Capitalism, Alienation, and the Rule of None

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Normative critiques of capitalism

- **Liberal-egalitarian**: Capitalism generates unjust distributions (e.g. Rawls 2001).
- **Analytical Marxist**: Capital exploits labor by extracting surplus value. Exploitation is unjust if it happens against a background of unfair accumulation (Roemer 2020).
- **Radical republican:** Capitalism necessarily dominates by (i) conferring, through ownership, the power to some to unilaterally control the labor of others, and (ii) forcing non-owners to work for owners in order to access subsistence (see, e.g. Gourevitch 2013, Vrousalis 2021, Leipold 2025, Cicerchia 2022).

The goal

- To propose an alternative, still normative, critique of capitalism:

1. **Site of analysis**: *investment* and monetary valuation, beyond labor;
2. **Diagnostic category**: social *alienation*, rather than domination or exploitation as capitalism's inherent ill, and *illegitimacy* as its wrong;
3. **Normative implication**: socialism as an ongoing process of *reconciliation*;
4. **Institutional implication**: a more expansive form of *financial democracy*.

Radical republicanism's core thesis

- The owners of the means of production, like slave masters, "always" dominate, qua owners, regardless of their subjective (extractive) dispositions (Vrousalis 2021. See also Gourevitch 2013).

  - Domination: subjection to an arbitrary, unchecked or uncontrolled power or will

- Unlike exploitation, domination under capitalism is a non-contingent wrong.

The question

- Do private owners under capitalism "always" dominate, just qua owners, like slave masters do?

The underlying economic account

- "Because the seed corn [savings from past labor] is concentrated in a few hands, so is the value of the net product it helps produce. And *since unilateral control over the net product confers unilateral control over labor* (through the labor market), the seed corn [savings] becomes something it was not in [a non-capitalist economy], namely control over persons in the form of control over a thing." (Vrousalis 2021; see also Roemer 2017).

Assumptions of this economic account

1. Savings from past labor (owned means of production plus accumulated savings) are sufficient for further production, therefore:
2. Unilateral control over savings, in the form of ownership rights over the product of past labor, is sufficient to confer to the owner the power to unilaterally control labor;
3. Unilateral control over labor amounts to domination.
4. *Private ownership is sufficient for domination.*
5. Owners, qua owners, always dominate

Problems with this economic account

1. Past savings are *insufficient* for further production: no further production without the *capitalization* of past savings and of the means of production.
   - **Capitalization**: an asset is capitalized when it is invested with monetary value in the present, on the basis of its expected future profitability (rust belt in the ‘80s).
2. Which assets are capitalized depends on the volume and direction of investment in productive capital goods (Muñesa 2016, Levy 2021, Beckert 2016, Orléan 2014, Nitzan and Bichler 2009).
3. The volume and direction of investment, in turn, depend on investors’ subjective expectations about the future, not just past accumulation (Keynes 1936; Mitchell 2020. E.g. Uber and AI).
4. The capacity to produce, and thus the *actual* power to control labor, depend on investors’ subjective expectations and dispositions about the future, not just past extraction.

The insufficiency of ownership

1. The acquisition of the power to keep producing and thus to control labor depends on the capitalization of savings and means of production.
2. No capitalist has unilateral control over this process of capitalization.
3. Ownership *rights* to control the use of the means of production/savings are insufficient to confer to the owner the *power* to unilaterally control labor;
4. *Private ownership is insufficient for domination;*
5. **Owners, unlike slave masters, do not *always* dominate**
   - The owner of the means of production's power of interference, unlike the master's power, is conditional on an external process of monetary valuation, the owner does not unilaterally control, and that cannot be conferred by legal institutions alone.
   - The amount of domination, like the amount of exploitation, is contingent on some agents (the investors)'s subjective dispositions.

Beyond republicanism?

1. Republicanism provides an ***inadequate*** critique of capitalism: it fails to show that, when it comes to **labor relations**, domination best captures what is distinctively wrong with those relations (Cordelli 2025).

2. Regardless, republicanism provides an ***insufficient*** critique of capitalism, for it neglects the centrality of **investment and monetary valuation**.

The centrality of investment

Economic distinctiveness: Investment, thanks to *institutionalized credit*, makes production possible even when savings are absent and, because of *money as a store of value*, it obstacles production even in the presence of savings.

Conceptual distinctiveness: a process of asset *capitalization*, through investment, is what makes capital conceptually distinct from wealth (Veblen 1908, Levy 2021).

Temporal distinctiveness: production is oriented towards fulfilling investors' claims made on the future, not towards present consumption alone, and investors' expectations about an *open and uncertain future*, not just past accumulation, determine the economic present (Keynes 1936, Beckert 2016).

The neglected normative question

- What is amiss with being subject to capitalism's mode of investment?

The mode of investment as a form of *rule*

- **“Rule” as governance**: The investment process does not impose binding obligations but, unlike the rule of law or gravity, it does not merely set constraints.
- It makes ‘basic structural’ and transformative decisions re the course of societies. **It sets ends**, by establishing what gets valued and disvalued, and what commitments a society will pursue. It determines which possible features become actual.
- It does so by setting, (i) the overall rate of investment – how much investment, including credit, there is in a society; (ii) its distribution between productive and speculative activities, (iii) the contraction or expansion of existing industries; and (iv) the support of entrepreneurship and innovation.

The rule *of none*

- No **individual agent** unilaterally decides on the direction of investment or is responsible for its patterns.
- What about rule by a **collective agent** or a class, i.e. the **class** of investors?
  - No procedure for collectively forming shared judgments and making decisions. *Mimesis* is not coordination.
  - No shared intention to act together so as to maximize returns for *all* members of the class. *Competition*.
  - Some of the interests of giant investors, i.e. asset managers, do not align with the interests of small investors, i.e. pensioners (e.g. financialization). *Internal diversification*.
  - Capitalism creates an alignment between some of the interests and intentions of the capitalist class and some of the interests and intentions of the working class. E.g. the value of a worker's savings may depend on an asset manager's success in maximizing returns. *Unclear boundaries*.
- Investors as a **diffuse collective?** (Jaarte 2025)
  - Investors do not always share behavioral propensities. E.g. The propensity to strike against climate policies is not shared by all investors, for many investors may have invested in renewables or green technologies, the value of which would instead be boosted by the passing of those policies.
  - Even if they have shared behavioral propensities because of their structural position, this is insufficient to identify them as a governing agent.

- Investors act under structural constraints. If they have no reasonable alternatives *in the long* run but to, say, reduce the costs of labor in order to survive market competition, then, it is not to their whim that the affected parties are subject. Rather both the investors and those parties are subject to the whim of market competition, and to the logic of capitalization. **The mode of investment rules**, not the investors.

What's wrong with **impersonal** rule?

- We are all dominated by a market – an impersonal aggregation of arbitria – which renders even the capitalist incapable of free, responsible action (Roberts 2018, Mau 2023, Battistoni 2025. See also Postone 1993).
- The notion of impersonal domination is conceptually incoherent (Cordelli 2025): no dominating will and no status harm.
- If we cannot be dominated impersonally, what is wrong with being subject to the capitalist mode of investment?

Core descriptive features

1. **Privatization**: transformative investment decisions are left in private hands and made according to expected private returns (**monistic valuation**).

2. **Anarchy**: investment markets unavoidably produce wasteful and irrational outcomes, because of an uncoordinated and mimetic process under conditions of radical uncertainty (see Keynes' "beauty context". See also Marx's "anarchy of production").

Core normative features

1. Because of the ***privatization*** of investment**:** citizens cannot be reasonably expected to *understand* large parts of their society, and its course, as the result of their collective doing and valuing, rather than as the product of impersonal and largely uncontrolled market forces.
2. Because of ***anarchy*****:** citizens cannot be reasonably expected to *affirm* their society as an expression of their reflectively endorsed priorities, and to relate to its economic and social structure as an object worthy of their affirmation, rather than as the result of an irrational game.

- Affirmation: judging something to be valuable *and* appreciating or caring about its value (on affirmation see Hardimon 1992; on valuing Scheffler 2011).

The moral problem

- Not *domination* (because of impersonality of the rule);
- Not *relational inequality* (because of equal subjection);
- Not only *authoritarianism* – subjection to decisions we could not reasonably consent to (Hussain 2023);

Computer Machine: Leaving transformative decisions to a reason-sensitive, trustworthy and transparent computer machine is still morally problematic. Why?

Alienation

- Because of her lack of ongoing involvement, the agent subject to the computer machine is unable to understand her life as **(1)** being authored by her, and to affirm it as **(2)** expressing her own endorsed and revisable priorities.
- Because of (1) she cannot relate to her life as her own, as opposed to an *alien* imposition.
- Because of (2) she cannot relate to it as something she can affirm or identify with, rather than as something *alien* to her.
- The agent stands to her life in an *alienated* (non-authorial and non-affirmative) *relation*.
- Phenomenology: powerlessness and detachment. Not ingratiation.

Capitalism's *social* alienation

- Due to the *privatization* of investment, citizens under capitalism cannot *understand* their society, which largely results from past investment, as the result of their collective doing and valuing.

- Due to *anarchy*, they cannot *affirm* it as expressing their reflectively endorsed priorities, or as an object sufficiently rational to be fit to be affirmed.

- Capitalism, like the computer machine, structurally generates an alienated relation (non-authorial and non-affirmative) between citizens and their socio-political order.

The distinctiveness of capitalism's alienation

- Not just about *relating to the world in an instrumental way* (bureaucracy's alienation according to Weber);
- Not about *the social appearing as natural* (e.g. technology's alienation or the fetichism of commodities);
- Not about *estrangement from nature* by means of *enhanced human control* (science's alienation according to Horkheimer and Adorno).
- But rather: **loss of joint control over, and involvement in the making of the future, as well, as the narrowing of the future itself.**
- Alienation occurs because of *the limits of instrumental rationality, independently of epistemic facts,* and due to *a lack of (collective) control.*

A *political, political* critique of capitalism

- Democracy's core value of **joint authorship** is itself grounded on an interest in **nonalienation** (see also Stilz 2019).
- Only citizens who can understand their society as resulting from their collective doing and valuing can relate to it as their own, rather than as an *alien* imposition; only citizens who can affirm their society as expressing their joint intentions can relate to it as their own, rather than as something *alien*;
- Capitalism, because necessarily alienating, contradicts joint authorship.
- Democracy lacks the normative force to authorize capitalism.
- **Capitalism is an illegitimate system of governance**, whether or not unjust.

Economic democracy broadened

- The **point** of democratic socialism: **reconciliation** (the establishing of an authorial and affirmative relation between citizens and the sociopolitical world).
- The **scope** of economic democracy: broader than the labor process.
- The **demands** of economic democracy: broader than workers' control over labor > popular control over investment.

    - **Planning** of investment to overcome *anarchy* (centralized establishment of general priorities).
    - **Value-pluralist deliberation** to overcome *monistic valuation (*democratic deliberation as the means through which citizens take advantage of the radically uncertain nature of the future to shape it according to their collectively formed judgments about value).
    - **Ongoing participation** to provide conditions of agency involvement and affirmation over time.

Financial Democracy

1. The planning of macro-level and mid-level investment decisions (but, neither consumption, nor job choice) through a co-determined **Central Planning Agency.**
2. Public control over credit allocation, not just "derisking" (see also Gabor and Braun 2025) through a system of **public banks**, supported by a system of **social ownership**.
3. A set of decentralized participatory entities such as **minipublics** (e.g. local green banks and planetary green transition funds) (McCarthy 2025) or negotiated coordination bodies (Devine 2002) to translate those general priorities into specific investment decisions (participation and deliberation);
4. A system of **self-managed enterprises** with boards including randomly-selected stakeholders, beyond workers.
5. A system of **capital controls** at the global level (Cordelli & Levy 2022).

- The Hayekian problem? Exchange markets still exist and send information about available demand. Deliberative settings provide for local knowledge. This information is, in turn, used by both existing enterprises and by the Central Planning Agency.

Thank you

Alternatives

- **Welfare-state capitalism** and **'derisking'** (Rawls 1971; Gabor and Braun 2025)
  - Insufficient to reduce anarchy, still privatized, no involvement.
- **Property-owning democracy**
  - Still anarchy and limited involvement
- **Big green state** (modeled on contemporary China)
  - Better in terms of control and anarchy but compatible with wide technocracy (Gabor and Braun 2025)
- **Republican and liberal socialism** (narrow control and narrow involvement)
- **Market socialism** (no distinction between market exchange and market forces)

“Inherent” ill or wrong of capitalism

1. Necessarily present in capitalism;
2. Ethically inacceptable;
3. Inherent to capitalism;
4. Absent in ideal socialist arrangements

5. Distinctiveness: not necessarily present in alternative systems, not in the same form (I think this condition is also fulfilled, but it’s not necessary) (Van Parijs 1984).

The constituents of nonalienation

- Lack of **authorship** > powerlessness
  - Defect of the process of **will** formation (e.g. manipulation)
  - Defect of **efficacy** (e.g. lack of actualization of the will)

- Lack of **affirmation** > detachment
  - Defect of appraisal or identification
  - **Cognitive**: judging something to be valuable
  - **Affective**: valuing or caring about something (Scheffler, Wallace, Frankfurt)

Conditions of nonalienation

- Efficacious joint control
  - Capacity to plan and affect change; does not require elimination of uncertainty
- Object fitness
  - Rationality of both process and outcomes
  - Actualization of agent's intentions
- Agency involvement
  - The kind of agential capacities required, and responses elicited, by the making of a decision (e.g. Is the activity mechanical?).
  - The scope of activity: space of activity within with agency is involved.

The value of nonalienation

- Vital need (Hegel, Rosa): precondition of finding value in ends;
- Precondition of identification with roles and projects directed towards the reproduction of the social world;
- Nonalienated political activity as an important source of wellbeing (pleasure in realization of collective agency and expansion of social capacities of reciprocity and cooperation, see Sangiovanni)
- Nonalienation as precondition of (political) self-determination:
  - In order to identify with our ends and volitions we first need to care about them (Frankfurt);
  - In order to determine ourselves as something, we must affect the world through action, and see our actions reflected in the world (Hegel, Pippin, Jaeggi)

Market vs. democracy

- Control over outcomes: radical uncertainty in both; but democracy offers deliberation as means of influence; no joint control in markets for no collective decision-making procedures.
- Rationality: markets provide only partial information, insufficient for rational evaluation.
- Agency involvement: absence of deliberation; narrow instrumental reasoning; non-participatory.
- Markets fail to make collective decisions about social ends: no collective decision-making procedure, narrow set of values; no collective transformation of preferences; binary choice.

Ineliminable feature of modernity?

- Lack of control over the future is a necessary feature of modernity. But:
- Nonalienation does not require full control over external world
- **Two kinds of uncertainty**:

1. Indeterminacy of the future: precondition for the free pursuit of ends
2. Unpredictability of the future: it is a cause of waste

- Nonalienation (as authorship) requires collectively taking advantage of (1), while (as affirmation) requires mitigating (2) through planning.

What is distinctive about capitalism's alienation?

- Not primarily about relating to the world in an instrumental way (bureaucracy's alienation, see Weber)
- Not because something social appears as natural and thus beyond human control (e.g. technology's alienation)
- Not because it estranges us from nature by means of enhanced human control (science's alienation, see Horkheimer and Adorno, 1947).
- But rather: **loss of joint control over, and involvement in the making of the future**, because of limits of instrumental rationality and human control, and independently of epistemic facts.

Trade-offs?

- What if capitalism is necessary to reduce poverty and enhance efficiency?
- Historical evidence does not support the claim of poverty-reduction (poverty reduction metrics, relation between capitalism and colonialism, China, obstacles to redistribution, role of organized labor and anti-colonial movements in poverty reduction etc.)
- Even if it reduced poverty, nonalienation is an equally vital need, and has priority over efficiency.
- Legitimacy has some priority over justice considerations, let alone efficiency.

Is this a case for socialism?

- As long as privatized mode of investment is distinctive of capitalism, a system without that mode is post-capitalist, by definition.
- Spectrum between post-capitalist systems.
- Independent, exploitation-based reasons to socialize property and for economic democracy, but also:
- The case for planning has implications for re-structuring labor relations: workplace democracy, meaningful work and socialization of ownership.

Value form theories (Heinrich, Postone)

- Labor becomes value-creating ("abstract") when it is organized through commodity exchange.
- Money is not merely a tool for measuring pre-existing value — rather, value only exists in and through its monetary expression.
- Marx's critique of capitalism targets not just exploitation by capitalists, but the abstract, impersonal domination that the value-form itself imposes on workers and capitalists alike.
- **But:**
- Value need not all come from labor, whether concrete or abstract.
- Value is created by the process of capitalization, not just commodity exchange through money.
- We are not *dominated* by the logic of capitalistic valuation. We are *alienated* because of it.
- If a capitalism without value-producing labor could exist, we would still be alienated.
- Agreement: Overcoming capitalism does not simply require overcoming the legal institution of property. It also requires overcoming a distinctive logic of valuation.

The “capitalist state” dominates

- If the state is not autonomous (Poulantzas), the state cannot dominate;
- If the state is partially autonomous (Przeworski; Milliband) then it may still lack the power to exit from the capitalist mode of investment;
- If the state is fully autonomous, then it may dominate by having the power to exit from that mode, while failing to do so. But:
- This is not to say that capitalism or even the ‘capitalist state’ dominates, since the state is autonomous. The state dominates.
- Imposition of the mode of investment by the state is, by assumption, unjustified. But why?
- Because that mode is alienating.
- The ill of capitalism still amounts to alienation, not domination.

Socialist calculation challenge

- Problem of optimal allocation of resources: scarcity and competing demands.
- Hayek: resources flow, through price-mechanism, in the direction of most profitable enterprises.
- Two problems: where does local knowledge come from? How is it aggregated?
- Market exchange still exists and sends info about demand;
- Deliberation provides local knowledge. Some information can be inferred directly without having to be inferred from prices;
- Producers have autonomy in deciding how to use existing capacities and specify production functions (maximum output from combination of inputs);
- Algorithmic mediation to compute efficient allocations across millions of variables.

Structural (agential) injustice

- "There are dominating agents who dominate by creating certain structures [i.e. the system of property] through intentional action." (Gourevitch 2013).

- Even if owners do not consciously intend to reproduce domination, such intention "is an intention that all owners necessarily have insofar as a defense of private ownership is a necessary presupposition of any owner's use of his productive assets." (Ibid.)

- Intending something does not *ipso facto* imply intending all its "necessary presuppositions," and even less so the effects of such presuppositions.

Capitalism

- An economic system where (1) the means of production are privately owned, (2) the allocation of resources between productive and other activities is determined primarily through markets, and (3) investment decisions are largely in private hands.

To sum up

1. *If* the owners of the means of production dominate, not all of them do. The overall amount of domination is contingent on investors' preferences. (***The non-contingency thesis fails***)
2. Capitalists do not dominate for they either lack the power to interfere or, in any case, their unilateral control over labor can be omnilaterally authorized. (***The domination thesis fails***)
3. The capitalist mode of production cannot unjustly dominate, according to republican criteria, for we cannot easily infer intentions to dominate from mere participation in the capitalist structure. (***The structural injustice thesis is doubtful***).

From interference to dependence

- An agent is dominated if (1) the agent is dependent on the cooperation of others to be able to meet their needs through productive activity, and (2) the agent cannot force the decision as to whether that cooperation is forthcoming to track their interests (Bryan 2023).

- Everyone is dominated under capitalism: capitalists' productive activities are also reliant on the cooperation of investors, and no individual capitalist, nor the capitalist class, can unilaterally control the process of capitalization.

Two problems

1. Why do people have a fundamental entitlement to "make a living" *by engag[ing] in productive activity?*
   i. Participation in production is necessary for self-realization (a perfectionist argument).
   ii. A person's self-respect depends on her ability to participate in production (this is culturally contingent on capitalism itself).
2. Everyone is dominated: capitalists' productive activities are also reliant on the cooperation of investors, and no individual capitalist, nor the capitalist class, can unilaterally control the process of capitalization.

The structure dominates

- "The exclusion [by the system of ownership] of a consistent group of people from the control of the means of production rests in arbitrary interference." (Corvino 2019). Why?
- Because it reduces the options of non-owners compared to an ideal baseline of fair distribution > capitalism's injustice is contingent on distributive fairness.
- The exclusion violates "a negative duty of justice to not pose avoidable constraints to the individual autonomy of others" by forcing non-owners to work for owners (Corvino 2019. See also Gourevitch 2013).
  - But: does the welfare state – by forcing the able to work for the benefit of the disable or dependent – amount to structural domination then?
- Republicanism is not "a theory of domination without agents." (Gourevitch 2013) Who dominates then? Those who reproduce the structure include many agents beyond capitalists. The state not capitalism?

The Kantian route

- Capitalist work relations involve *constraint by another's choice*, as producers unilaterally (non-nonreciprocally) control the labor process (Vrousalis 2021).
- But: cannot producers' unilateral control over labor be omnilaterally authorized?
- No, because it undermines our capacity for purposiveness.
- But: A controlling the terms of B's work only undermines B's *productive* purposiveness (Vrousalis 2021).
- Unilateral control does not violate freedom as independence (***the domination thesis is false***).