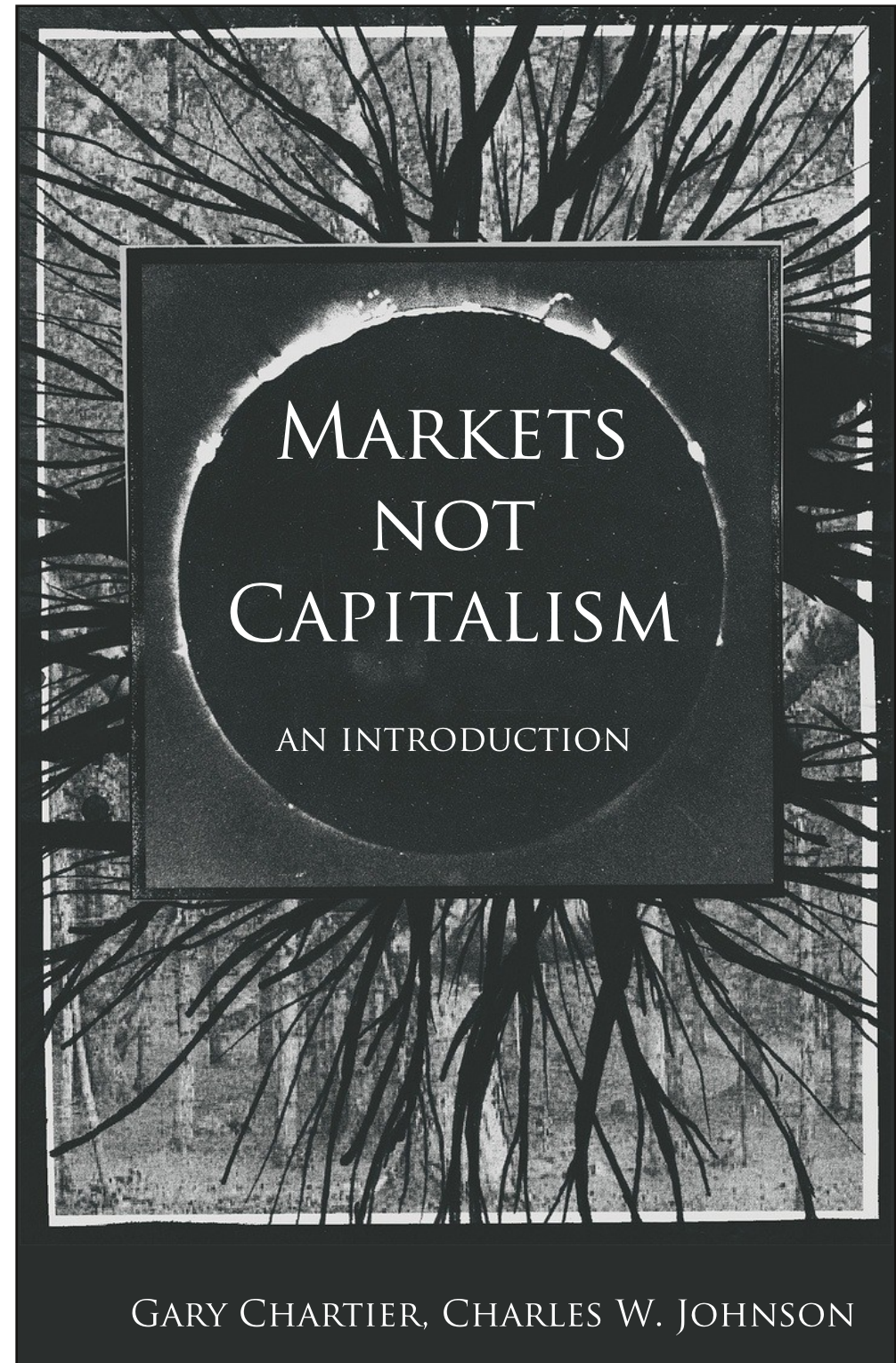
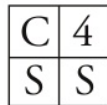


THE NOTION THAT CAPITALISM EXEMPLIFIES A FREE MARKET IS AKIN TO THE NOTION THAT A FEW WILTING GERANIUMS IN A GREENHOUSE CONSTITUTE AN ECOSYSTEM.

MARKETS ARE USEFUL TOOLS FOR AN EGALITARIAN SOCIETY — PROPERLY DEFINED THEY ARE OF UNPARALLELED POTENTIAL — BUT EXPLAINING THIS UTILITY HAS BECOME AS DIFFICULT AS EXPLAINING THE UTILITY OF ECOLOGY TO RESIDENTS OF A HERMETIC SPACE STATION WHO ONLY REMEMBER THE UPSETS CAUSED BY RUNAWAY FUNGUS IN THEIR FOOD VATS.

WE CANNOT EXPECT OUR ABSTRACT PROOFS TO SPARK THE IMAGINATION OF RADICALS UNTIL THE CANCERS AND CATASTROPHES OF OUR NEAR-TERMINAL SOCIETY ARE PROPERLY CONTEXTUALIZED.



while genuinely liberated — freed — markets could be empowering, market transactions that occurred in contexts misshapen by past and ongoing injustice were, not surprisingly, debilitating and oppressive. But the problem, the new individualists (like their predecessors) insisted, lay not with markets but rather with capitalism — with social dominance by economic elites secured by the state. The solution, then, was the abolition of capitalism through the elimination of legal privileges, including the privileges required for the protection of title to stolen and engrossed assets.

The new individualists have been equally critical of explicitly statist conservatives and progressives and of market-oriented libertarians on the right who use the rhetoric of freedom to legitimate corporate privilege. Their aggressive criticism of this sort of “vulgar libertarianism” has emphasized that existing economic relationships are shot through with injustice from top to bottom and that calls for freedom can readily be used to mask attempts to preserve the freedom of elites to retain wealth acquired through state-tolerated or state-perpetrated violence and state-guaranteed privilege.

INTRODUCTION

Market anarchists believe in market exchange, not in economic privilege. They believe in free markets, not in capitalism. What makes them anarchists is their belief in a fully free and consensual society — a society in which order is achieved not through legal force or political government, but through free agreements and voluntary cooperation on a basis of equality. What makes them market anarchists is their recognition of free market exchange as a vital medium for peacefully anarchic social order. But the markets they envision are not like the privilege-riddled “markets” we see around us today. Markets laboring under government and capitalism are pervaded by persistent poverty, ecological destruction, radical inequalities of wealth, and concentrated power in the hands of corporations, bosses, and landlords. The consensus view is that exploitation — whether of human beings or of nature — is simply the natural result of markets left unleashed. The consensus view holds that private property, competitive pressure, and the profit motive must — whether for good or for ill — inevitably lead to capitalistic wage-labor, to the concentration of wealth and social power in the hands of a select class, or to business practices based on growth at all costs and the devil take the hindmost.

Market anarchists dissent. They argue that economic privilege is a real and pervasive social problem, but that the problem is not a problem of private property, competition, or profits per se. It is not a problem of the market form but of markets deformed — deformed by the long shadow of historical injustices and the ongoing, continuous exercise of legal privilege on behalf of capital. The market anarchist tradition is radically pro-market and anti-capitalist — reflecting its consistent concern with the deeply political character of corporate power, the dependence of economic elites on the tolerance or active support of the state, the permeable barriers between political and economic elites, and the cultural embeddedness of hierarchies established and maintained by state-perpetrated and state-sanctioned violence.

THE MARKET FORM

Market anarchism is a radically individualist and anti-capitalist social movement. Like other anarchists, market anarchists are radical advocates of individual liberty and mutual consent in every aspect of social life — thus rejecting all forms of domination and government as invasions against liberty and violations of human dignity. The market anarchists' distinct contribution to anarchist thought is their analysis of the market form as a core component of a thoroughly free and equal society — their understanding of the revolutionary possibilities inherent in market relationships freed from government and capitalistic privilege, and their insights into the structures of political privilege and control that deform actually-existing markets and uphold exploitation in spite of the naturally equilibrating tendencies of market processes. Since they insist on so sharp a distinction between the market form as such and the economic features of actually-existing capitalism, it is important to carefully distinguish the key features of markets as market anarchists understand them. The social relationships that market anarchists explicitly defend, and hope to free from all forms of government control, are relationships based on:

- ownership of property, especially decentralized individual ownership, not only of personal possessions but also of land, homes, natural resources, tools, and capital goods;
- contract and voluntary exchange of goods and services, by individuals or groups, on the expectation of mutual benefit;
- free competition among all buyers and sellers — in price, quality, and all other aspects of exchange — without ex ante restraints or burdensome barriers to entry;
- entrepreneurial discovery, undertaken not only to compete in existing markets but also in order to discover and develop new opportunities for economic or social benefit; and

economic organization, which might radically transform market forms from the bottom up.

But in the “second wave” of the 1960s, the family of anarchist social movements — revived by antiauthoritarian and countercultural strands of the New Left — and the antiwar radicals among the libertarians began to rediscover and republish the works of the mutualists and the other individualists. “Anarcho-capitalists” such as Rothbard and Childs began to question libertarianism’s historical alliance with the Right, and to abandon defenses of big business and actually-existing capitalism in favor of a more consistent left-wing market anarchism. Perhaps the most visible and dramatic example was Karl Hess’s embrace of the New Left radicalism, and his abandonment of “capitalist” economics in favor of small-scale, community-based, non-capitalist markets. By 1975, the former Goldwater speechwriter declared, “I have lost my faith in capitalism” and “I resist this capitalist nation-state,” observing that he had “turn[ed] from the religion of capitalism.”

The “second wave” was followed by a second trough, for anarchism broadly and market anarchism in particular. By the later 1970s and the 1980s, the anti-capitalist tendency among market-oriented libertarians had largely dissipated or been shouted down by the mainstreaming pro-capitalist politics of well-funded “libertarian” institutions like the Cato Institute and the leadership of the Libertarian Party. But with the end of the Cold War, the realignment of longstanding political coalitions, and the public coming-out of a third wave anarchist movement in the 1990s, the intellectual, social stages were set for today’s resurgence of anti-capitalist market anarchism.

By the beginning of twenty-first century, anti-capitalist descendants of the individualists had grown in number, influence, and visibility. They shared the early individualists’ conviction that markets need not in principle be exploitative. At the same time, they elaborated and defended a distinctively libertarian version of class analysis that extended Tucker’s list of monopolies and highlighted the intersection of state-secured privilege with systematic past and ongoing dispossession and with a range of issues of ecology, culture, and interpersonal power relations. They emphasized the fact that,

and the monopolistic privileges conferred by tariffs. The economically powerful depended on these monopolies; eliminate them, and the power of the elite would dissolve.

Tucker was committed to the cause of justice for workers in conflict with contemporary capitalists and he clearly identified with the burgeoning socialist movement. But he argued against Marx and other socialists that market relationships could be fruitful and non-exploitative provided that the market-distorting privileges conferred by the four monopolies were eliminated.

The radicalism of Tucker and his compatriots and that of the strand of anarchism they birthed was arguably less apparent after the breaking of the first wave than it was to their contemporaries. Perhaps in part this is because of their disputes with representatives of other anarchist tendencies, whose criticisms of their views have influenced the perceptions of later anarchists. It is also, unavoidably, a consequence of the identification of many of their twentieth-century descendants with the right wing of the libertarian movement and thus as apologists for the corporate elite and its social dominance.

Though there were honorable exceptions, twentieth-century market-oriented libertarians frequently lionized corporate titans, ignored or rationalized the abuse of workers, and trivialized or embraced economic and social hierarchy. While many endorsed the critique of the state and of state-secured privilege offered by Tucker and his fellow individualists, they often overlooked or rejected the radical implications of the earlier individualists' class-based analysis of structural injustice. There were, in short, few vocal enthusiasts for the individualists' brand of anti-capitalism in the early-to-mid-twentieth century.

The most radical fringe of the market-oriented strand of the libertarian movement — represented by thinkers like Murray Rothbard and Roy Childs — generally embraced, not the anti-capitalist economics of individualism and mutualism, but a position its advocates described as “anarcho-capitalism.” The future free society they envisioned was a market society — but one in which market relationships were little changed from business as usual and the end of state control was imagined as freeing business to do much what it had been doing before, rather than unleashing competing forms of

- spontaneous order, recognized as a significant and positive coordinating force — in which decentralized negotiations, exchanges, and entrepreneurship converge to produce large-scale coordination without, or beyond the capacity of, any deliberate plans or explicit common blueprints for social or economic development.

Market anarchists do not limit ownership to possession, or to common or collective ownership, although they do not exclude these kinds of ownership either; they insist on the importance of contract and market exchange, and on profit-motivated free competition and entrepreneurship; and they not only tolerate but celebrate the unplanned, spontaneous coordination that Marxists deride as the “social anarchy of production.” But left-wing market anarchists are also radically anti-capitalist, and they absolutely reject the belief — common to both the anti-market Left and the pro-capitalist Right — that these five features of the market form must entail a social order of bosses, landlords, centralized corporations, class exploitation, cut-throat business dealings, immiserated workers, structural poverty, or large-scale economic inequality. They insist, instead, on five distinctive claims about markets, freedom, and privilege:

The centrifugal tendency of markets: market anarchists see freed markets, under conditions of free competition, as tending to diffuse wealth and dissolve fortunes — with a centrifugal effect on incomes, property-titles, land, and access to capital — rather than concentrating it in the hands of a socioeconomic elite. Market anarchists recognize no de jure limits on the extent or kind of wealth that any one person might amass; but they believe that market and social realities will impose much more rigorous de facto pressures against massive inequalities of wealth than any de jure constraint could achieve.

The radical possibilities of market social activism: market anarchists also see freed markets as a space not only for profit-driven commerce, but also as spaces for social experimentation and hard-driving grassroots activism. They envision “market forces” as

including not only the pursuit of narrowly financial gain or maximizing returns to investors, but also the appeal of solidarity, mutuality and sustainability. “Market processes” can — and ought to — include conscious, coordinated efforts to raise consciousness, change economic behavior, and address issues of economic equality and social justice through nonviolent direct action.

The rejection of statist-quo economic relations: market anarchists sharply distinguish between the defense of the market form and apologetics actually-existing distributions of wealth and class divisions, since these distributions and divisions hardly emerged as the result of unfettered markets, but rather from the governed, regimented, and privilege-ridden markets that exist today; they see actually-existing distributions of wealth and class divisions as serious and genuine social problems, but not as problems with the market form itself; these are not market problems but ownership problems and coordination problems.

The regressiveness of regulation: market anarchists see coordination problems — problems with an unnatural, destructive, politically-imposed interruption of the free operation of exchange and competition — as the result of continuous, ongoing legal privilege for incumbent capitalists and other well-entrenched economic interests, imposed at the expense of small-scale competitors and the working class.

Dispossession and rectification: market anarchists see economic privilege as partly the result of serious ownership problems — problems with an unnatural, destructive, politically-imposed maldistribution of property titles — produced by the history of political dispossession and expropriation inflicted worldwide by means of war, colonialism, segregation, nationalization and kleptocracy. Markets are not viewed as being maximally free so long as they are darkened by the shadow of mass robbery or the denial of ownership; and they emphasize the importance of reasonable rectification of past injustices — including grassroots, anti-corporate, anti-neoliberal approaches to the “privatization” of state-controlled resources; processes for restitution to identifiable victims of injustice; and revolutionary expropriation of property fraudulently claimed by the state and state-entitled monopolists.

THE MARKET ANARCHIST TRADITION

Early anarchist thinkers such as Josiah Warren and Pierre-Joseph Proudhon emphasized the positive, socially harmonizing features of market relationships when they were conducted within a context of equality — with Proudhon, for example, writing that social revolution would abolish the “system of laws” and “principle of authority,” to replace them with the “system of contracts.”

Drawing on Warren’s and Proudhon’s use of contract and exchange for models of social mutuality, distinctive strands of market anarchism have emerged repeatedly within the broad anarchist tradition, punctuated by crises, collapses, interregnums and resurgences. The history is complex but it can be roughly divided into three major periods — (i) a “first wave,” represented mainly by “individualist anarchists” and “mutualists” such as Benjamin Tucker, Voltairine de Cleyre, and Dyer Lum, and occupying roughly the period from the American Civil War to 1917; (ii) a “second wave,” coinciding with the radicalization of formerly pro-capitalist American libertarians and the resurgence of anarchism as a family of social movements during the radicalism of the 1960s and 1970s; and (iii) a “third wave,” developing as a dissident strand within the anarchist milieu of the 1990s and the post-Seattle movement of the new millennium.

In spite of discontinuities and differences, each wave has typically revived the literature of the earlier waves and drawn explicitly on its themes; what has, in general, united them is their defense of market relationships and their particular emphasis on the revolutionary possibilities inherent in the market form, when it is — to the extent that it is — liberated from legal and social institutions of privilege.

The anti-capitalism of the “first wave” individualists was obvious to them and to many of their contemporaries. Benjamin Tucker famously argued that four monopolies, or clusters of state-guaranteed privileges, were responsible for the power of the corporate elite — the patent monopoly, the effective monopoly created by the state’s distribution of arbitrarily engrossed land to the politically favored and its protection of unjust land titles, the money and credit monopoly,