

Contents

Is property a neutral technology?	1
Differentiating exclusive use and private property	3
The emergence of for-profit trade	3
The sacred right to choose one's tribe	5
Competition and concentration of power	6
Market and democracy, a fairy tale	7
Is the illusion of democracy a big deal?	9
The impact on the most vulnerable	10
Rent-seeking, violence and state actors	11
Regional concentration of power	14
Globalization and resistance	16
War, slavery, the fantasy of peace and the uncertain future	17
Destruction of nature	19
Conclusions	20

Is property a neutral technology?

Contemporary society is very complex. There are a lot of more-or-less accepted beliefs and behaviours that coexist and interact with each other. Some of them complementary, others with some degree of overlap and others completely contradictory. Individuals alive today in western society have the unprecedented luxury to be allowed, up to a certain degree, to pick among them and mix-and-match a personalized, unique and authentic combination of them which better matches their own life experiences and goals.

Of course there are some that are less accepted than others, and people who want to embrace them get more pushback from their peers than others. People who grow up in religious communities will likely be confronted when they embrace atheism, people in white-collar communities will likely be asked to reconsider if they choose a manual work career instead, and pretty much everywhere, people who embrace intimate relationships outside of the hegemonic monogamous hetero-normative paradigm will face social challenges.

Without minimizing the struggle that certain choices might cause to certain individuals, the underlying assumption of this discussion still stands, namely, that there is an *appearance* of freedom to choose between a wide range of options for building a conceptually rich life for oneself.

Despite this appearance though, there are some underlying beliefs that are so strong, which severely narrow the space of possible choices for the kind of communities that we can create. And, since the mind, and the human experience, is of collective creation, it severely narrows down the real choices of roles, activities, beliefs and goals that we can embrace as individuals.

The underlying beliefs are so pervasive that they are mostly invisible to us, as invisible to water is to a fish. Concepts like that the earth is geometrically divided into parcels called nations, each one with their own flag, language, anthems, parliament and so on,...

We have already discussed the beliefs of selfishness, individualism and hierarchy. Given the overwhelming scientific evidence, it would be very difficult to conceive of a social design meant to help people be happy and fulfilled that would be based on those. Instead, the only logical and scientifically solid option would be to make a social design based on autonomy, altruism, communalism and gratitude.

Of all the founding beliefs in our society there is one more that is critical to examine. It is the belief in private property. This one is tougher to decide about because there is nothing in our genes that would seem to indicate that private property would be inherently beneficial or harmful to humans. At the same time, it is one that is bound to receive a very strong pushback from society whenever a collective attempts to overcome it.

In principle, it would seem that property is a neutral technology. It has been embraced by many different ideologies. It has obviously been embraced by many who (misguidedly) promote individualism, competition and hierarchy. And, because it's appearance of neutrality, it has also been embraced by people who promote generosity, gratitude, autonomy and collectivism.

For example, there is a relatively strong movement for workers cooperatives. They aim at producing goods and services in an environment of equality, removing the inevitable hierarchy when workers are not at the same time owners and investors in the firm. And yet, cooperatives retain the concept that workers get a salary, which they use to purchase private property in the market.

Overcoming private property might seem a big effort not worth the trouble. It might look as an ideological proposition without practical value. It is not. Private property has a tendency to take over a society no matter what their founding values are, and transform them to the familiar ones of individualism, greed and violence. Compensating for this tendency is not trivial, on the contrary, it's even harder than overcoming private property altogether. Let's see why.

Differentiating exclusive use and private property

It is key to distinguish between private property and exclusive use. It is perfectly reasonable, in a context of a community that doesn't believe in private property, to expect exclusive use of some resources. For example, the house where one lives, with the corresponding furniture, the clothes that one wears, and the tools that one uses on a regular basis, like computers, phones, etc.

It would be difficult to make the case that a different arrangement would help people be happy and fulfilled. If I could expect that at any moment the neighbors could decide to throw a party in the place where I live, or come and take away the sofa that I use regularly, that would likely create insecurity and stress in me.

It would be also difficult to make the case that, were an extreme situation to arise, like an earthquake knocking down most of my neighbor's houses (and them, happily surviving), I should expect to still have exclusive use of the house where I live in. It is much easier to see that, in such an event, it would make much more sense to collectively decide how we distribute the remaining resources while we rebuild our community-owned housing. Under the prevailing private property beliefs instead I could benefit from the misfortune of my neighbors and make them pay a lot of money for the privilege of letting them sleep at my house.

These extreme cases however don't justify getting rid of private property. After all, property is a social construction and societies can quickly change social constructions in exceptional times. If property is of great help under normal circumstances, we can use it most of the time, and change the arrangement when exceptional times come. In times of war for example, even the most pro-private property market governments like the USA have been known to do strong interventions. Like redirecting most of the fuel to the army and forcing random factories to produce weapons instead of the usual civilian goods.

The emergence of for-profit trade

When private property, and not only exclusive use, is allowed in a community, inevitably for-profit trade emerges. This is not even a systemic property, it's just by definition. The difference between exclusive use and private property is that the beneficiary of the private use can trade the property, without consent from the community.

Trading itself is great because it allows different communities to specialize in certain technologies, or extract local resources, and then distribute those to far away places, enabling more complex technologies to emerge as a combination of techniques and resources that would otherwise not be available in a single community.

A classical explanation of this phenomenon is written in the 1958 book, "I pencil", by Leonard Read. The book promotes libertarian free-market capitalism in the form of a parable. It explains that in order to make a nimble pencil it takes

the collaboration of many thousands of people around the world, who extract, process and transport the different materials used in building it. The wood, the graphite and all the chemicals that make it smooth, the many coatings of paint, the eraser that is mounted at the top, etc. and yet, there is no single person in the whole world that would know how to make a quality pencil from scratch, from the raw materials found in nature.

Read goes deeper in the significance of the parable, and makes it a defense of people's autonomy, their interdependence, and the ensuing emerging power of collective ingenuity. It is only when each individual is allowed to use their creative talents uncoerced that the magic of global chains of supply arise, and seemingly by magic, we can, collectively, do something that for an individual seems magical, like building a pencil.

In the current narrative of the world, where for-profit trade is taken for granted, such passionate defense of the individual's autonomy easily leads, like Read and many of his fans do, to the defense of governments in the form of States that enforce private property and contracts but stay away from any kind of regulation, environmental, or social.

As we saw earlier, for-profit trading is not a desirable behavior for individuals that seek happiness and fulfillment. It moves the relationships with our peers away from the space of generosity and gratitude, right into the place of profit calculation. From "what can I do to help others" to "what others can do for me". Which, given the architecture of the brain, makes it more difficult for us to feel securely connected to others.

And yet, you might argue, this is not a sufficiently strong argument to renounce for-profit trading. If the benefits are so huge, we should be able to find a trade-off. We could, for example, go shopping just one day a week to the supermarket, and spend the rest of the week engaging in loving, giving, caring, interactions with our community. After all, life is full of trade-offs. Running is great for stress, but creates micro-injuries that can be healed with rest. Sports in general tend to contract our muscles which can be compensated for by doing stretching exercises, etc. The same way we manage the trade-offs in our physical health, we could manage the trade-offs in our mental health.

In the case of mental health though, there is no need for trade-offs. We can perfectly trade without the need of using profit motivation. We can do it by building institutions and rituals to produce in excess, making the production process itself fun and enjoyable, and collectively give away the excess to other communities, like our ancestors used to do in rituals like the potlatch.

Still, given the prevalence of for profit-trade in the current world, arguing for its eradication might sound like a fundamentalist proposition, an immensely costly endeavour not worth the benefit, considering that the damage can be easily managed with trade-offs.

Perhaps, but let's continue looking at the emerging behaviors from for-profit

trading of private property, and this proposition will look more like a necessity than a fundamentalist fantasy.

The sacred right to choose one's tribe

The ability to choose our own tribe, to choose who we live with, socialize with, share space with, is as important for our wellbeing than our autonomy. Or, put it differently, is a *sine qua non* condition for our autonomy. Our experience, our identity, is a collective phenomena. Choosing who we want to be in life, how we want to relate to others, is equivalent to choosing our own tribe.

Petr Gray explains how this freedom was taken for granted by all the nomadic cultures of our ancestors. Nomadic tribes would know very well where the neighboring ones camped. And even the kids would switch tribes if they felt unappreciated in their community.

Since we are no longer nomads, our ability to choose our own tribe means our ability to collectively choose who lives, and who doesn't in our neighborhood.

We do not have such ability with our current market system. Imagine that our lovely neighbor Andrew can't pay the rent, he is evicted, and instead, Berta, who has more money and can pay a much higher rent, moves in. The first question that we can ask here is regarding the psychological cost of losing a beloved neighbor. Who will pay compensation for that? Berta's money doesn't go to the neighbors who have lost Andrew, it goes exclusively to the owner, who might not even live in the community.

This phenomenon, in economic terms, is called an externality. The same way that factory owners often pollute without compensating those whose health deteriorates from exposure to the pollutants, housing owners often decide who moves in and out, without compensating those who are emotionally impacted by their decisions.

As Feldman remarks, psychological harm is as damaging as physical harm: "emotional harm can do more serious damage, last longer, and cause more future harm than breaking a bone".

And that's just the beginning. Imagine if it turns out that Berta doesn't share any of the values of the community: she's patriarchal, misogynistic, homophobic, racist, and selfish. She takes from the collective stores without giving back, she walks into neighbor's homes when they are not there and steals from them, . . . what should the community do? Setup policing to follow her around? What if more people like her move in? Should they build prisons and a judicial system to make a credible threat against unacceptable behavior? Who will pay for all that? Obviously neither Berta nor her apartment's owner, but the community.

It is clear then, that if we want to have healthy sedentary lives we must live in communities that hold together the collective ownership of the housing spaces

available, and don't allow for private ownership of housing rights.

Furthermore, housing for many people implies a huge cost. Many spend around 30% of their salaries in housing, and some even above 50%. Up to here then we've seen a solid argument to remove around 25%-50% of the market in most people's lives.

We don't have yet though, an argument to forgo the market completely. After all there are many places, several cities in Europe, where the local governments own most of the housing there. True that the power to choose who moves in and out is reserved to a centralized administration, and not shared with the neighbors. The point though is that it is possible to have a society with a capitalist market economy where housing is excluded from the market. In principle, if the people who live in those cities wanted to have full autonomy and the right to choose their tribe, they would be able to elect a government that gives away that power to the community.

Competition and concentration of power

The most clear emerging properties of trading private property are competition and concentration of power. Markets tend to make transactions more about getting as much as possible from the exchange than about the relationship with the person we are trading with. Some people are influenced more than others by price, but on average, humans are known to somewhat respond to economic incentives when placed in a market. This in turn makes the supply part of the equation compete for the demand. The competition leads to finding ways of making products and services better and cheaper.

This, according to the proponents of free markets, is a key element of their beauty. According to their logic this leads to more people being able to purchase more stuff. The technical term is to have more purchasing power. Is an enticing theory but unfortunately doesn't correspond with reality. Looking at purchasing power in the USA, the freest of the free markets since the days of yore, one can see that it has barely increased since the 1970s, that's about half a century. It's a rather long time to wait for the magic of the market to happen.

There is however another logical consequence that we can infer from the free market equation, which indeed corresponds with historical data, and which also nullifies the lack of increase in purchasing power. It's therefore a very compelling explanation since it matches two sets of historical data.

The consequence is, of course, concentration of power. Market competition by definition creates winners and losers. The winners get richer and richer, which means that they have more power to invest in making their products and services cheaper and better, which in turn makes their competition lose faster and so on. This in turn destroys the small shops and replaces them with big chains and online shopping. When you don't know the person who serves you at the store,

and is a different one every time, or you buy online without interacting with anybody, it gets easier and easier to make trade more about personal gain and less about nourishing relationships. It's a vicious cycle.

The result is as predictable as it is visible. A 2017 report by Oxfam International claims that just 8 men own as much wealth as the 50% of the world's poorest people. Numerous reports since then claim that the inequality has become even more acute, and even accelerated with the 2019 global pandemic.

Mathematically, when the wealth flows from the poorest to the richest it means that most people's purchasing power gets reduced. The increases in productivity and corresponding price reductions haven't been able to offset the reduction of wages (adjusted for inflation). The bigger the firms that operate in a market, the closer they are to a monopoly and the more power they have over the labor market, which they obviously use to push for lower real wages.

Market and democracy, a fairy tale

And yet, in theory, this doesn't look like an argument against for-profit markets. At least in the context of a democracy. One would expect that if the other people (other than the very few who own most of the world) don't like the situation, they would vote for a government that would redistribute the wealth. They would move from the rich back to the poor, to compensate for the upwards redistribution of wealth, which is an intrinsic emerging feature of the market.

And, since that doesn't happen, it should be that people don't want it right? Maybe you want that dear reader, but there isn't almost any political actor that suggests such a thing, and the few that do barely get any vote. You must therefore be some sort of weirdo for being concerned about the concentration of wealth.

Now we are getting close to putting the final nail in the coffin of the idea that a competitive trade market has any benefit at all for society. The reason is that economic power cannot be separated from political power. As a result, the intrinsic market behavior of concentration of economic power leads in parallel to a concentration of political power. As a result, democracy gets weakened, and the richest families have much more leverage than the average people who are supposed to have equal "one vote each" saying.

Before elaborating on this topic, let's first look at the evidence. If it's indeed a significant social emerging dynamic it should be measurable, right? That's what Gilens and Page from Princeton set out to test in 2014 (Testing Theories of American Politics: Elites, Interest Groups, and Average Citizens). They looked at data from 1,779 policy issues over the span of 20 years. Did they find a strong correlation between economic power and political influence? In their own words:

"When the preferences of economic elites and the stands of organized interest groups are controlled for, **the preferences of the average American appear**

to have only a minuscule, near-zero, statistically non-significant impact upon public policy”

Here we have it then: the idea that democracy can coexist with a competitive market is plainly a fairy tale. Just a show to keep alive the social construction of representative democracy. Many authors through the last millennia have noted and written in concern about the influence of money in politics. Such influence has rarely been denied but the general opinion has been that it can somehow be mitigated. Dividing the government in different branches, having a law system that punishes bribery and embezzlement, promoting and protecting free press and free speech, independent universities, . . . are some of the popular mechanisms that have been thought to mitigate money’s influence on the government.

Few people have been naive enough to believe that, with all those safeguards in place, money doesn’t exert any influence at all on the government. The prevalent view has been that, at least in the west, it’s influence has been mostly reduced, and it’s now of relatively little concern.

Some authors however had already theorized that the influence of money in government was complete and that citizens didn’t have any real power. The most popular work in this area is probably the 1988 book by Edward Herman and Noam Chomsky, *Manufacturing Consent: The Political Economy of the Mass Media*.

Obviously their ideas, and similar ideas by other authors, have been largely discredited in the media as crackpot theories by crazy anarchists. Now that we have the data though, it’s hard to argue that the real crackpot idea is the competitive trade market. Or more specifically, the liberal fantasy of a competitive market economy happily coexisting with a free democratic society.

I can imagine, dear reader, that accepting these ideas can be rather challenging. As we saw in previous sections the human brain is designed for delusion rather than faithfulness to facts. The social constructions matter much more for our (short term) well being than an accurate perception of reality. It is not surprising that so many scientists choose to believe in religions and their fantasies. Being part of a human collective is essential to keep one’s sanity, and without it it’s hard to conduct science. Similarly it is very understandable to choose to believe in the magic of the invisible hand of the markets and the elected representatives living outside of it.

Accepting what the data implies means stepping out of a crowded world of comforting ideas and into an incommensurable reality. It’s lonely here. And it’s full of weirdos and conspiracy theories. There is a fantasy book series that illustrates what kind of paradigm shift this is. In the Harry Potter world, it is the equivalent to switch from reading *The Daily prophet* to reading *The Quibbler*. Is the only media that will tell the readers that the government has been taken over by dark powers, and also, the same media followed by supporters of conspiracy theories.

In order to guard your sanity and save energy from sorting out data from conspiracy it's better to not do this journey alone. Instead, look for other people who value data, science, integrity and personal growth and do the journey together. In the third book of this series, this topic is explored in more depth.

There are several well-known, rarely disputed, mechanisms by which money influences the government. Money has influence in the media through different vectors, direct ownership is one of them, but also being in control of how much funding to give to it through advertisement.

Money funds politicians' campaigns to get elected through campaign donations and lobbying fees, literally legalizing corruption. Another form of legalized corruption present in virtually all representative democracies is the practice by large firms to hire politicians as "consultants". Effectively giving them a share of the profits they make through passing legislation favorable to the firms.

And despite all this legalized corruption, there is still some of the classic illegal corruption going on, and it's occasionally spotted. Like when a few years ago juvenile judges in the USA were caught accepting millions from prison companies to send them more inmates.

Is easy to dismiss the power of corruption. A little bribe here and there might not seem to amount to any history-changing event. A good illustration of the power of corruption is how Winston Churchill used it to win the war against Hitler. He invested millions of pounds to bribe Spanish generals to convince the dictator to refrain from supporting the Führer in taking over Gibraltar, a strategic post for Britain. Franco was a blood-thirsty mass-murderer who would happily torture a traitor, and yet, a number of people in his regime took money to collude with a foreign power against him. Just imagine what corruption can be done nowadays when most people don't expect, if they get caught, more than a slap in the wrist and a "don't do it again, wink, wink".

The result seems quite clear: citizens "appear to have only a minuscule, near-zero, statistically non-significant impact upon public policy".

Is the illusion of democracy a big deal?

A market economy is incompatible with a democratic organization of society. We might feel outraged and betrayed once we realize and accept this reality, but it will pass. If it doesn't on its own a good therapist will help you with letting go. Beyond the initial anger, what is the impact of that realization? Does it affect human happiness at all?

Humans live in social constructions. We need to experience agency in our lives. For most privileged people, the social construction of a market-based democratic free society, despite being an oxymoron, provides a socially constructed space where they can believe that they have autonomy, in their own life and in the collective management of their communities. This belief translates to an actual

experience of autonomy and freedom, and we should expect the associated happiness and health benefits. As far as I know though, there has not been research trying to differentiate the impact of perceived autonomy vs real autonomy.

By privileged people I refer here to those who, like us, can spare time reading scientific articles and debating whether causality has been correctly inferred or they are just reporting correlation. We have marketable skills in highly paid job positions and we don't have much to worry about.

It is true that we could reasonably worry about the quality of our life. Corporations have been known to hide for decades that they knew that the products they were marketing were deadly poisonous. The tobacco industry hid their own conclusive research that smoking was very highly cancerous. The asbestos industry's own research also concluded that their products were cancerogenous and that didn't prevent them from giving sandboxes for kids playgrounds made of asbestos as a PR game. Most kids who played there grew to have a rather short adult life. The sugar industry bribed for many years the head of nutrition at Harvard, the most authoritative source of nutrition information. As a result, for decades governments around the world have been wrongly pointing fingers at fat and cholesterol as culprits for cardiovascular diseases, and are only now starting to shift their messaging to target refined carbs.

Of course new challenges keep appearing all the time. Like the 2019 pandemic that saw all the governments siding with the western pharmaceuticals to mass-vaccinate the population, and colliding with social media companies, to make it difficult to access data about effectiveness and negative side effects, while censoring discussion about research on existing inexpensive medications that could be repurposed. Also, not investing as heavily in alternative strategies to contain the pandemic, like better detection systems, maybe because the manufacturers that could benefit from that are in Asia? We probably won't have good research on the pandemic and its impact on the world population until a few decades later.

So, yes, even for the privileged, living in a market economy likely has the negative effect of shortening our lives and reducing our quality of life.

Still, in a society that is used to acting only by immediate gratification, these arguments are probably too abstract and too far away to motivate many people to act for change.

The impact on the most vulnerable

A more compelling reason to get organized to build a better society, not based on for-profit trading, is the impact it has on the most vulnerable, the desperately poor who live far away from the centers of power. Without exaggeration we can talk about killing babies and mothers for profit.

Really. Literally. One of the neatest marketing campaigns ever was conducted

in the 1970s by the Swiss giant Nestlé. It targeted new african mothers with the purpose of selling them expired baby formula that was illegal to sell in Europe. It effectively turned trash into gold. The campaign encouraged mothers to stop breastfeeding their babies by promoting formula as healthier than their own milk. After giving formula for some time the mother would lose the ability to breastfeed, and then they would be forced to buy formula. It was a perfect extortion campaign, pay Nestlé or your baby will die. Taken from the playbook of the drug dealers who give away drugs at high schools in order to generate addiction in future customers. It turned out that many of them didn't have the money to pay, and both babies and mothers suffered from malnutrition, so badly that some of them died, babies and mothers alike.

We are producing much more food, shelter and energy that we need for the wellbeing of all the humans alive. And we have technology to make much more. However due to the inherent dynamics of markets to distribute wealth from the poor to the rich, it's very, very, very challenging to actually provide for those who need it most.

Rent-seeking, violence and state actors

Three more emerging features of for-profit trade that are crucial to be aware of are rent-seeking, violence, legitimization of it's anonymous use and it's invisibilization.

Rent-seeking refers to using wealth to extract money from people without providing goods or services in exchange.

The prevailing social construction, the plausible enough story that fools our internal confabulator, is that for-profit trade helps people, that if people compete they'll produce better products and services. This is the basis of the liberal ideology. Liberalism is based on the morals of autonomy and interdependence, and the belief that we can get organized to construct markets that benefit everybody involved, consumers and producers alike. In order for markets to work, liberals argue, we have to construct them in a way that they root out the "free riders", the rent-seekers who take from the economy without giving anything in exchange. Most free market proponents exhibit a deep ethical drive which often manifests in hatred toward rent-seeking.

This story is at odds with the meme that drives the behavior of the producers, which is the idea of being selfish and trying to get as much as possible, in exchange for as little as possible, which naturally tends to get as much as possible in exchange for nothing. This meme, combined with the emerging reality that for-profit trade leads to concentration of economic power, which is itself a form of political power, makes the notion of market design for the benefit of all an implausible fantasy.

The two clearer examples of how reality fails to conform to the liberal fantasy are

housing, and money itself. In most major cities in the world housing is privately owned, and the price that people pay for renting it is disproportionately high compared to the little cost of maintenance that the owners invest. The difference between the cost of maintenance and the market price is the “rent-seeking” or “free-riding” part.

Economists generally argue that the difference is actually what people pay for the convenience of living in desirable areas. While this explains the reason why people pay such prices, it is stupid to confuse it for the value that is produced by the owners. The owners are not using their ingenuity to make the city better and therefore deserving of the increment of housing prices. All the job of making the neighborhood nicer is made by the tenants! They are the ones who create an attractive culture.

Paying rent to private housing owners is the stupidest (or, technically, the most economically inefficient) way of deciding who lives where. Given any criteria one could distribute the housing units much more cheaply. Even if the criteria is that the richest decide first, we can just sort the residents by wealth and let them choose their housing in order. And let them pay just for the cost of maintenance rather than give a draconian surplus to the rent-seeking owners. They could keep the surplus (to, hopefully, invest it in the productive economy), or be required to give it away to fund public services (social services, infrastructure, cultural and sport events, and so on). More likely though, once the choice of housing unit is decoupled from how much we pay for it, residents would come up with more desirable criteria for distributing it. For example, they could choose to prioritize strengthening existing social networks by giving preference to the people who have lived longer in the area.

The situation with access to money is quite similar to the access to housing. Those who have money tend to use it as a means in itself, to lend it to the dispossessed in exchange of draconian interests. According to the liberal theory, the service of renting money itself is good for everybody in the community. The people with most ingenuity compete for the scarce resource of money, which allows the lenders to choose the ones with the best ideas, the ones who are going to use the money better at the service of the community, the ones that will use their creativity to invest in producing better and cheaper goods for the community, which are going to sell to be able to return the money they borrowed and pay for the interest. Being a lender is a difficult job that requires good judgement. Lenders with poor judgement will invest in inventors who fail to attract the interest of the community in their inventions, they won't be able to pay back the money, and will drive the incompetent lenders out of business. Thus, lending at interest is a self-refining process at the service of the community.

And indeed such situations have happened occasionally. The best example is Medieval Islamic banking, which due to religious reasons didn't allow for charging interests, and instead was based on profit-sharing. It allowed the creation of a global trade network across all civilizations (Asia, Middle East and Africa. Europe had fallen off civilization at the end of the Roman Empire and America

hadn't been "discovered" yet). We'll cover history in more depth in the fourth book of this series.

The difference between profit-sharing and charging for interest is mostly a technicality. What is most relevant about Medieval Islamic banking is that it was not supported by state actors, they didn't use violence to force people to pay back to the lenders, they used social reputation instead, to choose whom to lend.

Alas, such arrangements are rather unstable. Economic power tends to align itself with the use of force in order to maximize their profits. It's an obvious development from the meme of profit that drives the supply side of the economy, whether they are supplying money, housing or any other good of service. It is much more profitable to use force to get paid back than to invest wisely on the best entrepreneurs in the community. It is much more profitable to charge draconian fees to people who won't be able to pay back and then send the thugs to take away their possessions in exchange for the money that they don't have.

Sending the thugs to steal from poor people is problematic because it erodes the lender's standing in the community. Nobody likes to see people evicted because people are part of each other's lives. When Alice gets evicted from her house it is everybody's relationship that gets evicted as well, as she is, to others in the community, their mother, daughter, sister, cousin, aunt, niece, lover or friend. Even if the situation doesn't get to the extreme of her eviction, even if just her money and possessions are taken away, and she's forced to sleep on the floor with her kids, and go hungry, well, that will create tensions in the community as well.

Therefore the people who can pull off this use of violence against the people in the community tend to be external actors, which act as warlords or similar roles. Eventually the violent extraction of wealth from poor people grows to be a quite complex business that needs specialized labor to keep it's wheels greased and moving. Accountants, suppliers of weapons, labor, and all sorts of inputs, etc. We call these overgrown warlording operations State Agents.

Eventually State Agents seek to legitimize the use of force. In order to do so they build a discourse of providing some sort of service to their subjects (who they call citizens to hide the fact that they are not free to leave the arrangement). They build a discourse of providing security and social services which often fail to deliver, but it's plausible enough to enable the social construction of legitimacy of the use of anonymous violence. States are commonly defined as the agents who hold the monopoly of legitimate force in a given territory. The practical effect of the use of legitimate force is that now the rent-seekers, the parasites of society, can send the thugs (now called police) to evict Alice from her home, and their neighbors become powerless to do anything to prevent the eviction of their relationships. On top of the sheer brutal force employed by the State, there is the freezing effect of legitimacy, the neighbor's belief that the police are there to help them, and not being able to comprehend that they are acting against them.

We can see everyday on the official media the use of violence to allegedly defend us against criminals. However we rarely see it being routinely used against our neighbors, even though in big cities there are tens of families evicted every day. Such selective reporting contributes to the legitimization of violence and the invisibilization of it's most disturbing and legal routine uses. Let's not even get started on the routinely illegal use against the most vulnerable, like minorities and undocumented, which on top of invisibilized it gets covered up and goes unpunished.

Of course the legitimacy is not total, and many people don't buy it. Several cities have seen the emergence of Telegram channels where people coordinate to defend the neighbors from the thugs/police when they receive eviction orders. They have varying degrees of success, often delaying the evictions for months, but eventually people tend to get evicted anyway. The States have to their advantage a disproportionate amount of violence at their disposal, an incredible amount of planning and coordination power, and the quasi-magical power of bending reality, the social construction that they create with the media. They can for example announce that there is a pandemic that requires a lockdown and curfew, claim that during the pandemic the evictions will be suspended for humanitarian reasons, and then send anyway the police to perform evictions, with no consequence whatsoever to anybody for breaking their own rules, despite the mythical separation of powers between the legislative, judiciary and executive.

State actors tend to legitimize and invisibilise violence to reduce the resistance against it from their subjects, and therefore, make it cheaper to deploy.

Despite being invisible, latent violence is the glue that binds the fabric of the for-profit market society. It's everywhere. Without it, even if Alice didn't have money, she'd go to the store and procure healthful food anyway. Nobody from the community would stop her, because Alice's and her kids' health are more important to everybody in the community than her ability to timely pay for their nutrition.

Unfortunately for Alice and her neighbors though, in our contemporary society, there will likely be security cameras and security guards at the store, which will intimidate Alice, and reinforce the point that if she doesn't pay she'll be taken to the police and incarcerated.

Thus, we live in the fantasy of individual and collective autonomy, and yet, horrible things are happening, like a growing number of our neighbors not getting proper nutrition or heating, against our collective will.

Regional concentration of power

Having seen how market dynamics tend to create concentration of economic power, it follows quite naturally that such power becomes concentrated regionally as well. Despite the economy being more and more virtual since the fusion of

telecommunications and computing in the 90s, and even more since the 2019 pandemic, still, in-place human interactions are key for driving economies.

Firms tend to cluster around each other. It helps them collaborate with each other by having their customers and suppliers nearby. It helps them compete with each other by being able to attract talent from rivals. They also tend to concentrate near university campuses to have easier access to fresh talent. As a result these university-corporate clusters tend to concentrate economic wealth in the area, which drives up salaries, and attracts more people there, who come from less successful cities. This creates a vicious cycle where the smaller cities have less and less chance to compete against the big ones.

Therefore quite naturally emerges a dynamic in each market, which usually corresponds to the territory of a Nation State, where there is one, or a few cities that monopolise the economic and political power, and they syphon away the wealth from the rest of the territory. Despite the grand nationalistic narratives of unity and mutual support, the relationship between the major cities and the periphery often resembles a colonial one. Is common to see lower wages and little job opportunities in the periphery. In Europe, where sovereignty is shared between the nation-states and the union, this phenomena happens at both levels. On one hand Germany is driving the economy of the block, with states in the periphery being much poorer. And on the other hand, the same mechanism is visible across the bigger states. Thus we can find salaries in the south of France lower than the salaries far away in the capital Paris, but also, higher than across the border, in the north of Spain, which are also far from the capital Madrid, but also part of the weaker economy of Spain, relative to France.

The present geographic inequalities are much easier to see than the historical tendency of larger scale, global, concentration of power. And also the apparent solutions for the former are simpler to explain than the real solution for the later. Therefore it is not surprising that misguided proposals for secession in the peripheries of market economies gain more traction than proposals to abandon the market-state system. They are driven by our ancestral instinct to choose our own tribe when we feel unwelcome in the current one. Such proposals are usually mischaracterized as “nationalistic” by the media, even though they have mostly economic motivations and tend to be much less nationalistic than the narratives from the existing nation states.

A beautiful example that illustrates a few of the points made until now is the 2017 Catalan Independence Referendum. Is one of those singular events that gives away that the whole narrative of an European union as a beacon of democracy and freedom is just a sham to cover a market operation. On October 1st 2017 the citizens of Catalonia, a north-eastern region of Spain were called to vote in an independence referendum promoted by the regional government in Barcelona. For decades, centuries in fact, Barcelona and Madrid have had competing imperial economies, and Barcelona has been on the losing end. Catalonia, the region under the economic umbrella of Barcelona, has been ostensibly exploited and their wealth syphoned out to Madrid. As a result the

region has experienced a growing economy-driven independentist sentiment, which has joined a minority cultural independentist drive. The cultural part is driven by Madrid's overt attempts to destroy the catalan language and culture, with periodic episodes of ethnic cleansing, and impose instead a uniform Castilian language and culture throughout the region. Even though the independentist drive is mostly economic and successfully attracts votes beyond the catalan culture demographics, including many from castilian and cosmopolitan descent, it is obviously portrayed as nationalistic on the media. The same media ignores the much more nationalistic nature of the spanish-castilian discourse.

There is nothing remarkable in all of the above, it's a pretty common pattern. What is particularly interesting about this event is that Spain, instead of ignoring it, declared the referendum illegal and vowed to stop it. Therefore it was organized underground and miraculously managed to evade the spying efforts of a large State Agent. Allegedly with the help of Julian Assange, of wikileaks fame, and the use of Telegram for secret communications. As a result Spain deployed thousands of military police, making even more plain the colonial nature of the relationship of the region with Madrid, and further fanning the flames of secession. When voters went out to vote that morning they were chased down, rounded up and beaten by military police, who then proceeded to steal the ballots. You can see many videos from that day's police brutality on defenseless voters, including the elderly, on the Internet. Along with footage of grown-up men emotionally collapsing as their social construction of a modern world based on the pillars of democracy and the rule of law vanishes in front of them. The leaders have been prosecuted, arrested, and delivered lengthy sentences over the following years.

That day, the leaders of Spain and Europe gave us a precious gift. There were no loud complaints of Spain's behavior. No proceeds were started to punish Spain and make it change their laws to be more accommodating of democracy, freedom of speech and civic disobedience. Instead they looked away and hoped that people will soon forget what they have seen, that they won't realize that the story of freedom and democracy doesn't have any standing. That when people make the mistake of voting against what the media tells them, when the manufacturing consent machinery fails, they risk not only being ignored, but also beaten up and imprisoned.

Globalization and resistance

Globalization is a natural extension of the market tendency for concentration of power. As the home markets saturate, firms naturally want to reach out to consumers beyond their national market borders and benefit from cheaper suppliers far away.

As anybody could predict from the regional inequalities driven by market economies, globalization has exacerbated them. Not surprisingly though, market

globalization used to be strongly defended by academics. In the 70s and 80s the consensus among economists, famously spearheaded by the Chicago School of Economics, was that globalization and deregulation would benefit everybody. Nowadays even the economists at the Chicago School are waking up to the reality of data and admitting that the globalization of the economy “doesn’t lift all boats equally”.

Scholars can afford accepting bribes from power and later on, after the fact, after they have done the dirty propaganda work, retract their conclusions citing “new data” (surprise!) to maintain an appearance of neutrality. However the media cannot afford that and must keep the ideological propaganda going on in spite of reality loudly screaming “fallacy!”. We’ll go deeper into that in the next book.

For now let’s just point out that only crackpots like Trumpers and Brexiters have managed to make the point in the media that a lot of low-skilled middle class jobs are being lost due to globalization and free trade agreements. Respectable politicians have to keep trumpeting the virtue of free trade to appear in the media. Here the word crackpot is loosely used to mean “people who can’t finish a sentence without contradicting themselves at the beginning of the same sentence” and the word respectable to mean “people who make elegant solid conclusions starting from false axioms”.

Not surprisingly there seems to be a growing discontent with what passes for politics in the media. The crackpots are able to identify real pain in growing sectors of society and give voice to legitimate grievances. Yet, they are incapable of articulating a coherent ideology or programmatic proposal. The rest of politicians, the “serious” and “respectable” ones, seem so disconnected from reality that it is hard not to dismiss them as a joke.

Hopefully this means that the time is ripe for new ideas to come out which are both grounded in reality, and articulated in a logical and actionable fashion. It is the aim of this book series to present one.

War, slavery, the fantasy of peace and the uncertain future

As we’ve seen, State Actors are basically large-scale warlordism operations that inflict tributes on their subjects, to be distributed among the elites. Instead of doing it openly they camouflage it as the “invisible hand of the market”, in the shape of various rent-seeking operations, most obviously housing, and also more sophisticated ones like patents, copyrights, monopolies and oligopolies.

This vision is not just a conceptual simplification, but it actually matches historical developments. David Graber explains it really well in his masterpiece 2011 book “Debt: the first 5000 years”. The underlying theme of the book is the relationship between debt and violence. We’ll cover this topic in more detail in the fourth book of this series.

There are a few more emerging properties of for-profit trade that are worth remarking before we move on to other topics: war and slavery.

The rent-seeking drive, the inclination of taking something for free and not giving anything in exchange, doesn't stop, obviously, at the borders of State Actors. This is most clearly manifested in the strategy of states to venture further away in the search of valuable natural resources, which often means war with other State Actors that either were already present in that place, or that were benefiting from the resources through client States.

One natural resource that is always handy is human labor. Near the centers of power there usually is a need for some pretense, and at least a certain portion of the population is paid living wages. The further from the centers of power, the need for pretense is less and more coercitive forms of extracting labor are used. No matter how much automation we have for producing cheap goods, there are always tasks that are more cheaply performed by slaves. That's why slaves tend to concentrate in the areas of the world where there are more factories as well. Check for example globalSlaveryIndex.org or worldPopulationReview.com > country rankings > countries that still have slavery 2021, to see which State Actors host more millions of slaves. On top of those, there are slaves used for sexual services, a job that robots seem far away from being in a position to steal, who are often smuggled into wealthy countries.

In the western democracies we are used to taking for granted certain rights and privileges such as free speech, freedom of assembly, movement and so on. One of the reasons that we take them for granted is the notion of progress that makes us believe that we gained such rights fighting and winning several struggles during history. This is a nice fairy tale that satisfies our personal confabulators and that we'll debunk in the last book of this series.

A more plausible explanation that better matches current data and historical record is that a certain number of people are needed to keep the state machinery working. As we have seen people work better in creative jobs when they have the perception of freedom and autonomy. The closer to the centers of power, more civil servants are needed, and also more services are needed for the civil servants, and for the people who provide services to the civil servants, and so on,...

Therefore the closer to the centers of power the more effort is invested in creating the appearance of freedom and autonomy. Sometimes there is a glitch in The Matrix that gives away that the whole thing is just a show, like when millions of people made the mistake of voting in an illegal referendum on October 1st 2017 in Catalonia. But such glitches are little and far apart. Our confabulators need to weave a coherent story, one that has continuity, and they discard such glitches because they don't fit in the narrative.

The combination of globalization and the productivity gains of automated processing of information, including machine learning, makes it conceivable to think that there will be less and less need for civil servants, including the military.

If the global power ends up concentrated in fewer cities than now, and each one of them needs fewer civil servants to keep it running, the whole paradigm of a democratic society based on the rule of law might not be worth maintaining anymore.

From this perspective, the erosion of the purchasing power and shrinking that we have seen in the middle classes in the west during the last 50 years, along with the deterioration of civil rights and social services, could be a prelude to a paradigm shift, rather than an anomaly in the cheerful road towards universal progress. This is one more reason to consider a paradigm shift for the better, before a paradigm shift for the worse presents itself. It is feasible indeed to expect slavery to become the most common social arrangement across the globe.

Destruction of nature

The last emerging property that we'll discuss before wrapping up this section is the destruction of nature. This one might seem even more obvious than the others, but also, in a way, is more subtle.

Given the dynamics that we have already discussed of free-riding, of taking without giving back, of plunging natural resources, it is not surprising to find the tendency to do so with the utmost disregard to nature and biodiversity. We have the technology to mine but blowing up the whole mountain, doing open mines and mountain-top removals is cheaper. We have the technology to sustainably extract wood from a forest by distributing the logging in a wide area but clearing the forest one section at a time, and not even bothering to replant the trees is cheaper. We have the technology to filter the pollutants that go into the atmosphere and the water but it is cheaper to dispense of the filters and just dump the pollution. Etc. The results of these collective behaviors are plain for all to see: climate change, increasing pace of forest destruction, dying coral reefs, increasing pace of extinction of species, etc.

The subtlety about environment destruction comes from the fact that it's not a behavior exclusive of the for-profit market economies. As Yuval Harari notes in his 2011 best-seller *Sapiens: A Brief History of Humankind*, such behavior has been observed since the dawn of our species. Our nomadic ancestors already had a tendency to drive the megafauna extinct as they expanded from Africa throughout the world. He even speculates that forest destruction might have driven climate change from as early as the Ice Age.

In contrast with the previous phenomena that we discussed, which either didn't arise in pre-market societies, or they had a much weaker tendency which was clearly identified and countered by social constructs by our ancestors, environmental destruction has been present all along history.

On the other hand it is true that eventually most cultures evolved mechanisms to protect and develop the natural environment in their habitats, so that they

could sustainably exploit them, and that markets eventually destroyed such mechanisms. Nobel laureate Elinor Ostrom famously brought this issue to attention in her seminal work on the commons.

However until the advent of satellite imagery, microbiology and system thinkings we didn't have the ability to understand that, even when taking care of the common land near our dwellings, we can still be causing a negative global impact (for example by using fossil fuels), create catastrophic systemic damage with seemingly minor interventions (like drying a lake that turns out to be a critical resource for migrating birds), or drive to extinction millions of micro and macro organisms that we might not have paid attention to because they don't seem to have a direct impact to the resources we extract from nature.

The Romans probably realized the loss of driving to extinction, through over-exploitation, one of their most valued plants used in medicine. But in our short-term thinking society we are rarely aware of the massive loss due to the accelerating extinction of microorganisms. In our blind arrogance we think nature doesn't have anything to teach us. However, our technology still pales in comparison with evolution and most amazing discoveries still come from the observation of nature.

Take for example the most recent revolutionary invention in genetics. The genome-editing CRISPR technology. Nobel laureates Emmanuelle Charpentier and Jennifer Doudna came up with the invention when studying bacteria that grow up in toxic environments. How many similarly revolutionary technologies and their medical uses are we missing out by not being able to study all the microorganisms we are losing to permanent extinction?

The contribution of the market to this incommensurable loss is the added difficulty to act in preventing it. Thanks to modern science, we have gained the ability to understand the loss that we are causing in biodiversity, beyond the natural resources in our immediate habitat. And yet, when we try to act on that knowledge, the market dynamics tend to be more powerful, and the result is accelerating loss despite our growing consciousness. We'll cover in more detail how the market prevents environmentalism from succeeding in the next book, the second, in this series.

Conclusions

Once we understand the underlying conditions for human happiness it's relatively easy to imagine how privileged people like us can achieve them. Many tens of thousands of people are already doing it by moving together to communities of choice, often near nature, with likeminded people. In this way they get to choose their own tribe and live in an environment where they can practice autonomy, generosity and gratitude.

However, the great majority of the people on Earth lack the means to do so, and

nature doesn't even have a voice. Given the dynamics of market economies and State Actors it seems very unlikely to achieve, in the near future, the conditions for most of humanity to easily experience fulfilling lives. On the contrary, it seems likely that it will get incrementally more challenging.

Therefore, any viable interventions that we might want to do to contribute to humankind, and preserve biodiversity, would have to be fundamented in replacing the hegemonic market/state system with a different social organization. One that has emergent properties that are conducive to happiness and harmony with nature. For example, one based on sovereign communities which promote autonomy and use altruism and gratitude as basis for their own organization as well as for coordinating among them and sharing resources.

In the third book of this series we'll get into more detail about what would be the optimal social structure and how we can start constructing it right now, building communities of activists. Not as escapism for the hegemonic harmful values of society, but as a tool to gather power and use it to help the less fortunate to join as equals the new reality we are constructing.