Against Decentralism

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The increasing ubiquity of distributed networks represents a huge leap in progress, but we have to actually make use of them. Decentralism in the setting of this essay is referring to the tendency to narrowly focus on dispersing the concentration of power as the be-all and end-all, when in reality, it should be looked at as a starting point; a bare minimum. Building technology that provides deterministic guarantees through cryptography is the relatively easy part, advocating for specific uses is the much more daunting task.

With the propagation of distributed ledger technology over the last decade, the discussion around decentralisation is more at the forefront than at any other point. Much of the non-cryptocurrency-based applications are relatively uncomplicated in terms of scope, for instance, on-chain verification, but many describe their projects as having wider-reaching ramifications, sometimes to the point of being emancipatory. Nevertheless, a common pattern that materialises is not the introduction of novel approaches that have the potential to upend institutions and benefit from trustlessness, but the repackaging of existing constructs in decentralised forms.

It’s a space that has no shortage of charlatans wielding terms such as decentralisation as a sort of blunt instrument. But those that view distributed ledger technology purely as a vehicle for personal gain — who do not experience a deficit in commentary and shouldn’t have outsized capability to wreak havoc in the context of trustless systems at the outset — are outside the scope of this essay. Rather, this work focuses on the limitations of decentralisation without direction, and why it will not result in a paradigm shift from the status quo even if it gains ubiquity far beyond what’s presently seen; its usefulness is highly dependent on broader social factors.

In the setting of anarchy, widespread decentralisation as a monistic endpoint is inadequate; anarchy is a fundamental intolerance towards hierarchy, and this necessitates a scope that encompasses hierarchical dynamics at the societal level. The flattening of organisational structures such as cooperatives, or the decentralisation of their technical apparatus, only addresses the componental level.

Putting it explicitly

This work is not against decentralisation. Nor is it contrasting centralisation with the former. Rather, it’s against decentralism; in broader usage, this usually refers to any push towards decentralised organisation, but in the context of this essay, it has a more specific meaning: forms of social organisation that narrowly focus on decentralising power structures but lack a broad aversion to hierarchical outcomes.

Pertinently, this work builds off of previous writings by the author, both on the usefulness of trustless mechanisms and the inadequacy of narrow forms of social organisation that categorise decentralisation as an end rather than a means.¹

Waypoints in decentralism

There has been a plethora of decentralist expressions from the post-classical era to the present. Some of these were the result of a deliberate, concerted push to decentralise, while others resulted from practicality after a period of flux. Feudalism is an example of the latter; in the wake of the growing irrelevance of the Roman Empire, European leaders opted for a workable arrangement that had the byproduct of less centralisation than the era that preceded it. Absolute power was impossible because a pattern of fragmentation had set in, and no single feudal kingdom was able to decisively dominate the region.

Of course, for those at the bottom of the hierarchy, this decentralisation under the feudal system was largely irrelevant; the material conditions of a serf, who sat below the king, nobles and vassals, were by and large no better than under an absolute monarchy. Not only did the former have very little in terms of rights, but had to forfeit almost everything they earned in exchange for the necessities of survival. With this in consideration, it would be bordering on comical travelling back to the era and explaining to a serf that the brutal reality they endure is actually preferable to the conditions under the more centralised empire that preceded it, because the nobles — who are positioned much higher up the hierarchy — are able to keep the monarch in check, at least nominally, as a result of the military aid that the latter depends on.

“Anarchist” capitalists, whose co-opting of the term “anarchist” is unfortunate, are decentralists that advocate for a form of social organisation not particularly differentiated from the feudal system; it shares an almost complete disregard for hierarchical outcomes and ultimately leads to structures that are highly stratified. Apart from the injustices that would arise from widespread coercion and purely negative notions of freedom, property would accumulate in the hands of the few, resulting in a self-reinforcing cycle of increasing inequality until eventually collapsing under its own weight.

In contrast to “anarchist” capitalism, the categorisation of historical movements that were at the very least nominally anarchist is far more labyrinthine. Nevertheless, absent a broad aversion to hierarchical outcomes, they generally fall under the decentralist rubric. The most notable of these, in terms of tangible gains, is arguably the array of anarchist drives that rose to prominence during the Spanish Revolution. Much of the organisational bodies were not explicitly anarchist, for instance the Confederación Nacional del Trabajo (CNT), although it should be noted that anarchists often made up significant portions of membership. Other CNT-affiliated entities, such as the Federación Anarquista Ibérica (FAI) and the Consejo Regional de Defensa de Aragón (CRDA) had more categorical anarchist values. Regardless of their nominal positions, all of the aforementioned entities exhibited aspects that were consistent with anarchism to some extent, such as workers’ self-management and a degree of mutual aid. A frequent drawback of the period that is highlighted is that the chaos of the civil war that formed the backdrop necessitated concessions to nationalists and other groups in order for the anarchist project to remain viable, however, this only explains part of the divergence from anarchistic values; absent the strong educational underpinning in relation to hierarchical dynamics needed for an anarchist society to actualise, many aspects such as the non-reciprocal basis for essentials and the favourability of rehabilitation over retribution, were seen as auxiliary rather than fundamental. Rigid leadership structures, the contradictory nature of labour camps and discrimination against some marginalised groups are other facets that were often overlooked, stemming largely from the absence of an anarchist-based educational foundation.
Hierarchical outcomes

The bedrock of anarchism is a change in the zeitgeist itself; a widespread intolerance towards hierarchical outcomes takes precedence over the structural specifics of anarchy, because without the former, its organisational makeup would be nominal only, regardless of the ultimate form it takes. This is brought into sharp clarity when considering that even a society consisting of a constellation of horizontally organised cooperatives, DAOs and mutual aid associations can result in a societal phenotype that is fundamentally hierarchical; basic needs for those unable to reciprocate are not guaranteed under this model, despite the flat organisational structure of each of these components. Mutual aid — which can be synonymised with relations lacking direct reciprocity — will only meet much of this need if there is an explicit aversion to non-hierarchical outcomes. Absent this principle, the shortfall in relation to essentials is simply one of multiple facets to contend with; an expressly hostile collective body can be organised horizontally, and rather than this being theoretical conjecture, we have already seen this materialise with various DAOs over the last several years.

Thus, a broad aversion to hierarchy is distinct from horizontalism and other forms of decentralism. The former addresses hierarchy at the societal level, while the latter is limited to only the componental level — the scope that relates to the individual organisational components of society, such as associations. In order to avoid hierarchical dynamics, the necessity of positive freedom in the context of anarchy is unavoidable. Basic needs must be met regardless of direct reciprocity; without the essentials that are integral for survival, only an illusion of freedom, confined to negative freedom, can actualise. It should be self-evident that considerations around scarcity are a factor in this respect, but it is a feature that is often overestimated; post-scarcity does not refer to the total absence of scarcity.

For the purposes of unambiguity, it’s useful to outline some examples of hierarchical outcomes:

- Deprivation of healthcare, both directly and indirectly
- Prejudicial actions towards marginalised groups
- Negligence of the elderly
- Impediments to higher education
- Societal progression towards climate catastrophe, which disproportionately impacts the most vulnerable

It’s important to note that a broad aversion to hierarchical outcomes doesn’t imply utopianism or perfection. A society can be categorised as anarchistic if this widespread intolerance towards hierarchy is present. On the flip side, this does not insinuate that there is such a thing as “justified” hierarchy — anarchy is opposed to all hierarchy — and part of this involves being cognizant that it’s a never-ending project, with more subtle hierarchies often emerging after the old.

Education in relation to the self-defeating nature of hierarchy and the critical thinking skills needed to identify hierarchical dynamics are so fundamental for the viability of anarchy, that even if a nominally anarchistic society were to materialise as a result of a collective breaking point, hierarchical structures would quickly emerge. This has already been demonstrated beyond the
realm of the theoretical, most notably in the setting of the various anarchist projects that gained a foothold during the early 20th century. Much of our existing social norms stem from education, and the intolerance towards hierarchy is no different in this respect; it is ultimately a social norm rather than an abstract idea confined to the conjectural sphere. Education is also closely intertwined with incentives under anarchism. Even disregarding the innate tendency for mutual aid, the incentive to not carry out domineering acts is that a highly educated population will not tolerate domination.

Positive freedom: a fundamental ingredient to enable non-hierarchical outcomes

Negative freedom is insufficient in the context of a form of social organisation distinct from decentralism. Positive freedom — which can be broadly described as not only being free to do something but actually having the means of doing so — is a key pillar for its materialisation. Short of absolute scarcity restraints, providing basic needs on the basis of direct reciprocity is not only hierarchical but a mirror of the status quo. An anarchist society would likely default to an arrangement of indirect reciprocity — in other words, mutual aid — as the basis for essentials. This, of course, catalyses various objections. Some will contend that this is a prescriptive formulation; that it’s hardwiring a schematic that is counter to anarchistic principles. But caution should be taken in this respect, as prescriptiveness in this context concerns aspects that are not elemental to enabling a fundamentally non-hierarchical society to begin with. Another key objection is that it intrudes on freedom; the freedom of those, who nevertheless consider themselves part of an anarchist society, to not provide these needs. However, for reasons that should be fairly self-evident, this implicitly justifies the freedom to establish hierarchy. Errico Malatesta put it plainly:

[Some] seem almost to believe that after having brought down government and private property we would allow both to be quietly built up again, because of respect for the freedom of those who might feel the need to be rulers and property owners. A truly curious way of interpreting our ideas.2

Nevertheless, non-hierarchical outcomes should not be synonymised with equality of outcome; where individuality flourishes, there will undoubtedly be differences in many respects. Individual preferences vary, and anarchy doesn’t make absurd determinations necessitating homogeneity. The misunderstanding that commonly arises is due to the term hierarchy. In the anarchist framework, it does not refer to differences that can materialise in every facet imaginable; it refers to domination. Basic needs are a useful example because the deprivation of such needs clearly results in a dynamic that is indicative of this. In a similar vein, the misconstruction of the term hierarchy often leads to opaqueness in the context of competency. Not allowing the incompetent to go unchecked — whether by providing support to the fullest extent possible or ultimately relieving them of their assignments — does not amount to a hierarchical dynamic.

Perhaps the weakest of the primary arguments against the opposition to hierarchy and the subsequent need for positive freedom is that hierarchical outcomes, put simply, are natural. It’s

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a conspicuous example of the appeal to nature fallacy and lacks solid grounding. Much of our crucial medicines and procedures that have dramatically extended the average life expectancy are not natural, in the conventional sense, nor are the processes that are used to develop indispensable technology. Our social norms also often go against our most innate instincts, and few would argue that such norms have not been useful or played a vital role in our survival.

**Prominent anarchists and the decentralist rubric**

It should be made clear at the outset that even anarchists with narrow constructions of anarchy have often made significant contributions to the canon. This broad overview is primarily intended to highlight the limitations of confining anarchy to a largely decentralist paradigm.

Kevin Carson is arguably one of the most cited contemporary anarchists whose work reflects this constraint. While no longer identifying with specific anarchist adjectives, some of his most recent publications, including *Exodus* and *The Desktop Regulatory State*, echo his earlier mutualist and market-anarchist-based literature. Mutual aid — broadly defined within this essay as relations that do not involve direct reciprocity — is often described within the aforementioned works through an auxiliary lens at the societal level rather than as a necessary component to avert non-hierarchical outcomes.34

While Carson does address basic needs more explicitly in his earlier publications, even in the context of an anarchist society, they are by and large characterised as contingent on membership within friendly societies or other associations. Healthcare is an area that Carson has written extensively on, and provides one of the most patent illustrations of this. In *Organisation Theory*, he delves into the possibility of reintroducing membership-driven guilds to meet this need, elaborating that different levels of care would be subject to price tiers.56 Later, in *The Desktop Regulatory State*, this model is reiterated, with additional parallels made with not-for-profit organisations that offer health insurance at lower prices.7 A reoccurring theme in various works spanning several years is the invocation of the arrangement described by Peter Kropotkin, for the purposes of emphasising its similarities with the guild model.8910 However, Kropotkin, an anarchist communist, was providing a historical account of self-organisation under the status quo; he was not in favour of basic needs being contingent on membership within friendly societies or other as-

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6 Ibid., pp. 602-603.
sociations at the componental level. The importance of this difference in scope — societal and componental — is accentuated when taking into consideration explicit references to hierarchy throughout Carson’s works; in The Desktop Regulatory State, and to a lesser extent, Exodus, for instance, Carson devotes several chapters expressly to hierarchy but is invariably referring to the flattening of organisational structures, both conventionally and stigmergically, rather than broader hierarchical dynamics. It serves to further highlight the need for the term to have a more specific meaning in the anarchist context compared to its prevalent usage.

In the historical sphere, Benjamin Tucker and Émile Armand were two prominent anarchists that often expressed contradictory viewpoints that had hierarchical implications at the societal level. The former, in particular, displayed considerable inconsistency between editions of his periodical Liberty. Despite having provided some of the earliest translations of Max Stirner’s works, his misunderstanding, and subsequent prescriptive application of the Stirnerite notion of power formed much of this contradictory basis. The Ego — even in the setting of later chapters — was not a schematic for social organisation, and this facet is clarified in Stirner’s Critics. Ultimately, Tucker disregarded this and described a framework where right of might takes precedence until explicit contracts can be entered, often elaborating by depicting unequivocally hierarchical scenarios that were nevertheless contended to be consistent with anarchist principles. In contrast, Stirner articulated that the discarding of indissolvable ideas does not necessarily equate to narrow self-interest or the advocacy of highly inequitable forms of social organisation. To a less consequential extent, Tucker misinterpreted Proudhon in several key respects, despite citing the latter as foundational to his conception of private property. A central thesis of Proudhon’s thought was that the coercive nature of private property rendered wage labour incompatible with anarchism. Tucker, on the other hand, was in favour of a system of wages so long as the worker received what he described as the “full product” of their labour; he saw wages as a “form of voluntary exchange” as both parties had entered into a contract. In actuality, this not only contradicted Tucker’s own principles on occupancy and use, but led to exploitation as workers would have little choice but to enter into these agreements in an economy where wage labour — rather than the cooperatives Proudhon had advocated — was ubiquitous. Brief mention should be made of Émile Armand, whose contradictions didn’t straddle an often comical line like Tucker’s, but were nevertheless apparent and cumulated in a decentralist rubric. In a similar vein to Carson, he explicitly acknowledges the role of indirect reciprocity in the economic sphere, but describes

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11 The work Carson usually cites for this is Mutual Aid. It’s also important to note that Carson is aware that Kropotkin was providing a historical account, as evidenced by the more detailed writings in The Desktop Regulatory State. The contention is that Kropotkin’s stance on mutual aid in the context of associations is often described in a way that is misleading in various other publications; Kropotkin was in favour of membership-based associations in an anarchist society, but only in the setting of luxuries and other non-essential goods.


13 Stirner addresses narrow self-interest in both Stirner’s Critics: “[The egoist that thinks only of themselves] would be someone who doesn’t know and relish all the joys that come from […] thinking of others as well, someone who lack countless pleasures”. And in The Unique: “All that they do is egoistic, but it is one-sided, close-minded, bigoted egoism; it is being possessed”. Elaborating in the chapter My Intercourse: “Am I perhaps to have no lively interest in the person of another, should his joys and his well-being not lie at my heart […] On the contrary, I can sacrifice numberless enjoyments to him with joy, I can deny myself countless things to heighten his pleasure, and I can risk for him what would be dearest to me without him, my life, my welfare, my freedom. Indeed, it forms my pleasure and happiness to feast on his pleasure and happiness”.

it through an auxiliary lens by decoupling it from being a fundamental element to enabling a non-hierarchical form of social organisation.\textsuperscript{15}

**Anti-hierarchy as the linchpin**

Broadly reducing anarchy to a central tenet — a widespread aversion to hierarchical outcomes — has the clear inference that an anarchist society can take innumerable forms rather than being confined to a rigid schematic. For instance, many types of non-essential markets and methods of exchange are unlikely to be problematic in this regard, and while such a society will likely find various facets such as money and primitive modes of cryptocurrency hierarchical, this does not necessarily extend to adjacent concepts such as mutual credit. In a similar vein, countless non-cryptocurrency applications of distributed ledger technology will likely be found to be useful, so long as absolute immutability does not actualise and hard forks are contemplated in the face of systemic issues.\textsuperscript{16} Much will depend on trial and error, and its ultimate arrangement is open-ended.

Another major implication of placing centrality on non-hierarchical dynamics is that, while majoritarianism will remain useful to some extent at the componental level, anarchy is not the advocation of democracy as an overarching system.\textsuperscript{17}18192021222324 Malatesta having outlined:

This is why we are neither for a majority nor for a minority government; neither for democracy not for dictatorship […] We are for the freedom of all and for free agreement […]\textsuperscript{25}

\textsuperscript{15} More specifically, in \textit{Anarchist Individualism and Amorous Comradeship} and preceding works, he suggests that some anarchist localities will opt to use mutual aid as the basis for economic relations while others will not. Nevertheless, in the same publication, he elaborates that anarchy is the subtraction of "all domination", without arriving at the conclusion, implicit or otherwise, that an arrangement of indirect reciprocity is necessary to enable this. It should be noted that, like many anarchists, Armand largely considered anarchy a process rather than a form of social organisation but nevertheless described anarchistic societies over several works.

\textsuperscript{16} Immutability is clearly a core pillar for the feasibility of distributed ledger technology; the assertion is that while hard forks must remain non-trivial in order for the technology to be viable, they need to also remain possible in light of sufficiently systemic issues.

\textsuperscript{17} Errico Malatesta. 1926. \textit{Neither Democrats, nor Dictators: Anarchists}. Retrieved Jan 3, 2023 from https://www.marxists.org/archive/malatesta/1926/05/neither.htm


\textsuperscript{25} Errico Malatesta. \textit{Op. Cit.}
Nevertheless, democratic mechanisms will likely remain advantageous in the context of organisational components, rather than at the broader societal level. Their use within small voluntary associations such as some forms of cooperatives is one example.

**Decentralised oracles**

As a pragmatic form of social organisation, anarchy doesn’t assume good nature. To the contrary, it assumes that nobody can be empowered with absolute trust; if both individuals and their collective realisations are fundamentally flawed, then hierarchy should be mitigated to the fullest extent possible. Even where trust appears appropriate, circumstances can rapidly evolve; individuals can change, and in the context of collective bodies, successors might not reflect the disposition of those they replace.

Preferable to reacting to a hierarchical dynamic after its consequences have actualised, is its elimination from the equation altogether; trustless mechanisms are not intended to rectify hierarchy, but to prevent it from occurring in the first place. In essence, avoidance is superior to reparation.

Distributed ledgers are useful in this paradigm, not because of an implicit decentralisation, but because of the resultant introduction of trustlessness. While the latter term is frequently used erroneously, in its substantive form, trust is shifted from the counterparty to the mechanism itself. It is also not an absolute concept; the complete absence of trust, in every respect, is impossible, but its near total elimination is attainable.

For components of an economic relation that can be reduced to deterministic, on-chain elements, smart contracts should be considered. For more complex components that cannot be wholly contained on-chain, particularly where subjectivity is a factor, decentralised oracles should be used to the fullest extent possible. Where a mechanism is both trustless and non-hierarchical, it can be referred to as **trustless**.

Critically, decentralised oracles do not simply amount to a shift of trust from individuals to a group; in this form they are almost useless, as collective decision making can be hierarchical as its individual analogue. Bakunin’s well-known assertion has relevance in this respect:

> [...] the people will feel no better if the stick with which they are being beaten is labeled “the people’s stick”.  

Rather, decentralised oracles must utilise approaches that centre trust on the mechanism itself. The combination of limiting attestation to a random subset, obfuscating individual attestations and implementing slashing conditions is one way to achieve this. Here, participants are incentivised to attest honestly, particularly due to the risk of slashing, and the possibility of collusion is minimised. As outlined previously, this does not result in perfection; absolute trustlessness whenever on-chain and off-chain elements interface is impossible, but it nevertheless represents a different paradigm than decentralisation for decentralisation’s sake. From the perspective of the counterparty, the latter often has no bearing on hierarchy, whereas trustlessness has the potential to address it.

A key focus herein has been on trustless mechanisms in the context of economic relations. However, it should be noted briefly that they will conceivably gain increasing relevance in other

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spheres. The former provides a starting point, as they are most readily applied in this realm. The degree to which they are used in other applications, in the broad setting of services, depends on the advantageousness of prevention.

Ultimately, trustlessness, despite being complementary to anarchy, remains one of the most underappreciated facets in anarchistic thought today.

**As a device for our ends**

Other than direct applications with cryptocurrency, there are two main ways that distributed ledger technology is useful in this setting.

The first involves taking advantage of the censorship resistance that some blockchains exhibit in order to circumvent reliance on centralised storage providers and other platforms. It is a facet that is often misunderstood, even among those with a level of proficiency in the space. If nodes are able to arbitrarily exclude some valid data pertaining to state but still reach consensus, then censorship resistance is absent. Care should be taken to avoid networks that provide only a veneer of the former, as the selective exclusion of state data based on ideational grounds can mirror the downsides of centralised providers. Optimistic rollups and zk-rollups that are designed to submit state data to layer 1 should be preferred to solutions more prone to the censoring of transactions.\(^{27}\) Note that the utilisation of censorship resistance is also distinct from simply using distributed ledger technology as a redundancy mechanism. In the latter context, other, more straightforward approaches to decentralisation may be more appropriate.

The second, more labyrinthine implement is the use of organisational structures such as DAOs, both in their persistent and stigmergic forms.\(^ {28}\) Where they particularly excel is not the replication of off-chain decision frameworks into on-chain equivalents, but their leveraging in ways where trustlessness is advantageous; for instance, the coupling of decentralised oracles for subjective outcomes with anonymous developers working towards a common endpoint allows both parties to not have to trust each other; the former, due to the locking mechanism that is contingent on predefined criteria, the latter, as a result of incentives such as slashing during attestation of an outcome.\(^ {29}\) Those with the greatest ability to contribute are often the least able to forgo anonymity; trustlessness encourages the development of projects that challenge the boundaries of the status quo.

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\(^{27}\) Arweave is an example of a network where nodes are able to exclude data to some arbitrary extent.


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