

Markets and Their Discontents

di James Livingston

Markets were once understood as the crucible of morality, not the site of depravity and dissolution, where souls get bought and sold, as the left still seems to think. To be sure, “the market” remains hallowed ground, but it has become contested terrain – which a new book helps us navigate.

NEW YORK – In his most notorious (and most misinterpreted) polemic, [*On the Genealogy of Morals*](#), Friedrich Nietzsche suggested that if morality was a matter of thinking about what we owe each other, its origins were to be found at the moment when commercial transactions forced us to abstract from the differences between unlike things, and to assert equivalence where there was none. It was here that money – for Karl Marx the universal commodity – became *the* mechanism which enabled routine exchanges between strangers.

Nietzsche began his treatise with a rhetorical question: “Have these current genealogists of morals ever allowed themselves to have even the vaguest notion, for instance, that the cardinal moral idea of ‘ought’ originates from the very material idea of ‘owe’?” His answer was emphatic:

“The feeling of ‘ought,’ of personal obligation [had] its origin in the oldest and most personal relationship that there is, the relationship between buyer and seller, creditor and debtor ... Man soon arrived at the great generalization, ‘everything has its price, all can be paid for,’ the oldest and most naive canon of justice, the beginning of all ‘kindness,’ of all ‘equity,’ of all ‘goodwill,’ of all ‘objectivity’ in the world.”

And there was an even larger implication: “Making prices, assessing values, thinking about equivalents, exchanging – all this preoccupied the primal thoughts of man to such an extent that in a certain sense it constituted thinking as such.”

Nietzsche located this origin in antiquity, when money was invented, and thus encouraged contemporary social theorists like Werner Sombart to claim that capitalism was a trans-historical phenomenon – not, as Marx would have it, a radical departure from earlier, less dynamic modes of production. Meanwhile, Max Weber wrote a whole book aimed at discrediting Sombart’s position, arguing not only that the emergence of capitalism was a relatively recent phenomenon, but that its development presupposed certain limits on the scope of the commodity form. “The impulse to acquisition, pursuit of gain, of money, of the greatest possible amount of money, has in itself nothing to do with capitalism,” Weber wrote in *The Protestant Ethic and the Spirit of Capitalism*:

“This impulse exists and has existed among waiters, physicians, coachmen, artists, prostitutes, dishonest officials, soldiers, nobles, crusaders, gamblers, and beggars. One may say that it has been common to all sorts and conditions of men at all times and in all countries of the earth, wherever the objective possibility of it is or has been given. It should be taught in the kindergarten of cultural history that this naive idea of capitalism must be give up once and for all. Unlimited greed for gain is not in the least identical with capitalism, and is still less its spirit. Capitalism may even be identical with the restraint, or at least a rational tempering, of this irrational impulse.”

Weber’s more ambitious project – to measure the change in the moral climate produced by the Reformation (an agenda he inherited from Hegel and Marx) – followed logically from this insight. Protestants treated the expulsion of Adam and Eve from Eden and the consequent curse of labor as the requirements of redemption: a calling became a condition of the state of grace, a “fortunate fall” into a world where the sweat of your brow signified something more than your indenture to necessity.

As Hegel [explained](#) the result, “the repudiation of work no longer earned the reputation of sanctity.” Weber, however, was more pointed. Having acknowledged that a “positive valuation of routine activity” happened on ceremonial occasions before the Reformation, he declared: “But at least one thing was unquestionably new: the valuation of the fulfillment of duty in worldly affairs as the highest form which the moral activity of the individual could assume.”

The great insight common to these philosophers of history was itself derived from a modern, more or less Protestant sensibility: the idea that conduct in civil society,

participation in the market, routine economic activity, even necessary labor, were the proper settings of morality, where the new bourgeois virtues of thrift, punctuality, diligence, hard work, etc., could be displayed, assessed, and rewarded. (By contrast, the ancients and their Machiavellian heirs, among them Hannah Arendt, Sheldon Wolin, Tom Hayden, and Alasdair MacIntyre, could not imagine morality apart from political engagement: by their Aristotelian accounting, an individual with the capacity to choose between good and evil was by definition a *citizen*.)

To be sure, from the Protestant perspective, the sacred and the profane were separate spheres, but the difference between them was not the distance between heaven and earth, for the faithful no longer experienced life on earth as a probationary period prior to the coming of the Lord. Immanence and transcendence were now companionable contemporaries, not moments in a sequence or the terms of an either/or choice, because freedom now meant not release or abstention from worldly, material circumstances, but instead the purposeful transformation of those circumstances through work.

So, the Kingdom of God was near at hand, within the reach of the living. As the early-nineteenth-century literary critic and philosopher Friedrich Schlegel put it: “The revolutionary desire to realize the Kingdom of God on earth is the elastic point of progressive civilization and the beginning of modern history.”¹

Critical Theories

Recalling this intellectual history serves as a reminder that once upon a time, markets were understood as the crucible of morality, not the site of depravity and dissolution, where souls get bought and sold, as the left still seems to think. To be sure, “the market” remains hallowed ground, but it has become contested terrain.

For neoliberals, the market is the seat of liberty, but only insofar as the state doesn’t intervene in the name of social justice or equal opportunity. For populists, the market is the source of equality, but only insofar as antitrust law restricts the liberty of large corporations to exercise monopoly power. Either way, the market realizes its God-like, almost providential purposes to the extent that it is an entity impervious to manipulation, a self-regulating system of anonymous forces beyond the reach of rational control or planning.

No wonder the critics of capitalism are so numerous, are of so many political persuasions, and are so resilient, as John Cassidy demonstrates in [*Capitalism and Its Critics: A Battle of Ideas in the Modern World*](#), a sweeping, encyclopedic, and yet sprightly examination of capitalism's critics from the eighteenth century to the present. Cassidy shows that you don't have to be a Marxist, or a socialist, or even on the left to think that blind faith in the market is misplaced, if not downright inhuman. Even Alan Greenspan, the Fed mastermind who never outgrew his youthful attachment to Ayn Rand's inane ideas, was dubious of the extravagant claims made on behalf of "free markets," expressing his doubts most poignantly in concluding his 2007 [memoir](#): "Remember, markets are not ends in themselves. They are constructs to assist populations in achieving the optimum allocation of resources."

But Greenspan's admonition implies that markets and capitalism aren't the same thing. So the title of Cassidy's book is happily misleading. He doesn't introduce us to an anti-capitalist literary canon. Rather, he offers us ways of asking how markets can and should be regulated in the name of the common good.

Markets, money, commodities, merchants, private property, long-distance trade, insurance, banking, the profit motive, and even advertising were visible and consequential long before capitalism emerged in the sixteenth century and became the dominant mode of production during the Industrial Revolution, as wage labor became the typical source of income for most producers (at least in Europe and North America, which thereafter colonized the entire planet). Markets, moreover, appear to be perfectly consistent with societies in which slavery, misogyny, and many other forms of savagery thrive, as the antebellum American South amply attests. But the modern market society known as capitalism could not abide such deformities, as the Civil War would suggest – not until economists like [Milton Friedman](#) reduced capitalism to a gospel of greed and grab, and CEOs like Jack Welch ignored all incentives other than short-term profits.

Stage Names

How, then, are we to distinguish between societies with markets and market societies, and to differentiate between stages or types of market societies? Marxists typically frame the issue of periodization raised by the emergence of capitalism as a "transition

question”: When, where, why, and how did capitalism develop from the wreckage of feudalism, they ask (and, being critics of capitalism, when, where, and how will the transition to socialism be accomplished)?

What was so new and different about capitalism that it revolutionized the production of goods, the scope of politics, the role of families, the content of society, and the meaning of selfhood, not to mention the consciousness of historical time required to recognize these changes as irreversible departures from the past? Will the successor to capitalism – if one ever comes – entail change of this magnitude?

The transition question, so conceived, isn’t a matter of merely antiquarian or sectarian interest. What comes after capitalism has become an urgent social question demanding practical answers, because the labor market – never a perfect register of supply and demand, or a reliable means of delivering incomes commensurate with effort – could soon collapse under the weight of AI. What distinguished capitalism from all previous modes of production is the conversion of work – and the specifically human need *to work* – into a commodity that, divided into homogenous parcels of time, could be bought and sold like any other commodity. It would seem to follow that if the market in labor collapses, so, too, does the social edifice built upon this foundation. Will capitalism collapse? Or will it just evolve into something that we can’t yet name?²

Consider the immediate threat to the labor market, as described by Dario Amodei, the CEO of the AI firm Anthropic, which developed Claude to compete with Open AI’s ChatGPT. “AI could wipe out half of all entry-level white-collar jobs – and spike unemployment to 10-20% in the next one to five years,” he [told](#) *Axios* in May. Steve Bannon, the media-savvy MAGA-adjacent culture warrior, agreed: “I don’t think anyone is taking into consideration how administrative, managerial, and tech jobs for people under 30 – entry-level jobs that are so important in your 20s – are going to be eviscerated.”

Of course, we have been hearing such apocalyptic talk since the 1950s. The difference between then and now is that AI-driven automation can replace white-collar employees because it has *cognitive* capacities that robots don’t, including the Adamic ability to think that it can [deceive its maker](#). That’s a significant difference, because employment

growth since the 1920s has been concentrated here, in the so-called service sector, where “manual labor” means dexterity and a soft touch, not physical strength.

Consider another of Bannon’s [concerns](#): “techno-feudalism,” the term for a post-capitalist stage of development popularized by [Yanis Varoufakis](#), the Greek economist and former finance minister. It has two salient features. First, its rulers, the “cloud capitalists” who own the digital platforms (Amazon, Google, Apple, et al.), do not generate profit, but rather extract rent from both producers and consumers by exercising monopoly power over the *distribution* of goods.

Second, by selling the data they collect when we use our devices to browse the internet in our “free time,” these cloud capitalists realize value by colonizing and monetizing leisure – that is, our lives *after* work. A surplus of labor power becomes superfluous labor, because value creation no longer requires the subordination of labor power to capital at the point of goods production. And here we reach the end of capitalism as we know it, or at least as Marxists have defined it.

Markets Without Capitalism?

So, the transition question we are now facing makes Cassidy’s book much more timely, useful, and important than it would be even if all he had done was assemble critics of markets, not of capitalism. For if capitalism is on the verge of extinction, markets certainly are not. Not even avowed socialists are still willing to claim that central planning is a viable alternative to enfranchising consumer choice and letting the varieties of public opinion determine *investment* decisions as they now shape *political* decisions. We need exactly what Cassidy has provided, then: a panoptical scan of the criticisms writers on both left and right have offered of markets, from the moment when a market in labor created a modern market society in the late-eighteenth century, down to our own time, when participation in the labor force no longer seems to matter in the creation of value or the development of character.

Cassidy lines up the usual suspects – Marx, Engels, Veblen, Hobson, Keynes, and contemporary critics like [Joseph Stiglitz](#) and [Thomas Piketty](#) – but he also enlists obscure figures whose thinking is worth our consideration now that we know that self-regulating markets never existed. He includes proto-feminists like Anna Wheeler and Flora Tristan, whose work on the economics of gender discrimination preceded that of

John Stuart Mill by a generation; the historian Eric Williams, whose pathbreaking [1944 book](#) on the role of slavery in British industrialization still inspires controversy; and the East European economists Nikolai Kondratiev and Nicholas Georgescu-Roegen, whose work on business cycles and the environmental impact of growth have become indispensable to thinking about the future of development. He also looks to Silvia Federici, one of the original theorists of wages for housework and an effective organizer around the issue; and Stuart Hall, a founder of the British New Left and the rightful heir to the legacy of C. L. R. James, whose work on the relations between race and class during Margaret Thatcher's premiership in the 1980s made cultural studies a normal science in the academy.

Capitalism and Its Critics makes the transition question both poignant and practical. It certainly forces us to ask hard questions, regardless of where we place ourselves on the political spectrum. Is capitalism worth preserving if markets have stopped working under its aegis – that is, if everybody knows that the issue is not whether but how to regulate markets? What social purposes do markets actually serve? Does the labor market, for example, allocate incomes in accordance with past effort, learned skills, and natural talent, or has the relationship between work done and wages received become inexplicable and arbitrary? And of what do markets consist, anyway?

Are consumer preferences really more significant than investors' decisions in determining the pace and pattern of economic growth? If so, on what rational grounds do we continue to let a small group of investors – whether from Wall Street or Silicon Valley – decide on the material conditions that shape our everyday lives and the future of the planet?

Perhaps the hardest question is not whether but how morality – what we owe one another – resides in and flows from behaviors specific to markets. Does having a job and working for a wage still build character? Or, with the likes of Donald Trump in power, has it become obvious that only chumps and suckers think that success depends on working hard and playing by the rules? If morality is foreign to what markets contain and permit, as conservative defenders of the family lament, are we obliged to subordinate markets to social purposes that public, political discourse can articulate?

Cassidy doesn't pretend to have the answers to the questions he raises. The strength of his book is to provide readers with the intellectual resources to address them seriously.

John Cassidy, [Capitalism and Its Critics: A Battle of Ideas in the Modern World](#) (Allen Lane, Penguin Random House, 2025).