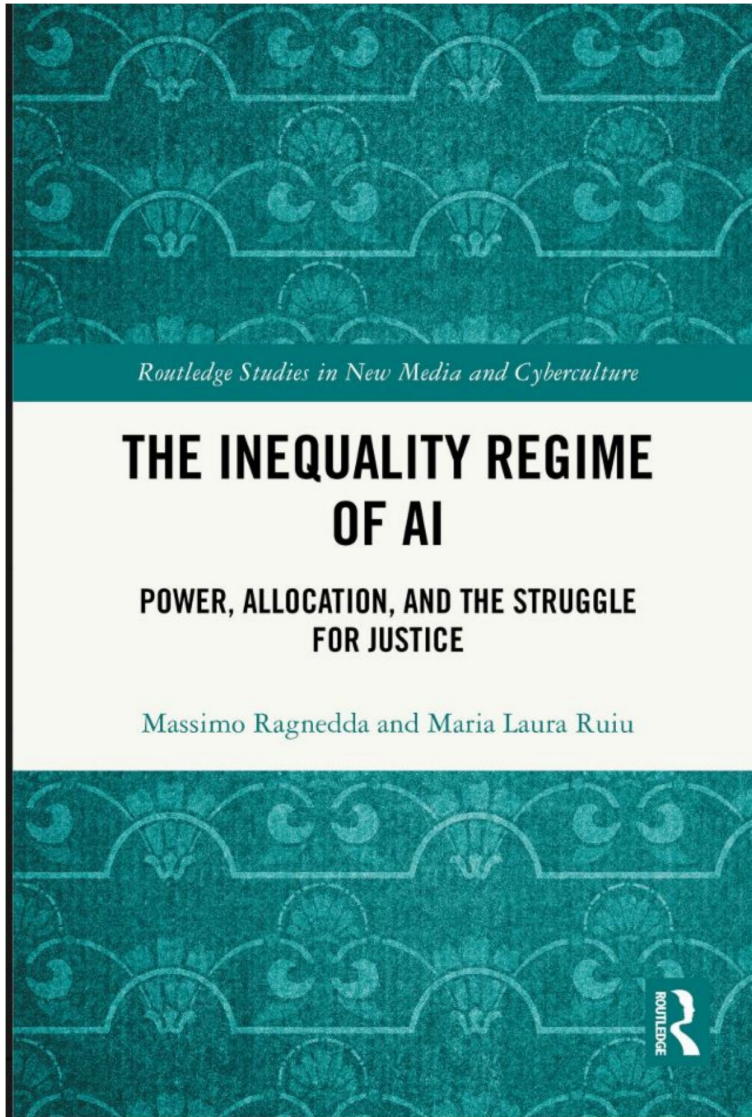


ACADEMIC SEMINAR READING GUIDE



THE INEQUALITY REGIME OF AI

Power, Allocation, and the
Struggle for Justice

**Massimo Ragnedda &
Maria Laura Ruiu**

Key ideas, concepts, conceptual relationships
and questions of justice

Prepared for academic discussion. This guide summarises the book without reproducing its text and is intended to support seminar preparation.

1 Book at a glance

Authors	Massimo Ragnedda & Maria Laura Ruiu
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The book in one view

The book examines how artificial intelligence participates in organizing social inequality through the allocation of visibility, resources, opportunities, and risk. It moves from digital divides in access, skills, and participation to the institutional power of prediction: the capacity to classify people and act upon their anticipated futures. The AI Inequality Regime connects unequal data production, algorithmic interpretation, and governance to explain how historically produced differences become routine and apparently objective grounds for decision-making.

This framework links everyday adaptations to rankings and scores with institutional practices in labor, welfare, and education. It also follows AI into its material and geopolitical foundations, including hidden labor, resource extraction, infrastructure ownership, and the appropriation of knowledge. Inequality consequently concerns both what people receive and who can define the categories through which they are understood. The book's constructive argument centers on critical literacy, collective agency, algorithmic commons, and redistributive infrastructures. Justice requires changes to ownership, interpretive authority, and governance, together with ecological responsibility. These alternatives form a contested direction for institutional transformation rather than a finished technical or policy blueprint.

Central question

Who controls the systems that increasingly predict, classify, and allocate opportunities for others?

Reading references below use the book's printed page numbers.

Why this framework matters

The framework shifts attention from isolated algorithmic errors to the institutional and infrastructural conditions through which predictive systems acquire authority. It asks how historically produced inequalities can become durable, scalable and normalised when incorporated into decision-making infrastructures.

2 The central argument

The book addresses a problem that cannot be understood through unequal access to AI tools alone. Predictive systems increasingly help institutions decide who receives support, attracts scrutiny, gains visibility, or qualifies for an opportunity. Their significance lies in the authority they acquire within social arrangements: classifications become grounds for action, and action changes the circumstances subsequently recorded as data. The object of analysis is therefore a regime of artificial power, in which computation participates in organizing social hierarchy.

Approaches centered on connectivity and skills explain important inequalities, but cannot by themselves explain who sets model objectives or determines the consequences of a score. Likewise, diagnosing biased outputs identifies harms without necessarily challenging the institutional purposes that produce them. A system may improve statistical parity while retaining an exclusionary definition of risk, productivity, or deservingness. Transparency also has limits: seeing how a model operates does not provide the resources or authority needed to challenge its use. The book treats these interventions as insufficient when separated from ownership, institutional incentives, and collective power.

Extending the idea of inequality regimes from organizations to digital infrastructures, the authors connect three features: durability, governing logic, and normalization. Power persists across technical changes; defaults and thresholds organize conduct; and historically contingent hierarchies acquire the appearance of efficient calculation. Three fractures sustain this arrangement. The data divide concerns how people become visible, including both neglect and punitive overexposure. The algorithmic divide concerns control over interpretation. The governance divide concerns who makes classifications authoritative and who can contest them. Their interaction gives the regime its recursive force.

The Allocative Turn identifies the change in emphasis from enabling participation to predicting, classifying, ranking, and distributing life chances. Prediction becomes consequential when an institution uses it to organize eligibility, attention, support, or sanction. The AI Stratification Spiral explains the resulting feedback: unequal records inform classifications; classifications shape decisions; and decisions produce outcomes and new records that can appear to validate the original classifications. The system helps produce the reality that it subsequently measures. Inequality is consequently reproduced through the procedures generating outcomes, as well as through outcomes themselves.

This process operates across interconnected scales. Algorithmic Habitus explains how people learn to anticipate automated judgment and adjust expression, conduct, and expectations. Allocative institutionalism explains how prediction, behavioral modulation, and differential access become organizational routines. At the planetary scale, predictive capacity depends on labor, energy, minerals, data, and infrastructures whose benefits and burdens are unevenly distributed. Digital Feudalism and

Techno-colonialism connect control over access and cognition to rent extraction, dependency, and unequal epistemic authority. The horizon of justice asks how these relations could be reorganized.

The central sociological question is who controls the systems that predict, classify, and allocate opportunities for others, and on whose terms people become intelligible within them. This question joins distribution to recognition and representation: justice concerns resources, the legitimacy of people's knowledge, and their standing in collective decisions. The book does not present harmful outcomes as technological destiny. Its institutional comparisons leave room for prediction subordinated to care, rights, and professional judgment. Its alternatives therefore seek to redistribute data, compute, authority, and ecological responsibility through collectively governed infrastructures. Their viability depends on material support, continuing contestation, and negotiation of unresolved tensions between access, sovereignty, and ecological restraint.

3 From digital inequalities to the AI Inequality Regime

The trajectory is a widening account of stratification, not a sequence in which each new divide eliminates the previous one. Digital inequalities already concern differentiated uses and benefits, alongside access. The earlier works cited in the book provide two complementary foundations for this development.

Digital Capital concerns accumulated digital resources and competencies and their interaction with other forms of capital. It helps explain unequal capacities to navigate digital environments and convert digital engagement into valued outcomes. The Third Digital Divide directs attention to inequalities in those outcomes and their consequences for life chances. These perspectives connect digital experience to existing social positions rather than treating connectivity as sufficient for inclusion. They are related foundations, not successive stages: the Third Digital Divide volume appeared in 2017 and Digital Capital in 2020.

AI inequality extends the inquiry to how predictive systems distribute opportunity and constraint. A person's resources and competencies remain consequential, but the terms of allocation also depend on institutions and infrastructures beyond that person's control. The AI Inequality Regime explains the durable arrangement through which these inequalities are produced and legitimized. Chapter 4 explicitly connects the stratification of Algorithmic Habitus to unequal cultural, economic, and digital capital. The conceptual extension therefore shifts attention from unequal conversion of participation into benefits to power over the classifications and decisions that organize those benefits.



These are connected theoretical foundations, not successive stages in which one framework replaces another.

Core conceptual architecture

Overarching framework	AI Inequality Regime: the durable social, institutional and infrastructural configuration.
Shift and mechanisms	Allocative Turn; AI Stratification Spiral; Data, Algorithmic and Governance Divides; allocative institutionalism.
Subjectivity & recognition	Algorithmic Habitus and Intelligibility Inequality connect lived experience to classificatory authority.
Political economy & material conditions	Digital Feudalism and Lex Digitalis; Computational Metabolism and Techno-colonialism.
Proposed alternatives	Algorithmic Commons and Redistributive Infrastructures, supported by critical literacies and infrastructural democracy.

Three interacting divides

Data Divide	Algorithmic Divide	Governance Divide
Unequal visibility and representation in data, including neglect and punitive overexposure.	Unequal power over the interpretation of data and the systems that classify.	Unequal authority to make classifications consequential and to contest their use.

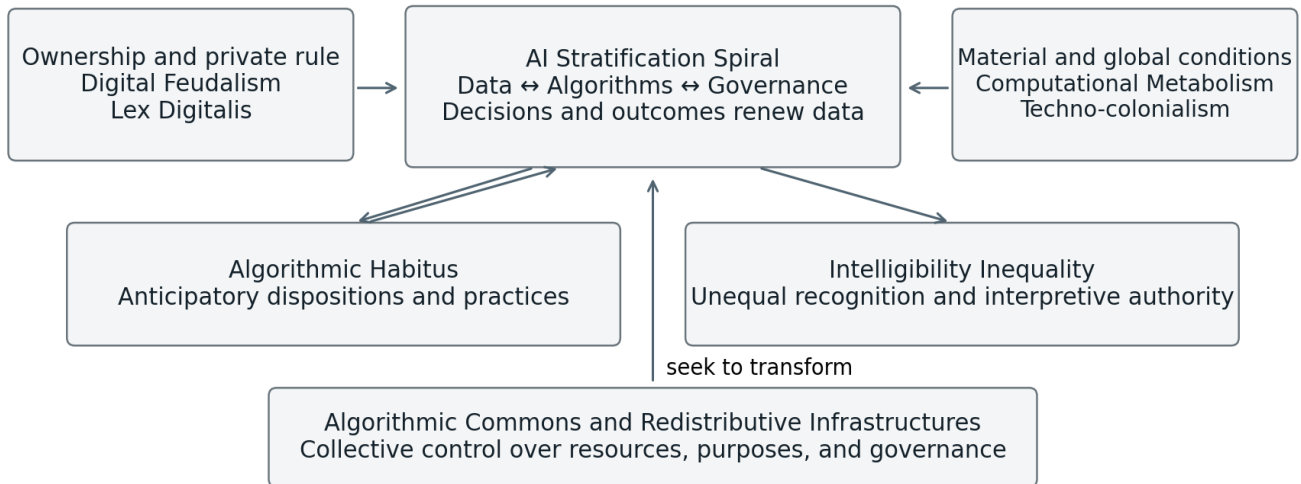
The regime emerges through the interaction of these fractures; the conceptual map should be read as an interacting architecture rather than a simple sequence.

4 Conceptual architecture

The map synthesises the recursive mechanism, subjectivity, ownership, material conditions and alternatives. Arrows indicate enabling, feedback and transformative relationships, not a tested causal model.

AI INEQUALITY REGIME

Allocative Turn: prediction gains institutional force



4.1 The AI Inequality Regime

Definition & main idea. A recursive, allocative, and epistemic configuration through which technologies, institutions, and infrastructures organize visibility, voice, value, and life chances. The framework explains durable patterns of domination whose governing rules become normalized as technical efficiency.

Why it matters. It explains why similar inequalities persist across applications and technical corrections. The Allocative Turn specifies its governing orientation; the Spiral explains reproduction; habitus, ownership, and extraction locate its operation across scales. Example: welfare agencies use predictive classifications to organize eligibility and scrutiny, embedding inequality in administrative routines (pp. 15–25, 76–78).

4.2 The Allocative Turn

Definition & main idea. The shift in emphasis from technologies mediating participation to infrastructures distributing opportunities, resources, protections, and risks through prediction and classification. Anticipated futures become actionable in the present.

Why it matters. It explains why digital competence cannot settle questions of AI justice. Allocation supplies the institutional consequences through which the Spiral operates; Intelligibility Inequality shapes whose circumstances count. Example: educational early-warning scores direct institutional attention toward students predicted to underperform (pp. 28–30, 75–76).

4.3 The AI Stratification Spiral

Definition & main idea. A recursive process in which unequal data capture shapes algorithmic interpretation, institutional decisions deepen disparities, and resulting data reinforce earlier classifications. The spiral is cumulative and operates across scales, rather than describing one mistaken prediction.

Why it matters. It explains how historical disadvantage becomes apparently self-confirming evidence. Data, algorithmic, and governance divides constitute its interacting mechanisms; Algorithmic Habitus contributes behavioral feedback. Example: models using records from heavily policed neighborhoods redirect policing there, generating further records that reinforce suspicion (pp. 16–17, 46, 48–50).

4.4 Algorithmic Habitus

Definition & main idea. Embodied cognitive, affective, and moral dispositions through which people learn to anticipate and perform for algorithmic judgment. Repeated adjustments can become ordinary ways of perceiving and acting, beyond consciously chosen tactics.

Why it matters. It explains how the regime operates through subjects as well as upon them. Unequal capital and dependence shape these dispositions, which connect everyday practices to the Spiral. Counter-habitus prevents the concept from implying inevitable compliance. Example: gig workers calibrate speech and emotional restraint in response to uncertain rating systems (pp. 61–70).

4.5 Intelligibility Inequality

Definition & main idea. Unequal capacities to appear, be interpreted, and influence the categories through which computational systems organize social life. It includes being misread or absent, but also being intensely visible on punitive terms.

Why it matters. It explains why greater data inclusion need not bring recognition or agency. The data divide shapes visibility; the algorithmic divide concentrates interpretive power; governance gives categories consequences. Example: welfare systems can interpret complex circumstances through a classification of noncompliance, making misrecognition consequential for support (pp. 4–5, 43–47).

4.6 Digital Feudalism and Lex Digitalis

Definition & main idea. Digital Feudalism names dependencies and rents organized through ownership of computational infrastructures. Lex Digitalis names the private rules enforced through code, contracts, and automated sanctions. They describe ownership and rule respectively, rather than two interchangeable terms.

Why it matters. Together they explain participation without control: users and public institutions rely on infrastructures governed elsewhere. This ownership structure consolidates the governance divide and motivates the Algorithmic Commons. Example: platform account suspension or ranking demotion enforces privately defined conditions of participation (pp. 130–138).

4.7 Computational Metabolism and Techno-colonialism

Definition & main idea. Computational Metabolism describes the conversion of energy, materials, water, and labor into computational capacity, with unevenly distributed ecological costs. Techno-colonialism concerns the continuation of colonial relations through data, labor, epistemic extraction, and externally controlled infrastructures.

Why it matters. The pairing connects planetary resource flows to geopolitical authority, without reducing coloniality to environmental damage. Both sustain the regime and require material and epistemic redistribution. Example: outsourced annotation and moderation workers supply indispensable judgment while ownership and decision-making remain concentrated elsewhere (pp. 105–114, 118–127).

4.8 Algorithmic Commons and Redistributive Infrastructures

Definition & main idea. Algorithmic Commons are collectively stewarded data, models, and computational resources governed through negotiated responsibilities. Redistributive Infrastructures are the broader arrangements designed to redistribute resources, recognition, authority, and care. Commons provide an institutional form; redistribution specifies the transformation sought.

Why it matters. They address the concentration of predictive power identified throughout the regime. Critical literacy supports collective agency, while infrastructural democracy embeds that agency in design and oversight. Example: Te Hiku Media’s Māori language resources illustrate community stewardship and control over knowledge use (pp. 138–141, 162–170).

5 The key mechanism

The AI Stratification Spiral is the book’s central recursive mechanism. Chapter 3 explicitly treats the divides as a system rather than a simple chain. The following sequence identifies moments within that system:

- 1 **Unequal social conditions and selective capture:** institutional histories determine what is recorded, omitted, or overrepresented.
- 2 **Algorithmic interpretation:** data become predictions and classifications through labels, proxies, and objectives that encode social judgments.
- 3 **Institutional allocation:** governance gives predictions force through decisions about support, opportunity, surveillance, or sanction.
- 4 **Changed outcomes and renewed data:** those decisions alter lives and recorded events; subsequent models can read their effects as confirmation of earlier judgments.

Two reinforcing dynamics matter. Individuals adapt to anticipated classifications, while platforms accumulate data, improve models, and extend their reach. The spiral therefore links subjective adjustment, institutional reproduction, and economic accumulation. It does not require every model to retrain immediately: later datasets and administrative routines can carry consequences forward. Interrupting it requires changing data production, interpretive authority, and institutional use together, rather than correcting a score in isolation.

Chapter 3, pp. 48–53; behavioral feedback in Chapter 4, pp. 63–67.

6 Key themes

Power lies in the authority to allocate

Prediction acquires social power through institutional use. A probability becomes consequential when an organization translates it into access, priority, pricing, or suspicion. The object of critique is this relationship between calculation and authority.

The relevant distinction is between being able to participate and being able to shape the terms of participation. This connects the Allocative Turn, governance divide, and allocative institutionalism (Chapters 2, 3, and 5).

Visibility can expose as well as include

Being represented in data can enable access to services, but can also intensify surveillance. The same population may be underrepresented in beneficial systems and overrepresented in punitive records.

Justice therefore concerns how people are made visible and who controls interpretation, alongside the right to resist capture. This connects Intelligibility Inequality, the data divide, and the right to opacity (pp. 4–5, 22, 43–45, 150–151).

Prediction reorganizes conduct and possible futures

Rankings and feedback shape what people feel they can attempt. Data shadows, inferred profiles that circulate institutionally, may constrain opportunity before an individual can explain their circumstances. These pressures are unevenly experienced across social positions.

Adaptation is neither uniform nor complete. Refusal, obfuscation, collective organizing, and alternative design expose the regime’s contestability. Algorithmic Habitus, affective capture, data shadows, and counter-habitus connect power to lived experience (Chapter 4).

Institutional efficiency can coexist with social injury

In welfare, labor, and education, systems can standardize decision-making while narrowing substantive freedoms. The relevant question extends beyond equal error rates to what people can do and become. Structural exclusion and symbolic misrecognition can be reproduced through apparently reasonable proxies.

Institutional context also changes outcomes: prediction can direct human support or reinforce punitive control. Algorithmic violence, bias laundering, the allocative paradox, and the capability approach explain why evaluation must examine purposes and consequences together (Chapters 5–6).

Ownership connects cognition to planetary extraction

Control over clouds, models, and interfaces confers authority over access and knowledge production. This depends on contributions that dominant accounts of automation obscure: annotation, moderation, cultural knowledge, minerals, energy, and water.

The computational periphery is a relation of dependency, not simply a shortage of equipment. Digital Feudalism, Lex Digitalis, Computational Metabolism, and Techno-colonialism connect concentrated benefits to displaced labor and ecological burdens, including inequalities within wealthy countries (Chapters 7–9).

Justice requires collective authorship and ecological limits

The constructive argument asks who can define problems, govern shared resources, and refuse harmful systems. More diverse inputs do not establish justice if ownership and objectives remain unchanged. Collective agency needs funding, institutional standing, and control over infrastructures.

Nor does justice mean unlimited expansion of computation. Algorithmic Commons, Redistributive Infrastructures, degrowth AI, and pluriversal intelligence connect shared governance to sufficiency, care, and multiple ways of knowing. Their tensions require negotiation rather than a universal design formula (Chapters 7–11).

From diagnosis to justice

Redistribution concerns the conditions under which intelligence is produced and governed, as well as the distribution of its benefits. The book draws on redistribution, recognition, and representation to connect economic resources, epistemic standing, and political participation. Its account of allocative justice identifies epistemic, institutional, and infrastructural sites of intervention. Justice begins with the purposes and organization of systems, not only compensation after harm.

Critical literacy and collective agency. Chapter 10 connects critical consciousness to epistemic disobedience, algorithmic liberation, infrastructural literacy, and decolonial and pluriversal literacies. These capacities enable people to question categories, trace labor and material dependencies, and build alternatives. Affective experience can also identify injustice. Literacy becomes politically effective through collective inquiry and action; it cannot substitute for resources or institutional power.

Data and computational resources. Material redistribution includes control over datasets, models, networks, and compute. Public and cooperative infrastructures, community stewardship, and sustained investment seek to reduce dependence on proprietary systems. Data sharing must respect collective

consent and sovereignty: unrestricted openness can enable further appropriation. A commons therefore requires enforceable rules and continuing maintenance.

Epistemic authority, participation, and governance. Communities must be able to define problems, objectives, and acceptable harms, not simply contribute data or approve finished designs. Infrastructural democracy extends shared authorship through deployment, evaluation, and revision, including the right to refuse. Situated knowledge and relational ethics become foundations of design. Nested governance connects local autonomy with wider coordination.

Ecological responsibility and unresolved tensions. Redistribution also concerns extraction, hardware lifecycles, repair, and restraint in computational scale. Chapter 11 acknowledges limited longitudinal evidence, unequal capacities to participate, and conflicts between open access and Indigenous sovereignty, or inclusion and ecological limits. The alternatives require material support and deliberative procedures through which affected groups can negotiate these tensions. They remain an ongoing political practice rather than a settled blueprint.

7 Key terms | compact glossary

Allocative Turn — The shift in emphasis toward distributing life chances through predictive classification, beyond enabling digital participation.	Intelligibility Inequality — Unequal capacities to be interpreted and recognized, and to influence the categories governing that recognition.
AI Stratification Spiral — Recursive reinforcement of inequality through unequal capture, interpretation, institutional allocation, and renewed data.	Algorithmic violence — Computational reproduction of structural and symbolic domination, including material exclusion and epistemic harm.
Data divide — Unequal visibility and representation in data, including exclusion from beneficial systems and overexposure to punitive ones.	Bias laundering — The conversion of structural injustice into apparently neutral technical choices or fairness adjustments that leave underlying purposes intact.
Algorithmic divide — Unequal power to design, own, understand, and contest systems that interpret data.	Digital Feudalism — Rent-based dependency arising from concentrated ownership of the infrastructures through which others participate.
Governance divide — Unequal authority to set objectives and rules, enforce accountability, and contest institutional uses of AI.	Lex Digitalis — Private platform rule encoded in contractual terms, technical systems, and automated enforcement.
Digital Capital — Accumulated digital resources and competencies that interact with other capitals to shape digital participation and its returns.	Computational Metabolism — The material and energetic processes supporting computation, whose ecological costs and benefits are unequally distributed.
Third Digital Divide — Inequalities in tangible outcomes and life chances associated with	Techno-colonialism — The continuation of colonial power through computational governance

differentiated digital engagement.	and the extraction of data, labor, and knowledge.
Allocative institutionalism — Organizational governance through predictive decisions, behavioral modulation, and differential access.	Epistemic sovereignty — Collective authority over how knowledge about a community is produced, interpreted, used, and governed.
Algorithmic Habitus — Embodied dispositions formed through repeated exposure and adaptation to anticipated algorithmic judgment.	Algorithmic Commons — Shared computational resources sustained through collective stewardship, rules, and accountability.
Affective capture — The extraction and modulation of emotion through feedback systems that sustain engagement and attachment.	Redistributive Infrastructures — Systems organized to redistribute material resources, epistemic authority, recognition, and ecological responsibility.
Data shadow — An inferred statistical profile used to anticipate behavior and make decisions about a person.	Infrastructural democracy — Democratic authorship embedded in the design, maintenance, deployment, and oversight of technological systems.
Counter-habitus — Reflexive practices of refusal, obfuscation, or collective intervention that disrupt algorithmic expectations.	Pluriversal intelligence — A conception of intelligence as situated, relational, and multiple, irreducible to one universal computational standard.

8 The four-part structure of the book

Part & central question	Concepts and contribution
I From Digital Divides to Inequality Regimes How does predictive power become a durable social order?	AI Inequality Regime, Allocative Turn, three divides, Stratification Spiral. Establishes the historical shift and recursive mechanisms (Chapters 1–3).
II Architectures of Allocation How does that order enter lives and institutions?	Algorithmic Habitus, allocative institutionalism, algorithmic violence. Connects subjectivity, organizational routines, and social injury (Chapters 4–6).
III Global Orders of Extraction What sustains predictive power, and who bears its costs?	Computational Metabolism, Techno-colonialism, Digital Feudalism, Lex Digitalis, commons. Connects planetary extraction to ownership and alternatives (Chapters 7–9).
IV Horizons of Justice What capacities and arrangements could transform the regime?	Literacies of liberation, Redistributive Infrastructures, pluriversal intelligence, infrastructural democracy. Moves from critical agency to shared governance and its limits (Chapters 10–11).

9 Five things to remember

1. AI inequality is organized through durable relations among data, interpretation, institutions, and infrastructure; isolated model errors cannot explain the whole regime.
2. The Allocative Turn makes control over predictive decisions a central dimension of power, alongside unequal access, skills, and digital outcomes.
3. The AI Stratification Spiral connects prediction to decisions that can produce the evidence used to validate later predictions.
4. Classificatory power shapes dispositions and recognition while depending on unequal ownership, labor, and planetary resource flows.
5. Justice requires redistribution of material capacity, epistemic authority, and ecological responsibility, sustained through collective governance and care.

10 Selected further reading and resources

Works cited in the book and companion resources supplied in the author-prepared overview.

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The Architecture of AI Inequality. The authors' free video and podcast series on the book's concepts.

Companion series <https://www.massimoragnedda.com/the-inequality-regime-of-ai/>