity in human history.

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# A Useful Tool Not A God

## How Markets Can Reinforce Egalitarian Societies Of Abundance

This (quickly stitched together) compilation of texts is not a defense of wealth inequality or centralization. It is not a defense of bosses and workplace hierarchies. It is not a defense of the destitution, precarity, and intense structural violence that defines our experience of capitalism. It is certainly not a call to respect property titles in our present hellworld or to maintain virtually any of the economic norms that permeate our lives and weigh heavily in our experiences. *But it is a defense of markets* — of networks of autonomous actors with generally respected titles to material things trading such titles with one another.

Leftists tend to take markets and capitalism as a package deal; after all, our enemies constantly conflate them in their rhetoric. And, even though capitalism wasn't birthed from open markets but from their consistent violent suppression in the service of monopolies or gargantuan actors, there's a general sense we all develop that whenever money changes hands the rich inevitably get richer and the poor get poorer.

Moreover, there are no real points to be won in our daily lives by trying to quibble or inject a weaselly sounding nuance in political divides. Our enemies are quite clear and if they champion certain things we have no choice but to champion the opposite as loud as possible. The point of political rhetoric is to clear the air, to draw up lines, and demonstrate the extremity of our commitment. Anything that smacks of quibbling undermines the strength we want to project.

So when I explain that markets *don't* have to centralize wealth into the hands of a few, but can — in radically different contexts and configurations — consistently work to erode and curtail any happenstance inequality of note, such peculiarities will still sound *irrelevant*. Similarly, when I argue that markets will be of unparalleled and critical use in facilitating the unavoidable logistics of production and distribution once we liberate ourselves, smash the existing, and it comes time to rebuild a new world, this will still strike you as distant utopian rambles.

Why should we concern ourselves with investigating what is possible and desirable in some other world than the one in which we fight? Well, I can only say that anarchists have been at our *best* in such arenas; perhaps our greatest achievement was accurately predicting the atrocities implicit in Marx's framework decades before they arrived. Moreover, while there is no sense planning every minute detail of worlds that will be built by different people in an impossibly complex context, as when Diego Abad de Santillán wrote *After The Revolution* to provide a blueprint for the CNT. Theory and practice each have a vital role in the formulation of the other. But sometimes there are predictable catastrophes. Sometimes there are dangers that could have been foreseen with a little effort, rather than stumbled into and frantically attempted to resolve under pressure.

I could happily spend my life purely involved in direct resistance, but I am haunted and festered by the knowledge that we are all — in our consensus of market abolition — walking into a trap. One that will hurt us in whatever desperate and critical moments might yet arise where we begin to get free. One that even occasionally puts us in unnecessary ideological traps in our struggles here and now. And so I have felt obliged to be a thorn against this consensus. I doubt I will be successful, yet the sick feeling in my stomach never resides; I could not live with myself if I didn't try to be as big a nuisance about it as possible.

extend your cybernetic nervous system into, but what best satiates your desires or aspirations in balance with everyone else's. This is after all what markets at their best promise: The notion that everyone's subjective preferences will be satiated more efficiently than would be possible attempting to talk them out in a global consensus meeting.

If markets have a hard time resolving something then they shouldn't complain if the answer turns out to be to extend the dynamics of markets deeper, to make the very foundations of the economic sphere more organic. And oh, whoops, now no one condemns me for driving off with one of Bill Gates's remaining cars.

There are two sets of ultimate justifications for property and markets. One is rooted in an entitled tit-for-tat demand for one-on-one "fairness." The other is grounded in a wider ethical lens, seeking only the betterment of all. It should be no surprise if the market structures ultimately promoted by either differ. We've already seen that this is the case with "intellectual property." Libertarians and even state socialists have split hard internally on this issue, some demanding "*but I put energy into this, I am due recompense, that's what fairness is*" while others aghast that anyone would even think of seeking to exclude or control what others can have when scarcity is no longer relevant. This poorly papered over chasm between selfish and selfless core perspectives deserves widening. I know what side I'm on.

Some context:

I was introduced to anarchism by my father, who was converted to anarchism in the 1950s and spent much of his life as an activist in labor struggles, as legal support, and even met my mother after writing journal articles denouncing leftist cultural appropriation and misrepresentation of indigenous traditions. My family suffered some extreme poverty for much of my childhood, including a period of homelessness. And while I started reading theory early, I've been involved in organizing campaigns, direct action, and various forms of revolt since squaring off with the riot cops against the WTO in Seattle in '99.

Obviously none of this magically validates my opinions, but it might bypass some usual suspicions as well as clarify my motivation here and I hope you'll tolerate these paragraphs to frame the following essays.

I was not an easy convert, nor are my prescriptions, outside some very rough linguistic commonalities, even remotely similar to anarcho-capitalists, who have been generally horrified and scandalized by my stances and my critiques of theirs. While some early on experiences squaring off against right-libertarians — like locking down a Portland bridge at the invasion of Iraq and a counter-protesting libertarian in a sandwich-board sprayed spittle at me — played a role in provoking my investigations, most of the value I've found in markets to solve certain problems is directly rooted in the aforementioned experience as an activist in hundreds of collective meetings, and as a homeless child dependent upon charity, poorly operating activist organizations, request forms, gifts, personal pull, and bureaucratic gatekeepers.

There is a clarity in direct *exchange* rather than discussion or any possible collective process or form, no matter how technologically mediated, that is of immense value. Many anarchists have comforted themselves with the notion that the severe economic

inefficiencies of state socialism are merely the result of political centralization alone, and would be trivially solved by decentralized discussion and book-keeping. But this is a deep mistake; knowledge and calculation problems are relevant in all human interactions and the core dynamics of the critique of state socialism generalize in a variety of pressing ways to collective decision-making, gifting, and even conversation.

This is so obvious to many discussing the knowledge and calculation problems as to be implicit, and I make no pretensions of originality. Many of the things I recognized in practice were written about by others like Don Lavoie in *Central Planning: What Is Left?* and in *Rivalry and Central Planning: The Socialist Calculation Debate Reconsidered*. And much of the context and depth of mutualist or left market anarchist theory is available in numerous books written by Kevin Carson or published by C4SS.

The following are merely some quick introductions to relevant topics in all this that I've dashed out over the years. They're intended to give a *taste* of arguments and analyses that have been ongoing for over a century, and arguably the start of Anarchism.

I've been working on a full book titled "*A Trillion Flickering Points Of Communism: The Anarchist Case For Markets*" for years, with a number of chapters mostly finished, but life is chaotic, I write slow, and there's always pressing crises and injustices that deserve my attention instead of a boutique text for a few hundred nerds. This compilation of quick pieces I've written at various points is thus something of a placeholder.

We must retain our critical faculties and agency, our capacity to both immediately and smoothly respond the moment our tool stops working. If some post-revolution market does in fact develop cancers of severe capital or wealth accumulation that runaway faster than the myriad diseconomies of scale and centrifugal forces within freed markets can suppress... then we can always *just stop respecting* some of the property titles of those in danger of becoming new rulers.

Similarly there are plenty of contexts in which the problems markets and property titles are supremely useful at resolving are not the most pressing ones. Three shipwrecked people aren't going to divide up their island, write elaborate contracts, and start a fish subprime derivatives stand. Not unless they're sociopaths. In simple subsistence conditions with small communities it makes far more sense to never even think about titles, but discuss the uses of everything collectively. You can put a reasonable bound on the community discussions necessary to coordinate the growing of potatoes.

Context matters, and what as anarchists we should be doing is encouraging people to think for themselves, to understand and appreciate the dynamics at play. That property and markets can be and are useful, but for underlying reasons dependent upon a host of things.

Sadly when we talk about property norms being determined by the community this very quickly tends to assume a single coherent community rather than a very complicated mesh of individuals, and our talk of "norms" likewise seems to assume the form of edicts, rather than a more dynamic and shifting reality like prices. Set rules versus constantly and organically mediated agreements.

The foundation of property shouldn't hinge on what rocks you've poked some point in the past or even what you've chosen to

But in some sense it doesn't matter whether or not you'd like property titles to ultimately be emergent from reputation. They empirically are. There's a reason credit preceded currency – as Graeber had to remind a number of economists – trust and goodwill are simply the foundation of the world we move in. We can try to blind ourselves to this or we can take the more anarchistic route of informed agency, refusing to fetishize or enslave ourselves to structures and conventions.

And here's where the divide between the hardest of Lockean Rothbardians and the more communistic georgists or mutualists starts to buckle:

If trying to problematize our injunctions against or even defend outright theft is a terrifying step to some, the flipside to viewing property titles as emergent from reputation is that it provides us with greater security against the possible downsides of numerous market mechanisms. *And thus it gives us greater security and latitude in adopting them.*

Land ownership, capital ownership, rent, interest, all of these *can* serve useful functions in transmitting important market information, in facilitating our broader collaboration by supplying additional information and nuance to the market. While all of these dynamics can grow cancerous, it would be insane to try and suppress pricing for risk, for example. The efficient allocation of resources to satiate everyone requires means to integrate predictions of future developments.

The market and the assignment of property titles within it is a garden we grow. A tool. Just like consensus process or breaking out into working groups. Like any means of organization we should not fetishize it. It is an extraordinarily useful and necessary tool, but just like any procedure we might adopt it is not a god. And its precise happenstance structure is surely not foundational to our ethics.

# Revealed Preference

## A Parable

Three close friends collectively inherit a house in the country from a departed mutual friend who built it. It's a dream come true for these young friends, sick as they are of city life and longing to grow their own food. The house is big, gorgeous, and well-maintained. It has a large multifaceted kitchen, which is great because the friends prefer to cook separately. There's a large stash of supplies, much equipment, a overrunning well, and acres for growing crops. To make matters better there's a small orchard of genesliced trees that provide a variation of fruit and nuts throughout the year. Avocados, walnuts, peaches, figs, etc. Not enough to get by on exclusively, but – divided three ways – enough to provide a nice complement to whatever the friends grow with more active labor.

But as the friends survey the house they come to a realization. There are three bedrooms, but they are not of equal character. The upstairs bedroom is generally perceived to be the superior room, while the two downstairs bedrooms, although fine in their own right, are less enticing. The upstairs room has a bit more space, expansive windows on *both* sides, better sound insulation, and its own bathroom.

Who should have it?

The friends are nothing if not charitable and honest. Each explains why they would prefer the upstairs room.

*Amber* is an artist and desires the additional floorspace for her painting, she would feel crunched in the downstairs rooms by comparison. Her art is deeply important to her and she prefers to work in her own room.

*Brandon* is an introvert with slight depression and desires the silence of its insulation from the common space on the ground floor, he also finds the big windows on both ends incredible helpful – sunlight at all times of day, without the risk of people looking in.

*Chris* can be something of an anxious mess and finds comfort and spiritual reward in many hour long private baths; they would deeply prefer to have their own bathroom, and it wouldn't be fair to the other person sharing the downstairs bathroom.

(Tag yourself.)

Each of the three friends feels their own need quite intensely, and each indicates a cost to their mental health in being deprived of the upstairs room.

These are, however, *close* friends, and so the problem doesn't spiral out into conflict or selfish positioning. Each is sincerely attentive of the others' desires/needs. Each is willing to sacrifice, but at the same time feels their own desire for the room sharply. The friends talk and talk, but it is hard to – by mere talking – figure out who's desire is stronger, or for whom the loss would be harder. What does it mean that someone 'very much' desires the room? How does that compare to someone else saying 'very much' as well? The friends are flummoxed.

Eventually one of them hits upon a possible solution:

"Right now we're all assuming we'll take equal shares of the fruit and nuts produced in our orchard. What if we changed the percentages so that the person who takes the

blinding ourselves to those root realities impedes our agency, just like any other self-deception.

Yes, it must be admitted frankly and openly that naive or simple reputation dynamics alone are dangerous. Social capitalism can be at least as vicious as any other system. One of the primary critiques left market anarchists have increasingly leveled against communistic anarchists is that their prescriptions risk chaining us in the sociopathic quagmire so often seen in social anarchist scenes whereby power structures are just shifted entirely to the realm of popularity contests and team sports. Where almost every action is reduced to social positioning and triangulation.

The abstractions of property and markets provide some defense against this nightmare – the freedom to engage in relatively impersonal interactions can be incredibly important and necessary, as David Graeber has argued in *The Utopia of Rules*. He used this to justify bureaucratic systems like consensus meetings. But here questions of centralization crop up. Systems that appeal harder to organizationalism and collective decision-making than autonomous action inherently create effective concentrations of social power, capable of being seized and leveraged.

Decentralization, when paired with sufficient technological freedom/complexity that conflict becomes asymmetric to the benefit of minorities, provides additional security and resilience against power structures. And a general tendency within a mature and enlightened reputation market to move towards property titles would provide security against the horrors of raw social capitalism. One hopes a balance point can be reached organically, like a price, between the dangers of naive and immediate reputation games and the dangers of an overly rigid property system. Reputation is the soil in which we must cultivate a rich and highly-evolved ecology of social relations.



hemorrhaging funds to pay for security. But such examples take an implicitly cavalier attitude towards violence, one that many social anarchists are rightfully frightened of. If we broadly accept the existence of people taking money to wield violence in defense of some claim... that introduces many severe dangers to say the least. The better approaches have been to treat violence, even "defensive", as something to accept very very hesitantly. Instead the emphasis is that contracts and the like should only be enforced via diffuse reputation. Working to build social organisms and instincts in a direction where freedom-of-association can function as sufficient censor or sanction. The next logical step along this path is to go from treating written contracts this way to property titles themselves.

Wealth is in many respects subjective. What might most deliriously satisfy one person (having a guitar and a pond to write poems beside) can be very different from what would best satisfy another (having a radio telescope array). But the market provides a good means to balance between these preferences; the SETI geek might to demonstrate through revealed preference on many levels that a radio telescope array really is critical to her core desires. This can happen through market pricing of the resources she uses, but also through the effective "pricing" being transmitted through her relationships with others. And if her project's concentration of resources would leave others destitute or barred from achieving their own core desires they may simply fail to respect her claim/title to it.

There are of course good game-theoretic reasons to gravitate towards categorical-imperative equilibria where disrespecting someones' claim is no casual affair, and I would certainly encourage more thought into dynamic and responsive strategies and what Schelling Points we might find in dealing with this. But nevertheless we should reflect more on the subjectivity of theft itself and remember that society is ultimately made up of individuals with relations, not organizations and rules, and

upstairs room gets less?"

Immediate outrage follows.

*"You can't put a price on mental health! It's offensive. It's not charitable! It's not friendly! Surely being good friends means dividing everything equally."*

"Okay, but we're in a situation with an unavoidable imbalance. We can't take the house apart, at least not in any reasonable period of time and with the energy and resources we have. I'm simply suggesting we create a counter-balance."

*"But there's surely someone who needs the room more strongly than the others. And that need should be respected, we should be endeavoring to repair the damage done to them by that need, not take something away from them in exchange. That would make it transactional, and corrupt or undermine the charity involved in giving the room to the person with the greatest need. And how are we to establish what percentage difference the upstairs room is 'worth'"*

"Okay, but taking the room away from the other two people still incurs damage upon them, surely we should seek to repair that damage. Every month they will feel some additional annoyance or pain at not having the upstairs room, but to have that offset by additional nuts and fruits might salve the damage. Two housemates get more fig spread and avocado toast, the other housemate gets less. In this we *restore* balance. We can go through possible percentages and see what people would be willing to sacrifice the room at what percentage loss of the orchard bounty. A fraction of fruits and nuts is a real, tangible thing; through considering trades we get a glimpse of someone's actual preferences, in a way that

talking in circles about "how intense" you desire something will never truly reveal. And if this exchange rate is later felt to be unfair we can revisit it, trading rooms again at possibly different rates."

*"This is just making the situation worse, because surely we each value nuts and fruit differently. Some of us may enjoy walnut butter strongly, others not at all. One person may be totally fine to surrender their percentage of the orchard's bounty. This is to say nothing of the differences that exist within the category of "fruits and nuts" – are you going to have us trading fractions of our claims to avocados versus figs?"*

"Well I wasn't going to get quite so fine-tuned over just a room, I agree that at some level of detail an agreement becomes too legalistic and too attention-consuming to be worth anyone's time, but where's the harm in making some tradeoffs a little more explicitly with one another? And of course the remuneration for the upstairs room doesn't have to come from a portion of the fruits and nuts harvest, it could simply take the form of chores, or labor in the garden, any number of things."

*"Oh so you would have the person in the upstairs room pay RENT to the rest of us??"*

"Well again, this is to remunerate the cost inflicted upon the downstairs housemates for their living situations. The point here is that through considering possible trades we can find a situation where everyone *prefers* their current particulars of room + benefits + chores. Where each person looks at a trade and prefers opposite sides. A positive-sum situation."

*"I flatly deny that 'desire' or 'harm' can be generalized. A*

my claim to own all the accessible land. No matter how Lockean you claim to be.

And that's great. Instead of partially obscuring the issue by assuming that we'll always establish polycentric legal systems with massively overlapping meshes of formal mediators and conflict adjudicators, and then these will come to consensus on a single global and canonical ledger of property titles, we should be clear that the roots of any anarchist system lie in the agents involved. Disagreements have to ultimately be settled in terms of our relationships with others, our complicated intentionality, goodwill, and trust.

Our relationships with one another, what can be termed, if you feel like it, "the reputation market," will sometimes be perturbed by differences and require the transmission of signals to return to a tolerable détente or equilibrium for all parties. Theft can be a valid signal. If everyone starts walking off with my goods because they've ceased to be sufficiently reputationally incentivised in the broader community or society to respect my monopoly, well that might be a *good thing*.

If – whether through distortions brought about by systemic violence as in our present world or just some kind of evolutionary misstep from a free and egalitarian state – a "market" has somehow grown so dysfunctional as to see starvation while bread is stocked in plenty then I will happily shout alongside the famous market anarchist Voltairine de Cleyre, "*Take bread!*" And I'll personally help you bust a window or two to do it.

It's long been pointed out that, in the absence of a statist police system that effectively subsidizes the wealthy, it's easier to steal from one safe containing a billion dollars than from a billion safes containing one dollar. The reassuring idea has been that while the rich might get around this by hiring tons of security guards to protect their giant silos of gold, at that point they're

breaking the very Cartesian individualization and subjective experience our skulls presently impose that makes property useful. Reputation is firmly prior to any other contextual consideration. This much should be obvious and it may seem a trivial point, but it continually astonishes me how quickly our discourses leap past this primordial reality. As if the ethical frameworks we speak in terms of have no more aspiration than the most provisional or situational.

Every social norm, every standard, ultimately originates in the detentes between individuals. Society itself is a fabric of social relationships. We reach settlements, optimal meta-agreements through a rich network of relations, not a single deliberative body – there is no and has never been any "The Community". Things quickly get complicated and thorny once you add in physical and historical context. But property titles are, at root, just an agreement to respect each other. What scariest about this to many is that property is *not* a single collective contract, or even a contract with the kind of hardness and permanency possible when grounded in systemic coercion. It is instead an organically emergent mesh of agreements, constantly being mediated and pressured.

Even the Marxist housemates agree not to use each others' toothbrushes because this is an obviously optimal arrangement, an optimal détente. But there is no single magical ledger in the sky keeping track of everything. Property, in its most basic and inarguable forms, emerges bottom-up. And just as a market *can* settle into a perfectly cleared equilibrium – it often won't.

People can and *will* disagree over property titles, not because they are mistaken in pursuit of some platonically existing ideal, but because they simply disagree.

If we arrive on a deserted island and I manage to get my robotic drones to till the entire island first you would surely not respect

*stress from not being able to take full-afternoon baths is not 'repaired' by extra peach cobbler. Those are separate and incommensurate experiences."*

"Are they though? Sure, you're right to some degree. But human consciousness is a very real sense *a single thread*, whatever messy storm of things happen inside our brains, they tend to congeal to a single narrative, a single direction of action. Pleasure and irritation follow this same path to unity in our conscious experience as individuals. We are largely unitary. In every moment we experience many desires, but are forced converge on a single one, or at least a single arrangement of desires. We think 'are we having a good day?' and answer that by aggregating all the delights and troubles of the day into a single conclusion, a single direction to our emotion. Sure, *sometimes* we have trouble reaching conclusions or even a single thread of consciousness, the brain is a messy place. But we are individuals, practically speaking. It may be *interesting* to examine the ways we diverge from such, but a more interesting picture is not the same thing as a more accurate picture, and we must not promote exceptions in our attention until we confuse them with general trends. Generally speaking irritation and delight are weighed against one another in our minds, *can* outweigh one another."

*"This is a very mechanistic and mathematical way of thinking and it risks running rampant. At first you said you wanted us to trade rooms for fractions of our fruit and nut harvest, now I feel you've walked into trading chores for fruits and nuts as well as to settle room placements. Where does it stop? Should our every interaction as roommates become a contractual affair?"*

"Well, I have noted that I agree there can be diminishing

returns to fastidiousness. Much of friendship is being able to relax in our attention to one another, or at least redirect it from the trivial, to not keep close account of many of our interactions. But are explicit contracts always that terrible? Consent is often something we endeavor to make very explicit. In this case because the room placement seems to matter quite strongly to everyone, will possibly have daily impacts upon each of us, I'm merely suggesting that we work out a trade in this instance so that each of us feels better off, preferring our housing situation and chores or orchard shares so that we wouldn't prefer the bundle another person has."

*"And I'm saying that not only would such a 'resolution' do damage to us all by expanding the overall number of situations of inequity from just rooms to rooms as well as chores and the orchard, it would also make it acceptable to solve other problems the same way. It's an infectious way of thinking. One day the space of things we explicitly trade is small, the next day it might consume the entire house. Until there's no more space for the informal, where every interaction between us requires an increased amount of attention. What if the downstairs housemates get into a conflict over bathroom use? Should they likewise settle their dispute by measuring usage and dividing up rights, trading them against something else? And what happens if someone is simply better at negotiation? What if one of us is revealed to have a more bureaucratic soul and fixates on contract minutia. Sure both parties may benefit in these trades, but what if one consistently benefits more? Lastly how is any of this going to be enforced? What if we catch one of us stealing more than their share of figs from the orchard? Or the downstairs housemates time each others' bathroom breaks and seek punitive damages for contract violation? No, it's better if we just take a loss from the start. Accept that one*

definitions of bodies much less what constitutes the "facts" of who possesses what are socially constructed as well as individually subjective. They all require input parameters derived from culture and from contexts that can change fluidly. It would be a shame to enshrine rules or systems incapable of keeping up with those contextual changes.

The language I've used to present reductios and counterexamples deliberately baits dismissal by sneers of "science fiction" – but all our revolutionary aspirations are inherently science fiction and just as unlikely to be realized in the near future. As self-professed radicals our concern is the roots of things, the fundamentals, and this requires pressing our conceptual frameworks into extreme contexts to see what breaks down outside the effective region our approximations are good within.

Of course property itself need not extend to all possible contexts. We can surely dream of worlds where no version of 'property' would be particularly useful. But these effective boundaries to the concept are highly illustrative. Property loses all relevance in world without scarcity. But it also loses relevance in the absence of clearly definable individuals.

It is the current individualization of humanity into discrete and localized neural networks with drastically limited connections between them that is most fundamentally necessary for the concept of property titles exist. There are individual minds or agents acting in a physical world – literally nothing else need be said about the extent of our bodies, how we act in the world, or the nature of our interests and projects.

And here lies a blinding theoretical clarity: Our evaluation of other individuals and their evaluations of us are prior in a deep way to everything else. Such evaluations – our relationships, impressions, trust, and intentions with regard to one another – cannot be alienated from us or overruled. At least not without

improve the lives of all – that they're the most pragmatic ways to navigate concerns of bodily autonomy, subjective desires, and scarcity of resources. This is, after all, why no sane or ethical person would defend "intellectual property" – since there's no practical need for ideas to be made scarce, no coordination problems to full communism in information. Focusing on labor-mixing as the primary certifier of ownership implicitly appeals to a tit-for-tat sense of "justice" or demand to personal recompense for work done, rather than a cosmopolitan and universalist drive to better all. This is a *significant* philosophical distinction over what we're even trying to speak of with "ethics" and thus ethical justifications for various property systems. And yet it has been passed over silently in this back and forth.

But on a more practical level, the classic reductio of labor-mixing can be immediately seen with a group heading out to a deserted island or planet and the moment they get there one of them uses robots to till all the land. Does that person now justly reign as supreme king forever? Markets can exist with such unequal distributions that they just entirely replicate the existence of the state. Even Rothbard conceded that if you "privatized" title to the possessions of a communist state that owns everything into the hands of a single person or just a few literally nothing would have meaningfully changed.

In ragging so heavily on labor-mixing I'm implicitly to some degree asking that we reground our analyses to start with "bodily extension" as a more important or fundamental paradigm than the more nebulous labor-mixing – but I don't want to pretend that there are ultimately any clean resolutions there either. If a robber baron networks thousands of factories' cybernetic systems directly into his nervous system that hardly trumps all other concerns on the legitimacy of property titles. Indeed no ethical argument for property of yet satisfactorily resolves the question of where our bodies end without making an arbitrary move, indeed it's unclear that there should even be such a clean binary. All

*person is going to benefit from the upstairs room, and move on. Anything else risks starting a cascading nightmare of trades."*

"What holds any of us accountable to anything? Some more explicit negotiations to correct a room imbalance don't have to change our character. If one of us turns into a greedy and legalistic little ass we can deal with that the same way we'd deal with any other misbehavior. I'm not proposing we all fall prostrate before some new god, some new absolute set of rules and heed to them forever and absolutely – ignoring or losing track of the motivation we have for embracing this solution to the rooms – I'm just saying that considering trades for the upstairs room is a useful tool here to reduce the damage done to a few folks and equalize the situation. But note what course of action your fear of trade resolves to in this situation: accepting a decidedly unequal status quo. Sure we *could* go overboard with explicit agreements – every household knows the risk of too much explicitness, something like a giant hyper-detailed chore board with passive aggressive notes – but some degree of explicitness is useful, it helps clear the air and settle problems. And if you're going to assume malintent among the three of us, why not consider how leaving things up to who argues more persuasively for the upstairs room in a collective conversation is its own can of worms? I could spin another tale here, mirroring yours, about potential runaway situations where a *lack* of explicitness in agreements provides space for someone to seek and gain power. I'm merely saying that proposing trades allows us to have the rubber meet the road in a way that disconnected conversation about our feelings and preferences doesn't. What trade you'll accept because you feel like you'd benefit from it is a powerful way to reveal to everyone your actual preferences. And those trades have

to actually be real – concretely actualizable in a change of what the rest of us recognize as "yours" – or else you could lie and we'd never really have comparable knowledge of your actual preferences."

*"I've caught you outright! You're really talking about property and trade. Titles and markets. Never mind the rotten pedigree of that argument, never mind the horrible people who usually trot out defenses of those, the fact of the matter is we've done this experiment. One need only look at the world capitalism built to see where markets get everyone. Thousands of years of history are in: markets enslave and pillage. Once you allow people to claim things and trade their claims to them with one another you get runaway competition, with all the brutal violence that implies, ever growing spoils to the few victors, and a ravaged world."*

"Oh come on, that's just historically inaccurate as fuck. Markets have existed throughout human history because humans in virtually every society have recognized and respected people's exclusive title to some things – like a bedroom – and also let them exchange these titles with one another. Sure, different societies varied strongly in what they embraced markets in – the scope, norms, and mechanisms of those markets – but they virtually all embraced markets. Trade is a useful tool for resolving what people's actual preferences are and the creation of mutually beneficial resolutions. Trade can take place in all sorts of ways, trade can be very informal or highly formalized, it can happen in a moment between strangers directly handing goods between one another, or over a period in the form of loans or favors between established community members. The benefit of trade is both the clarity beyond language provided by *revealed preference* and the mutual flourishing of positive sum relationships. Markets can be deformed and enslaved into sites of

to move them.

In a market one may try to just go off of "market value" but it's not proven that there would be any singular metric of such in a truly freed market – the currency situation might be incredibly complex, fractal and overlapping, in no way mirroring the current cash nexus. "The market" might possibly be a complex organic ecosystem, not immediately globally clearing and with no clear equilibrium point for an arbitration court to go off of. Indeed arbiters or community bodies or whatever may not overlap with currencies at all. But again even if we could settle on a single notion of value improvement or even labor expended, it's not clear *how much* should be requisite for unowned materials to get titles assigned to them. Titles in a legal system are relatively binary things. Either you have title to something or you don't.

Indeed it's worth significantly challenging the philosophical assumptions underlying the assignment of ownership according to work expended on something or degree market value improved. Having poked at something in the past is certainly not the same thing as it currently existing as an extension of one's body or as a focus of one's attention and interest. You might care a lot about something that you're working on and then not really at all afterward. You may never structurally change something, you may never improve the market value of something, and nevertheless critically depend upon it. There's plenty that can be said about ecology here, never mind the fetishization of "work" itself. Why should we start from a perspective of how much energy is exerted rather than how much desire is satiated?

At the end of the day the focus on labor-mixing seems to bundle in a defense of property (and markets) grounded ultimately in a rather modern ethos of "I am due recompense for working" rather than the more foundational ethical concern for "what arrangement best improves the lot of everyone." The most persuasive justifications for property (and markets) is that they

god forbid we critically interrogate the very idea of discrete "communities" as though an anarchist society would just settle into villages that constitute a single community rather than an incredibly complicated mesh of social relations and networks with no clear boundaries.

There's been a tendency in this debate, particularly in market anarchist discourse, to just chuck everything at "the community" or "polycentric legal systems" and hope that move resolves the issue.

This is in some ways on the right track, but it's not enough because appealing to formalized collective decision-making or arbitration apparatuses in many respects just pushes the buck back. How do the codes of behavior that these systems judge arise? How can these social codes be dynamically or organically changed or updated as context changes? What if it changes dramatically?

Many in this discussion have appealed at least partially to "labor mixing" as the foundation of legitimate property title. But this justification is deeply problematic.

What does it mean to mix labor? "Improvement" is at core subjective. "Labor" itself is at core subjective. If I walk into a large wild field and rearrange a few twigs or – alternatively – do copious gardening repositioning wild plants to shift the layout slightly, either in ways that I think "better channels the spiritual energy" of the field, it may look like exactly the same sort of wild field to virtually everyone else. But it might be the case that in this new configuration its utility to me has increased dramatically. I might derive immense satisfaction from the new arrangement. In the case where I only moved a few sticks (rather than breaking my back doing gardening that no one else will perceive much change from), I might nevertheless claim that I exerted immense psychological or mental effort figuring out which sticks and how

brutality, certainly. Any tool can be captured and used by hierarchies and tyrants, science and art included. But the brutalities of capitalism did not arise from markets. No gaggle of women trading vegetables in the town marketplace schemed the enclosures into existence. No guild artisan built runaway wealth from his own hand and hired strike breakers. The horrors of capitalism had many mechanisms, its power was built from many invested parties, it often flowed through and was expressed in the marketplace, just as systems of power can flow through and be expressed in literature or engineering, but its power originated always in systemic institutions of violence. Institutions not predicated on the positive sum transaction, but the reverse."

*"I dunno, sounds like what a capitalist would say."*

I will leave it to the reader's biases to judge which housemate in this parable was which interlocutor.

Suffice to say that obviously the friends did not decide to trade chores or orchard shares for the upstairs room. The friend who got the upstairs room did not convince the others cleanly, as that was impossible without a trade to test everyone's strength of preference, the others ceded it mostly to avoid conflict and further discussion. But the lack of clarity around the decision meant that those stuck with the downstairs room would every so often fester a little. Mostly though, two of the friends were suspicious of the roommate who had proposed a trade as a resolution. Because every good leftist or young person knows there's nothing more insidious than trade.

# Action Is Sometimes Clearer Than Talk

## Why We Will Always Need Trade

Is it possible for our enemies to discover actual insights? The impulse to deny this is universal. The Third Reich dismissed special relativity as "Jewish physics" and lost significant advantage. The USSR worried that accepting Darwin's insights in evolution would open the floodgates to capitalist Social Darwinism and so they hurt themselves by sticking with Lamarckism.

Most people can admit their enemy invented a useful mousetrap, but it's much harder when one's ideological enemies make a claim that has rhetorical power for their position.

The calculation/knowledge problem – a family of critiques discovered by bourgeois economists – has traditionally been used by capitalists to suggest There Is No Alternative to the existing order. If indeed markets are necessary for some complex economic production then that suggests some measure of the horrors and dysfunction of capitalism are tied to it. The instantly obvious retreat is to abandon complex production, or some measure of it. But for those who recognize that technology only possible through complex production offers quite significant expansions to our freedom to act, the problem is a pressing one.

There has been precious little serious work on the topic in the left, and the content of the responses dramatically differ depending on whether one embraces central planning or rejects it, and to what

committee. We say, "It's your block of marble or circuit board" and allow them to tinker with it exclusively.

All of this justification for the most simple and basic versions of "property" possible may seem superfluous but my point here is that they're practical concerns grounded in realities as simple and fundamental as information and processing.

The assignment of titles to physical items is an inescapable concern – but for *practical* reasons. *Concerns that are deeply dependent in many respects on context.*

The very idea of "land" as being fundamentally distinct from say fungible commodities would make no sense in the context of outer space when we're building ad hoc or personal biomes from melted asteroids and the volume of the void is unlimited. On the other end of things, systems that critically assume the possibility of homesteading make no sense in a highly populated information-age world where every cubic inch is constantly cataloged and monitored.

Popular conceptions of what "laying fallow" might signify could change rapidly alongside broader accelerations in cultural, technological, and economic dynamics. One moment leaving my backyard empty for a year might seem perfectly reasonable, the next moment the public might consider it an intolerable and horrific waste. I'm what? Using it to grow some grass? I haven't done anything with the matter in it or the precious limited surface area it represents in nearly 30 million seconds! That's unfathomable waste! Please someone, anyone dump some nanogoo on it and *do* something with it!

There's a lot of talk that "communities will settle on norms" but never mind *how* that settling is supposed to happen. How are these standards supposed to smoothly evolve and update to reflect new conditions or contexts? Precisely how does that work? And



actors may be "*communities*" but there is nevertheless some kind of system denoting and determining the boundaries and titles of what those communities claim.

As a second example, individual autonomy generally means being granted veto over the function and arrangement of one's own body. The problem is that there's no philosophically clean line between bodies and tools. Hair, glasses, wheelchairs, crutches, etc. Even our houses and vehicles can be seen as extensions of us, in terms of identity, causal closeness, as well as basic bodily function and survival. We're all already transhuman and as we grow ever more so this blurring or queering of the categories of "body" and "tool" will become all the more inescapable. We send signals from our brains out to our fingers and expect them to move, and our fingers send signals out into our laptop and we expect its structures too to move the way we want them to. Many geeks today have taken to referring to our phones and computers as "exocortexes" to reflect how deeply we integrate with them and see them as extensions of our selves, our will, body and mind. Similarly the disabled often see implants or prosthetics as integral parts of themselves, as extensions of their bodies. It would be ethically repugnant to put the continued function of an artificial heart under the purview of a community rather than exclusively the control of the individual in which it resides. But it's also clear that there are no clean lines to be drawn; some things serve a more tool-like role and others more body-like role, often smoothly transitioning in degrees between one another.

Further we often grant people exclusive purview to fiddle with a thing as a response to realities of subjective experience and knowledge. Our thoughts, desires, and contexts are rich complex things – in many regards ultimately unknowable with any precision to those outside our skulls, much less those a continent away. When working on a project like a sculpture or new device it's often far more efficient to just let an individual work on their own, without having to justify every step or choice in a

degree. This leads to amusing situations where those in favor of decentralized solutions cite the responses of those in favor of centralized solutions. It's a bit of a mess.

There are also a number of marxists and anarcho-communists who respond by honestly admitting the problem hasn't been solved – as G A Cohen put it, "*the principal problem that faces the socialist ideal is that we do not know how to design the machinery that would make it run*" – but it may still be worth pursuing with open-ended hope.

In contrast the worst response in all of this is arguably the quick dismissal that the problem only applies to state socialism. Simply put, *political* decentralization is not the same thing as decentralization of *information* flow. Nor does it provide assurances of *accurate* information.

A collective meeting may involve equal authority but still have the *structure* of the meeting functionally centralized. If only one person is speaking at a time in a spokescouncil, that's a centralized system: at any one time only one person is broadcasting information and everyone else receives. That *who* is speaking rotates can create an equality of political authority, but it does not change the network structure of how the information flows. This is immediately apparent to those of us who sat through large spokescouncils in the counter-globalization era – once you have dozens or even hundreds of people the meeting form grows catastrophically inefficient at solving anything complex.

Trying to solve the problems by only having small meetings and creating tiers of representation starts to create political authority via representation but it also degrades the fidelity of the information conveyed. We've all seen cases where concerns or particulars raised by an individual in an affinity group or breakaway committee are simply not conveyed at all to the larger

assembly because of time constraints.

But no matter the structure by which conversation is facilitated, there are still fundamental constraints posed by human language, whether written or spoken. While there are some base needs widely shared by homo sapiens, most of our individual lives are incredibly unique. Our desires, aspirations, and preferences are not easily conveyable to other people. This insight by the Austrians is not a mere rhetorical trick of philosophical skepticism, it finds its ultimate grounding in the rich density of neural information in the human brain and the limited average carrying capacity of language. Consideration of and deliberation between desires can occur far faster and far more productively within the brain of a single individual than it can occur between individuals when forced through the limited channel that is dialogue.

Even the closest lover is usually far less qualified to make a decision than you are yourself. Only you have direct and relatively immediate access to the vast network of contingent desires and preferences in your own head.

When I was homeless as a child I would try to intricately fill out the Christmas wishlist forms provided by churches. From such experience I realized the problem: many gifts are of less use without other gifts, some fulfill some needs or desires, but not others. Conveying all those details in a form is nearly impossible. That problem is magnified when dozens, hundreds or ultimately billions of those forms must be *processed* through and weighed against one another and the various other considerations and costs attendant. Processing is not magic, a supercomputer the size of the sun can't crack some encryption schemes and so too are there significant and inescapable constraints on processing through economic considerations.

These wider considerations and costs are inherent – there is no

Before starting I want to underline something Kevin touched on briefly [in the original Property symposium this text was taken from], but warrants underlying for our more communistic readers. There's a history of semantic baggage around the term "property" and many communists prefer to re-label things like personal toothbrushes "possessions" instead. But "possession" is always a matter of degree and 1800s era distinctions between for example *things* and *things that help make other things* (commodities versus capital) seem very silly and arbitrary, a highly contextual framework that is rapidly dissolving with modern technological developments. I'm happy to speak this niche language of "possession" in certain settings, but on the whole I find it a misleading distraction and I will follow Kevin's lead – as well as the rest of the English speaking world's – in defining "property" at its most basic as any title granting primacy in determining the use of a physical object.

It should be blindingly obvious that such titles can be occasionally useful. But just to cover all the bases and to provide a firm foundation I will briefly present the case to satiate our more extremely communistic readers. The possible scope of communistic systems that attempt to put literally everything under the purview of "the community" should not be underestimated, but even the most radical communist proposals usually admit some degree of property title as we've defined it here.

Rare indeed is the extreme communist position that literally all things should be owned globally, with no capacity for local communities to exercise exclusive control over some of their own resources. Suffice to say if one community has a veto over the uses of something and another community does not then there is some kind of property system at play. Unless someone in New York gets a vote on the uses of a toothpick in East Timor and vice versa there's a property system going on, whatever the limits and however informal, to recognize specialization and relevance. The

# The Organic Emergence of Property from Reputation

## Property as a Useful and Necessary Tool, Not a God

For centuries radicals have debated alternative property systems, and I'm glad we're having these conversations. But what has been consistently disappointing about them is how little they generally seek to explore the underlying roots of "property" itself. To be sure, all sides provide ethical arguments for why their system is superior that make moves in this direction, but the debate happens largely as though each of these systems were politicians or platforms. Rather than illuminate why we are having our disagreements and whether they can be bypassed, the various positions slide into mere competition by presenting their own positive qualities and the downsides of their competitors.

The approach I encourage as an alternative is one where we don't exclusively compare prefigurative endpoints – final universal systems – but instead focus on the means by which such social norms are generated from the bottom up. As anarchists it's silly pageantry to write policy papers settling on a single and precise blueprint – as if we might debate it on some floor and raise enough voters to our side to enact it. Instead our goal should be to provide a better account of the dynamics and possibilities inherently at play so that individuals might have more tools and knowledge at their disposal to build solutions for themselves.

The question is not so much *what* property system might finally be settled on, but *how* it should emerge.

such thing as a world entirely free of scarcity. Sure some "needs" can be met rather trivially without the artificial scarcities created by the present capitalist order, but there is no objective line demarking "needs" from "wants." Anarchists in particular, prone as we are to framing anarchism in terms of pursuing infinite desire, *demanding everything*, are either forced to take an abrupt u-turn into a kind of Buddhist quietism or we must recognize that our desires and aspirations will always expand and chafe up against material constraints of some kind.

Every choice has *tradeoffs*, and this is why the most fully agential expression of choice is not a proclamation of desire, but a *trade*. It's not enough to say you really really super extra prefer X, such superlatives, no matter how bureaucratized, will never match the frank and immediate clarity of revealed preference. And showing you're willing to trade a hundred Y for X only means something if you can in fact actually do so. Not with someone else's Y, but with your "own". This truth-forcing reality of personal *stake* is part of why prediction markets are able to – in aggregate across many participants – do so well.

What is being sketched here takes inspiration from the real world emergence and flourishing of some marketplaces, but is intentionally abstracted from the capitalist hellworld we exist within because as anarchists we should be uninterested in merely solving for "better than" the existing order. This is not a defense of a very specific market form, nor a claim that markets should drive literally every process. This is merely a claim of the usefulness of decentralized networks where individuals trade things of value to them. As I have always argued, markets are a tool, not a god.

The neoclassical textbook just-so-stories of people on a deserted island are not an accurate reflection of the emergence of markets, because in a small commune content with a small number of fairly simple and static needs there is little impetus for much

trade. The utility of trade emerges first when you want to coordinate outside of small communities into larger more cosmopolitan societies. But it is reinforced secondly when conditions change rapidly, whether environmental, social, or in terms of individual desire.

It would be one thing if no *adaptation* was necessary, no matter how complex the considerations, we could in theory eventually solve them to some measure of tolerableness and then just keep that solution in place forever. The problem emerges when an economy needs to adapt, particularly when it needs to handle a high amount of changing particulars at a very fast speed, harder still when inventions spur feedbacking acceleration.

The USSR's state capitalist dysfunction is now widely acknowledged, but it's not yet widely understood. Incentive structures were obviously malformed, without personal stake workplaces dealt with uncertainty by over-requesting resources, creating more and more intense requests, hoping to get whatever they could. But more generally prices were indeed a matter of "calculational chaos" with de facto prices or input-output flows set in many cases only thanks to the black market or by stealing prices from the west, with agents literally stealing order catalogs to help them plan:

*"Gosplan officials used the prices quoted for goods in the catalogue to obtain relativities between this and that item. They would then try to match the goods of the catalogue to what was available in the Soviet Union and then fix prices according to the relativities prescribed by Sears Roebuck."* [The Changing Paradigm: Freedom, Jobs, Prosperity by Ray Evans]

Probably the most cited modern response to the knowledge and calculation problem is that of Cockshott and Cottrell, authors of *Towards a New Socialism*, and they've worked across a number of

As an opening work in a much longer and wider research project, Aurora's essay is very exciting, I do hope more than a few anarchists – including anarcho-communists – will pick up her torch. But it's sadly been my experience that the moment some defender of communism adds equations to a paper, no matter the actual argument, people will endlessly bandy it as proof we don't need markets to solve complex economic coordination and allocation problems. Nothing could be further from the truth.

traditional markets, but only to transition when wealth is redistributed. Of course we will never entirely avoid anonymity, but the ways in which markets can facilitate that should be seen as a pressure valve.

The simple fact of the matter is that while secrecy ultimately tends towards a constraint on everyone's agency, there are a great many situations where we want secrecy to be an option. It is common for communists these days to decry the impersonalism of market exchange, but where they see alienation I see individual resiliency against community abuse. As anarchists we *want* people to have options outside of participation in a collective, indeed having many collectives and individual, more anonymous modes of interaction that one can shift or rescale investment between is a positive, it provides people with checks and balances.

And that's what "competition" means at the end of the day – checks and balances. Not hostile egotistical opportunism, but a more fluid society where individuals have many choices in association and collaboration, rather than a few collectives. Individualism is properly understood not as egoism, but as fully consistent with altruism, a kind of intensification of options at every scale, and in the marketplace not just cooperatives but also individual hustles. I have yet to see a real communist alternative that embraces individual agency in such a fractal way.

I honestly wish there was one.

It would be great if we didn't have to, as individuals, contest and fiddle with the knobs on market norms to build a functioning anarchist society, where we could just with one fell blow come together and decide to be nice and bam, no more hierarchies, no more economy, just some ignorable accounting app on our phones. Decades of work in collective process and studies in computer science have thoroughly disabused me of this notion.

papers to try to salvage planning and prove that the question of what economic inputs to apply to what outputs can be solved with linear programming. They are statist marxists and are trying to solve for "the planning problem" which is not quite a fully decentralized communism, but they make feints towards how planning can be "decentralized" into regional/etc clusters and endorse "democracy" – which is enough apparently to get them accolades among some anti-market anarchists.

First off it's worth noting that the toy models of Cockshott and Cottrell *do not abolish markets* – following Oskar Lange and other socialists in the calculation debate, they intentionally retain a consumer market, explicitly recognizing the problem of individual desires and the utility of revealed preference. You would still go to the marketplace/store equivalent in their system and exchange some form of currency for goods. They're merely trying to remove market relations in the prior production chain (a rather arbitrary cleaving that requires or assumes an exclusively hierarchical flow from raw inputs to minor parts to larger parts, to consumer goods, to consumption). But this is only doable through a sleight of hand: they dismiss everything related to infrastructure, social organization, and local or environmental particularities into a handwaved matrix assumed to be static. What this means is their whole system falls apart if those things change or themselves become responsive to changes in the flow of inputs and outputs. There is no room for the fluid rise and fall of workplaces or cooperatives from free association, nor is there space for reverse and lateral flows in the production "chain". Trade networks (ultimately between individuals) provide more fluid capacity to fall apart and restructure, as well as incentives for bottom up adaptation and solution-finding, utilizing the tacit localized knowledge that each individual has, but cannot easily express. To give just another example Cockshott and Cottrell still have to arbitrarily set a number of potential outputs (eg different consumer goods), but there is no efficient mechanism to seek out

*which* potential consumer goods should be considered and which should not. On the market this emerges bottom-up via individuals who have tacit knowledge of niche market demands and their willingness to essentially stake bets on it.

One doesn't need to work hard to see that Allende's Cybersyn was not just "before its time" but a doomed dream. The "decentralization" promised in these sorts of schemes is never full or real. It's more properly thought of as a matter of tiered deputization. Which is to say that relationships and agreements flow upwards in representative scale along set paths, rather than being made in ad hoc and horizontal relationships. In part because iterative-update "planning" in such cases risks becoming a chaotic storm of messages between thousands of collectives without overall price signals to provide quick restorative tendencies.

Another avenue taken by fellow travelers in this branch is to simply point at the accounting, stock, and infrastructure management schemes of modern production behemoths like Walmart and extrapolate that we should be able to simply socialize these. It should go without saying that these are not easily adaptable to anarchist aspirations, specifically geared as they are to gargantuan mass production through state-created economies of scale, to say nothing of the centralized, verticalist, and generally authoritarian command premise. But moreover these distribution schemes are in many ways *inefficient* – COVID-19 has been a great example of how fixed and ossified supply chains give you efficiencies until there's suddenly a change that requires significant reorganization outside your existing assumptions.

This is not to say that fetishizing competition inside a bloated firm as Eddie Lampert infamously did within Sears is gonna give great results either, since that's just a top-down imposed market, with arbitrary incentive structures that are hard to determine or even map as a planner.

problem of people not being angels. Even perfectly earnest and sincere angels would have trouble comparing personal desires without concrete actionable trades.

Yes, competition can incentivize momentary bouts of secrecy, but the market overall bends against secrecy in aggregate. It takes, once again, *state intervention* in the market to create cancerous absurdities like intellectual property and espionage laws. A more decentralized market (equivalently: a more egalitarian market) with more "competition" in the sense of choices, would create very strong incentive to steal secrets and shop around. Cooperatives attempting to keep a recipe or strategy secret would have to pay an increased premium to their employees not to defect. Further there will be no healthy market without a proliferation of roles we now weirdly make the select domain of journalists, consumer reports, muckrakers, etc. We can also expect broad social pressures to quickly and viciously cancel any cooperative or individual hustler who deceives or is less than transparent. Of course markets can emerge in complex highly path-dependent ways, so it's on us as activists and community members to pressure and work proactively to shape prosocial norms of transparency.

One more way the market can be made more transparent is to normalize transactions in public ledger marketplaces or currencies where, like it was in more traditional markets, it's easy to track every single transaction every person made. There are exceptions to this, of course, in our present highly unequal society, just as we have little reason to respect most property title in our bloodsoaked world, so too do we have every incentive to leverage the potential for illegibility in markets, embracing new constructions of anonymous currency to help finance the activity of comrades. States have historically encouraged anonymous currency – eg with the introduction of specie metals – so as to allow agents of its violence to cloak the source of their wealth. This is reason to ultimately prefer the more public ledger styles of

culture, social activism, etc. Realizing that markets are always pressed between by a host of accumulative (capitalist) and a host of centrifugal (anarchist) dynamics allows us to fiddle with the dials as it were. To contest and explore configuration space. To find one where the benefits of markets – of their capacity for the efficient application of computational and informational complexity to satiate the complex desires of all – can be had while avoiding collapse into the rampant inefficiencies and inequalities of capitalism.

It is in no way proven that one person having a telescope and another person having a guitar, when those have different exchange values, automatically sets off a ratchet effect of compounding wealth inequality. We do in fact have every reason to believe that there is room for people to have enough varying wealth for market incentives towards honest trade to function, while avoiding actually meaningful inequality.

As to the question of competition creating secrecy. Well the whole point of trade is to provoke and incentivize more honest evaluations of personal preference than can be had in a meeting or via any sort of verbal discussion.

Human brains are complex and human language has too low of bandwidth for us to rapidly export the content of our brains with high fidelity. This is a simple brute fact. As a consequence aspirations like maximizing integrated information necessarily runs aground on the particulars of a species that does not have efficient brain-to-brain communication technologies. I fully and readily admit that were humans to evolve ourselves into a hive mind with a vast degree of functional telepathy the utility of markets would evaporate. We are not there. And so the integration of information between individuals must deal with a host of constraints and optimization problems. What trade does amazingly well is force people to tell something far closer to the truth about *how much* they desire something. This is not merely a

And this all takes us to a huge expanse of objections to markets that basically boil down to "*but capitalism has many planned or non-market aspects and it kinda survives.*" This is essentially another variation of the appeal to the USSR. Capitalism is mostly inefficient when measured in terms of the satiation of individual desires, all its efficiencies are optimized around maintaining and strengthening power. It is a project of power, for power.

Break the institutions, liquidate the ecosystems of power, and pretty much anything would be better. But better isn't the same thing as optimal or even tolerable.

Our target should be many orders of magnitude improvements over capitalism so that we can improve nearly *everyone's* lives, and win a stable long-term consensus in favor of liberation. Any transition to a better world will be rocky, disruptive, and vastly damaging. It's easier to be less afraid of ruins when we have tools to very rapidly build.

But it is worth noting the bottom-up weeds that emerge on their own in the shell of the old, especially those which capitalism finds need to contain, enslave, and direct. It's fair to admit that Sears was something of a planned economy, and one would expect its prices to be initially set by merely estimating costs and then adding some desired profit margin. But the reason Sears catalogs were of such value to USSR planners was precisely that Sears faced competition from the scraps of legitimately bottom-up market processes in US capitalism, realities that transmitted – however partially and less efficiently than a pure neoclassical theory – actual pressures of supply and demand.

If the USSR was partially held aloft by the black markets growing up like weeds within it, Sears was likewise held aloft by the markets growing all around it, even though Sears itself would no doubt quite like to enjoy the kind of monopoly power that the USSR state held. Marketplaces exist in virtually every community

in the world. While the state has at times in history played a role in the construction of very specific markets with dynamics and incentive structures inclined to reinforce power, other markets have also always emerged from the bottom-up.

Sure, capitalist firms and family households are able to plan internally – to varying levels of positive results for human liberation – but we also know the asymptotic inefficiencies they face with complexity scales. We all know the ways that the capitalist firm is propped up by power against the various diseconomies it faces. The "family" is often likewise propped up by broader patriarchal power systems. Knowledge problems are no less relevant there, we just somehow accept patriarchs, parents, and elders steamrolling over the more complex desires of other family members.

Anti-market anarchists who don't retreat from complex technology and desire are stuck in a bind, if you "abolish economy" and allow individuals to pull whatever they desire from the collective pile, there's little way for even saintly individuals to understand the cost tradeoffs at play. If formal institutions are created – even if these communes or collectives are multiply overlapping in a mesh so as to avoid insular closed social topologies and continue centering individual agency – those institutions face bureaucratization. Even the most certifiably "fair" bureaucratization of Parecon. Not a problem for those extroverts hungering for structured socializing via The Meeting That Never Ends, but a dystopian hell for most people.

Folks love to handwave at cybernetics, and there are *some* computational aspects that can be facilitated with the surfeit of computational power we now have (although not for long if an anarchist economy flounders), but most of the problems are a result of a gap between the speed of information flow within our brains and that carried on average by our language and culture per phoneme or character. When we have brain-to-brain

In a world very far away from wealth equality the truly rich can leverage vast sums to outmaneuver the small extra taxes they might pay at the village square, but the point is that when a market starts from rough equality, small perturbations in wealth can be quickly handled by these kinds of directed bottom-up taxes.

Finally, but critically, *if* truly pernicious accumulations of wealth are somehow achieved, there are a host of more active ways to erode that wealth out from underneath the privileged without leaping to full blown guillotines. This is because property titles are not themselves objective and immortal truths, but constantly contested and emergent detentes between actually existing people. General respect for property only emerges without state violence when respecting other people's property is (in aggregate, on average) a net win for you as well. Property titles are concessions of respect for a claim that have to emerge organically from a bottom-up consensus. *We respect that these crops are yours because you tilled the land to grow them, and we wouldn't want people stealing what we work to produce.* But when claims become truly pernicious – as say someone holding preexisting title to the only barrel of water to survive a shipwreck – there's no reason for the community to respect that title, it becomes null and void.

Around the edges this can look like those with more being forced to invest more in the protection of what they have from burglars, etc. It's easier to steal a million dollars from one person than a thousand dollars each from a thousand people. Under the state the violence of the police is a subsidy to protect the absurdly misbegotten pernicious property claims of a few disconnected rich.

None of this is to hold up some specific historic example of non-capitalist markets as a blueprint, most heretofore existing societies have sucked in one manner or another. But markets are what we make of them, they're framed and shaped by individual decisions,



pool of wealth would see it evaporate alongside their own increasing disconnect.

For a host of further examples of natural diseconomies of scale, and how states/etc have actively suppressed them to the benefit of capitalists, see much of the work of Kevin Carson, particularly *Studies on Mutualist Political Economy* and *Organization Theory*.

But why else have markets outside of modern capitalism and some similar imperialist societies in history largely avoided runaway wealth accumulation to the scale we see today? Well there's a few more tendencies of free societies and actually freed markets that erode wealth inequalities.

The first and most plain of which is that most pre-capitalist market societies were and are not *anonymous*, actors within the economy know each other and their histories. Indeed famously on the Island of Yap, folks minted huge coins as currency but then never bothered to actually *move* the coins, when someone traded ownership to someone else both parties simply informed the entire community. And when you know the economic context of members of your community that gives extraordinary leverage to those with less. In every conventional bottom-up marketplace around the world if you are seen or known to be wealthier you will pay a higher price for goods than people who have less.

This is because value is in a very real sense subjective, although the consequences cut in directions the Austrian economists rarely like exploring. A dollar is simply not worth as much to a richer man as it is worth to a poorer man. And that means in a fair negotiation he'll be inclined to part with more of them. Every old woman selling fish and vegetables has charged a tax on rich gringos, and that tax can be considerable. Even if someone achieves a level of wealth where he can pay an intermediary to hide the ultimate recipient of a good, he's still stuck paying that intermediary, who now has leverage in terms of exposure.

communications, not to mention spare storage and processing on par with human brains we could begin to offload the drudgery of meetings and logistics or accounting discussions. That day is not today.

Evgeny Morozov inadvertently provides a characteristic description of this kind of optimistic belief that tech can solve all, phrasing it as "*ngos, charities, churches—can leverage information technology to do a better job at coordinating disaster relief than centralized government bureaucracies.*" But the *implication* – that some kind of "*needs registration*" app, as Daniel Saros advocates, can resolve problems better than the market merely because decentralized orgs can coordinate certain problems better than *the state* – is fallacious and empirically false. Food Banks have [adopted internal markets](#) to better coordinate distribution between them because it works better than needs registration with iterative correction.

Further, whatever the system of technological facilitation you might set up... if there's still *revealed preference* through testing users with trades where they could legit be stuck with the result... you still have a market. A market with extra steps, maybe, but a market all the same.

The fractal structure of markets in a liberated world, their norms, will probably emerge in complex ways mediating more tensions and considerations than anyone could ever write down. I would hope – via the smashing of power – that this emergence will look emergently bottom-up and as deliberately considered as possible, but marketplaces are sites of constant contestation that we will have to continuously struggle to assert our values over and within. Same as with any meeting process.

I have grown partial to fully public ledger markets, more akin to the informal markets that emerge prior to state "standardization" and forced anonymization. One of the claims against capitalism is

that firm competition drives secrecy, impeding accurate clearing. This is certainly true, and we can argue about the degree to which this norm is able to persist only thanks to the various distortions brought on by state violence, but a market once freed will still reflect an aggregate of our desires and thus our values, we must still work to see our most emphatically held values embodied or normalized. Transparency is a hard won and unending struggle in any context. Removing, marginalizing, or severely impairing anonymous transactions would do wonders for firm transparency, but aggressive reporting and broad social expectations will still be needed. If sometimes actors fail to communicate relevant tacit information to create and exploit asymmetries in markets, well they certainly do the same in collective meetings and every other non-market context ever proposed.

What I increasingly suspect, however, is that just as anarcho-communists and anarcho-collectivists will never be able to fully suppress black markets, we will have to live in a world cut with veins of secrecy, deliberately opaque transactions and relations. The real anarchist economic contest, I believe, will eventually be recognized as over *how* that secrecy is embraced, contained, and navigated.

I hope we will soon be finally ready to move on to tackle that question, rather than endlessly rehashing whether our enemies could ever have truly stumbled onto a potent realization with the knowledge & calculation problem.

I do not pretend to know with real certainty what sort of market arrangements would likely emerge in a liberated world, or even what would be most optimal. But I do know that markets will have to be part of the mix and that fearing and demonizing them as a whole is shooting ourselves in the foot.

train tracks that would otherwise have never been built it removes transportation costs, making businesses profitable at a larger scale than they otherwise would be, and driving out more dexterous local production, as well as suppressing investment opportunities for technologies that assist such smaller scale production. Walmart would not even be profitable if it had to pay proportionally for the wear and tear its trucks inflict on public roads.

But diseconomies of scale are not just matters of the state putting its finger on the scale to warp costs of labor, infrastructure, and resource acquisition to the benefit of capitalists and corporations. Organizations naturally suffer from severe internal coordination and calculation dysfunctions as they scale up. Firms are in practice miniature command economies, little islands of tyranny to make the Soviet Union blush, and they face the same systemic limitations and inefficiencies. Bosses don't understand the conditions on the shop floor and it's hard to communicate that. Paperwork flurries of bureaucratization emerge to keep track of everyone the boss or investors are trying to keep track of, to sharply diminishing returns. The larger the company, the harsher the dysfunction. But even within the warped topsy-turvy "market" of capitalism it's been repeatedly shown that cooperatives are more efficient than hierarchical businesses in many economic spaces. Still cooperatives face inefficiencies from scaling too large. We don't have to worry about a single cooperative achieving a tyrannical marketshare to the detriment of other cooperatives. And these diseconomies of scale in social coordination apply even to individual attention – a single rich entrepreneur finds it harder to invest with the precision and attention per dollar than a slightly poorer entrepreneur. As capitalism repeatedly demonstrates for us there is no one stupider and more disconnected than a billionaire. In a society where literally every structure wasn't set up and reinforced with brutal violence to preserve their wealth and power, those with a sharp

legacies and policies of state violence. Mutualists throughout history like Benjamin Tucker have painstakingly traced the myriad avenues by which such violence is cloaked or embedded in seemingly small details and yet creates vast inequality and injustice, creating monopolies or comparable concentrations to horrific effect.

It is worth reiterating that markets – networks of exchange of property – have existed throughout history in various roles, in various cultures, including ostensibly stateless ones, and some with quite complicated machinations. Insofar as the centralized violence of state power was absent, these markets tended towards more decentralized / egalitarian norms. David Graeber, no big fan of markets, admits this much in *Debt: The First Five Thousand Years*.

Similarly James C Scott, another market skeptic, details how bottom-up emergent markets in different cultures have tended towards some strategies of aggressive illegibility precisely to prevent control by states or would-be-state actors. In this respect markets have often been a site of deliberately unruly resistance to power, a kind of emergent routing-around the damage of would-be monopolies of any form. Black markets are a kind of check, albeit a desperate last-leg, one of unruliness, that stops cancers of accumulative wealth/power from completely strangling a society and instead helps nurture elements of resistance capable of ultimately overthrowing those powers.

State communists, taking their cue from Marx, have tended to envy the vast and centralized industrial production chains of capitalism. Businesses like Walmart are able to exploit economies of scale to produce a vast number of commodities in a uniform fashion for much lower costs per unit. But where did these economies of scale come from? The vast majority of them are the product of state violence. To give just one example, when imperialist conquest and capitalist enslavement builds roads and

# Centrifugal Tendencies in Information & Wealth

## Second half of a response to Aurora Apolito in C4SS—Decentralization and Economic Coordination symposium

What points [Apolito] makes in passing against markets are twofold:

### 1) Markets supposedly lead to runaway accumulation:

The profit driven maximization process of markets is not a viable option, not because “profit” is a bad word (it is!) but because of the way the dynamics works: even if one could start with an ideal initial condition of equally distributed wealth, even very small fluctuations will get largely amplified, rapidly reproducing a situation of uneven accumulation. In the profit dynamics of markets an equitable wealth distribution is necessarily an unstable condition. That’s in essence why markets cannot be liberated from capitalism. Markets are an automated generator of capitalist wealth inequalities, which can quickly and easily wipe out any hard-won gains that cost major social upheavals and difficult revolutionary actions to achieve.

### 2) Competition in markets encourages secrecy which limits the profusion of useful evaluative information:

Maximizing our integrated information  $\Phi$  favors cooperation over competition, since competition

tends to break apart a system into separate competitors and this decreases the  $\Phi$  function, while cooperation increases connectedness and enlarges the network of mutual causal influences, leading to an increase of  $\Phi$ .

I am honestly annoyed that it's 2020 and folks still make these arguments without even mentioning, much less responding to, standard left market anarchist points on them, but let's quickly go over them for the record.

Just as there are accumulative dynamics that can amplify small perturbations of wealth in a market society, so too are there dis-accumulative dynamics – or as Charles Johnson and Gary Chartier put it in the introduction to their 2012 compilation *Markets Not Capitalism*, there are "centrifugal tendencies" to markets that spread out wealth and in the right societies and situations can overwhelm and overpower accumulative tendencies.

These centrifugal tendencies are myriad and operate at different scales in different ways, but to assume from the outset that the capital accumulative tendencies will inherently outpace and overpower the centrifugal tendencies is to just bypass the entire conversation.

Just to begin with we all know that in a perfectly decentralized/competitive abstract market profit margins would fall to zero or so close as to make no difference. In this idealization a stray extra penny might be randomly found here or there, and primarily used to help course-correct inefficiencies, hardly capable of much runaway compounding. It is *certainly* the case that existing markets are not perfectly decentralized or competitive, as well as many other ways they deviate from the spherical cow type abstractions studied in economics 101, but most if not all of the sources of wealth and control centralization in our actually existing economy are the product of very specific