

## 8. Commons and the market

---

Having discussed the relationship between commons and the state, let us now turn to a central question that has been touched upon repeatedly yet incompletely so far: the relationship between commons and the market. Since I have already discussed both justifications of the open and competitive market and some of the problems it engenders, let me be brief in recapitulating the arguments. Most importantly, the open and competitive market has been justified as a way to bring peace and unleash productivity. It has been assumed that wealth is generated through the protection of individual negative rights in private property and through the self-regulation of supply and demand on the market. Yet, while this negative freedom has increased the freedom of individuals with direct access to property in external resources, other individuals have become increasingly dependent on hierarchical wage labor relationships to secure their existence. Furthermore, the competitive dynamic of the open market forces firms to perpetually grow in order to survive. This requires that ever more resources are extracted and appropriated from the store of common goods that other people depend on, ultimately reproducing the original discrepancy between haves and the have-nots and increasing the deterioration of peoples' socio-ecological habitats. As we have seen, the priority of individual negative rights and the self-regulation of the market also undermine and severely limit people's abilities and opportunities to collectively solve these problems and to democratically co-create and codetermine their shared living conditions.

Therefore, the questions that we face now are, firstly, whether these problems are a result of the market per se or of the specific social arrangements of the open and competitive market. Secondly, we must ask how the concept of commons can provide us with insights that enable us to transform our understanding and organization of markets. To answer these questions, I will begin by analyzing the role of the market in commons literature. After this, I will discuss the relationship between commons and the market from a historical perspective. In a third step, I will develop the notion of a market commons that will, hopefully, provide us with an alternative and democratic concept of economic relationships.

## 8.1 The market in commons literature

Generally speaking, there is no single understanding either of markets or the relationship between markets and commons within the literature on commons. After discussing the various interpretations in the literature, I nevertheless hope to develop a more general notion of the relationship in the analysis that follows.

As the reader will recall, the Ostroms make only marginal references to market arrangements. Elinor Ostrom rarely discusses the market, although in one passage she does describe the open and competitive market as a “straightjacket” that leads to “maximization strategies” (E. Ostrom 2003: 25). In contrast, Vincent Ostrom defends competitive market arrangements for a polycentric order (V. Ostrom 1991: 229-231), while elsewhere he advocates the notion of a “moral economy” and the democratic self-management of economic activities (V. Ostrom 1997: 106, 145). As we see, the Ostroms’ views on the market are mixed and rather vague.

From Capra and Mattei’s point of view, the legal system underlying the open and competitive market enables people to “exploit and plunder the web of life” (Capra/Mattei 2015: 29). Yet elsewhere, they also mention local farmer’s markets as examples of institutions that exist for the satisfaction of common needs (ibid.: 143). In relation to economic activities in general, they espouse a notion of economic democracy or “democratic oversight of the economy” (ibid.: 162). Here, it appears that they understand economic democracy as a type of commons. Furthermore, they clearly state that a commons “may be anything a community recognizes as capable of satisfying some real, fundamental need *outside of market exchange*” (ibid.: 150; emphasis added). So it can generally be said that their stance is highly critical of open and competitive markets or “global capitalism” (ibid.: 115-117) – and the legal institutions that uphold these – while defending local markets and the democratization of economic activities.

If we turn to other scholars who work on commons, a similar mixture of views and positions can be found. In his influential book *The Wealth of Networks* (2006), Yochai Benkler, for example, defines individual private property and commons arrangements as opposites (ibid.: 60). At the same time, he argues that open commons (i.e. information and material infrastructure such as roads and the internet) play an essential role for economic growth in market societies (Benkler 2013). Another influential commons activist and scholar, Peter Barnes, criticizes the detrimental ecological impacts of unregulated markets while maintaining that “private corporations and organized commons [should] enhance and constrain each other” (Barnes 2006: 77). He understands this type of market as “capitalism 3.0” (also the title of his book), which enables trade within limits (ibid.). The public intellectual Jeremy Rifkin argues that inherent contradictions within capitalism will help the spread of commons lead to an “eclipse of capitalism” (Rifkin 2015: 3). In his book *The Zero Marginal Cost Society*, Rifkin writes, “While the capitalist market is not likely to

disappear, it will no longer exclusively define the economic agenda for civilization.” (ibid.: 27) Rifkin thinks that the realm of the commons will expand, yet exist side-by-side with the “capitalist market”. In their book *Green Governance: Ecological Survival, Human Rights and the Law of the Commons* (2013), Burns H. Weston and David Bollier are quite critical of the market and also develop the notion of the “tragedy of the market” (Weston/Bollier 2013: 6-15). Accordingly, they argue for democratic control over economic institutions within commons arrangements. They explain:

Commoners shall have collective control over the surplus value they create through the collective management of their shared wealth and resources. To this end, commons- and rights-based ecological governance *shall not be cash-driven or market-mediated except with the explicit consent of commoners* and clear rules for personal use and resource alienability. The freedom of commoners to limit or ban the monetization of their shared assets shall not be compromised. (Weston/Bollier 2013: 277; emphasis added)

According to Weston and Bollier, then, the question whether commons are to be monetized or market-mediated is left up to the commoners. Meanwhile, however, the role of the market outside of the commons remains undefined.

Other scholars emphasize the antagonistic relationship between markets and commons and openly call for an end to capitalist market arrangements. As with other authors, commons are understood here as “beyond” or “outside” the market (De Angelis 2007: 240; Bollier et al. 2012). The emphasis is, however, on the idea that commons are interpreted as a new “cellular” mode of production that will eventually lead us beyond capitalist markets (Euler 2016). In line with this argument, Paul Mason titled his book on commons “Postcapitalism” (2015). Similarly, Nick Dyer-Witheford argues in his article “Commonism”, for example:

If the cell form of capitalism is the commodity, the cellular form of a society beyond capital is the common. A commodity is a good produced for sale, a common is a good produced, or conserved, to be shared. The notion of a commodity, a good produced for sale, presupposes private owners between whom this exchange occurs. The notion of the common presupposes collectivities – associations and assemblies – within which sharing is organized. If capitalism presents itself as an immense heap of commodities, ‘commonism’ is a multiplication of commons. The forces of the common and the commodity – of the movement and the market – are currently in collision across the three spheres we mentioned before: the ecological, the social and the networked. (Dryer-Witheford 2007: 82)

As we see, the literature seems to assume that there is a strict, categorial contradiction between markets and commons. The antitheses it presents oppose scarcity to abundance, exclusion to inclusion, subtraction to addition, the ‘commodity form’ to the ‘commons form’, atomism to relational systems, competition to cooperation,

productivity to care, exchange to reciprocity, hierarchical market monopolies to decentralized peer-to-peer relationships, profit to needs orientation and many more (Euler 2016; Helfrich 2012b). In commons scholar and activist Stefan Meretz's unequivocal formulation, "markets are not commons – and vice versa" (Meretz 2012). He justifies this point in the following manner: "The fundamental principle of the commons is that the people who create the commons also create the rules for themselves." (ibid.) While commons are institutions that can be democratically adapted by those affected by them, market arrangements are understood as institutions that are abstract and unalterable. As has become clear in my argument so far, I would generally agree with these ideal juxtapositions. Nevertheless, I ask myself whether these dichotomies can be upheld for all economic activities and, more generally, whether markets can be entirely replaced by commons.

Simply put, it seems unlikely to me that the existing problems of competition, inequality, exploitation and perpetual growth can be overcome by replacing *all* market relations with commons arrangements. I find this highly unlikely because, if we assume that life in commons is not entirely autarchic and self-sufficient, there must be interactions with other organizations or commons that produce other goods. It is then often argued with reference to people like Andre Gorz that the dependency on markets – and especially wage labor – could be minimized if people were provided with an unconditional basic income and people could participate in multiple forms of production (Gorz 1989: 2005). Obviously, the concept of a basic income is very attractive because it can balance the asymmetrical bargaining positions in wage-labor relationships or even free people from wage labor entirely (Van Parijs 2003; Widerquist 2013). For a commons-creating society, a basic income would be ideal because it would enable people to engage in volunteer care activities and commons-based peer production. While a basic income might lessen the dependency on hierarchical wage-labor relationships, it would not, however, free us entirely from (re)production processes and the exchange of goods and services.

The question also remains of who will produce the tools such as sewing machines, fishing boats, pasta machines, computers and cars for these (re)production processes. Here, some people argue that these "convivial tools" (Illich 1973) could be built with 3-D printers (Rifkin 2015) or open hardware (Siefkes 2008), ultimately making a market for such tools and machines superfluous. Although I support these aspirations and endeavors, I nevertheless believe social arrangements without *any* form of monetary exchange between people and groups to be somewhat unrealistic. The answers to this problem of necessary exchange could be time banks (Amanatidou et al. 2015), local exchange trading systems (also known by the initialism "LETS") (Pacione 1997) or overarching "commons associations" that unite individual commons and largely replace money exchange with "contributions" (Siefkes

et al. 2016). Again, I must repeat that my argument here is not against the development of these non-monetary exchange systems.

The point I wish to make is simply that, despite all my criticism, I do actually believe money and the market to be quite useful instruments and institutions that enable people with different skills and goods to interact with each other without having to exist in compact social relations (Demsetz 2002). I must concede this much to market advocates such as Adam Smith and Friedrich Hayek. Yet, despite this concession, the question then arises of how to shape the social institutions of money and the market to satisfy people's needs without leading to tragedy.<sup>1</sup> Or, in other words, the question arises whether markets can be organized as commons and what this would imply.

Interestingly, it appears that this fundamental question is often grossly under-theorized and neglected in commons literature. I believe that this may have something to do with the actual predominance of market relations in our everyday lives. The neglect of the market in commons literature might be due to a desire to change the symbolic framework through which we see and constitute reality. As is well known, it is 'the norm' today to perceive reality not as a common, but rather through the prism of market relationships. We often interpret reality as scarce, hostile and competitive and value the world according to monetary costs-benefit analyses. The commons critique of this worldview is often expressed in pejorative terms such as privatization, commodification, exploitation, valorization, marketization and, more generally, economization. In opposition to these negatively connoted processes, the focus on commons is an attempt to enable us not only to "see the commons" (Mattei 2012b) but also to "think like a commoner" (Bollier 2014). More generally speaking, this focus is an attempt to bring about an epistemological revolution that constitutes a commons-oriented reality (Mattei 2013a: 17). Although I agree with all of these critical analyses and intellectual efforts, I nevertheless believe that if we disregard the question of the precise role and organization of markets in a commons-creating society, we might be disregarding the elephant in the room. I believe it necessary, therefore, to not only 'reclaim the commons', but also to 'reclaim the market'. My point is that by understanding the market as a commons we can, in turn, justify the re-appropriation, democratization and transformation of this dominant social institution.

To understand this relationship between markets and commons and how markets could be interpreted as commons, I would like to back up a little and discuss the historical development of open-access competitive markets.

---

<sup>1</sup> Because a discussion of money would exceed the scope of this analysis, I will not discuss money, but focus solely on markets instead.

## 8.2 Enclosing commons and opening markets

A widely-quoted account of the development of a competitive market economy has already been discussed: John Locke's somewhat idyllic portrayal of the individual appropriation of commons. Locke understands the commons as a *res nullius* which belongs to everyone and no one. By conceptualizing the commons as a *res nullius* in a state of nature, Locke legitimizes the individual appropriation of communal resources through labor. In a second step, he describes money as an answer to the problems of barter, introduced through "tacit consent", which then led to the spread of markets. Despite the increasing scarcity of access to natural resources for many people, the Lockean narrative supposes that an increase in productivity will lead, or has led to an overwhelming abundance that can, in turn, be accessed with money derived from wage-labor relationships. This is the prevalent narrative that supposedly explains and legitimizes our contemporary market-based social arrangements.

In contrast to this rather mythical tale, a more historical account of the development of open and competitive markets in Western societies tells us a slightly different story. I have already discussed this historical process in my critical discussion of Locke, so there is no need to repeat it here in detail. As I mentioned, this historical development is most famously described by Karl Marx as "so-called primitive accumulation" and by Karl Polanyi, more generally, as the enclosure of commons which has been occurring at least since the 12<sup>th</sup> century in England, and later on the Continent and in European colonies (Marx 1982a: 871-940; Polanyi 2001; Neeson 1996; Linebaugh 2008). Here, peasants were violently dispossessed of their rights to use commons, which primarily took the form of fields and forests. Marx argues that although this process freed numerous people from feudal bonds, it also separated them from their means of subsistence. Polanyi, in turn, describes this development as a process in which land, labor and money were dis-embedded from their webs of interdependent social and ecological relationships and transformed into commodities, ultimately re-embedding them in "abstract, competitive and non-democratic global market relationships" (Tully 2013b: 227).

While this enclosure movement is sometimes understood as the "dirty prehistory" of capitalism (G. A. Cohen 1995: 121), other scholars argue that dispossession is an ongoing process that enables the creation of profits and their accumulation. More contemporary forms of enclosure occur, for instance, through land grabbing, gentrification, patents on genes, seeds and medical knowledge and the privatization of water, scientific research and public services. The general point being made in this literature is that the vast amount of wealth that is accumulated by certain people is not simply due to labor, but is more precisely, gained through perpetual, systematic and sometimes violent enclosure, privatization and commodification of common resources. According to this narrative, as I have already discussed, the

answer to this problem then lies in ‘reclaiming the commons’ and the ‘decommodification’ of our resources and relationships by organizing the reproduction of life so that it does not depend on market relationships.

What this commons-oriented narrative partly neglects, however, is the question of the role of markets in both pre-capitalist societies and a future commons-creating society. Let us therefore analyze this historical development not from a commons but, rather, from a market perspective. Generally, the creation of an abstract, competitive market was not only possible due to the enclosure of commons, but also through the opening up of highly regulated local markets. Karl Polanyi and Fernand Braudel are right to argue that, although most of human history has been based on subsistence and gift economies, exchange, trade and certain types of local markets are not necessarily a new phenomenon (Polanyi 2001: 66; Polanyi et al. 1957: 257-70; Braudel 1986: 32-5, 41). Nevertheless, we should not equate all forms of money and markets with an open and competitive market economy that is structured according to a self-regulating “supply-demand-price mechanism” (Polanyi 1977, 124). As both authors demonstrate, local markets simply bring production and consumption together and enable the acquisition of “goods that are not available on the spot” (Polanyi et al. 1957: 257, Braudel 1986: 42). To be more precise, the local market is a place that enables people to exchange goods that they do not produce themselves either through barter or with money. For most of human history, the exchange of goods was socially embedded and highly regulated by customs and social institutions.

One such example of an exchange-based market is the guild system that developed during the process of urbanization in western Europe between 900 and 1300 CE (Schulz 2010). In her highly insightful article “The Silent Revolution: A New Perspective on the Emergence of Commons, Guilds, and Other Forms of Corporate Collective Action in Western Europe” (2008), Tine De Moor argues that in the Netherlands the development of guilds on the one hand and commons on the other exhibited similar institutional forms of regulation of common resources through collective action. De Moor understands commons as highly regulated natural and agricultural resources such as water, pastures and forests (i.e. common-pool resources). In contrast, craft guilds are urban institutions that regulate common resources such as labor, skills, technology, prices, information and, ultimately, the market itself. With reference to Dutch historians Lourens and Lucassen, she generally defines craft guilds as

organizations that – with the agreement of the local authority – unite members of the same occupational group, with as their most important goal the furthering of their economic interests, but not without taking into account the general well-being of their group as well. (Lourens/Lucassen in De Moor 2008: 187)

Although de Moor admits that it is difficult to prove whether guilds always fulfilled this function, the principles she locates in guild practices nevertheless fit into our understanding of relational and interdependent freedom in which the thriving of the individual depends on the flourishing of the community – and vice versa. According to De Moor, despite the differences, the goals and regulative mechanisms of guilds were rather similar to those of commons:

To make their collective projects work, guilds and commons relied heavily for enforcement mechanisms on group norms, as opposed to formal legal enactments. They designed most of the rules themselves, with or without the involvement of the local powers [...]. With a large set of rules, commoners and guild members tried to regulate the behaviour of their fellows – to prevent them from free riding – and to control the effect their surroundings could have on the behaviour of the members. They developed a system of market regulation in order to protect their ‘own little world’. Measures were taken by both guilds and commons to achieve a reasonable income for their members and to eliminate the disruptive effects of the market, which was still at an early stage of development when commons and guilds were set up in Europe. Institutions such as guilds could make functioning within those settings less risky, though without losing too many of the advantages the market offered. (De Moor 2008: 197)

These similarities between guilds and commons are noteworthy because they provide us with an historical example of social organization that utilized the market for the exchange of goods in order to satisfy basic needs. Here, the market was not regulated ‘from without’ by the state, but rather by the producers themselves to protect them from the negative dynamics of free riding and competition such as poaching, hoarding and price and income instability. At the same time, collective action aimed at generating positive effects through pooling resources in order to share risks and create advantages of scale (De Moor 2008: 202-5).

If we understand a commons, in the general sense, as a resource system that is democratically self-governed by those significantly affected by it, we could also define medieval guilds as a type of labor commons.<sup>2</sup> Parallel to fisheries in which the individual fishermen own their own boats and equipment, the craftspeople in the guilds also own their own workshops, yet share and regulate the specific knowledge, technologies and skills of a specific craft. Although this skilled labor is used to produce things that are sold on the market, it could nevertheless be argued that a guild limits the commodification of labor power through its self-defined rules and regulations.

---

2 For a more recent example of labor commons, see Dario Azzellini’s analysis of worker-recuperated companies in Latin America and Europe (Azzellini 2016).

Aside from the regulation of labor *within* the market, however, we can also understand pre-capitalist markets *themselves* as second-order commons institutions. In contrast to the concept of a labor commons, the notion of a market commons appears to be – at least at first glance – inherently contradictory. The reason for this seeming paradox lies in our contemporary and rather narrow interpretation of markets as institutions structured according to competition, commodities and profits while commons are based on cooperation, concrete goods and use-values. Furthermore, a market is often understood as institutionally open (North et al. 2009), while the goods that are exchanged must be private and closed (Demsetz 1967).

According to some academics, however, an open-access market can also be interpreted as a commons (Carroll et al. 1979) or, more precisely, as an Hardinian unregulated and open-access commons. Although the members of guilds do produce private goods that are exchanged on the market, the pre-capitalist market itself is more or less closed. Sellers and prices were generally defined in advance by the guilds to protect producers from competition and the 'tragedy of the market'. Through their self-defined rules and regulations guilds created a type of "embedded market" (Polanyi) or "moral economy" (Thompson 2010) that was organized according to the satisfaction of needs instead of a self-regulating price mechanism and profit maximization. In this sense, and depending on its institutional framework, I would argue that a market could theoretically be defined as a democratically self-regulated commons. Yet, despite this similarity, I would argue that medieval markets regulated by guilds should *not* be understood as commons because they did not include a large group of people who were significantly affected by this resource system and its institutional regulation: the consumers. This was the reason for Adam Smith's critique of guilds; they did not act in favor of consumers. Yet, while Smith advocated the deregulation of markets in the name of lower prices for customers, I argue in favor of the integration of consumers in the democratic regulation of markets. We shall return to this problem later, but first we must understand how regulated medieval markets were transformed into open-access, capitalist markets.

With historian Fernand Braudel, I would argue that in Europe, parallel to the enclosure movements that privatized common pool resources, medieval markets, which up until the 15<sup>th</sup> century were quite closed, at that point began to be gradually opened. This transformation occurred, most importantly, through private or "counter-markets" for foreign goods, which existed outside of local medieval markets. Here, individual traders became middlemen between producers and consumers outside of the traditional, collectively regulated circuits of exchange. Both the access to mobile capital and the superior knowledge of both ends of the exchange relationship gave the merchant an unequal, quasi-monopoly position in trade and enabled him to accumulate large profits (Braudel 1986: 50-53). The 'privatization' of local markets was in turn supported by state colonialism and its foreign

trade relationships. Furthermore, both Braudel and Polanyi show that the mercantilist nation state also opened local markets, ultimately creating a protected yet internally open domestic market (ibid.: 88, 97; Polanyi 2001: 63-70). Due to growing criticism of this state intervention in economic matters articulated by people such as Adam Smith, the state slowly withdrew and relaxed its protectionist measures, gradually and carefully transforming the internal open market into a more open international market regime (Chang 2002; Shaikh 2007). Over time, the socially embedded and collectively regulated local markets of the guild economy were transformed into one open, 'common' capitalist market.

With this very simple sketch of the development of markets in recent history, I hope to have shown that we must speak of markets in a differentiated manner. Furthermore, I hope that I have shown that markets often were and, thus, can be collectively regulated in order to serve social needs and desires. The importance of this short excursion in the history of markets for my argument is that we can, or rather should, integrate these insights into our understanding of a possible commons-creating society. So let us now turn to the concept of a market commons.

### 8.3 The market as a commons

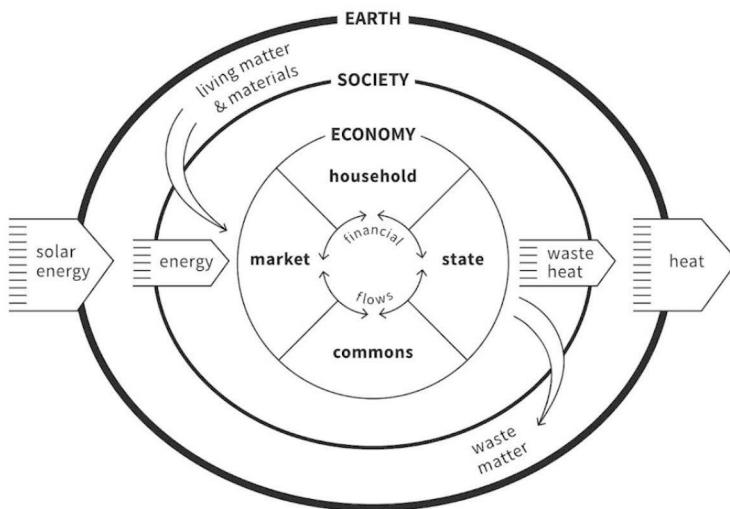
#### Ecological foundations of a market commons

By defining the market as a commons, we assume that economic activities are primarily to be understood within an ecological framework. The economy is thus not only understood as a subsystem of society, but also as a subsystem of an even larger and more encompassing ecosystem. This notion can best be understood by considering an idea put forward quite recently by Kate Raworth: "doughnut economics" (2017). In order to do justice to the fact that the world's resources are limited, Raworth pictures economic processes as describing paths that trace out the shape of a doughnut – in contrast to an ever increasing linear movement. Hence, she portrays the economy in the following manner:

In Raworth's depiction, the commons exist as one segment of the economy beside the household, market and the state. While I find Raworth's portrayal of an embedded economy accurate on the whole, I have argued here that a democratic and ecologically sustainable society should expand its commons both in the sphere of the state and the sphere of the market. Nevertheless, a strength of this model is that it embeds economics within society and society, in turn, within a larger ecosystem, which is limited. Here, the dynamic reproduction of systems is understood as the metabolic flow of matter and energy within and between systems.

More fundamentally, because matter and energy are limited on planet earth, economic activities are generally understood as a zero-sum game: some people's gains are other people's losses. The question that results from this problem is how

Figure 3: Kate Raworth's diagram of the embedded economy (Raworth 2017: 62)



to minimize the losses and create a relative abundance despite the absolute limitations set by the resources that exist. It is important to bear in mind that when we are talking about a capitalist market, we are talking about both material and symbolic (monetary) relationships. Moreover, the accumulation of wealth in a capitalist context involves both the monetary accumulation of 'good' matter and energy in the hands of a few and the widespread distribution of 'bad' matter and energy in the form of pollution and ecological degradation. In this way, we can understand profits as the extraction, privatization and accumulation of previously non-commodified goods such as individual labor power (including physical strength and creativity), genomes, water, land or fossil fuels. On a symbolic level, this implies the unequal distribution of access to resources (matter and energy) through one's purchasing power. One form of such an unequal distribution of symbolic wealth is found in the large asymmetries between creditors and debtors. Similarly, profits earned through speculation can be understood as gains that increase the costs of goods (e.g. food) and, in turn, decrease the access to this resource for numerous other people. The accumulation that results from speculation can thus be interpreted as a form of extraction from other people's purchasing power and access to a certain good or resource.

In line with this ecological conception of the economy, we might understand the flow of resources with the help of the metaphor of an irrigation system. This

irrigation system can either be democratically organized according to the needs of individual users and therefore be very finely tuned in distributing water to all regions of an ecosystem. Or, conversely, it can be organized according to supply and demand, purchasing power and the Matthew Principle in which the irrigation system is modeled with increasingly large levees and dams that contain and accumulate the water for the use of only a few. Using such a metaphor, migration can, for example, be understood as people simply following the metabolic flow of 'good' matter and energy on the planet earth. These people are coming to drink from the dam of accumulated matter and energy. If we take an ecological perspective of this kind, we have to abandon the belief that economic growth will solve socio-ecological problems, because, as we have seen, accumulation and the highly unequal distribution of wealth inherently lead to socio-ecological conflicts. In the face of these serious problems, the concept of a market commons provides us with an understanding of markets that attempts to take these ecological limits into account by democratically negotiating the market's institutional framework and the coordination of its basic activities. Thus, the aim of a democratic market commons is to transform absolute scarcity into a relative abundance through the mechanisms of cooperation, sufficiency and conviviality.

The general point of such a market commons, however, is not merely democratic inclusion, but the reconceptualization of the market itself as an institution that must fulfill basic needs such as the provision of decent, respectable and, ideally, meaningful and fulfilling jobs, as well as access to essential goods and services – within certain planetary boundaries. This is what one group of scholars has described as the "foundational economy" (Bentham et al. 2013), which is "that part of the economy that creates and distributes goods and services consumed by all (regardless of income and status) because they support everyday life" (ibid.: 7). When we conceptualize the market as a commons, we see that the market's primary function is not to endlessly increase wealth, but to satisfy needs by bringing people who desire things together with people who produce them. This is the basic function of markets that was, at least in theory, originally intended to be realized by open and free markets. Free markets are supposed to fulfill this function better than other markets and better than other institutions such as the state or the community. Yet, in contrast to the intellectuals who believe that this can only occur when the market is self-regulating, I would argue instead that it requires the support of democratic governance mechanisms to perpetually adapt the institutional framework to changing social needs and socio-ecological conditions. Furthermore, a focus on market commons transforms the overarching and often abstract rules and regulations of an open competitive market into decentralized socio-ecological niches in which the default rules of the institutional framework foster cooperation, fairness and the sustainable reproduction of socio-ecological systems. We could call this a type of "democratic experimentalism" (Dorf/Sabel 1998) in economics.

Within the context of open and competitive markets, such strategies are often pejoratively called protectionist. In this critique, protectionism is conceived of as a situation in which one party protects its gains while harming others. In contrast, when the market commons landscape is understood as diverse and contextually interdependent, the rules of a specific market should always attempt to protect the sustainable reproduction of its resource system within its interdependent relationships to other socio-ecological overarching systems. The precise aim of the endeavor is to protect sustainable and (re)generative forms of economic activity that enable the thriving of their members without harming other living beings elsewhere. Lastly, I would argue that a market commons would shift our focus, whenever possible, from global commodity chains to local or regional economic cycles. The relocalization of economic activities and market interactions would not only have a positive ecological effect due to shorter transportation routes, but could also provide affected people with greater incentives and opportunities to govern the institutional framework of their market commons in democratic ways. As with democracy in the political sphere, the more local the relationships and the shorter the chains of accountability are, the greater the trust and the more effective mutual monitoring and sanctioning can be.

Nevertheless, a market commons must not solely focus on the local or regional, but should enable people throughout the world to codetermine and adapt their economic institutional frameworks through networked forms of governance in order to fulfill their similar yet conflicting needs. That being said, it is important to emphasize that an economy built up from interconnected market commons requires a larger, overarching political framework that fosters the decentralization of ecological economic activities. But as I have already said in relation to the commons-based provision of basic goods and services such as housing and health care, a market commons cannot simply be implemented top-down from a single center of authority, but must be demanded and jointly developed by people who take their own socio-ecological habitats as starting-points.

### **Market commons and corporatist-Associative democracy**

In order to better understand this idea of a market commons and its democratic-economic governance, I will now compare it to the idea of corporatist and associative democracy as presented by Streeck and Schmitter (1985) and Paul Hirst (1996).<sup>3</sup> As in these theories, the notion of a market commons must be understood as a critique of the strict separation of the 'private' and economic from the 'public' political

---

3 For other notions of associative democracy see also Cohen and Rogers (1995) and Archon Fung (2003b).

and political sphere. Here, economic activities are not understood as strictly private, but rather as public or common affairs that affect a large range of people. Yet, in contrast to top-down state regulation, people can negotiate and coordinate their economic activities themselves, through associations. Paul Hirst's description of the inclusive character of such associative governance bodies has similarities to my notion of the democratic management of a market commons:

Associationalism tries to view the economy from the standpoint of the interests of a wide range of economic agents including those who are economically inactive as well as the active, the consumer and the producer, the worker and the manager – and does so in terms of a wide range of substantive goals. It is democratic in that it seeks to incorporate the widest possible range of actors as full participants in economic governance, and not just as the objects of decision-making and management. (Hirst 1996: 97)

A key aspect of this inclusion is not only the inclusion of those who are particularly affected, but also the negotiation over matters in which people exist in interdependent relationships. By bringing people with apparently antagonistic interests together (e.g. cheap products for consumers, jobs for workers, profits for managers, livable neighborhoods for the people who live there etc.), it is assumed that negotiated answers will be able to be found that satisfy different and conflicting needs. Philippe Schmitter and Wolfgang Streeck discuss these relationships and functions in their comparison of a local community, the market and the state with corporatist-associative organizations:

In a first approximation, this logic can be characterized as follows. In a community order, actor preferences and choices are interdependent, based on shared norms and jointly produced satisfaction. In a market order, the actions of competitors are supposed to be independent since no one singular action can have a determinant and predictable impact upon the eventual allocation of satisfactions. In a state order, the actors are dependent upon hierarchical co-ordination which makes their choices heteronomously determined and asymmetrically predictable according to the structure of legitimate authority and coercive capability. In a corporative-associative order, actors are *contingently or strategically interdependent* in the sense that actions of organized collectivities can have a predictable and determinant effect (positive or negative) on the satisfaction of other collectivities' interests, and this induces them to search for relatively stable pacts. [...] Basically what seems to happen is a shift in the 'rationality' of social choice. In communities, the calculus rests on 'satisfying identity', in markets, economic or political, on 'maximizing advantage'/building 'minimum winning coalitions', in states on 'minimizing risk' and 'maximizing predictability'. What associations in a corporative order strive for is something more prosaic, but quite rational given the structural complexity and in-

formational overload of modern society, namely '*satisficing interests*'. By deliberate mutual adjustment and repeated interaction, these comprehensive, monopolistically privileged actors avoid the temptation to exploit momentary advantages to the maximum, and the pitfall of landing in the worst possible situation. In short, *they avoid the prisoner's dilemma* through inter-organizational trust backed by what we shall call [...] 'private interest government'. (Streeck/Schmitter 1985: 125-7; emphasis added)

As we can see, corporatist-associative organizations are created due to the contingent interdependence of affected people and parties. This would overlap with what we have otherwise called the networked community that shares a contingent reality. Furthermore, with the aid of a "private-interest government", which we have otherwise called a background partner state, problems of free riding and exploitation can, at least theoretically, be mitigated. For these reasons, Waheed Hussain argues that such a corporatist system is the "most just stable regime" and should be integrated in a Rawlsian theory of justice in order to stabilize and democratize the competitive market (Hussain 2009).

Just as important, with Axel Honneth I would argue that such an arena of deliberation in economic associations would bring forth a "discursive flexibilization of seemingly objective [economic] constraints" (Honneth 2014: 193). Through this democratic deliberation and negotiation, non-monetary values can be integrated into the evaluation and organization of economic activities and goods (Anderson 1993). Economist Diane Elson calls this the socialization of the market. As she explains in her more demanding model of a democratic market,

the social relations between buyers and sellers must be changed so that they are *not* antagonistic; the price formation process must be a public process, not one controlled by enterprises; and information must be shared, with the nexus of trust, reciprocity and goodwill setting the limits within which the market operates, rather than being subordinate to the market. (Elson 1988: 27; original emphasis)

According to Elson, the "invisible handshakes" by which prices are confirmed in exclusive gentlemen's clubs and across corporate networks should be replaced by the democratic deliberations of public bodies (*ibid.*). She calls these public bodies Price and Wage Commissions, and gives them the task of bringing fragments of information in the market together and making the creation of prices transparent. I believe that the collection of and debate over information should not, however, be limited to prices, but must include other information about non-monetary, conflicting values, for example in relation to the quality of living of and respect for the non-human world. In brief, the three functions of such a commission would be "facilitation of information exchange; enforcement of information disclosure;

and an interactive role, in this case in the design and specification of goods and production" (Elson 1988: 34). Importantly, such a commission would enable people to codetermine which goods will be produced and how they will be produced and accessed. Accordingly, a shift occurs from individualistic and contractual *ex post* to collective and democratic *ex ante* decision-making. The shift, however, does not lead to a negation of individual *ex post* price-oriented decision-making, but merely complements and democratically embeds it. This process can therefore be understood as a re-embedding and partial decommodification of economic goods and activities. More generally, the associative democratic management of economic activities makes it possible to mitigate the coercive mechanisms of open markets, which are merely structured according to competing prices and geared towards perpetual growth.

To a certain extent, we could argue that corporatist-associative governance mechanisms transform the open, competitive and *liberal* market into what Peter Hall and David Soskice have called a *coordinated* market economy in their theory of the "varieties of capitalism" (Hall/Soskice 2004). However, there are a few important differences between the notion of a coordinated market economy and a market commons. Firstly, the coordination that occurs in coordinated markets focuses on labor and the ways it is governed, whether through collective wage bargaining or the maintenance of vocational education and training (VET), which we will discuss in more detail shortly. In contrast, a market commons would not only deal with labor and skills but would aim to democratically coordinate all economic activities and goods. Second, a coordinated market economy is still structured according to the principles of competition and perpetual growth – although possibly to a lesser degree than liberal markets are. A market commons therefore attempts to replace the competitive core of coordinated market economies with democratic cooperation. This obviously does not connote that all economic competition will be transformed into cooperation, but rather that the forms and extent of competition will be democratically negotiated over and institutionally regulated. Third, although the notion of a market commons builds on the model of corporatist regulation of a coordinated market, it pushes the notion of participation much further and bases the concept on more social and ecological grounds. It is an attempt to transform the stale backdoor politics of corporatism into more dynamic open-door politics of collaborative network governance. This is what Paul Hirst has attempted to do with his idea of associative democracy. Put somewhat differently, the meeting room in a skyscraper filled with older white men in suits should be replaced by a more accessible meeting place close to home and, more importantly, a more diverse crowd. In this sense, my notion of a market commons is much more akin to Paul Hirst's concept of associative democracy than to either Elson's Price and Wage Commissions or Streeck and Schmitter's corporatist-associative model.

To elucidate this concept of a market commons in contrast to corporatism a little more, let me refer to a more concrete issue that is often raised in this context: skill formation and the labor market. Skill formation or, more precisely, vocational education and training, which have their roots in the guild system, have a long history in German-speaking countries and Northern Europe. Both the apprenticeship systems of guilds and those of VET were developed to reproduce high quality skills through socially regulated corporatist institutions. While in guilds these institutions and regulations were largely defined by craftspeople, the VET system is based on corporatist intermediary institutions between the market and the state that bring people with conflicting interests together, including those of competing firms, employees and municipalities.

Historically, corporatist institutions for the collective management of skill formation were developed as an answer to the problem of economic liberalization after the banning of guilds.<sup>4</sup> The bans led to the problem of skill degradation and employee poaching (Ritter 2014). Due to competition with large factories, smaller producers wanted to increase the specialization of their workers to make them more efficient and thus to provide products on the market for lower prices. Furthermore, if more energy were invested in a worker to develop their skills in a specific field, there would also be the risk that this worker would then be stolen or 'poached' by competing firms who did not invest in their worker's skill formation. Regarded within the framework of the tragedy of unregulated open-access market commons, we could therefore say that skill degradation was a result of the over-use of labor power through specialization and employee poaching as a form of free riding. As an answer to these problems, the development of the collective management of skill formation was an attempt to defend and upgrade the quality of craftsmanship in workshops and manufactories against the threats of the tragedy of the competitive market.

For these reasons, affected actors including small businesses, wage laborers and certain politicians attempted to solve these problems through collective action. Here, the conflicting needs of firms and workers (e.g. the balance between time on the job and time for general education in school) are expressed in bodies that possess the legal authority to define, implement and regulate the education of workers. This does not only occur in semi-public vocational schools, but also in private training associations (*Ausbildungsverbünde*) in which numerous firms have pooled their resources to provide more professional institutional support for their apprentices (Leemann/Imdorf 2015). More generally, the 'supply' of skills is coordinated with the 'demand' for skills in a decentralized and democratic manner –

---

4 The literature that I refer to here is based on the example of Switzerland, but I proceed under the assumption that VET mechanisms and historical development of VET systems out of the guild system are similar in other central European countries.

with the support of the state, yet without abolishing the labor market and price mechanisms. Through the inclusion of municipalities and the state into the bodies that oversee skill formation, it can generally be said that economic planning has also become more democratic and more accountable to the wider public.

The importance of the VET system for our discussion of market commons should be fairly obvious. First, it provides us with a very concrete understanding of how market regulation can occur where an economic good (skills and labor power) is produced and organized in a decentralized and democratic manner. Second, the historical development of the VET system – at least in Switzerland – also shows that it was not simply implemented by the state, but was developed via a strenuous process of confrontation, negotiation and deliberation between several parties with diverging interests. In this sense, VET is a superb example – and one that is rather widely acclaimed – of a well-functioning system for the democratic regulation and coordination of economic goods and activities.

However, despite the similarities, I would argue that the contemporary VET systems in many countries would have to realize more of their democratic potential to become part of a market commons. First, this would involve the inclusion of those most affected by its policies: the apprentices themselves. Second, the discourse of the VET system often revolves around the question of the needs of 'the economy'. Here, it is implicitly assumed that if the needs of businesses are satisfied (competitiveness, efficiency, productivity, profit maximization etc.), people will have jobs and society will prosper. I would contend, however, that although people do appreciate having a job, the interests of private businesses are not equal to those of society in general or to those of ecosystems. For this reason, I would emphasize the importance of the integration of other civil society associations in the democratic governance of VET systems. The question a VET system must then deal with is not merely one of how to satisfy the needs of businesses, but also of how to develop the capabilities and skills of the wider population to provide everyone with sustainable livelihoods. This would, however, go beyond merely "greening skills" (Evans/Stroud 2016) and would integrate more complex social skills that are founded on more democratic and ecological principles of interdependent thriving. This is not to say that these efforts and tendencies do not already exist, but simply that a VET system would need to be developed in this manner to reproduce the necessary institutional framework and practical skills for a market commons.

### **Social and solidarity economy as a market commons**

To develop my notion of a market commons further, I would like to turn to another example of what a market commons could look like: the social and solidarity economy. The social and solidarity economy (SSE) is generally understood as encompassing organizations and companies that pursue economic goals that are

based on social and ecological values. Concrete examples of the social and solidarity economy include organic farming and fair trade networks, community economic development organizations and socio-ecological investment funds as found, for example, in the Social Economy of Quebec (Simon 2001; McCall 2003; Neamtam 2005; Raynolds et al. 2007; Mendell/Neamtam 2008; Reed 2010; Parvathi/Waibel 2013; Wilson 2013). The United Nations Inter-Agency Task Force on Social and Solidarity Economy defines SSE in the following manner:

SSE refers to the production of goods and services by a broad range of organizations and enterprises that have explicit social and often environmental objectives. They are guided by principles and practices of cooperation, solidarity, ethics and democratic self-management. SSE includes cooperatives and other forms of social enterprise, self-help groups, community-based organizations, associations of informal economy workers, service-provisioning NGOs, solidarity finance schemes, among others. (United Nations 2014: iv)

Despite the general goals of integrating social and ecological values into economic activities, SSE's emphasis on democratic participation means that its goals can be realized in a plurality of forms that are best fitting to people's diverse needs and conditions. A social and solidarity economy is therefore not a negation of the market but a transformation of the relationships that constitute it. It aims to replace narrow self-interest with negotiated cooperation, reciprocity and mutual interests (Exner/Kratzwald 2012: 38; Nyssens/Petrella 2015: 184).

Importantly, a social and solidarity economy is therefore quite different from liberal or market socialism in which individual firms are owned by the workers and democratically run (Pateman 1970; Dahl 1985; Miller 1990). Democratic self-management of firms is an important aspect of the democratization of economic activities and institutions because it overcomes the antagonism between labor and capital. Nevertheless, it leaves the antagonistic and conflicting interests between other isolated economic agents intact (e.g. producers vs. consumers and producers vs. producers). Simply put, democratic self-management leaves the isolation paradox at the heart of the open and competitive market untouched, which, in turn, brings about the tragedy of the unregulated market. In contrast, the social and solidarity economy attempts to deal with this problem of competitive markets by fostering cooperation between conflicting economic agents. In this sense, the previously mentioned mutual interests are not a result of a homogenous and harmonious group but rather come about by bringing different individuals and groups with diverging interests together and enabling them to discuss and deal with their problems collectively. In their article "The social and solidarity economy and Ostrom's approach to common pool resources" (2015), Marthe Nyssens and Francesca Petrelle explain that in a social and solidarity economy various stakeholders are part of the organs of governance: "the direct beneficiaries of the activity, the employees,

the volunteers, the public authorities, donors or the local community" (Nyssens/Petrella 2015: 181). In contrast to the competitive market that suppresses conflict and transforms it into competition, social and solidarity economy and market commons bring conflict to the fore and attempt to solve problems through deliberation, negotiation and cooperation.

Furthermore, this more inclusive democratic network of stakeholders also has implications for property arrangements, which differ as between capitalist and democratic firms: "the property regimes of the SSE [...] also deviate from the principle of joint possession of the right to residual control and residual earnings" (ibid.). More concretely, in the social and solidarity economy, "investors are not the owners of the organizations" (ibid.). This is reminiscent of my discussion of common property arrangements that are not based on ownership but rather on stewardship and guardianship on behalf of the wider community and the environment. In the social and solidarity economy, it is not the shareholders who determine the reinvestment and distribution of residual earnings, but the association's membership, which is made up of the significantly affected stakeholders. In this sense, an SSE is not *per se* against profits. As the UN Task Force explains in this wider frame of reference:

Rather than assuming that the benefits of growth will 'trickle down', or rely on safety nets to protect the vulnerable and on technological fixes to protect the environment, SSE seeks proactively to mobilize and redistribute resources and surplus in inclusive ways that cater to people's essential needs. Furthermore, SSE promotes environmental protection and the economic and political empowerment of the disadvantaged and others concerned with social and environmental justice. While profitability is a feature of many types of SSE enterprise, profits tend to be reinvested locally and for social purposes. [...] SSE is an economic approach that favours decentralization and local development and is driven by ethical values such as solidarity, fair trade, voluntary simplicity and *Buen Vivir*. It is holistic in the sense that SSE organizations, enterprises and networks simultaneously pursue some combination of economic, social, environmental and emancipatory objectives. (United Nations 2014: ix)

In a social and solidarity economy, profits are thus not pursued for the sake of profits, but rather to improve the concrete living conditions of a wider community. Profits are merely one aspect of enabling people to lead a good life, where what 'a good life' means is something that they decide upon together. Additionally, the broad inclusion of a variety of civil society associations in the internal, democratic governance of SSE organizations makes it possible for them to include ecological aspects in their calculations, and thus to attempt to align economic and ecological demands.

As we see, many of the values and goals of SSEs overlap with those of a commons-based economy, including social and ecological justice, democratic self-governance, economic decentralization and sufficiency. SSEs attempt to bring economic activities in line with principles of social development and ecological thriving. Furthermore, the property arrangements underlying social and solidarity economies resemble the principle of guardianship in commons. However, if a social and solidarity economy appears to uphold and exemplify the underlying values of a commons in market arrangements, why use the term 'market commons' at all and not simply stick with SSE? Despite the similarities and strengths of the social and solidarity economy, I would nevertheless advocate the use of the term 'market commons'. The main reason for this is that although SSE projects attempt to change relationships from 'within' the market, SSE thinking appears to lack the theoretical framework to more fundamentally transform and democratize the entire market. Simply put, it seems to remain – both in theory and practice – a niche within open and competitive markets. In order to change the broader institutional framework of open and competitive markets, I would therefore argue that it is necessary to conceptualize the market itself as a commons. The most important reason for this is that defining the market itself as a commons implies that people have the right to reclaim and codetermine its institutional framework in order to satisfy their needs and maintain their livelihoods within the ecological systems that they inhabit.

### **Market commons and community-supported modes of production**

Finally, I would like to discuss one last example of such a market commons that goes beyond previous examples of corporatist coordination and social and solidarity economy: community-supported agriculture (CSA). Here, in contrast to the previous two models, I will argue that community-supported modes of production demonstrate how supply and demand can be democratically coordinated through subscription systems, ultimately enabling people to relocalize economic activities.

Community-supported agriculture is a concrete answer to the problems of farming in an open and competitive market. Without going into detail, it can generally be said that the open and competitive market is extremely problematic for farming and agriculture. The reason for this is the mechanism inherent in the tragedy of the open and competitive market that I have already discussed.<sup>5</sup>

---

5 Here farmers compete against each other to produce cheaper food for customers. As in other markets, one can find antagonistic relationships between both individual producers among themselves and between producers and consumers. This antagonism leads to a 'race to the bottom' in which farmers are forced to produce more and more output for less and less money. This is euphemistically referred to under the heading of 'efficiency gains' and 'structural adjustments' in agriculture. The effects are often, however, rather problematic, and in-

One commons-based answer to this wide-scale tragedy is community-supported agriculture (CSA) which has been developed since the 1970s in Japan, Switzerland, North America and, more recently, in other countries (Balázsa et al. 2013; Dyttrich/Hösli 2015; Monson 2017; Krul/Ho 2017). Simply put, CSA organizations enable producers and consumers to come together and democratically negotiate over and collectively organize the production and distribution of food. The main feature of this system is actively co-creating a decentralized and democratic “food commons” (Vivero Pol et al. 2019) in which people take (back) control over their local food systems. Although models of CSAs vary widely, most CSAs require that consumers become members of the specific food cooperative and subscribe to a weekly ration of food that can either be individually determined or that is put together according to what is momentarily ripe and available on the farm. From an ecological perspective, this system is attractive because it creates short distances between producers and consumers which minimizes transport routes and greenhouse gas emissions. Furthermore, all the edible goods are passed on to consumers, which reduces food waste that occurs when goods are not accepted by retailers due to their imperfect appearance or are simply not bought by customers at the market or in grocery stores. Lastly, CSA farms typically produce organically (Monson 2017: 83).

Aside from the ecological aspects, the financing scheme of community-supported agriculture is extremely interesting because it solves many problems that result from normal market arrangements. The subscription system provides producers with definite consumers for an entire season or year, which constitutes a type of “guaranteed market” (*ibid.*: 85). This implies that the costs for the enterprise are paid for in advance and that the risks are shared among all the members of the organization: “If part of the crop fails, then the consumer receives a smaller share.” (*ibid.*) The commitment of consumers to their subscription also frees farmers from uncertain sales, volatile market prices and powerful middlemen. More generally, a subscription system enables farmers to decrease expenses (e.g. in marketing, packaging and delivery), secures their income and frees them from the necessity to grow

---

clude the exploitation of humans, animals and ecological systems, the use of poisonous pesticides, the increase in pollution, the creation of unemployment, hunger and migration for those who cannot compete with larger and more industrialized farms – and obesity for those consuming the cheap goods. Other problems in agriculture that arise from a profit maximization imperative include, for example, land grabbing, the deforestation of rainforests for large soy or palm-tree monocultures, the privatization of seeds and the increasing concentration of power of a few large multinational agri-businesses (Friedmann 1993; Shiva 2002, 2005, 2009; Otero 2008; Bello 2009; Lang/Heasman 2009; McMichael 2009; Maurin 2011; Duflot 2011; Ziegler 2011; Ziegler et al. 2011; Sekinger et al. 2014; MultiWatch et al. 2016; Torrado 2016). From this perspective, a food regime based on the open and competitive market results in socio-ecological devastation and relationships of dependency and domination.

in order to survive on a competitive market. This not only allows the money to flow directly to the producers but also allows them, if possible and necessary, to create new jobs for others.

In community-supported agriculture, the price of a subscription is democratically determined and primarily aims to provide producers with living wages that are often higher than normal market wages. Because intermediate buyers are bypassed, products can be less expensive than products of equal quality sold in stores. Nevertheless, due to the smaller scales of production, this is not always possible. One interesting answer to this problem is the notion of 'offer rounds' that is, for example, practiced in some CSA projects in Germany. At the yearly general assembly of the organization, each member of the cooperative contributes however much he or she can give. If the necessary amount of money for the yearly production process is not attained, another round of 'gift-giving' is required (Siefkes et al. 2016). Interestingly, according to classical economic theory, this would inherently lead to free riding, but practice has shown that it not only works, but is also a method to practice concrete solidarity between members with different purchasing power. Another means to deal with cheaper food prices on the competitive market is the 'unpaid' participation of members in the production process. From a commons perspective, we could understand this as a form of commons-based peer production. This not only sinks costs, but also provides the participants with enriching experiences of community and nature. This active participation enables goods and production processes to be valued differently, creating a "non-monetary profit" (Bloemmen et al. 2015: 113). This non-monetary surplus results from an increase in knowledge and skills, new friendships and social networks, the connection to a place and landscape and a sense of meaning, efficacy and responsibility (Cone/Myhre 2000). For farmers, this can also include an increase in recognition for their work and appreciation of their products. In general terms, this democratic and non-monetary form of accounting aims to replace quantitative forms of value with more qualitative notions that are based on the "enjoyment of life" (Bloemmen et al. 2015: 113). Following our discussion of the conviviality that results from common property arrangements, we might call this a socio-ecological surplus value that results from commoning.

The fields in which the community-supported agriculture model could be applied are basically endless: a bakery, the production of pasta, clothes and shoes or even a restaurant at which people subscribe for lunch or a dinner once a week. But can these projects still be considered *market commons*, or have they not simply done away with fundamental market mechanisms – such as the price mechanism – and become commons associations? The question is difficult to answer because community-supporting organizations dissolve the original market-commons dichotomy. Some features of the market remain, such as the opportunity to exit relationships, the existence of prices and the exchange of money for goods. Yet, at the

same time, people do not buy their individual goods at the (super)market. Instead, they commit to a subscription that provides them simply with what is produced – similarly to a subscription to a newspaper or magazine. Yet, in contrast to these familiar types of subscriptions, prices are not solely defined by producers and the market, but also by consumers. The contract understood as *quid pro quo* or exchange of equivalents is replaced by a type of social contract resulting from deliberation. Here, not merely prices, but also the technology, the institutional framework, the uses to which surplus value is put, and the products themselves are collectively determined. Maybe we could understand this as the democratic development of what is otherwise understood as bargaining between two parties at a farmer's market or in a bazaar. And in contrast to collective bargaining between trade unions and employers, the democratic negotiation of prices in these community-supported associations is not an attempt to shortchange the other party but, at least ideally, to solve problems that more or less suit the divergent needs and demands of different parties. In the case of offer rounds, the notion of market prices and costs are even further undermined. Therefore, it is not exactly clear whether we can still consider such organizations to be markets. While money is still used in all these projects, the exchange of equivalents is partly dissolved and economic activities and goods partly decommodified. In the end, however, I believe that it might not actually matter if such organizations are still understood as market arrangements or not. The emphasis in all these projects should be laid on their commons aspect and on their ability to overcome the tragic, vicious circles brought about by open and competitive markets.

## 8.4 Responses to possible critiques of the market commons

Having discussed different economic arrangements that can provide us with insights into what a market commons might look like, I would now like to turn, in a final step, to possible criticisms of this concept. Some of the central problems of the democratic management of economic activities that are often expressed are that freedom of choice is reduced for consumers, that the motivation to innovate diminishes for producers and that not all goods and services can be planned in advance. Most importantly, it is said that the democratic management of economic affairs is inefficient. Other limitations are that people lack the time and interest for democratic participation and that such a model cannot be scaled up to encompass a global economy. I will address each of these problems one at a time.

Let us begin with the problem of consumer choice. Here, it can be argued that a consumer loses the freedom to choose if production and distribution arrangements are organized through democratic forms of governance. Firstly, I would answer that consumer choice is not eradicated because people can still buy their goods in

stores or order them in subscriptions. A market commons merely enables people to codetermine the default settings and institutional framework of the market – and not to pre-determine what each person shall consume. Similarly, subscription systems are voluntary economic associations that not only provide different goods to choose from, but can also be exited. In this case, while the consumer does voluntarily give up some of their freedom to choose what they wish to buy every day, they are also freed from the necessity of shopping. More fundamentally, however, the most important function of the democratic management of economic affairs is precisely to overcome the problems that would arise if all economic decisions were made on an individual basis. In the case of subscriptions, this implies that while the individual might 'lose' a part of their consumer sovereignty, they nevertheless gain access to a world of production that is otherwise closed off and acquire the ability to collectively codetermine the way in which the specific good is being produced and distributed.

On the producer's side of the relationship, it is often argued that the democratic management of economic affairs undermines innovation and product diversity: entrepreneurs and producers are limited in their creative potential. One main problem of this criticism is that it rests on a misconception regarding democracy. Democracy is sometimes misunderstood as the implementation of the will of the majority over the will of all: the collective dictates what the individual must do (Queralt 2018: 288-9). However, as I have already mentioned in our discussion of ecology, democracy should be understood as the negotiation of interests and the flourishing of each individual within overlapping socio-ecological systems. Within the framework of negative rights, this can be interpreted as the pursuit of individual interests as long as they do not harm other individuals. This individual negative freedom is the principle that also underlies the open and competitive market. Here, the freedom to innovate is always bound by the ability to sell one's goods and, more importantly, to generate profits to survive on the market. In turn, innovation is perpetually required to maintain economic growth. In such a system, however, innovation is also limited – to those with the skills and free capacity to innovate while others implement and realize these inventions. In contrast, the democratic organization of a market commons aims to mitigate the existential competition in economic activities to provide more space for innovation in goods and services that people need and desire – rather than those merely goods and services that are profitable. In subscription schemes, the financial security provided by the commitment of consumers provides producers with more free time and energy to develop new and better goods which ultimately leads to a greater diversity in their products, as existing CSA projects demonstrate. Furthermore, in a market commons, the knowledge, skills and capabilities for innovation are, at least ideally, distributed among the affected participants: each member has the opportunity to bring in new ideas for products or for how to optimize the organization and institutional frame-

work of the existing economic activities. Collaborative peer-to-peer networks in a market commons thus provide fertile ground for an even broader dispersion of innovative potential than a competitive market economy.

In response to this, it is sometimes said that democratic management of economic activities is impossible because economic affairs are too complex and therefore cannot be planned (Hayek 2013: 34–52). Simply put, I believe the argument from complexity to be a theistic argument that aims to veil and immunize economic affairs from democratization. The problem of complexity has not stopped human beings flying to the moon, deciphering the genome – and developing the stock exchange. The question whether we *can* should not replace the normative imperative that we *should* democratize the economy. As previously argued, it is clear that the tragedy of the competitive market can only be overcome through the democratic management of economic affairs. Here however, we must differentiate between democracy as an institutional arrangement and the democratic planning of economic activities. Democratic control of the institutional framework of a market commons does not imply that all future activities are planned in advance, but rather that the institutional arrangement of the market is perpetually adapted to the changing conditions of the ecosystem and the needs and desires of people who are affected. Prices can, for example, be democratically negotiated without determining in advance what each individual will consume. In more general terms, a market commons increases the *ex ante* democratic management of economic affairs without negating the possibility of people ‘spontaneously’ buying goods *ex post*. However, a market commons can also support democratic planning in the form of democratic network collaboration and coordination between producers and consumers. In such scenarios, everyday economic planning activities within a firm are simply extended to a wider community of agents. Both the democratic management of the market commons and the collaborative democratic planning of individual networks must be understood as decentralized and overlapping bodies that renegotiate their interests when novel issues arise. Hence, democratic management and planning in a market commons should not be interpreted as a top-down five-year plan developed and implemented by states and large corporations, but rather as an interactive and ongoing process of negotiation and coordination between different actors and on different levels.

But can the democratic management of economic affairs be efficient? This is a classical rhetorical question that implicitly assumes that all forms of allocation that are not based on the open and competitive market are inefficient. As we have already seen in our discussion of the justification of the open and competitive market, efficiency is one of the main sources of legitimization: competition forces enterprises to produce more efficiently to survive on the market. This criticism applies not only to the model of community-supported agriculture, but also to the social and solidarity economy and to the concept of market commons in general.

Despite this general assumption, our discussions of the problems of privatization and the market have demonstrated that an open and competitive market might be efficient in perpetually generating and concentrating monetary wealth in the hands of a few, but not necessarily efficient in maintaining sustainable livelihoods and ecosystems. Considering this fundamental inefficiency of open and competitive markets, our examples of democratic management of and active participation in production processes provide us with positive models of how to organize economic activities and the institution of the market in more efficient ways. A market commons is thus more efficient than a competitive market in two central ways. Firstly, widespread democratic control of economic production is efficient because it enables people to express their needs and desires before the production process occurs, rather than after all the goods have been brought to and in the hope that they will be sold on the market. Collaboration and coordination can increase the production of goods that people want and decrease the large number of goods that are not sold. Second, in open and competitive market arrangements, well-being is assumed to be realized via economic growth, deferring it to a later date and transforming economic activities into means to future ends. It can be said that this set-up is, in itself, rather inefficient. In contrast, democratic management of economic activities and institutions enables people to codetermine processes and co-create outcomes that include non-monetary values that are often neglected in competitive price-formation and quantitative measurements of prosperity (e.g. GDP), including well-being, conviviality or sustainability. In a market commons, the aim is to realize well-being both efficiently and in the here-and-now – paradoxically by decreasing the “rationality” of economic efficiency and profit-making.

But do people have the time to partake in so many democratic negotiations and other unpaid productive activities? Here, it might be important to note that it is not expected that everyone will participate in all processes everywhere. This would obviously be impossible. In relation to democratic participation, a rather simple answer to this problem would be the representation of the affected either through election or through sortition. Nevertheless, the problem of time for these activities remains, considering the demands of contemporary jobs and the necessity for many people to work long hours to pay their bills. This is a reason why, for example, we find that it is mostly women in full-time housekeeping positions or who work part-time that actively participate in CSA projects (Cone/Myhre 2000: 193). This is also the reason why it is mostly educated, middle and upper class families who both desire and are able to partake in such projects (Monson 2017: 87). The unequal distribution of time, money and education is a fundamental socio-political problem that limits people's participation in both parliamentary politics and the democratic management of economic activities. One rather simple answer to these problems is that participation in these activities be rewarded in some manner, be that in the form of money, vouchers, free subscriptions or recognition more

generally. Nevertheless, it must be admitted that a market commons – let alone individual projects therein – cannot fundamentally solve or mitigate these problems. To structurally provide people with more resources (e.g. better education, higher minimum wages, fewer working hours per week), collective *political* action is necessary. Despite these limitations, it must be noted, however, that people often do have time outside of wage-labor relationships that they spend on different activities such as shopping, hobbies, sports and volunteer work in other associations. The question that then arises is how this time is spent and what priorities are set. The energy that many people already devote to such activities could be channeled into the co-creation of democratic market commons.

But are people interested in these forms of participation in economic affairs? This question reminds us of our short discussion of stealth democracy. Here, it might suffice to note that people will probably not experience the necessity of exerting time and energy in democratic economic governance as long as an open and competitive market appears to be more or less functioning. The more people perceive and experience the ecological and economic crises that result from an economic system based solely on individual negative freedom, the more willing people might be to invest time and energy into coordinated, collective action. Therefore, interest in democratic economic governance is not merely an abstract ideal, but also an attempt to alleviate real insecurities and injustices, by solving concrete problems of hunger, unemployment, exploitation and environmental degradation. This does not mean that we must wait until things get much worse for a market commons to develop, but rather that interest in democratic participation often arises out of a desire to change and improve existing social arrangements.

Let us now turn to the final criticism of democratic management of a market commons: the problem of up-scaling. It is often argued that the open and competitive market is global and that it is therefore impossible to create democratic institutions that can coordinate and regulate these economic activities. My response here is similar to what I said in answer to the complexity argument. The problem of global commodity chains should not necessarily hinder people who want to take control of their economic activities at home and in collaboration with people elsewhere. While some of my examples were rather local and small-scale, this should in no way imply that larger institutional frameworks could not be developed to foster socio-ecological enterprises in different places. Although such community-supported commons associations would generally imply a relocalization of economic activities, they could theoretically also be developed with producers on the other side of the world. Such associations already exist. The same can be said, more generally, for the democratic management of global market commons. This is what James Tully understands as “glocal” cooperative networks of democratic economic governance in which the global emerges out of the interaction and collaboration between diverse local socio-ecological systems.