

The Anarchist Library
Anti-Copyright



When Warmed Over Georgism Becomes Neoliberalism

William Gillis

William Gillis

When Warmed Over Georgism Becomes Neoliberalism

June 13th, 2019

<https://c4ss.org/content/52181>

theanarchistlibrary.org

June 13th, 2019

human beings, and thus worthy of any means no matter the dangers or externalities. Despite Weyl's statements, I see zero understanding of the dangers of state power as a means.

This top-down notion of market creation is the essence of neoliberalism and the opposite of market anarchism.

Posner and Weyl seem sincerely nerdy, and I would love to see them actually grapple with anarchist theories of economics and resistance, with critiques of state power, democracy, and regulation, to even begin to fill in the handwaving at checks and balances. But I feel forced to write this review — so filled with edited down adjectives that do not even begin to express my revulsion — less to promote a conversation than to make a public declaration of difference.

There is a truly dark path being outlined in *Radical Markets* and not only do I want nothing to do with it, it's desperately important that their project be called out from inception.

It's not so much that Marx was well intentioned and made some mistakes, Marx was always a would-be-tyrant — one anarchists exposed and opposed during his lifetime. We perfectly predicted the catastrophes of marxism long before Lenin entered that German train. We did the same with the failures of liberalism. One cannot paint the failures of a prescription as an accident if there are people prominently explaining the negative consequences of it from the start.

It falls to anarchists to consistently call out the authoritarian traps in other traditions' thinking. If only so that when the failures are finally manifest there can be no doubt that they were not innocent woopsidaisies, but had their root in wrongheaded instincts.

Misunderstanding Markets and Resistance

At the center of *Radical Markets* are two things: 1) an accurate image of markets as massively distributed parallelized computation, and 2) the belief that markets are only ever artificial creations of states, and thus the state can be wielded without limit in creating them.

There is nothing natural about market institutions. Human beings create markets — in their capacity as judges, legislators, administrators... the market is the appropriate computer to achieve the greatest good for the greatest number. If we see it as such, we can fix the bugs in the market's code and enable it to generate more wealth that is distributed more fairly.

It's certainly the case that markets are social creations, institutions we create, same as anything like a technological infrastructure or a subculture. But we can build them from the bottom up, or from the top-down. There is nothing natural or inherent about judges, legislators, and administrators. We can grow markets in fluid ways negotiated consensually between free and equal individuals, like a small ecosystem of weeds growing up between the cracks, or we can impose them with the sweeping imperialism of a planner, laying rows of crops.

Trade can be fluid and egalitarian, it can emerge free from the shadow of systems of power, and with the right culture and robust struggle, markets — as well as broader societies — can settle into norms that steadfastly resist the runaway accumulation of centralized wealth, the creation of monopolies, and rent-seeking. Sadly, nothing in *Radical Markets* is so radical. Despite the pretensions of Posner and Weyl, their blueprint is not one of radicalism but fundamentalism. They worship the market form as an ends unto itself, an instrument pulled up abstractly and detached from its utility to the freedom of actual

Contents

“Anti-Statism” and Anarchism	6
The Land Value Tax Revisited: Evaluating COST	9
Universal Slavery As Liberation	15
The Limits of “Democracy”	18
Big Data Monopolies	23
Misunderstanding Markets and Resistance	26

But the thing is we don't need antitrust legislation to kill Facebook and Google, we only need alternate technologies, and either the abolition of intellectual property or greater willingness and tools to make it unenforceable. We can build alternatives to social connections and product finding that make advertisements obsolete and crush their business model. Rather than utilizing the state to kill these monsters in some (unlikely) binary policy win, we can incrementally build insurrectionary resistance and alternative infrastructure from the bottom up.

Instead of focusing on dissolving the giants Posner and Weyl do things like talking of a "data labor movement" creating one big union to negotiate for users of sites versus Facebook and Google. This is the shortsightedness of liberalism personified, best exemplified by the deals cut between gargantuan labor unions and gargantuan corporate powers in the middle of the twentieth century. The AFL-CIO model is despised by radicals because it not only reinforced titanic power structures, but it ossified all gains labor had made, preventing further success and allowing the slow whittling away. It also led to truly perverse economic devolutions — the normalization of getting your health insurance through your employer created much of the current healthcare crisis.

Examining a number of ways the "data labor" struggle would fail, Weyl and Posner admit "it is entirely possible that large inequalities would emerge and have to be disciplined by future reforms." Well there's the catastrophe of liberalism in a nutshell. Rather than solving the underlying problem of power they append awkward reforms that cause a cycle of further blooms of power and dysfunction, leading to more such reforms.

ing would be much more conscious and agential, few would give away the contents of their direct messages, for example, to some random hackable third party.

Users may ask for a say in what sort of data mining is done using these collective pools of their data, and there is a fringe chance some will choose to monetize their data.

Posner and Weyl propose pay for data — but they avoid examining how this data would be priced by Facebook, which is notoriously bad at internal pricing, giant firms being, after all, planned economies, just like state socialism. The current advertising industry isn't an efficient market with clear price signals conveying the utility of an additional degree of knowledge of a user — it's a pile of lies perpetuated by connen at every level and junction.

The house of cards that is much of online advertising and Silicon Valley will eventually come crashing down unless the state intervenes. What Posner and Weyl propose is exactly the kind of intervention that might be used to prop up the existing dystopian order. The technocratic liberal angle always being, rather than demolishing cancers in the market, just deputizing them under the state.

It is also interesting that Posner & Weyl denounce things like Facebook as feudalism because “lords insulated their serfs from fluctuations in markets and guaranteed them safety ... in exchange, lords took all the upside of the market return on serfs' agricultural output.” Because in such terms the current wage labor system, where everyone collects minimum wage regardless of the value they create, is also feudalism.

Gargantuan organizations and the structural economies of scale that prop them up (via obfuscated state violence or their legacy in infrastructural forms) have widely normalized feudal forms, and reformist attempts to merely control monopsony organizations rather than dissolve them has consistently served to reinforce their power.

I have a personal rule — I think you should never review a book that you strongly disagree with or strongly agree with. If you entirely agree, then a “review” would be nothing more than an echo. But if you strongly disagree there's also little point to writing a review, the disagreements cannot be isolated but expand fractally. Foundational differences — differences of worldview, values, epistemology, etc. — grow too large to be covered, much less amicably debated.

For example I never published a review for Nick Srnicek and Alex Williams' *Inventing the Future* because I found our disagreements too vast. It became evident that no review would be possible without relitigating the universe of differences in values, analysis, and strategy that divide anarchists from state socialists.

Radical Markets by Posner and Weyl tested me in much the same way. I am glad I acquired a physical copy — but only because my kindle wouldn't have survived being repeatedly thrown across the room in outrage and disgust. Disappointment breeds a unique fury.

This is a book I wanted to like, that I tried to find value in. Many of my friends in the cryptocurrency space found Posner and Weyl to be fellow travelers, wanting to use markets as tools to secure socialist ends. This is the bread and butter of the Center for a Stateless Society, the historical base for conversations in the Alliance of the Libertarian Left, and I hoped that something along the way would provide ground for common collaboration. But the difference between an anarchist and a statist is too vast. I cannot even suggest that we have similar values, because every step of the way, through every one of their proposals, I felt like I was watching a lovecraftian horror take shape. It is not enough to say that our instincts in the face of certain problems are different, I have become convinced our differences extend to almost every level.

Let me walk back the rhetorical emphasis a tad.

While *Radical Markets* attempts to change our narratives and lenses, it is primarily a set of *policy* proposals. And Posner and Weyl assume the existence of a state that will enact them. While they never lay out a concrete model of social change, their implicit approach seems to be that think tank scholars will write a bunch of white papers with clear blueprints for legislation and clear quantifications of claimed benefits. Small communities or projects will test them, proving their worth, and then some kind of magic will happen that causes politicians or electorates to vote for them.

Never mind public choice theory, and never mind deep institutional and cultural allegiances. In this approach social change is treated as something of a black box, activism as some kind of largely orthogonal consideration that just happens and either wins or doesn't. (They probably see its success as a function of how well dressed the activists are.)

“Anti-Statism” and Anarchism

Weyl claims to identify as an “anti-statist” but to pull this off requires him to define “anti-statism” in an astoundingly thin way. I will avoid fisking the blog post where he does this except to relay his definition of statist as those who “generally ignore or minimize the problem of governance.” “Antistatists,” in this formulation, are thus those merely concerned with the administrative capacity of a state. Those who, in short, object to the instinct of “we’ll just have the government solve this problem” without too much critical thought into the dangers and efficiencies of various ways of having a government do something.

I’m a little hard pressed to understand precisely how Posner and Weyl could get to the point where they see “anti-statism” not as opposition to the existence of states but a mildly critical default attitude towards schemes for state administration. I sus-

and build underground railroads. There is zero reason to fuck around with dehumanizing sponsorship programs, much less those that depend on handwaving to explain how human rights will be protected and this won’t just be the horrors that typify the Saudi peninsula.

Big Data Monopolies

When it comes to big data companies Weyl & Posner don’t question the value of turning the internet into giant walled gardens run by state-like monopolistic entities with extreme surveillance capacity. They propose merely to reimburse participants on social networks “for their data.”

There are strong reasons to prefer a decentralized internet infrastructure, and the reasons a centralized infrastructure has arisen is not “natural” market preferences, but a result of a) intellectual property, b) centralized massive VC stores of capital, c) state subsidies in a variety of other more direct forms, d) the targeting and suppression of those working towards better ends (cf Aaron Schwartz).

Today’s monsters are able to finance themselves only through the advertising industry. But advertising is symptomatic of a vastly inefficient market. In a free society protocols would dominate the infrastructure. Mastodon, RSS, etc, with apps as frontends for these uncontrollable networks. If you need to search for a product or service you can directly search for it, with vast consumer reports immediately available and parseable. Without a centralized repo controlled by a middleman there’d be no capacity to inject ads. Endorsements would flow directly through your friends or social contacts and relationships would be mappable.

Prediction engines would have to be local (something you run on your device as part of the app parsing available goods on the protocol/network), or they would be pooled. But this pool-

our wildly inegalitarian hellscape, and instead emphasize two things:

1) The political centralization here leads to economic centralization. If you control ballot creation you control who has to constantly spend money to secure their freedoms. A dozen different anti-gay ballot measures on a single ballot in a conservative area means draining the entire gay community of cash. Suppressing your competition is no different.

2) It's not clear that this is separable from the existing and kinda inherent market for votes. Nevermind that it's hard to police the direct purchasing of people's votes, there's no way to match the votes-for-votebux curve to the curve of the actual market for votes. The actual "*how many votes can X dollars buy*" curve is unknowable because it's not a static equilibrium in a perfectly clearing market, but it is still in principle there. The state would thus essentially be imposing an arbitrary exchange rate, in some places above and in some places below the votes per dollar curve that independently exists. Why is this arbitrary curve a priori better?

In any case, making a voting system responsive to *degree* of desire will never be a comprehensive fix for tyranny of the majority. Small enough minorities could still be ganged up against. An individual could save literally all her votebux for the vote targeting her specifically and still not be able to outvote the rest. Stopping injustice ultimately requires channels of resistance outside the democratic process.

I don't have much to say about Posner and Weyl's worker sponsorship proposal for similar reasons. Open borders are relatively mainstream now, anything less than them is both a total abomination and something that should be fought with all means — *made impossible to enforce*.

It does not matter if a majority believes a genocide should be committed, we can bomb the railroad tracks and shoot the concentration camp guards and just STOP them. Much the same is true with borders — at the very least you can just cut the fences

pect it has something to do with confused young minarchists (who only support the worst functions of states like police and prisons) attempting to frame themselves as "anti-statist" and our authors overhearing, picking up the ball, and running.

Over twitter, Weyl has expressed a desire to see the state eventually wither away, but there is no sign of that in *Radical Markets*. They present no path towards state abolition, nor the erosion of state power. It's a bit like Chomsky suggesting that social democracy is the best next step on the road to anarchy, or Lenin claiming his dictatorship was, or Hoppe defending Pinochet-like dictatorship. In all these cases we are told to radically expand the state's power and footprint in order to somehow eventually abolish it. I suppose we should feel flattered that modern authoritarians feel obliged to try to appropriate the banner of anti-statism, however awkwardly. As long as you tack a "Step 2: ??? Step 3: The State Withers Away!" to the end of any proposal you can call yourself an anti-statist or even a full-fledged anarchist.

(In case Posner & Weyl read this review let me clarify: "anti-statism" stands for abolishing the state, "anarchism" stands for abolishing all power relations. The critiques of anarchism extend far further than merely the state to any and all power relations.)

Maybe it's worth taking a second to clarify how anarchists have historically approached the question of dissolving the state, and how our approach differs from statist who have abstractly claimed the same end.

Even back in the era of Malatesta, et al. the notion of a single overnight bloody revolution leading us to utopia was a strawman. Abrupt revolutions can of course be necessary or useful — but only in the sense that all real evolution is punctuated. Instead, the most standard anarchist theory of change is three-fold: 1) persuading people and pressuring changes to culture, 2) prefigurative building of alternative infrastructure, 3) broad resistance and insurrection so as to make the mechanisms of

power incapable of operating. If you smuggle guns to slaves they can better revolt and shoot the slave owners. If you smuggle dynamite to workers they can better revolt and bomb the plutocrats. If you smuggle code to teenagers they can better revolt and pirate intellectual property. The goal of resistance is to increase the costs to rulership, to bust apart centralizations from the ground up, rather than attempting to utilize other centralized structures against them. Ideally said resistance can take forms that are easily replicated and leverage the inefficiencies of power against itself.

What's common across these three fronts is that they don't trade away future advances for immediate ones. Anarchists have always been intensely aware of the risk of getting locked into inadequate equilibria. Some reforms improve conditions, but also impede the adoption of further reforms. While economic equality may be a pressing desire, there is little hope of putting a radically expanded state apparatus back in the box once it has accomplished that (if it ever does).

Posner and Weyl present five distinct proposals united in theme by using the government to expand the scope of market dynamics: 1) a scheme where the state owns everything, rents it out, and can force you to move out if there's a higher buyer, 2) a voting scheme for state elections, 3) a foreign worker sponsor scheme, 4) an antitrust scheme for states to marginally blunt some effects, 5) a scheme that retains monopolies like Facebook and Google intact but monetizes user contributions to their giant centralized data systems.

The worst of these involve a truly radical expansion of state power. The best still centralize power to varying degrees, while also creating new traps that it will be even harder to escape.

credits. So to cast two votes on an issue you have to pay four of your credits, to cast three votes costs nine credits, and so on.

It's arguably a market system, enabling degree of consumer/voter desire to be communicated quantitatively, but with everyone getting an equal number of credits. And I want to be clear — both quadratic and dot voting are often better than straight majority voting, but that's the lowest possible bar.

What's unexamined is how the array of choices voters face dramatically distorts the votes. The structure of the options (determined centrally by say some election commission) critically influences the results.

With quadratic voting a central voting board could easily structure a ballot to involve say a ton of abortion related measures, thus watering down the capacity for those with extreme feelings to be heard. Issues don't neatly separate!

Further, quadratic voting with a base currency that rolls over would require voters to predict what measures/candidates would likely be up on future ballots, and to which proportion. Since the ballot itself is constructed through centralized political means this is forbidding.

Anarchists all know the failures of "consensus" processes that don't center free disassociation (where folks just go their separate ways when consensus can't be reached) but instead try to force collective decision-making. In these cases who structures the measures determines the outcome.

Posner and Weyl claim that quadratic voting will 'magnify the positive effects' of their other proposals, but what they will really magnify is the centralization of power. Again and again they propose systems that would scandalize any public choice theorist, but then totally fail to explain how institutional checks and balances would work.

And ultimately — you guessed it — they propose allowing direct purchasing of votes with money. Let us bypass reiterating all the standard critiques of money in politics, especially in

you've created a hugely invasive anti-trust regulatory apparatus to surveil the market and somehow it's hasn't become a site of corruption but has gotten really good at busting up large firms... how do you then dissolve the state? How do you even limit or bring to heel the massively expanded state apparatus you've built?

The task of resistance to power should not be outsourced to one wing of power itself.

It's a tale as old as the state. The leviathan eats up formerly independent positive social functions — whether they be murder detectives or anti-segregation activists — and makes such work entirely its purview. All alternative decentralized institutions or movements dry up, leaving society less and less prepared for the removal of the state.

Instead of growing fluidly responsive and decentralized alternatives to work in parallel and eventually erode and replace functions of the state, Posner and Weyl spend *Radical Markets* trapped in a frame of mind that sees the state and democracy as a tool.

How should it run? How should its failure modes be checked? *Radical Markets* offers only one signature proposal, a scheme for how to count votes: quadratic voting.

The classical scheme of one-person-one-vote is notoriously unresponsive to stake. On the market one can price one's degree of desire for something, but a vote transmits nothing more than a single binary. Some activists may have encountered dot voting which responds to this by giving everyone multiple votes that they can use up to different degrees on different things. So if there's one issue you really care about you could spend all your votes on it. Thus a large group of people who each kinda want something can be outvoted by a small minority of people who really intensely could not live with it.

Quadratic voting is basically the same thing but with casting extra counted votes on an issue costing quadratically as many

The Land Value Tax Revisited: Evaluating COST

The first of their proposals is by far the most horrifying. They refer to it as the Common Ownership Self-Assessed Tax (COST), a scheme that is in many ways an extrapolation of Georgist Land Value Tax.

Henry George is often seen as a fellow traveler to the libertarian left and many georgists were prominent in the old Alliance of the Libertarian Left and Movement of the Libertarian Left. But georgists are rare among specifically *anarchist* ranks, and the reason isn't hard to see.

George was deeply concerned with the pernicious effects of feedbacking wealth from rents. You don't (in general) *create* land, and in our world it is quite scarce. Why then should an individual be said to have tyrannical control over a patch of earth? Surely the earth is the common treasury of all, the property of *society*, and surely it is *society* that should be seen as ultimately owning space and raw resources.

The georgists have a relatively sharp plan for both utilizing the economic efficiency of markets while avoiding spiraling capitalist rent-seeking and the emergence of monopolies. They want "society" to tax "owners" of land by a percentage of the market value of that land. The idea is that what you didn't labor for — but instead nature endowed — should not be locked up and portioned out to people at obscene rates. At the same time, "owners" will be economically incentivized to productively utilize the land they hold. It's a cute and simple enough idea that many have come to it separately.

Today georgists are once again flourishing, in something of a minor resurgence, in part spurred on by growing ecological awareness. And some argue that it can be integrated with the institutional analyses of the Ostroms into a more fluid framework than "the state" as such.

But the concept of “society” — so casually thrown in — is deeply catastrophic. How can “society” be said to own anything, much less make decisions with it? While its concerns with rent-seeking and monopolies are truly justified, georgism doesn’t actually resolve them, it leans into them, under the premise that sprinkling some democracy on a company town would fix it.

As my landlord, I trust “The People” no further than I do a capitalist. The anarchist goal is to abolish rulership, not centralize it into the hands of some collective body. “Democracy” is constantly invoked by liberals as an applause line or magic salve, but to say it has fundamental failures would be to undersell the situation. It’s not merely that “democracy” is trapped between letting seven billion strangers vote on what you have for dinner or, instead, turning to some kind of horrific fractal neighborhood nationalism. Democracy fundamentally retains the notion of monolithic collective decision making, of collaborative domination. I’ve written before at length on the anarchist critique of “democracy,” available online and soon to be published in another of our Mutual Exchange compendiums.

If I can’t stand the centralization of seven people in a room for a co-op meeting, then the level of social centralization necessary for many of the ownership schemes in *Radical Markets* is straight-up terrifying.

The COST proposal represents a jaw-dropping lack of understanding of the danger of the state and the collective action problem it represents, but it also fails to fully understand the stakes in resisting economic centralization more generally. I was honestly flabbergasted to discover the authors took Elon Musk’s attempts to build a hyperloop across California as an example of a worthy project unfortunately held up by homeowner intransigence and market counter-pressure.

Here we have a dastardly capitalist trying to establish a project that will give him monopolistic standing in the market, and Posner and Weyl *take his side*. The real villains in their

clare our bodies and their extensions to be of infinite personal value to us, not on the market. As magical a site of positive-sum collaboration as the market can be, it means nothing before the freedom of an individual to not participate. To refuse to sell their home, their labor, etc..

COST would turn the marketplace into a democracy in the very worst sense of the term. All it offers for safeguards is the same technocratic liberal naivety that has continuously failed throughout history to check tyranny. It’s a pattern that continues throughout *Radical Markets*.

Considering anti-trust legislation, Weyl and Posner take examples like two mines in the same town merging to argue for federal intervention — while the two mines may make up less than 1% of the national industry, locally they’ve just created incredible bargaining power against local workers. This is certainly true.

But it is *physically painful* as an anarchist to read such examples and proposals. Oh are *two* corporate firms better for workers than just one? I *suppose*, but in the same way that Clinton was arguably better than Trump. To ignore the massive gains to be achieved by just stringing up the bosses and running things with worker cooperatives is jaw-dropping. What sort of miserly pursuit of freedom is this?

They argue that some level of such enforcement is arguably possible under existing anti-trust legislation, should courts and bureaucrats choose to interpret the laws so. Perhaps? I can’t bring myself to care much. Breaking apart existing firms would be technically positive, but hardly something very likely to happen given regulatory capture.

Again, what is missing is a theory of change. Are regulators supposed to read some white papers and get inspired? I suppose it could conceivably happen, and I wish such folks well, but I’m in no way convinced it has a high return on investment for activists. But — more pertinent to claims of “anti-statism” — there’s no evident path forward without the state. Let’s say

sires *by force*. The distinction is subtle but very important. As an anarchist I want a world of connectivity and efficient satiation of desires *because that expands individual choice*. The final criteria are in terms of the agency of all involved. The neoliberal impulse is to flip the ordering, to force markets at the cost of human agency at root.

Like Pinochet torturing and slaughtering thousands of student dissidents “for freedom”, the ordering here is so wretchedly incoherent it screams. Never mind the massive state intervention, the slicing away of the options people most immediately want, and the psychological damage of this removal of choice, some marginal increase in the efficiency of the provision of goods and services for consumers must totally be worth it.

The Limits of “Democracy”

The central claim of Posner and Weyl is that COST will harm wealthy people at the margin while helping poor people. But the real cost of COST is structural — decreasing diseconomies of scale that impede the emergence of large organizations and centralized power.

The veto exercised by a property owner is not democratic, it’s anti-democratic. And often all the better for it. No homeowner’s association or neighborhood commune should get a say on the color of your house. Autonomy is a critical social norm.

Anarchists don’t believe in democracy, we believe in *consensus* and — when that cannot be built — autonomy. In our consensus meetings we give every single affected individual a veto. Emphasizing independence — freedom of association — over collective cohesion.

The promise of personal property is that one can stand before the entire world and refuse to sell. To always be free to de-

eyes are the farms that won’t just sell him their land at its current price, but will hold out and negotiate him down to his last penny of expected profit. Wouldn’t it be better, they say, if the state could send police in to *force* farm owners to sell to Elon Musk at “a fair price.”

I shit you not.

Thankfully it is not just georgism but also market anarchism in the vein of Benjamin Tucker’s mutualism that has seen a modern resurgence too. A contemporary of George, Tucker was likewise deeply concerned with the monopolies and rent-seeking that underpinned capitalism. But his critique extended further and has been expanded in the century since. In particular, Kevin Carson writes at length of the transportation monopoly — the way that fundamentally statist projects like the highway system reinforce and scale-up the size of businesses on the market. There are, as anarchists identify, deep diseconomies to scale that would otherwise check the rise of would-be capitalist power, but these diseconomies are suppressed by the state’s engine of uncontested violence.

That Elon Musk faces decentralized market intransigence in his attempt to seize even more power is a delightful feature and not a bug. It is something that should be encouraged and *intensified*.

Today oil pipelines are being built across north america, in part thanks to the violence of the state’s eminent domain. These projects are systematically evil, they require titanic top-down capitalist investment (pools of money that would never accumulate in such reserves in a truly freed market and themselves find their origin in other atrocities), they reinforce centralization in how they will pay out, the logic of the infrastructure they build, and where the profits will flow. But they also are predicated upon the state’s violent power being unparalleled, not only to force through the sale of land, including unceded indigenous land, but to stop and suppress the insurrectionary resistance to them. And of

course, as a product of their very centralized nature these pipelines are incredibly stupid, endorsing incredible broad social and ecological risk for short term gain in the hands of a few. Anarchist solidarity incontrovertibly lies with those activists sabotaging these pipelines, fighting back in both violent and non-violent means. As I have written, markets are in many ways extensions of insurrectionary resistance, and insurrection itself an extension of the market. We should be instinctively aligned with cultivating their means of resistance to the perverse externalities of centralization.

That the farm owners of California will collaborate to shave away Elon Musk's profit margins is a grand success of resistance to power. If a hyperloop is truly a social positive, something to be built for the benefit of many and little to no losses, then let it be a collective investment involving all those displaced by it. Why should one man walk away with monopolistic control over a centralized infrastructure and the profits from it?

Forcing people to sell solves the problem of corporations irritated that eminent domain doesn't evict grandmas fast enough, but it's astonishing that anyone would openly take that side in print, much less attempt to sell it as resistance to centralized market power.

Who sees Musk or his hyperloop as sympathetic projects rather than villainous? Are Posner and Weyl speaking only to Silicon Valley tech workers? Do they know literally anyone else? Are they in contact with any other political movements or traditions?

Yes, without the ability to send SWAT police to murder grandmas who refuse to sell their home to gentrifiers, some brute economic "productivity" would be blunted. But is that really the sort of economic productivity we should want? And what would be the cost of such a system?

I'm all for the market chewing through traditions and romantic nonsense, all that is solid being turned into air, the bridge-

bor. *What if someone's most desired talent perceived in aggregate by society is the beauty of their body?*

In the present system a beautiful person can ignore the prospect of a million dollar check for sex work and instead choose to work as a restoration ecologist or slack off writing poems in a punk squat. She pays tax on what she makes, not what she could be making at a different job. But under a straightforward COST in human capital where she is *obliged* to work for any price above what she sets as the value of her labor, the cops will arrive to FORCE her to sleep with the wealthy man willing to pay.

Posner and Weyl will of course duck and weave around this specific ad reductio, saying that tax rates should be set at some magical rate that avoids this, that there should be categorical exceptions for types of labor, etc.. But the underlying logic is the same, and to force the surgeon to do surgery is ultimately the same thing. Just imagine the radical expanse of state power implicit in declaring categories of labor in this context.

Posner and Weyl talk about cops forcing someone to do labor for someone willing to pay, as a positive accomplishment of social justice. Forcing, for example, bigoted bakers to make a cake for a gay couple. Certainly there were some positive consequences to the state's involvement in the struggle for desegregation (or appropriation of pre-existing struggles), but it is just as often the case that discrimination is itself a critical necessity in social justice struggles. Freedom of association is critical not just in the abstract but in countless everyday situations. A cooperative should not be obliged to hire a rapist. A survivor should not be obliged to work for an abuser. A cafe should not be obliged to serve a cop.

I want to be clear that these are not necessarily objections of "rights" — what is going on here is a devaluing of individual agency in favor of an astonishingly flat notion of utility. Rather than seeking to expand and enshrine individual choice, this slapdash approach instead seeks to satiate aggregate de-

right. *Everyone would pay a tax based on what they think their hours are worth, and be coerced into working for anyone willing to pay that rate.*

Our intrepid authors are not so blind as to not grasp that they are describing literal slavery, but what is their response? Well the present normalized wage system is coercive and their system could totally have “design tweaks” to “avoid the coercive elements of the system.”

No side-eye, looks-directly-into-the-camera gif could possibly convey my skepticism.

This is exactly the same sort of “*surely there will be design tweaks possible to make everything nice*” handwave that Stalinists constantly make. When the fundamental design of your system is gulags no administrative wonk is going to be able to “tweak” that into liberation by changing the paint color or elevator music. No restructured feedback form is going to change the nature of what is going on.

A COST on human capital would ameliorate this form of unequal freedom by requiring the talented people to pay a tax if they do not want to work a job that is most efficient for society.

Every last libertarian *and* anti-work post-leftist or left-communist is screaming in agony.

It is no doubt the case that there are differences in the talents of individuals and the value society-in-aggregate finds in those talents. But the problem is the resulting piles of wealth, and thus power, that could conceivably be stockpiled by those whose talents are most in demand. Our response should be to target for erosion accumulations of wealth that grow truly pernicious and dangerous. It should *not* be to enslave those whose talents are most demanded. We might think it unfair that a skilled surgeon not apply her talents, but she has no agency if she cannot make her own choices about association and la-

building rootless cosmopolitanism that marxism and fascism hated so violently... but you can't *force* people into such. And you certainly should not attempt to with a state apparatus.

It is often said that “neoliberalism” is an overused term, but I think we can safely say that COST is neoliberalism at its most flagrant — using the state to force a market configuration and market norms that would never have emerged voluntarily without it.

Yes, in many respects we want more honest information to flow in the market, but some illegibility is a small price to pay to stop large profit margins and power accumulation. Power and organizational scale are themselves far more economically devastating in the long run. And note the asymmetry to what information flow COST forces: the buyer reveals nothing about their expected profit margins, the sellers are forced to give up a ton of information about their preferences.

Think of what a boon COST would have been to the railroad tycoons of George and Tuckers' era — barely any different from the mass grants and violent transfers the state built their empires with. A tycoon could buy up land for essentially the market rate prior to his project. Small farmers couldn't demand the actual price of their land — the price that would reduce the tycoons' profits to just above zero — because if he chose not to buy they wouldn't have sufficient wealth to pay tax on that assessed land value.

Those with piles of money could invest freely, those without would be denied any sort of leverage against them. The asymmetry of risk and information creates an inherently tiered system.

If a healthy market sees profit margins collapse to zero and persistent accumulations of wealth eroded, then what Posner and Weyl are advocating with COST is not “radical markets” but “radical capitalism.” A system structured to reinforce the centralization of power and wealth.

COST is deeply skewed towards benefiting the rich. Can you assess the value of wealth held by the richest person in the world if no one can pool together the money to buy it? He would simply be able to declare the lowest price at which purchase would be impossible and then pay far less in tax than the actual value it would make for him. This is trivial to see in a situation where the effective wealth of a single person outweighs the combined wealth of everyone else in the world. And when say 26 people own as much as the bottom half of society this pricing problem is still there in some degree.

For those of us below such super rich, under COST the more you value the things you use, the more you would be taxed, but this valuation has no *necessary* tie to market exchange value of the good. And this becomes incredibly problematic when we consider goods that constitute extensions of a person's body or unique goods of an inventor or tinkerer.

Should the person building the first radio telescope array have to pay literally every cent they have to assure that the weird thing they're working on isn't swiped out from underneath them mid-development?

There are many respects in which property title can be more important than efficient supply and demand calculations.

COST would impede development that doesn't result in exchange value but just personal value. During his lifetime Van Gough's paintings may have a negligible market rate, but if he had to live in fear of the canvass he was using getting swiped out from beneath him mid paint stroke he would have produced less of personal value. COST essentially prohibits many personally valuable material projects that have low exchange value.

The authors handwave about materialism being bad, but this is, frankly, abhorrent. 1) The whole point of incentivizing economic productivity comes from the assumption that material things are of value, otherwise we could take a buddhist or stoic position and not fucking care if we're getting rained on under a

tree or going without a smartphone. 2) There's a vast world of personally valuable experiences embedded in physical explorations and developments that are not exchangeable.

We might all agree that our neighbor's paintings are shit, but how fucking dare we bid the canvass out from under their fingertips and ruin the immense — perhaps incalculable — personal value they provide to said neighbor.

Or should some indigenous community have to pay through the roof to maintain control over the spiritually important mountaintop they've used for hundreds of years?

Posner and Weyl of course handwave about how reasonable legislation, exceptions, and boundaries should be put in place to blunt such failure modes, but this is kicking the can down the road with promises that a wizard will take care of it.

This is related to the bundling problem — how do we bundle what things should be sold? And it's a deeply non-trivial problem. Any government regulatory body capable of setting or evaluating bundling structures is subject to regulatory capture. COST places literally everything in the hands of government regulators. Because "owners" have no right to refuse sale, those who get to write the rules of the game determine virtually everything. I've never seen a blueprint more attractive to corruption.

And Weyl has the temerity to declare himself an anti-statist!

Universal Slavery As Liberation

Let us remember that no law is enforceable without violence. All possible punishments require the threat of ever more brutal escalation. To ban the sale of loose cigarettes is to murder Eric Garner. No technocratic scheme — no handwaving — can get around this brute fact.

Posner and Weyl bury a second proposal for COST on *human labor* towards the end of *Radical Markets*. Yeah, that's