

Capitalism As Parasitism

How Capital Began To Consume What It Was Meant To Build.

By **Sam Sukumar**

Capitalism was never a moral system.

It was a mechanism—a method of allocating capital to productive use through decentralized decisions. At its best, it rewarded innovation, risk-taking, and value creation. At its worst, it enabled exploitation, deception, and extraction.

For a while, this balance held. Innovation lifted millions. Markets created new opportunities. Risk was real, and reward was tied to contribution. But something has changed—not just on the surface, but in the bloodstream of the system itself.

Capitalism is no longer a creative force. It has mutated into something far more dangerous.

Capitalism as parasitism.

“The economy is a wholly owned subsidiary of the environment.”

— Gaylord Nelson

When the system learns to grow not by building, but by draining.

When capital no longer creates value—but only locates, extracts, and hoards it.

When wealth does not serve the world—but consumes it.

This is not a fringe critique. It is a moral diagnosis.

From Builder to Extractor

Early capitalism had its heroes: the entrepreneur, the craftsman, the risk-taker. Their capital was committed. Their labor was visible. Their mistakes had consequences. They invested in people, product, and process.

Today's system rewards something else: **arbitrage**.

The most celebrated minds don't solve problems—they extract value. They are rewarded not for building, but for flipping.

They no longer plant seeds. They siphon sap.

The dominant figure is no longer the founder—but the fund manager.

Private equity, hedge funds, and algorithmic finance have perfected this new logic. The goal is no longer to build lasting value but to exploit temporary inefficiencies—**enter fast, extract faster, exit before the host collapses**.

Real-world experience: Jet Airways (India)

Once the pride of Indian aviation, Jet Airways was brought to its knees not just by competition, but by a complex web of debt-fueled growth, mismanagement, and financier overreach. What began as a vision of connection and quality became a hollowed-out brand. Employees went unpaid. Vendors were left hanging. The public watched as another institution, once built on trust, collapsed under the weight of leveraged ambition.

Value wasn't lost. It was drained. The collapse was just the final act.

And this logic is not unique to India. It has echoed across the globe.

Real-world experience: ManorCare (U.S.)

In 2007, The Carlyle Group acquired ManorCare, a large U.S. nursing home chain. Over the years, staffing cuts and reduced care standards followed, while the firm extracted over a billion dollars through dividends and asset sales. Eventually, the company filed for bankruptcy—after the profits had already been taken.

This is not mismanagement. It is monetization.

What Defines a Parasite?

Biologically, a parasite is an organism that:

1. Lives off a host, gaining nutrients at its expense.
2. Provides no reciprocal benefit.
3. Often weakens or kills the host over time.

This is increasingly how modern capital behaves. And not by accident—but by design.

Real-world experience: Private Equity in Indian Hospitals

In India, several private hospital chains have been transformed into yield machines. Beds are monetized. Diagnostics are upsold, and doctors pressured to meet financial targets. The metric isn't healing—it's billing. Staff are stretched thin. Trust breaks down. Lives hang in the balance.

Lives are risked in service of return on investment.

This is not the failure of healthcare.

It is the success of the business model.

The Language of Legitimacy

Parasitic capitalism survives because it cloaks itself in virtue. It uses the language of innovation, efficiency, and performance to conceal extraction.

- “Efficiency” becomes a euphemism for layoffs.
- “Disruption” becomes an excuse for market dominance.
- “Value Creation” becomes the rearranging of paper to simulate progress.
- “Growth” becomes the right to devour industries, communities, and ecosystems.

Real-world experience: Indian Higher Education "Trusts"

Private universities in India, often operating under charitable “trust” structures, are now revenue funnels for real estate and service companies tied to their founders. Fees increase, quality decreases, and faculty are overburdened—all while profits are quietly extracted through side-door

vendor deals.

The students remain in debt. The investors disappear.

It's not education. It's arbitrage.

Inversion of Moral Energy

In older systems—spiritual, indigenous, or civic—wealth came with responsibility. To have more was to steward more. Elders held wisdom, not just assets. Power required legitimacy.

Today, wealth functions as insulation.

To have more is to:

- Pay fewer taxes.
- Escape consequences.
- Purchase silence.
- Influence laws that once governed you.

Real-world experience: Apollo Global & Insurance Arbitrage

Apollo Global Management gained control of life insurance companies and redirected policyholder premiums into opaque high-yield vehicles. The retirees and families who entrusted their futures were exposed to risks they never agreed to. But the investors? They extracted the spread and wrote new rules.

In this game, the one holding the risk is rarely the one writing the rules.

Who Is the Host?

WE ARE.

The host is:

- The worker doing more for less.
- The patient treated as a billing code.
- The tenant bidding against hedge funds for shelter.
- The student turned customer.
- The land treated as expendable.

- And the trust that holds society together.

Capitalism, in its parasitic form, no longer nourishes the host. It **extracts until exhaustion**.
And **then it moves on**.

Beyond Reform: A Call to Remember

We don't need to burn the system.

But we must **remember its purpose**.

*Capital is a tool. It should **serve life**, not feed on it.*

We must move from:

- Ownership to **Stewardship**
- Growth to **Regeneration**
- Extraction to **Responsibility**
- Scarcity to **Shared Sufficiency**

We must rebuild an economic imagination grounded in **dignity, ecology, and shared destiny**—not just in quarterly returns.

FINAL REFLECTION: Parasites Only Thrive in Silence

The choice ahead is clear.

We can let the system continue—until the host collapses under the weight of its own consumption.
Or we can *awaken*.

We can **reclaim capital as a means of shared flourishing**, not isolated advantage.

A system that feeds on life cannot call itself alive.

It can only survive as long as we forget we are the ones being eaten.

And we are no longer forgetting. *The parasite cannot survive once the host awakens.* The future of capital is not in more extraction—it is in **remembering** what makes **it human**: the **ability to build, to share, and to belong**.