

# Review of Social Economy

REVIEW  
OF  
SOCIAL  
ECONOMY

ISSN: (Print) (Online) Journal homepage: <https://www.tandfonline.com/loi/rrse20>

## Market socialism as a form of life

Tully Rector

To cite this article: Tully Rector (2021) Market socialism as a form of life, Review of Social Economy, 79:3, 581-606, DOI: [10.1080/00346764.2021.1886319](https://doi.org/10.1080/00346764.2021.1886319)

To link to this article: <https://doi.org/10.1080/00346764.2021.1886319>



© 2021 The Author(s). Published by Informa UK Limited, trading as Taylor & Francis Group



Published online: 22 Feb 2021.



Submit your article to this journal [↗](#)



Article views: 799



View related articles [↗](#)



View Crossmark data [↗](#)

# Market socialism as a form of life

Tully Rector 

Department of Philosophy, Utrecht University, Utrecht, Netherlands

## ABSTRACT

Capitalism is not only an economic order, but a form of life. Market socialism is proposed as an alternative, and should be assessed according to the standards of second-order coherence and social rationality that make a form of life habitable. I argue that it fails to meet those standards. Competitive market practices encode values that determine specific reasons for action and belief, reasons antithetical to those given by the principle of community. That principle, however, validates the politics under which common capital ownership is secured. The self-same agents, in their fulfillment of essential and non-negotiable functional roles, are required to be equally responsive to incompatible reasons. This undermines the case for market socialism's general stability.

**ARTICLE HISTORY** Received 1 April 2020; Accepted 29 January 2021

**KEYWORDS** Market socialism; form-of-life; practical reason

## 1. Introduction

Under market socialism, the political community owns capital and distributes its income in a democratically justified pattern. Production remains organized through competitive market mechanisms. Designs and defenses vary, but all are proposed replacements for capitalism. They should therefore be assessed under concepts applicable to capitalism's social ontology. The concept I favor is *form of life* (Jaeggi, 2018). We're interested in alternative arrangements, after all, because many of our present emergencies seem like facets of a single capitalist crisis. Instabilities in finance and the real economy get the most press *as capitalism*, but these are related to political legitimation deficits, the breakdown of ecological systems, failures of welfare provision, the blighted moral psychology of persons in various states of dominance and subjection, etc.; only an 'expanded conception' of capitalism can capture their connectedness (Fraser, 2014, p. 55). We can adopt that expanded perspective when considering a

**CONTACT** Tully Rector  [t.f.rector@uu.nl](mailto:t.f.rector@uu.nl)  Department of Philosophy, Utrecht University, Janskerkhof 13, 3512 BL Utrecht, Netherlands

differently structured future. Remedial proposals, such as market socialism, should do more than add moral criteria to economic relations. Communizing capital ownership couldn't occur, and wouldn't be stable, without many other changes occurring in parallel. We want a sense of how that would look – how market socialism, or any such alternative, might function as the kind multidimensional system capitalism is, whether it would be inhabitable as an ongoing form of life.

I develop an assessment of market socialism in those terms. How would a politics shaped by the principle of community – which authorizes the withdrawal of capital from private control – comport with a dynamic market economy, as a part of the same continuous form of life? Any such evaluation must merge two perspectives. One is strictly normative: we consider the validity of principles or relations from an impartial standpoint. The other is 'sideways-on': we consider the purchase a principle would have, and how a set of proposed arrangements intending to realize that principle would work, for agents deliberating under specific social conditions (McDowell, 1996, p. 35). Whether the principle of community is deliberatively consequential depends on more than its normative validity. The coherence of a form of life depends on the relations obtaining among its members' various action-guiding evaluative standpoints. To assess the likely coherence of a proposed form of life, we need to know the conditions under which people will acquire, hold, and act on beliefs and attitudes about what is good, which is not the same as knowing whether those beliefs would be true.<sup>1</sup> Social practices set, and constitute, those conditions. They encode relations between principles, values, and reasons. How they shape volitional experience determines whether a form of life falls into crisis, or can adapt effectively to the problems it creates and encounters.<sup>2</sup> Market socialism presents a viable set of arrangements if its core practices are coherent. This paper argues that there is sufficient incoherence among them to question the form of life's ongoing habitability.

At issue specifically is the principle of community and its relation to market practices. I take the principle of community to require that persons promote, and jointly care that they promote, the flourishing of one another, because of their mutual involvement *as* persons *with* one another. Discussions of market socialism have often focused on whether the centrality of markets violates that principle.<sup>3</sup> No one has yet considered if that violation might render market socialism uninhabitable in a broader sense. I think the community critique of

---

<sup>1</sup> See Harman (1977).

<sup>2</sup> For example, the US was a slave society – its basic structure violated the principle of equal moral status – long before that violation precipitated a political and social crisis. Slavery was even more central to the sixteenth century Crimean Khanate, which underwent no such crisis. An account of slavery's wrong-making features, or of why the principle of equal moral status ought to be realized in every polity, can't explain the variation here. We need to understand the nexus of historically dynamic social practices that composed these different societies.

<sup>3</sup> The debate is reviewed in Miller (2014).

market relations is sound, and will prosecute it here on structural grounds. The basic argument is this. Under market socialism, common ownership of capital goods is to be secured via political institutions and practices that aim to realize the principle of community. Any market economy, however, is made up of a battery of social practices whose formative values determine specific operative reasons for action and belief, and these reasons conflict with those determined by the principle of community. These diverging normativities present a coherence problem: two opposed value patterns, each purporting to guide and mediate relations among strangers, command equal *centrality* in a single form of life. When the practices through which persons pursue vital goods are organized according to conflicting regulative ideals, the selfsame agents, in their fulfillment of essential and non-negotiable functional roles, are required to be equally responsive to conflicting reasons. This is a weakness in the case for market socialism.

Before developing my claims in detail, let me briefly clarify what I take to be the paper's argumentative burden, responding in advance to specific doubts about its general framing. First, I am not presenting an argument *against* all conceivable varieties of market socialism, but rather an argument *for* what any argument in favor of market socialism should be: namely, a case for its rationality as a form of life. For my argument to work, I need to explain what exactly that means and why it matters, and anatomize under those terms the problems any defender of market socialism will have to surmount, in order to make *her* argument work. Her main difficulty concerns conflicting patterns of political and economic value, and the reasons arising from the values at stake, neither of which can be made consistent with the other, in a special sense of 'consistent' that will become clear in due course. What will make it clear is an argument about social practices. The paper, then should be taken as an exploration of why there are *formal* limits to the morphology of social orders – to the shapes they can assume – that arise not from historical path-dependence, or fixed traits of 'human nature,' or strategies dictated by inescapable scarcity, and so on, but rather from the quiddity of social practices as such.

Second, I'm not arguing that market socialism, as a proposed form of life, is unfeasible in the sense that we could never be in a position to institute it, even if we all did our required part in the attempt.<sup>4</sup> We value both the coordinative function of price-signaling and the ability to pursue one's own ends via

---

<sup>4</sup> Whether it is unfeasible in the sense of being *unstable* is another question. It depends on what one takes as criterial for stability, and, as will become clear, what I mean by a form of life's coherent habitability is one specification of those criteria. Stability is anyway scalar. A set of social arrangements 'is more or less stable depending on the extent to which its continued presence does not clash with general empirical truths about how people are or can be in their social life,' especially as these pertain to the historical circumstances in which those arrangements are put in place (Gilbert & Lawford-Smith, 2012, p. 820). Since it is true that people are highly inconsistent in their practical reasoning, my aim here is to define the type, role, and extent of those inconsistencies that derive from how dominant social practices are structured, such that the society in question cannot respond appropriately to the problems it confronts.

competitive entrepreneurship, both of which speak in favor of a market economy. It's questionable, however, that *only* markets can generate the actionable information required for efficient production.<sup>5</sup> Moreover, the fact that markets are especially good at promoting a certain realization of private autonomy can't establish *that* form of autonomy's superior value as compared to other forms, which may be blocked or suppressed by market relations. Our present form of life constrains us to occupy a perspective within a market structure, so entrepreneurial autonomy has *prima facie* value for us. The question of that value's compatibility with other values should be explored through an analysis of the practices that structure and support those evaluative standpoints.

This question of perspective-dependent valuations will reappear in what follows, so let me head off a few other worries in advance.<sup>6</sup> Although I argue that the reasons we take ourselves to have – our operative reasons – issue from our existing valuations, which themselves depend on the structure of the practices we're engaged in and socialized into, this doesn't imply that *only* those reasons supported by an agent's *present* valuations can become accessible to that agent.<sup>7</sup> You can always inspect features of your practical identity and consider whether you should endorse whatever role they play in deliberation and judgment. But there is not a single, universally available schema of evaluation that any exercise of reasoning can employ in doing so. As valuers and reasoners, we're always already at sea on Neurath's boat, modifying some evaluations by means of others, none of which were acquired outside of involvement in a social practice. Even our deep biological desires and aversions are shaped as reason-giving through routines of acculturation. What it means to be sapient, as opposed to merely sentient, is to have to *learn* what to do with our rational freedom, and we always learn it in *specific* ways.<sup>8</sup> Rational freedom has mediating conditions.

My other point has to do with conflicting normativities within those conditions. I'm not arguing that such conflicts must be absent altogether from a social formation, if it is to be habitable in ways worthy of endorsement. The question concerns the kind, location, extent, and consequences of discordant valuations. Any cooperative enterprise requires agreement among persons on matters basic to the aim and means of their enterprise (if it is to be *theirs*); this is a matter of shared commitment to, and understanding of, the values giving rise to the reasons on which they act. Such reasons are reciprocally owed, so they must be generally acknowledgeable *as* what they are taken to be reasons *for*.

---

<sup>5</sup> That new digital feedback infrastructures might enable efficient planning is argued by Morozov (2019).

<sup>6</sup> On perspective-dependence, see Pettit (2001, pp. 28–30).

<sup>7</sup> Scanlon (1998, p. 19) distinguishes 'operative' from normative reasons; others (Parfit 2001) describe the former as 'motivating' reasons. Both construals work with the claims I'm making here.

<sup>8</sup> As Robert Brandom (2009, p. 137) puts it, sapient beings like us don't just eat or drink, 'we sip and savor, we compare, contrast, assess, develop, and articulate preferences ... Sapience fundamentally transforms our sentience, turning mere inchoate *sensation* into articulate *perception*.' In learning how and what to articulate, we form our valuations.

What degrees of divergence are manageable? My claim is this: the more central a practice is to some cooperative enterprise, the more its structuring normative profile must cohere with that of other practices that are *equally* central. A basketball game, for example, can't be played if the players disagree on what counts as a reason to add points to a team's score. But it can be played if they disagree about other things, such as the relative merits of the triangle offense, or whether the referee ought to have called an intentional foul in some specific instance. More will be said about this point later in the paper.

I argue that the equally basic practices of market production and socialist governance fail to exhibit the requisite degree of normative concord. The form of life they constitute will be less able, as a result, to solve structural problems in generally satisfactory ways (compared with a more coherent alternative system). An argument for market socialism shouldn't be two independent arguments, one for markets and another for socialism, but an argument for their interanimating virtues. If such an argument fails, it is not because market production can have *no* place whatever in a socialist polity, but rather that socialism cannot endure as the political logic of a *market society*, in which subjection to market dynamics is the principal experience of most agents' lives as individual producers and consumers.<sup>9</sup> When the determinants of our collective volitional life are hopelessly opposed, as a result of how our core social practices are designed, we can't reason and act as subjects of social power through the same routes of public concern. We inflict harms and wrongs insoluble within that framework. We confront injustices we can't jointly decipher, or remedy through coordinated action. Social formations founder in that condition.

The itinerary is as follows. Sections 2 and 3 present the different elements of what I mean by a form of life, what kind of critique is appropriate to it, and what the structure of practices entails about our reasoning and valuing. Sections 4 and 5 discuss the important features of market socialism, and its political life-support apparatus, in light of the principle of community. In Section 6 I describe the key attributes of market practices, and address various defense of market freedom. Section 7 concludes with a brief summary.

## 2. What are forms of life?

Like cognate concepts – the lifeworld (Habermas, 1987), or ethical life (Honneth 2014a) – form of life refers generally to the background structural features

---

<sup>9</sup> The difference between *market societies* and *market economies* is often unclear. Where Polanyi (1944) claims the first embeds social relations in and subordinates them to the second, when and because land, labor, and capital are commodified, the view presented here is closer to that of C.B. MacPherson's (1962) more 'cultural' conception of market society: the values of possessive individualism, along with macrostructural economic features, supply a greater share of motivational reasons than is consistent with desirable levels of social equality. Cunningham (2005, p. 132) glosses those values as 'selfishness, a fixation on private ownership, commodity fetishism, consumerism, and greed.'

shaping social agency. Rahel Jaeggi defines it this way: a form of life is an historically instituted order of human coexistence, made up of an ensemble of social practices that are collectively undertaken, habitually sustained, normatively structured, and oriented toward serving some functional end (Jaeggi, 2018, pp. 41–45). They maintain themselves in time, or fail to, by virtue of their core elements. Let's look at these. First, the social practices that comprise them have to be clustered together. Under capitalism, for example, private property rights march in lockstep with legal procedures, practices of commodification, routine ways of deciding how to invest, and so on, none of which would make much sense were the others not in place. That reveals, secondly, their function as vehicles of collective intentionality. Agents must *share* a form of life, must have their conduct attuned and directed in patterns of mutual responsiveness. Third, the fact that specific intentions, dispositions, perceptions of relative value, and so on, are encoded *into* the practices in question – they are not merely natural inputs – reveals the habitual and inertial quality of forms of life: 'one lives in a form of life as in a structure that is pre-given and laid out in advance, even if one simultaneously creates it through one's own practice' (Jaeggi, p. 42).

This stability is not stasis. Forms of life mutate and adjust. Jaeggi distinguishes this dynamism from that of, say, fashion, where the dynamics are all internal: wide-legged trousers don't become more fashionable than skinny jeans *because* some other change, outside of fashion, has made wearing tight jeans unreasonable. Forms of life, however, 'change for reasons grounded in features of reality ... be they changed problem situations or changed perceptions of problems,' including problems they have themselves brought about (p. 46). This pertains to the fourth feature, normativity. All practices are governed by norms that program expectations and coordinate action. Norms attribute value, rank reasons, and shape preferences. Forms of life, on this model, are also normative with respect to their functions. The actions they coordinate are directed toward some end or set of ends. They don't just happen to exist, they exist *as* solutions to problems faced by human agents in the management of their already acculturated lives. This relation between first- and second-order problems requires some clarification. They are at issue in questions of habitability.

Normative the functional dimensions are interlinked in a form of life. Problems afflicting the one can stem from or affect the other. Jaeggi uses the example of a drought in the pre-Anthropocene era. The drought is natural, a first-order problem sent by the world. But a society's systematic failure to build storehouses in anticipation of the calamity is a second-order problem: it doesn't 'concern "the world" itself, but our cultural mechanisms for coping with the problems arising in the world, and the interpretations of the world associated with these mechanisms' (p. 169). It displays hindrances to a form of life's practical habitability. Knowing how and why to build storehouses requires

not only the appropriate practices and shared understandings; these depend on the social group's shared normative *self*-understanding, and the capacities and opportunities that belong to it. If a form of life is set up such that droughts are interpreted as the rain god's punitive judgement, then building storehouses will not be high on the list of solutions unless and until the normative framework shifts. The *kind* of problem a form of life confronts, then, is never merely empirical, but always affects both the criteria determining what counts as a problem, and the associated normative patterns of acting and sense-making that sustain those criteria. These are embodied in social practices. They typically change in a gradual way, below the level of participant awareness. But problem-responsive shifts may also be actively undertaken. Diagnostic practices can open a form of life to critical amendment.

Second-order problems afflict and arise from a form of life's capacity to be experienced as appropriately action-guiding. Both the standards governing what is appropriate or fitting (what should be taken as a reason for what), and the empirical setbacks and impediments – the first-order problems of the world – made worse by normative misalignment and paralysis, are brought together in any critical diagnosis. New normative standards are forged internally, from the fragments of available concepts. They need not be emancipatory only by the standards of some final or absolute framework, however we conceive it. What is sought for is a new mode of reflexively shareable action. Forms of life undergo crises when a significant (but undefined) number of agents confront first-order problems, experience themselves as unable to endorse or avow prevalent reasons for action and belief, can't coordinate adequately in response to first-order problems, and – crucially – face resistance from other agents in their efforts to change the social practices that structure their relations. This means, naturally, that forms of life undergo their crises as episodes of political contestation.

An example is the climate crisis. Effectively every state in existence today is committed to expanding material consumption. Their institutional design and public political culture promotes it as a central, if not *the* central, policy aim. If this goes on, the non-human environment will be so badly degraded that present levels of prosperity, health, and civic order will be insupportable. The conditions on which bourgeois consumption depends will be eliminated by the pursuit of bourgeois consumption. Mitigation and adaption efforts are systematically blocked. Collective action dilemmas arising from basic features of the nation-state are on course to undermine those states. Resource conflict, destitution, mass migration, food and water shortages, disease outbreaks, civil unrest: these are what we create states and economies to prevent. Reasons to promote the flourishing of future people are implicit in everyone's private commitments (Scheffler, 2018), yet our dominant patterns of choice work against that aim. People are not intending to immiserate the future, but they can't collectively enact new practices that would realize the intention to prevent it.



Not only are those practices off the current menu – knowledge of *that* fact, and of the other facts that make it true, is a reason to withhold our reflective endorsement from many of the other reasons that presently guide our action as consumers, voters, etc., and yet we still take ourselves to have those reasons. Our form of life is subject to critique on these grounds. Our individual rationality is at odds with itself, and with its collectively rational fulfillment.

### 3. The primacy of practice

Axel Honneth (2009, p. 39) argues that something has gone *morally* awry when a form of life's conditions obstruct the exercise of human rationality, and while that is true, the moral dimension of the problem does not always illuminate what has gone *structurally* awry.<sup>10</sup> If we want to know what follows from a form of life violating some moral principle, we need first to understand the place of principles as such. For that we need two things: an account of how social practices encode the values that ground reasons, and an account of how conflicting reasons disrupt our practical orientation. First we need a robust definition of what a social practice is. According to Sally Haslanger, they are 'patterns of learned behavior that enable us (in the primary instances) to coordinate as members of a group in creating, distributing, managing, maintaining, and eliminating a resource (or multiple resources) ... as interpreted through shared meanings/cultural schemas' (Haslanger, 2018). The cognitive elements direct what persons *do* with and to the things that are taken to have value (i.e. the 'resources', which can be concrete or abstract), *because* they (the meanings and schemas) support precisely *those* specific valuations. Call this the *primacy of practice* view (cf. Raz, 2003 on the 'practice dependence of value'). Instead of treating practices as willed by persons into their distinct form, as the means toward antecedently valued ends, we should see our valuations and their reason-giving force as components of the practices through which we live.

On the primacy of practice view, valuing is a rule-guided activity; practices set the rules. Not only do value-bearing objects (in the broad sense) like songs, food, relationships, modes of governance, and so on, exist because some social practices sustain them – the practices fix our attention to the value their properties confer. As Joseph Raz puts it, 'the values themselves arise with the social forms that make their instantiation possible' (Raz, 2003, p. 33). Valuations are attributions of goodness or its lack. Practices set the criteria for attribution, as they bring forth the value-bearing kind. They inculcate the skills, fluencies, and routines of attention by which the criteria are applied. Strategies of conduct develop accordingly. Your *efforts* to be a good boss or worker, and avoid

---

<sup>10</sup> As applied to capitalism, the differences (and relations) between moral, structural (or 'functional'), and ethical lines of critique are developed in Jaeggi (2016).

dealing with bad ones, are a function of the specific, historically contingent structure of your labor practice. Your moral subjectivity is not absent from the effort, but channeled through the practice. Individual actions recommend themselves as beneficial or meritorious or aversive according to their degree of fit with the practice's constituent norms. In market practices, a good boss knows, by virtue of knowing how to expand market share and ramp up profits, that a distinct excellence resides in disciplining workers, controlling the attention of customers, undermining rivals, seeking and taking advantages over counterparties in a negotiation, and so on. The good boss intends to pursue that excellence. She is moved to act, that is, by reasons favoring the promotion of profit. Whatever interferes with her responsiveness to *those* reasons is a disvalue within that practice. Contrary valuations, like taking solidaristic equality as a property that makes a labor relation better *as a labor relation*, will tend to make one a worse boss, in proportion to their motivational force. Reasons to prefer being a better *comrade* over being a better boss derive not only from solidaristic equality's moral or prudential attractions.<sup>11</sup> *Whether* those attractions have purchase on your deliberation is influenced by the structure of the *other* practices shaping your volitional life. This is not a denial of moral freedom, but a description of its mediating conditions.

Normative reasons don't automatically become operative reasons. They have to surmount barriers established by the other values to which the person is already committed, and according to which that person engages in reasoning. That is, from the normative standpoint alone, reasons stand or fall with the correctness of the agent's beliefs about the value she promotes in acting on them, but viewed from sideways-on, the considerations that are taken by an agent to bear on the quality of a reason are a function of her other beliefs and valuations. They guide the identification and selection of those considerations. These beliefs and valuations are not themselves free-standing, but derive from her acculturation into a range of social practices. A principle or norm will show up in deliberation as worthy of endorsement according to its degree of coherent associability with the other principles and norms an agent accepts, including those she is constrained to accept, by virtue of her habituation into a practice. That is not determinism. People can, singly, free their agency from its habituation. But precisely on account of this being a matter of freedom, it is highly variable. Why is it hard, say, for liberal societies to overcome racist bias in law enforcement? As Haslanger put it, white supremacy

teaches us to be selective in what we notice, what we respond to, what we value. Just as the promiser, worshipper or chef ignores certain desires or considerations and takes this to be required by their practice, the police academy trains the officer to ignore (or interpretively skew) certain behaviors, for example, all too often the cries of the Black person or the poor woman in labour ... They are not

---

<sup>11</sup> In the sense of Товарищ; see Dean (2019) and Kollontai (1921/1980).

what matters; the local cultural *techne* produces ‘blindness’ that filter and shape experience. (Haslanger, 2017, p. 163)

Our practical identities are structured by those filtering valuations. Reasons to modify those identities will be action-guiding only via some clear deliberative path from an existing valuation.

That presents a challenge for achieving and sustaining justice in social relations. Agents must be able to reason together, to offer and accept reciprocal justifications. Their evaluative stances must be sufficiently proximate to be mutually amendable. Call this *rational proximity*. It is a feature of the relation between the practices that compose a form of life. Whether a form of life has that feature depends on the structure of those practices whose value-orientations cut across and inform all others: the economic and political gateway practices through which we satisfy our primary needs. In the above example, certain law enforcement practices are not set up to value what the principle of race-blind moral equality requires. That principle is not (only) an isolated moral axiom. It is a rule encoded into liberalism’s practices of political justification. Rational proximity suffers under this divergence.<sup>12</sup> When the demands of rational proximity for a form of life are satisfied, the condition of habitability is met (at least on the second-order level). If a proposed form of life is meant to represent an overcoming of deep structural crisis, it should offer a new kind of habitability. Reasons to endorse such a proposal are reasons to believe that justice can be more effectively and completely secured under its prospective arrangements, *because* persons will not, under those arrangements, be locked into equally demanding but rationally incompatible practices. Its second-order normative cohesion will support first-order functionality. How does market socialism fare on that score? To figure that out, we need a firm grasp of its central ordering concepts and their inter-supportive rationale.

#### 4. Market socialism and the community principle

While defenders of market socialism offer various schemata and arguments, all are committed, for reasons of justice, to eliminating private capital ownership, at least on any traditional understanding of capital. Competitive market practices continue to govern the production of goods and services. The labor market remains. Price signaling enables actors to allocate resources in ways that best satisfy consumer preferences. Freedom of choice in employment and consumption is protected. Material incentives, in most models, are still the motivational drivers of innovation and growth, since firms and workers are

---

<sup>12</sup> In this case, *Black Lives Matter* names one evaluative standpoint and *Blue Lives Matter* another. Framing the problem in this way does not prevent us from seeing that the first has a stronger case with respect to justice.

rewarded with higher pay for greater market effectiveness. Democratic reconstitution of the firm ensures pay-scale fairness, safe conditions, and worker autonomy. A generous social minimum and high-quality public services, in addition to their practical and expressive benefits, lower exit costs for workers, further guarding against exploitation. Depending on the model, the hazards of market irrationality – perverse incentives, negative externalities, etc. – are mitigated by having investment decisions routed through a democratic, transparent institutional apparatus. Market dynamics generate the information on whose basis those decisions are made, and various political power-sharing mechanisms enforce accountability. Since there are no central planners, there is no Soviet-style authoritarianism.

Assume these outcomes are desirable. Crucial to their enactment is the politics of common capital ownership. What *practices* would be required to sustain it? It helps to see how capital itself depends ontologically on political decisions. Let us understand capital as a legal quality that is affixed to assets, endowing them with the capacity to generate pecuniary income for their owners.<sup>13</sup> The state's powers of legislation and enforcement turn physical things like land, buildings, and machines into claims on money derived from the entities being used in certain ways. Under capitalism these claims are held by private persons. This is accomplished via the rules of property, contract, trust, collateral, incorporation, bankruptcy, and so on (Pistor, 2019, p. 209). Those rules and their parent categories are wholly a creation of public power. Under market socialism, public power would be formed and used in precisely the opposite way. The law would prevent private persons, natural or artificial, from either having the attribute of capital grafted onto what they own, or taking ownership of whatever already has that attribute. Only a set of political institutions whose first virtue is *community* could justify using law this way.

There are two points to consider here: one is the *principle* of community, as an expression of a relational ideal – what does the principle state and require? The other is the *value* of community, as the content of that ideal – why is it worth defending? I'll take these in order. According to the community principle, persons freely promote, and care that they all promote, one another's flourishing – the satisfaction of their needs and enhancement of their good – *because* of their mutual involvement *as* persons *with* one another (cf. Cohen, 2009, pp. 34–35). The principle doesn't hypostatize a collective entity whose well-being is the proper aim of individual striving, negating the value of private pursuits, like the Revolutionary State or the *Volksgemeinschaft*. It expresses, rather, a *content* for the political good, where that good is not free-floating but necessarily tethered to the individual persons for whom it is good. It prescribes that social relations are optimal when they're set up in such a way that what is good for any individual, what she cares about doing and being, is less

---

<sup>13</sup> See also Levy (2017).

likely to conflict or be impossible with the satisfaction of another's good, thus diminishing the need for, and value of, coercive power. Promoting goods that are either self-enclosed (becoming a better musician, for example), cooperative (improving the band play in), or altruistic (helping someone else satisfy their desire to become a better musician) is a matter of institutional design. Political order works best when its rules support practices that, by virtue of their structure, make it the case that persons freely pursue unifiable, convergent ends. As Leif Wenar puts it, 'the use of power is only justified to the degree that this leads to a greater free unity of ends ... because value is itself relative to the unity of ends' (Wenar, 2016, pp. 370–371).<sup>14</sup> When strangers are involved in a cooperative enterprise like production, everyone fares better when they all choose to value the promotion of another's welfare, and take it as a motivating reason, on account of the other's benefitting from their doing so, such that mutual aid and affirmation are both means and end.<sup>15</sup> This doesn't deny the validity of motives and reasons stemming from human partiality: defending the welfare of friends, family and oneself, etc. But just as we demand that public officials shouldn't practice nepotism, once we determine that the conditions of production are of such omnidirectional social importance that public, political standards of ordering should apply to them, we set conditions for how reasons of partiality should be accommodated if and when they conflict with the principle of community. That principle is worth defending when its institutional realization does a better job, as compared with rival arrangements, of securing the well-being of anyone, and hence the well-being of those to whom anyone has partial attachments.

What considerations, then, bring the community principle into play? The bare facts of human vulnerability and dependence require joint provisioning. Fairness and prudence recommend that our way of arranging that provisioning should promote the benefit of all who arrange it. What counts as being benefitted in the appropriate sense is a matter for collective decision-making, according to reciprocally and generally justifiable rules, as befits the fact that every participant is a free subject of equal moral worth. The resulting accessibility of benefits should, being decided among equals, have a generally egalitarian profile. It matters not only that a certain distributive equity obtains, but that it obtains on account of persons *caring* that it obtains, as a consequence of their caring about one another's condition and fate. Here we locate the value of community. That the provisioning and order required for *each of us* to set and pursue our own worthwhile ends is maintained by *all of us*, working as a group to ensure that our dignity as free and equal agents is respected, is *itself* an instantiation of that respect. What we know, when we know that our

---

<sup>14</sup> Wenar's (2020) political theory of unity presents an account similar to that developed here.

<sup>15</sup> On tethered notions of the good, see Korsgaard (2018). Marx (1844/1986) outlines an ethics of communal production in his 'Comments on James Mill.' See also Kuch (2016).

dignity is respected, is that we are able to live as free equals because others care about our ability to do so. The role of coercive authority – necessary in any political order – is not to impose that caring, but to represent and foster it. Law exhibits in its form and effect the reliance of individual autonomy on the community's being free, in the sense of being able, by virtue of common trust and solidarity, to act as one for the benefit of all. The community uses law to secure itself against predation, external and internal. Enforced servitude is a kind of predation. A slave society is not a *community* comprising slaves and masters, but a system of directed plunder. The more a society's rules promote relations of domination, the less of a community it is.

Private ownership of capital violates the principle of community by installing the rule of owners. Satisfying another's needs and abetting their freedom has no economic value for a capital owner, who channels investment in order to maximize returns. Qua investor, his reason to produce is to extract a benefit from others, not to support their existence, or improve the community of which he is a part. The freedom of owners to extract that benefit just *is* the unfreedom of non-owners to access whatever value might otherwise be created by capital investment. Private profit is conditional upon non-owners – workers – being enlisted in the production scheme. Workers are constrained to shape their life-plans according to the desires of others, who are not so constrained; only when they fit into and help realize some owner's plans for deploying his capital can a worker pursue her ends. This differential freedom, in which the burdens and benefits of production are unequally divided, undermines community by shrinking not only the space of common experience, but the space of common justificatory reasons. A consideration favoring the use of capital to solve a common problem is only a reason *for* the owner if he can turn a profit. The community's plans are blocked by incompatible reasons. What is irrational here is that non-owners are turned into unfree servants or helpless bystanders, and the community is disabled as a collective actor, through an application of the *community's* ownmost power, the power of law. Its authority becomes self-denaturing. When legal authority is a private henchman enforcing the terms of class apartheid, workers have no independent moral reason to obey. Only political institutions promoting common freedom can enjoy full legitimacy. The principle of community regulates those institutions by shaping the practices that embody and support them. Fidelity to the principle requires the communizing of capital. This is what makes market socialism *socialism*.

## 5. Political enactments

Which political practices might carry that out? Without discussing the actual strategic process of transitioning to a market socialist society, we can imagine that society's politics running in at least three ways: democratic statist,

syndicalist, or council-democratic (Vrousalis, 2018). Statist models are probably the most commonly proposed way encasing the economic changes.<sup>16</sup> A centralized set of bureaucratic institutions – courts, police, ministerial departments, public investment banks, etc. – strips private owners of their capital assets, reorganizes them under public authority, and guards against any private property being coded as capital in the future. Democratically elected legislators authorize the process. Public accountability is exercised by civil society groups working with partners in other branches of government to prevent fraud, waste, and abuse. Enforcement agencies are trained and equipped to sanction violators. Given the enormity of the task, and the consequent scope of state authority, the principle of community would have to shape at nearly every level the intentions and reasons of political actors. Parties would recruit members and fight elections, legislators would defend their bills, and judges would fashion their rulings in accordance with the principle. Civil servants would be hired and promoted based on how well their talents effectuate what the principle requires.

Under syndicalism, capital is socialized from below, inside existing productive enterprises. The state either disappears entirely, or its role and reach is confined to some minor marginal functions. Democratically constituted labor unions appropriate, manage, and share among their members the profit generated by deploying all the resources in their workplace. As a classic defense of syndicalism states, workers put ‘the right of self-determination of every union above everything else ... recognising only the organic agreement of all on the basis of like interests and common conviction’ (Rocker, 1989, p. 90). The ‘all’ here refers to all workers in a given firm. The political procedures by which the syndicates make rules, distribute tasks and offices, reach consensus, sanction violators, and ensure productive coordination would all be predicated on the independent value of their mutual involvement *as* workers in that community enterprise. Since they would be competing with other syndicates in the relevant market, any conflicts arising from that competition – over natural resources, for example – would have to be mediated by agreed-upon practices that would themselves be justified by appealing to the community principle.

Council democracy proposes to eliminate domination from the workplace and socialize capital under a hybrid order. The firm legitimately realizes of the value of community when control rights over capital assets are democratically exercised by workers, while at the macro-social level, the parameters of workplace action are set and policed in line with the promotion of common freedom by a democratic state (Wollner, 2018). Capital is entirely public, and is managed by different councils along different axes of authority. Workers compose councils at the site of production, elect representatives to councils at higher sectoral levels, and coordinate across their sectoral divisions on through federal-state

---

<sup>16</sup> See Schweickart (2002).

councils, whose pan-communal authority can reach down to steer investment and prevent unfair advantage-taking at the lower levels. The community principle underwrites the divisions of among, and the powers attributed to, all the council units. The council democrat believes statist structures alone fail to conform to the community principle because they don't entail workplace democracy, while the syndicalist project is anti-communal because firms can use their autonomy, market advantages, and capital control to dominate the people in rival firms.

All these practices aim to promote what Marx conceived as democratic freedom: the conversion of the public power of law, with or without the state in its current form, 'from an organ imposed upon society into one completely subordinate to it' (Marx 1891/2000).<sup>17</sup> Everyone must participate to some degree in these practices. People will not just be workers and buyers, but voters or union officers or council members, officials in the political apparatus, advocates for policies they favor, protestors seeking change, voices of opinion in discursive domains. We can't isolate such actions from one another. Their coordinative intelligibility depends on their being part of practices that stand in a determinate relation to the society's basic justificatory rationale. Running through all the actions constitutive of any given political practice, in proportion to their degree of consequence, is the value expressed by the community principle. Something is a reason to vote one way or another, punish someone, praise someone, interpret a ruling this way or that, forego or claim a material benefit, etc., when it manifests or instances that value. The practices only work when people's motivational structure is highly sensitive to the value. Such sensitivity is cultivated through social training, formal and informal.

Shared commitment to helping one another thrive as a condition of private flourishing requires more from persons, as subjects of production, than socializing control over production, precisely on account of those changes having to remain robust across time and circumstance. The political practices that stabilize such gains would themselves be stable only under a broader reevaluation. In any form of life, those practices hang together in varying degrees of tension and concord with a vast array of other customary routines. These are affected by and themselves bear upon the value-sensitivity that ends up prevailing in any given historical moment. Take leisure. Under capitalism, as Adorno points out, our hobbies are formed to match what the 'leisure industry' supplies, and derive their value from the boredom they conceal, where boredom is 'a function of life under the compulsion to work and under the rigorous division of labor,' a kind of 'pseudo-activity' or 'misguided spontaneity' (Adorno, 2005, p. 17). The value attributed to these pseudo-activities, however misguided, reflects people's correct intuitions about capitalist unfreedom.

---

<sup>17</sup> 'Die Freiheit besteht darin, den Staat aus einem der Gesellschaft übergeordneten in ein ihr durchaus untergeordnetes Organ zu verwandeln' Marx (1891/2000).



They prefer 'to let themselves be distracted by spurious, illusory activities, by institutionalized vicarious satisfactions rather than to face the realization of just how much the possibilities for change are blocked today' (p. 17). Adorno's pessimism and snobbery shouldn't conceal the bond between value-attributions that he describes. A form of life in which private capital is disestablished would not only depend on the community principle governing our political relations. It would make possible, and require in parallel, that many of our other goals and interests and concerns be adjusted, as a consequence of our evaluative awareness shifting toward those properties of actions and states of affairs that make them expressive of common freedom.

It's not that we would stop doing the things we now do for fun. Rather, the distinctions between leisure, work, self-improvement, political engagement, and the other activity-kinds that structure our use of time are themselves integral to our present property order. Our free time would be spent differently under market socialism, on account of it having a different social function.<sup>18</sup> That is one of its attractions. Take, for example, the other, non-economic virtues of competitive pursuits, like the cultivation of skills or the drama of conflict. Their eudaimonistic value would, under socialist arrangements, need to be realized differently. Why assume that would lead to a reduction in the availability of the value? The freedoms and security made possible by a fairer division of advantages, and the decoupling of investment from private profitability, would almost certainly open up new possibilities of social life. If people were more free, they would be more free to create venues and means for the realization of different kinds of human excellence. If competition fosters those kinds, we would discover different ways to engage in it, without having our access to vital goods depend on its outcome. The problem, then, is not competitiveness as such. It is a problem of creating and stabilizing socialist order while market practices remain sufficiently coherent to play *the same* informational, incentivizing role they play under capitalism. That's their justification, after all. The more those practices appear recognizable to us, the harder it is to envision stable strategies of practical reason being adopted by agents who are, and must be, both politically prosocial and market-competitive. This has to do with the structure of market practices, to which I now turn.

## 6. The axiology of markets

The following account of markets interprets their economic functionality, as informational and distributive mechanisms, in terms of the values their practices encode. Which valuations would be adaptive for actors reasoning autarkically inside those practices? What are *market values*, broadly construed? There is an ideal form or type of marketized good, undiluted by value-properties

---

<sup>18</sup> See Hägglund (2019).

that can't be represented as a monetary price – the pure commodity; and as Elizabeth Anderson puts it, there is a 'mode of valuation appropriate to pure commodities,' namely '*exclusive use*' (Anderson, 1995, p. 144; italics mine). Use-values cannot be ends in themselves, so they crowd out the autotelic valuations that define moral relationships. One can't have a moral relation to a pure commodity, and one can't commodify what is the proper object of a moral relation (without destroying that relation). Use-values are detachable and transferable, making their objects easily replaceable. The exclusivity component makes them fit for commercial exchange. Having no power to decide who can make use of a commodity can never count in favor of buying that commodity. Market preferences are preferences with respect to ownership. Ownership is a value to and for individuals, from their own first-person standpoint. The good promoted by an act of exchange is *for* the subject of that action. The very concept of a pure commodity makes self-regarding reasoning normative in market relations. Qua market actor, all else being equal, one should perform an action if and only if, and for the reason that, doing so will extend one's powers of ownership.

Market norms promote the search for optimally self-advantageous terms of exchange. Consumers seek to maximize preference-satisfaction, producers to maximize profits. Each is constrained to pursue their highest possible preference curve (Wolff & Resnick, 2012). Value derives solely from relations between utility and disutility, revenue and cost: that my counterparty may benefit from an exchange favorable to me has no *market* value whatsoever for me, aside from the instrumental force it may have in getting him to agree to the exchange. This is partly on account of the identity of my counterparty having no value-supporting role in the structure of exchange. Marx recognized one of the emancipatory, post-feudal effects of capitalist relations in these terms. Properties of social rank or status entitle one to nothing as a market actor, unless and until they entitle one to the ownership of an object or medium of exchange. Market participants are interchangeable, free to replace one another as partners.

Impersonal interchangeability has three main consequences. One, it makes market practices inherently agonistic. The exchangeability of buyers and sellers is normative for markets; monopoly and monopsony are dysfunctions. Sellers compete for consumers, consumers compete for scarce goods. The agent-neutral ideal for markets is perpetually maximal agonism, making the agent-relative ideal, as in all competitions, *power over rivals*.<sup>19</sup> Dispositions conducive to competitive excellence should be promoted and rewarded. Second, market impersonality values freedom as a property of a person's *choosings*. Persons

---

<sup>19</sup> Bowles and Gintis (1992) contend that the concept of power only applies to market actors when competition is imperfect. That this view mistakes market power for economic power is argued by Roemer (1982). See also Vrousalis (2021, fn. 23).

are free in the relevant sense when they can select among goods and partners to an exchange, and their acts of choice don't result from direct coercion. Third, impersonality releases persons from mutual care. That is, a market actor will care *about* what his counterparty *thinks* is his own good, because he will need to determine whether or not he can profit from delivering that good. But he will have no market-based reason to care *for* his counterparty *as* a person, or promote what is independently good for him, for *his sake*.<sup>20</sup> The welfare of another (construed as what is in fact good for another) is motivationally inert. There is no feature of a market exchange to which its value attaches.

This welfare-independent form of valuation fits with the market's reason-independence. That is, all conative states are equivalent in the market. Vital needs have the same standing as whimsical fancies. Only when a consumer's beliefs and desires combine to found his *purchasing* do they acquire evaluative relevance for the seller. It doesn't matter what considerations found those beliefs and give rise to those desires. But *any* considerations that *would* result in an act of purchasing have value to the seller who profits from the transaction, in proportion to whatever profit he stands to make. Hence the general commodification of beliefs, desires, and attention, otherwise known as the marketing industry. The value to a seller of psychological properties, and the personal data from which they are inferred, assigns them a value *for* some other seller, who can profit from their capture and circulation. This illustrates another way market practices, as assignments of relative value, screen out from consideration various features of an exchange. A veil is drawn behind the exchange, concealing from view not only aspects of moral individuation – all counterparties are potentially exchangeable – but also all of the significant background facts comprising the exchange situation's causal history. *Why* a worker signed this labor contract; *how* a tennis shoe was made; *what* an item will in fact be used for; *who* is watching the kids: none of this information bears on any market decision *unless* it can be used as marketing data to generate profit. All biography reduces to marketing data.

In sum, market practices are competitive, self-regarding, instrumental, impersonal, and property-centric. This last is almost a tautology. Markets simply *are* a method of exchanging property entitlements, over goods or their medium of exchange. Commitment to pursuing those entitlements is what defines a market actor. Considerations stemming from ulterior values, such as cooperation, other-regarding care, autotelic importance, direct personal relations, and the equal sharing of powers over an object will not count in favor of an action, or will count only if, when, and because the action's consequences will be valuable on entirely different, market-relevant criteria. None of this is news to socialists. Nor is it grounds for the moral condemnation of market

---

<sup>20</sup> See Darwall (2004).

practices, or at least I'm not offering it as such. The point is this. Reasons for belief, action, and feeling govern how persons ought to orient themselves to other persons, facts, opportunities, and so on. The 'ought' can be strictly normative, i.e. domain-independent. Or it can be relative to some domain that has its own local normative structure, i.e. a set of prescriptions, implicit or explicit, that guide the conduct of persons inside that domain's constitutive practices. In the market, the principle of community can furnish no guiding norms, no directive or evaluative oughts (Thomson, 2008). It can't move persons to act unless it moves them *despite* the prescriptions prevailing in that domain, or alongside them, accidentally. Any form of life in which persons are constrained to relate to the world under utterly opposing determinations will be marked by alienation, systematic conflict, and structural crisis.

The sustainability of a market socialist order depends on markets being different *as a kind* from what I've described, because they have some normatively relevant features for which I didn't account. Let me address this. In the standard liberal view, commerce is an instrument and venue for free agency, where the value of that agency passes to the condition of its exercise. I've already noted how freedom, in the market, is a property of commercial choosings. Which career to pursue, commodity to buy, good to produce, service to offer, productive method to apply – persons deserve the opportunity to make these decisions for themselves, free from dominating interference. Functional markets create such opportunities for authentic autonomy. Because our access to money and recognition is at stake in such choices, market practices train us in the virtues needed to use our autonomy responsibly. Moreover, when we confront one another as clients, customers, colleagues, and counterparties, we recognize one another as interdependent social subjects, whose needs and desires are mutually satisfiable via the market's coordinating apparatus. That recognition has social value, and the market appears on these grounds as a sphere of social freedom.<sup>21</sup> Persons encounter the choices of others not as restrictions of free self-development, but conditions for it. Commercial exchange, like alchemy, transmutes the base metal of self-interest into the gold of social provision.

I think this story fails on several grounds. For one thing, the argument that the market realizes social freedom makes two invalid conflation. One, it mistakes the *causes* occasioning a transaction – that two parties each have a preference the other can satisfy – for the motivating *reasons* that each party has. A's reason to transact is not B's need, but the gain A will extract by meeting it. To claim otherwise is to smuggle the community principle into market relations, when no feature intrinsic to those relations expresses it. Two, the sense of 'social' ascribed to market freedom is merely aggregative. Each atomic chooser may act freely, but in doing so they don't compose a group agent,

---

<sup>21</sup> See Honneth (2014b).

with representational and volitional states, a capacity to act rationally on their representations, etc., over and above the individuals' states and capacities.<sup>22</sup> They're not a community with powers to direct in pursuit of a shared good or common ends. Market actors don't pool their wills to constitute a collective subject of social freedom. Nor are market practices a sphere of autonomous private choice full stop. They make up a complicated nexus of freedom and unfreedom.<sup>23</sup> Career choices are limited to what the market makes available (not to mention the effects of market reward on the distribution of initial life chances), consumer choices by what you can afford, production choice by what people think they want (which not is itself a natural datum, but an effect of market forces), and so on. Markets are systems of property exchange, and property itself, as a bundle of rights, abolishes the freedom of others, or the society at large, to use whatever they don't have an ownership claim to, no matter how much good would be served by that use. No market actor is the sole author of his own choice array, and markets guarantee that whatever degree of authorship exists will vary in morally indefensible ways. The question of whether personal autonomy is better enhanced in market societies, as compared to a system of democratically planned production, simply can't be settled by reference to the value of market choice alone: too many other factors need to be accommodated in judgment.

But let's assume competitive market practices do support at least one kind of personal autonomy better than alternatives. The question here concerns two things: that kind of autonomy's *content*, and its relation to the social freedom valued by a politics of communized capital ownership. Let personal autonomy be what individuals have when they can set and pursue what they take to be their interests without interference from other individuals.<sup>24</sup> We have to name the conditions under which its exercise occurs if we're to grasp its relative value. An astronaut stranded alone on Mars enjoys a relatively worthless private autonomy. Market practices, as described above, create conditions in which the use of autonomy is channeled, via rewards and costs, toward producing what delivers optimal profits (independent of where that profit goes), and buying commodities with the money one gets from doing so. *Which* goods and services are profitable can't itself be the object of free deliberative choice or reflective endorsement, either by individual or collective agents; market forces govern here. The substance of one's interests is determined by an alien power. Moreover, realizing one's autonomy via consumer choice differs qualitatively from realizing it in noncommercial ways. These alternative realizations must be ranked, since they're function of how social institutions are set up. The value of people *realizing their autonomy* through consumption is not

---

<sup>22</sup> For the conditions of group agency, see List and Pettit (2011).

<sup>23</sup> See Cohen (2011).

<sup>24</sup> C.f. Sensat (2016, p. 43).

the same as the value of their being able to choose among consumer goods. The latter is important for instrumental reasons, but the former has hardly any importance, as compared with the realizations of autonomy achieved in other ways, such as through the development of valuable human capacities, cooperative engagement, and so on. A socialist politics, in which capital is collectively owned and administered, ties social freedom to the provision of whatever is required for everyone to enjoy equivalent degrees of personal and moral autonomy.<sup>25</sup> It can only be stabilized when people value exercises of autonomy that enhance social freedom. They must agree, then, at least to a considerable extent, on what would constitute a valid instance of such an exercise. There has to be rational proximity in their evaluative standpoints. The more one values the personal autonomy instantiated in consumer choice, the less one will value its other exercises. To the degree that people share a commitment to pursuing and acting upon consumerist valuations, they will compete with one another for the means and opportunities to do so, and their social relations will accordingly be less cooperative and mutually-supporting, as is the case at present, under capitalism. The other kind of polarization, in which the society is divided between those who privilege consumerist autonomy and those who don't, fails to exhibit the rational proximity required for stable social freedom, the kind that legitimates collective capital ownership.

The upshot here is that when persons are constrained to live as market actors, and are habituated thereby into the market's routines of practical rationality, they fare better *as market actors* – they're more likely to optimize across a range of interactions – the less morally sensitive they are to the content of concepts regulating a politics of community. This is not a moral point, but a structural one. We can't solve the dilemma by simply positing the future existence of a motivational ethos – like, say, an intense desire to be lauded as a generous, self-advantage-sacrificing, other-regarding communitarian – that would be equally apt for economic and political practices. How would such an ethos take hold? Market practices would have to change, such that actors were no longer adaptively rewarded by reasoning autarkically about other people, regarding them as situational parameters, not ends in themselves.

At this point, one might think I'm misrepresenting, or at least overstating, the difficulties of normatively divergent social practices. Any scheme of social ordering will involve value conflict; moreover, people are especially skilled at resolving these conflicts in the management of their practical agency. Values always clash in public and personal life, given the various ways people can find to be aided, improved, pleased, strengthened, or enobled by some practice

---

<sup>25</sup> Moral autonomy is 'the freedom realized by agents when they determine through their own reflection what is right and act on that determination' (Sensat, 2016, p. 43).

or state-of-affairs or social arrangement. Each requires energy and costs to bring about, so trade-offs are inevitable. We tend to succeed in making them. We order our relations with family, partners, friends, colleagues, shopkeepers, mailmen, cops, clerks, and perfect strangers in the street. We easily learn the contours of these relations, the norms and rules of each domain. The very fact of social complexity proves our skill at steering among them. What we have reason to favor in one domain – impartial formality at city hall, deeply partial intimacy at home – is often a disvalue in the other domain; but that need not derail our agency. Shifting mentalities is the human *métier*. So why could we not inhabit a form of life in which the competitive mutual disregard of the market is bounded and balanced by communal solidarity?

While the entire paper can be taken as an extended reply to this, let me offer another clarification. Our success in shifting from one set of action-guiding and value-responsive principles to another, where those principles are determined by the domain of association or the kind of undertaking for which they are appropriate, depends on two things: that those sets are each self-consistent within their domain, and that these domains are generally distinct. In the workplace, for example, it's usually dysfunctional for bosses to form romantic partnerships with subordinates (domain indistinction), and when team members are compelled to engage in ruthless zero-sum competition for important goods, like a promotion, while cooperating on a project (inconsistent principles). Individual agency is confounded by the clash of reasons, and group agency made less coherent thereby. Market socialism can be seen in similar terms. Socialism's defining recognition is that economic relations and powers are sufficiently basic to our common life as to belong properly under our common command; that justifies the removal of capital from private ownership. This only makes sense in terms of the mandate that economic institutions be structured, as a matter of *political* principle, not in conformity with what atomized individuals choose to contractually undertake, but in ways that appropriately reflect and express the public solidarity that binds a free community of equals. Market competition, however, is supposed to remain the organizing allocative mechanism. That mechanism functions only when economic agents *don't* reason on grounds of solidarity with their fellow citizens: they have to pursue plans that succeed only when the plans of their rivals fail.<sup>26</sup> At the same time, they must be disposed to freely endorse strict and extensive limits on the monetary gains they might accrue through successful realization of those plans. That just *is* a preference for being less competitive as market actors. This tension is *not*, in fact, easily resolved. In actually-existing liberal market societies, the forever war over tax policy and compliance shows that, even when the domain distinction between the private economy and the public civil sphere is more sharply drawn, conflicting values

---

<sup>26</sup> See in this context Hussain (2020).

and reasons frustrate social coherence. If this is true under liberalism's less demanding regulative ideals, we are right to expect an argument for market socialism to explain why *more demanding* standards of public solidarity would stabilize conditions of agency, given the central ordering role of competitive markets.

## 7. Conclusion

Applying political judgment not just to laws or specific practices but to 'the way people live' tends toward vagueness. *Form of life* aims to be an instrument of evaluation that can bring its referent into sharper focus. Market socialism purports to be an alternative to capitalism, hence a form of life, and should be evaluated accordingly: not only on normative grounds, but in terms of second-order coherence. If the satisfaction of our vital needs and worthy aspirations is impossible under the present order, there is a determinate pattern of agency we can't realize, given the structure of our practices. Whatever else they come from, reasons for action move someone when they're grounded in her subjective motivational set (Williams, 1981), so these are properly the object of political design. Social institutions are well-configured if their cardinal values shape and channel intentions in the appropriate way. It's not that people's motivations are metaphysically prior to the reasons they *have*, in the strictly normative sense. Rather, their actions show up for them as value-promoting on the basis of their evaluative sensitivity, which is shaped through the inhabitation of their most important practices.

Practices of production and law are most responsible for the contours of people's lives. That's why they need to be in rational concord. If they encode value in opposing ways they will create incompatible commitments. A clash of commitments is assumed to be, and is, a normal feature of human life. Some values are neither commensurable nor realizable in equal degrees, and the point of having private freedom is to form a practical identity by deciding what to honor. But when structurally opposed principles have equal sway in the basic constitution of social life, at the gateway level of production and law, that second-order conflict manifests as a conflict among contending persons, the partisans of those different orders of value. The problem with market socialism, as I've presented it here, is that it removes the class barrier created by private capital ownership, while leaving in place the structural inconsistencies from which new barriers would arise. As long as market practices remain central to production, their effect on volitional life will likely result in a gradual weakening of participation in the practices that ensure distributive equity. Private domination will return. Another possibility is that the discord arising on those new terrains of class struggle will be settled in ways that abolish market agency, but only after the experience of crisis and breakdown. In either case, the form of life's normative, second-order irrationality would lead to functional, first-order



problems that it couldn't solve by applying the sort of social freedom it was designed to engender. Socialists can do better.<sup>27</sup>

## Disclosure statement

No potential conflict of interest was reported by the author(s).

## Data availability statement

Data sharing is not applicable to this article as no new data were created or analyzed in this study.

## Notes on contributor

**Tully Rector** is a postdoctoral researcher in the Department of Philosophy at Utrecht University, where he works on the ERC Research Project 'The Business Corporation as a Political Actor.'

## ORCID

Tully Rector  <http://orcid.org/0000-0002-2825-8236>

## References

- Adorno, T. (2005). *Critical models*. Columbia University Press.
- Anderson, E. (1995). *Value in ethics and economics*. Harvard University Press.
- Bowles, S., & Gintis, H. (1992). Power and wealth in a competitive capitalist economy. *Philosophy & Public Affairs*, 21(4), 324–353. <https://doi.org/10.2307/2265369>
- Brandom, R. (2009). *Reason in philosophy: Animating ideas*. Harvard University Press.
- Cohen, G. A. (2009). *Why not socialism?* Princeton University Press.
- Cohen, G. A. (2011). Capitalism, freedom and the proletariat. In M. Otsuka (Ed.), *On the currency of egalitarian justice, and other essays in political philosophy* (pp. 147–165). Princeton University Press.
- Cunningham, F. (2005). Market economies and market societies. *Journal of Social Philosophy*, 36(2), 129–142. [https://doi.org/10.1111/j.1467-9833.2005.262\\_1.x](https://doi.org/10.1111/j.1467-9833.2005.262_1.x)
- Darwall, S. (2004). *Welfare and rational care*. Princeton University Press.
- Dean, J. (2019). *Comrade: An essay on political belonging*. Verso.
- Fraser, N. (2014). Behind Marx's Hidden Abode: For an expanded conception of capitalism. *New Left Review*, 86(March-April), 55–72.
- Gilbert, P., & Lawford-Smith, H. (2012). Political feasibility: A conceptual exploration. *Political Studies*, 60(4), 809–825. <https://doi.org/10.1111/j.1467-9248.2011.00936.x>
- Habermas, J. (1987). *The theory of communicative action. Vol. II: Lifeworld and system*. Beacon Press.
- Harman, G. (1977). *The nature of morality*. Oxford University Press.

<sup>27</sup> For their very helpful responses to this paper, I would like to thank John Bova, Stefan Gosepath, Hannes Kuch, Helen McCabe, Mirjam Mueller, Christian Neuhauser, Gottfried Schweiger, Alan Thomas, Nicholas Vrousalis, and the editors and two anonymous reviewers at the *Review of Social Economy*.

- Haslanger, S. (2017). Culture and critique. *Proceedings of the Aristotelian Society Supplementary Volume*, 91(1), 149–173. <https://doi.org/10.1093/arisup/akx001>
- Haslanger, S. (2018). What is a social practice? *Royal Institute of Philosophy Supplement*, 82(July), 231–247. <https://doi.org/10.1017/S1358246118000085>
- Hägglund, M. (2019). *This life: Secular faith and spiritual freedom*. Penguin Random House.
- Honneth, A. (2009). *Pathologies of reason: On the legacy of critical theory*. Columbia University Press.
- Honneth, A. (2014a). The normativity of ethical life. *Philosophy and Social Criticism*, 40(8), 817–826. <https://doi.org/10.1177/0191453714541538>
- Honneth, A. (2014b). *Freedom's right*. Polity Press.
- Hussain, W. (2020). Pitting people against each other. *Philosophy & Public Affairs*, 48(1), 79–113. <https://doi.org/10.1111/papa.12158>
- Jaeggi, R. (2016). What (if Anything) Is Wrong with capitalism? Dysfunctionality, exploitation and alienation: Three Approaches to the critique of capitalism. *The Southern Journal of Philosophy*, 54(1), 44–65. <https://doi.org/10.1111/sjp.12188>
- Jaeggi, R. (2018). *Critique of forms of life*. Harvard University Press.
- Kollontai, A. (1980). Sexual relations and the class struggle. In A. Holt (Ed.), *Selected writings* (pp. 237–249). W.W. Norton. (Original work published 1921)
- Kuch, H. (2016). Real Utopias, reciprocity and concern for others. *Philosophy and Social Criticism*, 42(9), 897–919. <https://doi.org/10.1177/0191453715622520>
- Levy, J. (2017). Capital as process and the history of capitalism. *Business History Review*, 91(3), 483–510. <https://doi.org/10.1017/S0007680517001064>
- List, C., & Pettit, P. (2011). *Group agency*. Oxford University Press.
- Marx, K. (2000). Kritik des Gothaer Programms. In *Marx-Engels Werke, Volume 43*. Dietz Verlag. (Original work published 1891)
- Marx, K. (1986). *Karl Marx: A reader*. Cambridge University Press. (Original work published 1844)
- MacPherson, C. B. (1962). *The political theory of possessive individualism: Hobbes to Locke*. Oxford University Press.
- McDowell, J. (1996). *Mind and world*. Harvard University Press.
- Miller, D. (2014). Our unfinished debate about market socialism. *Politics, Philosophy & Economics*, 13(2), 119–139. <https://doi.org/10.1177/1470594X14528648>
- Morozov, E. (2019). Digital socialism? The calculation debate in the age of big data. *New Left Review*, 116/117, 33–67.
- Parfit, D. (2001). Rationality and reasons. In D. Egonsson (Ed.), *Exploring practical philosophy* (pp. 17–39). Ashgate Press.
- Pettit, P. (2001). *A theory of freedom*. Oxford University Press.
- Pistor, K. (2019). *The code of capital*. Princeton University Press.
- Polanyi, K. (1944). *The great transformation*. Beacon Press.
- Raz, J. (2003). *The practice of value*. Oxford University Press.
- Rocker, R. ((1938) 1989). *Anarcho-syndicalism: Theory and practice*. AK Press.
- Roemer, J. (1982). *A general theory of exploitation and class*. Cambridge University Press.
- Scanlon, T. M. (1998). *What we owe to each other*. Harvard University Press.
- Scheffler, S. (2018). *Why worry about future generations?* Oxford University Press.
- Schweickart, D. (2002). *After capitalism*. Rowan and Littlefield.
- Sensat, J. (2016). *The logic of estrangement*. Palgrave Macmillan.
- Thomson, J. J. (2008). *Normativity*. Open Court.

- Vrousalis, N. (2018). Council democracy and the socialisation dilemma. In J. Muldoon (Ed.), *Council democracy: Towards a democratic socialist politics* (pp. 89–107). Routledge.
- Vrousalis, N. (2021). The capitalist cage: Structural domination and collective agency in the market. *Journal of Applied Philosophy*, 38(1), 40–54. <https://doi.org/10.1111/japp.12414>.
- Wenar, L. (2016). *Blood oil*. Oxford University Press.
- Wenar, L. (2020). The development of unity. *Journal of Human Development and Capabilities*, 21(3), 211–222. <https://doi.org/10.1080/19452829.2020.1785665>
- Williams, B. (1981). *Moral luck*. Cambridge University Press.
- Wolff, R. D., & Resnick, S. A. (2012). *Contending economic theories*. MIT Press.
- Wollner, G. (2018). In defense of council democracy. In J. Muldoon (Ed.), *Council democracy: Towards a democratic socialist politics* (pp. 73–88). Routledge.