

## 9. Conclusion

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After this long journey examining the relationships between democracy, markets and commons, let us now return to the original problem and question with which we began our investigation. We commenced this study with the question of whether democratic capitalism truly was the best and only social arrangement that human beings could imagine and realize. With reference to diverse political, socio-economic and ecological crises, we recognized that democratic capitalism is facing fundamental challenges: decline in political participation, democratic deficits, rising inequalities, economic instability, ecological degradation and, last but not least, climate change. The question then arose to what extent democratic capitalism brings these possibly interrelated problems about and whether the institutional arrangements of democratic capitalism have the potential to solve them. Assuming that this is not possible, we then asked whether the concept of the commons could provide us with social arrangements that might be more adequate for this task. More specifically, I asked whether – and if so, how – the concept of the commons can strengthen democratic practices and institutions by limiting or even overcoming the negative political, socio-economic and ecological effects of open and competitive markets.

Generally put, the conclusion that we have arrived at is positive. We can conclude that commons are highly conducive to democracy, which we defined as entailing that people have the rights and capabilities to codetermine their social conditions or, in more ecological terminology, to co-create their shared socio-ecological realities. The central reasons for this are twofold. Firstly, commons enhance individual freedom in a limited world by giving people direct access to resources, ultimately enabling them to secure their interdependent lives and liberty. Secondly, the democratic governance structures of commons allow humans to collectively solve conflicts and problems, by perpetually adapting to changing socio-ecological conditions. That, in a nutshell, is the conclusion to this book. But let me now recapitulate its central arguments in a little more detail.

## Democracy

I began my examination of democratic capitalism with an analysis of the concept of democracy. The reason for this was that democracy has historically and theoretically turned out to be one of the central means of legitimizing social arrangements. As we saw, it is often assumed that democracy means representative democracy, where people participate in periodic elections in order to elect representatives who will define the rules and regulations of society. I pointed out, however, that although representative democracy might be the most widespread form throughout the world, this in no way implies that it is the most desirable. We therefore asked ourselves what other concepts of democracies exist and discovered various models and concepts of democracy, each of which is contested. With reference to the work of Wolfgang Merkel and others, I grouped these concepts according to a three-tier system of minimal, medium-range and maximalist models of democracy. Simply put, the minimal model understands democracy as a competitive system through which elites are formed; the medium-range model emphasizes just procedures and civil rights; and the maximalist model underlines substantive socio-economic rights as a central component of democracy. Merkel argued that the minimalist model is unsatisfactory because it remains unclear to what extent people possess the opportunity to influence political affairs. In turn, he also criticized the maximalist model for being too demanding and therefore unrealizable. Thus, he concludes that we should uphold a medium-range model of democracy. I argue, however, that this conclusion is problematic because it transforms the historically contingent existing form of democracy into a universal model of the best political arrangement. Unsatisfied with this conclusion, I argued with Mouffe and Laclau that democracy has an underlying “surplus meaning” that always has the tendency to dynamically go beyond and transform its existing form. Furthermore, I argued that a dichotomy opposing the form of a democracy to its substance (e.g. formal civil rights versus substantial socio-economic rights) cannot be maintained, because all forms of democracy endorse specific substantial values. Thus, I conclude that there exists a notion of democracy that lies at the heart of all three models democracy. With reference to David Held, we ultimately defined this notion of democracy as the “principle of autonomy”, which requires that people have the rights and capabilities to codetermine their social conditions. In light of this definition, however, democracy cannot be limited to the sphere of politics and the state, but rather must be understood as a principle that applies to all spheres of life.

## The open and competitive market

Having arrived at this definition of democracy, I then turned to the concept of capitalism or, rather, the open and competitive market and its relationship to both

the state and democracy. With reference to Hobbes, we discovered that an absolute state is of central importance for the protection of individual private property and the creation of a competitive market. In turn, the justification of the market was discussed with reference to Adam Smith and more recent economists such as Friedrich August von Hayek. We discovered that individual private property coupled with competitive markets brings about social order and a perpetual growth of wealth. Within this framework, social order is created through the free or self-regulating interaction of producers and consumers, which is not only supposed to bring about the most efficient possible allocation of resources but also disciplines market agents to be more productive. Importantly, the self-regulating mechanism of the market requires that state intervention in ‘private’ economic affairs is limited and that markets are opened up beyond the level of the nation-state. I therefore call this economic institution the open and competitive market. After discussing the relationship between the market and the state, I then analyzed its relationship with democracy. Here, we discovered the interesting fact that both Adam Smith and Hayek recognize that most people do not necessarily desire such competitive market arrangements, because of their ‘egotistical’ interest in leading a secure and stable life. The question then arises who can politically implement and uphold such a social order. In view of the resistance to these arrangements, Hayek openly argues that democratic politics must be “dethroned” and replaced with wise and impartial rulers, who are elected once in their lifetime. Due to the substitution of democratic politics with economist quasi-kings, I argued with reference to Herman Heller that this market-state arrangement can be interpreted as a type of authoritarian liberalism. But we then discovered that even with periodic elections the opportunities for politicians and the state to influence economic activities and correct market outcomes are extremely limited. The reason for this is the free movement of private property that enables investors – or what, with Streeck, I’ve called the *Marktvolk* – to move their capital to places where the rates of accumulation are the highest. As we saw, when the *Staatsvolk* and politicians attempt to limit accumulation strategies and redistribute wealth, this second constituency can indirectly punish them simply by withholding investments, thereby causing unemployment and economic crises. Hence, I contended that the structural constraints of open and competitive markets severely limit and undermine peoples’ ability to alter and codetermine their social arrangements in democratic ways. Accordingly, I then concluded that democratic capitalism and its underlying state-market dichotomy is most likely quite incapable of institutionally adapting and solving the diverse social, economic and ecological problems that exist.

## Commons

Given this conclusion, I asked whether the concept of the commons provides us with different social arrangements that might mitigate or possibly even solve the antagonism between the market and democracy. In order to answer this question, I began my investigation with a discussion of Garrett Hardin's 1968 article, "The Tragedy of the Commons". Simply put, this influential article or, rather, metaphor presented us with a situation in which individuals using a commonly owned yet unregulated, open-access pasture find that it is rational for each herder to put more and more cows on the field despite its limited carrying capacity. The reason for this is that each herder can privatize the benefits (e.g. milk and meat) and externalize the costs (e.g. degeneration of soil fertility). Because it is assumed that each will act in this manner, the herders are compelled to pursue maximization strategies in order to survive, which, however, paradoxically leads to the overuse and destruction of the resource system. From this perspective, it can thus be assumed that unregulated resources held in common inherently lead to tragedy and therefore do not present us with a viable alternative to democratic capitalism. This is at least a widespread interpretation of Hardin's article. That being said, Hardin's answers to the tragedy also remain caught in the state-market dichotomy of democratic capitalism: privatization or socialization (i.e. nationalization).

Another answer to this problem is that presented by Elinor Ostrom and, to a certain extent, her husband Vincent Ostrom. Expressed in the most general terms, Elinor Ostrom demonstrates that the sustainable and democratic self-government of commons is a possible alternative form of organization "beyond markets and states". In her work, commons are more technically defined as common pool resources (CPRs) such as pastures, forests and water, on the one hand, and common property arrangements, on the other. CPRs are characterized by the fact that their goods (e.g. fish, wood) are rival and that it is difficult (i.e. costly) to exclude others from using the resource system. As Hardin demonstrated, the difficulty of regulating these resource systems often leads to tragedy. The vast empirical work of Elinor Ostrom and her colleagues shows however, that tragedy can be averted and overcome – not through privatization or nationalization, but through democratic self-government. Or more precisely, democratically structured common property arrangements can enable the sustainable management of common property resources. We saw that Elinor Ostrom develops eight design principles that support the sustainable use of such resource systems. Here, I would like to focus on one important feature in her findings for our concluding reflections on her work. From a normative perspective, the most significant insight is that the people who use and are significantly affected by resources should also have the rights to democratically regulate them. This enables people to develop and enforce rules and regulations against free riding and unlimited appropriation. This enables not only the eco-

logically sustainable use of the resource system, but also the fair appropriation of goods within a specific group. When the people who use the resources can define the rules, they are able to continually adapt these rules when conditions change since they often have much more knowledge of the specificities of the relevant contexts than others would. As we see, this understanding of the democratic process comes very close to our previously developed definition of democracy, according to which democracy requires that people have the right and the capability to code-terminate their social conditions. It can be said that Ostrom provides the empirical evidence that this form of democratic self-government is not simply possible, but also socially and ecologically robust. From these insightful findings, it can generally be concluded that commons provide us with a viable alternative to democratic capitalism.

As I showed, however, there are some limits to the Ostroms' work on the commons. Despite their focus on existing and functioning commons arrangements, their work either lacks a critique of markets or, to the extent that such a critique is present, it is executed in a problematic way. Although the Ostroms do defend commons as a superior form of organization to hierarchical monocentric orders, they do not fully deal with the problems that arise through privatization and the competitive market. Let me briefly summarize these arguments again. The Ostroms argue that hierarchical, monocentric orders often define unified rules that are either not adapted to specific contexts or not implemented at all. If implemented, this then leads to a form of oppression; if they are, however, not implemented, this then transforms state-owned resources into a *de facto* open-access common that will probably be overused. I called this the tragedy of hierarchical and monocentric orders. As an alternative to this problem, the Ostroms propose a type of overlapping multi-scalar and polycentric governance system. Although I agree with their critique of hierarchical and uniform management schemes, Vincent Ostrom's vehement critique of the state is somewhat problematic because it risks throwing the baby out with the bathwater. As we discovered with Elinor Ostrom's work on the commons, a pooling of individual coercive power is necessary in order to limit free riding and overcome tragedy. In this sense, the model of commons also provides us with a monocentric structure. For questions of democratic governance beyond the nation-state this insight becomes rather central, for it implies that the arrangement must be monocentric while simultaneously being multiscalar and overlapping.

But more importantly, a central problem in the Ostroms' theory lies, as previously mentioned, in their lack of a critique of privatization and competitive markets. Vincent Ostrom remains silent on the topic. Elinor Ostrom, in contrast, argues that privatization might not occur in common pool resources, because it is rather costly. Obviously, this economic reasoning provides a rather weak argument against privatization. For this reason, I argued that privatization is problematic because it excludes others from access to important resources that are necessary

for their life and liberty, ultimately creating power asymmetries and enabling domination. We may call this the tragedy of privatization. In relation to markets, however, Elinor Ostrom provides us with a little more insight. Using the model of the prisoner's dilemma, Ostrom argues that highly competitive markets force people to pursue maximization strategies and create a "straitjacket situation" in which people have "no alternative" (E. Ostrom 2003: 25). Despite this insight, she does not pursue the problems of markets any further. For this reason, I developed an argument that aimed to bring the models of the open and competitive market and the unregulated commons together. Both institutional arrangements are structured according to what is technically called the prisoner's dilemma or the "isolation paradox" (Amartya Sen) and lead to the necessity to perpetually appropriate and accumulate more and more wealth. Yet while Adam Smith and other economists praise this arrangement for its ability to perpetually generate more wealth, Hardin's metaphor presents this same competitive dynamic as one that increasingly destroys ecological resources and other resources held in common. I argued, however, that this would also occur if all the goods in the world were privatized, because the competitive growth dynamic between proprietors would remain. In existing societies, this market mechanism also leads to the increase in socio-economic inequalities and the destruction of livelihoods and economic crises, thereby ultimately undermining the institution of the market itself. Last but not least, I argued that the incessant necessity to increase productivity reinforces structural constraints on democratic deliberation and government. Here, we clearly see how various ecological, economic and political crises are interrelated. And again, we see that the open and competitive market places strict limits on people's capabilities to alter their institutional arrangements in order to solve problems in collective ways. I thus argue that the tragedy of privatization ultimately also leads to the tragedy of the (open and competitive) market.

If we return to the Ostroms, it must now also be said that even with a better-formulated critique of hierarchical monocentric orders and competitive markets, two fundamental problems remain in their work. Firstly, the Ostroms also lack explicit normative arguments for democratic commons arrangements. Secondly, their focus on the management of common pool resources, makes it appear as though only goods that are rival and non-exclusory (e.g. waters, forests, alpine meadows etc.) should be managed with common property arrangements. The two problems are obviously interrelated. The lack of general, normative arguments for common property arrangements inherently supports the assumption that commons are merely something that refer to pastures and forests. Accordingly, commons will most probably maintain a rather marginal, niche existence despite the possibility of applying the concept to a wide range of goods and resources, thereby potentially creating not only a more sustainable society, but also one that is freer and more just. After recognizing these shortcomings of the Ostroms' work I there-

fore attempted to develop a more explicit and elaborate normative argument for the commons.

## Nature

In order to do this, I began by developing a normative argument for the commons from an ecological perspective. The aim of this step was to break with the framework provided by Hardin in which nature is portrayed as a background stage and, ultimately, a limit to human freedom. Furthermore, the problem with such a Malthusian model is not only that nature is dealt with in an instrumental and, possibly, exploitative manner, but also that the basis of existence is assumed to be the antagonistic conflict between all living beings. Simply put, I argue that this is not only false, but also cannot lay the foundation for a sustainable and democratic society. Here it must again be acknowledged that the organization of the world will not be changed as an automatic consequence of us changing our conceptions of the world. To assume that would be solipsistic and naïve. Nevertheless, it cannot be denied that concepts, models and metaphors play a central role in our interaction with one another and the arrangements of the world. If this were not the case, we would not have to take on the trouble of writing books and discussing ideas. Accordingly, I argued that our understanding of nature is extremely relevant not only because of its implications for our relation to the environment but also because it provides a type of symbolic backbone for all other relationships. I therefore argue that we must shift from a dualistic and anthropocentric to an interrelated and eco-centric model of nature. With reference to Andreas Weber and others, I elaborated the notion of self-organizing organisms that dynamically adapt in and with their environments, ultimately taking an active part in the interdependent co-creation of reality. The concept of interdependence provides us with a key principle for developing an understanding of abundance in a limited yet shared common reality. In this approach, other living beings are understood as a precondition for one's own freedom and flourishing. From there, I developed an ecological understanding of freedom, which I defined as freedom with, through and against the other. Within this framework of interdependence, the central principle of care for the other was apparent. Yet despite my emphasis on empathy, cooperation and shared, common realities, by combining intrinsic, instrumental and antagonistic principles in the one notion of freedom, we were able to comprehend our interactions with other beings in a complex, multivalued and conflictual manner. Here, the simple fact that we share a common reality does not imply that people always cooperate, but rather that conflicts arise and must be dealt with. Freedom is thus defined as an ongoing process of negotiated cooperation in the co-creation of a shared common reality. This presents us with an ecological reinterpretation of our original definition of democracy, which we defined as the codetermination of social conditions. With

reference to the work of James Tully, I understood this as a civic notion of democracy that emphasizes the dynamic adaptation and transformation of institutions through civic practices of collective action. This civic understanding of democracy, in turn, provided us with an adequate theoretical framework for the commons. Here, I discussed Ugo Mattei and Fritjof Capra's notion of eco-law as a second order commons that is based on the civic activities of democratic negotiation and cooperation. This ultimately led us to a new interpretation of the commons, which was not understood merely as a resource, an institutional arrangement or the relation between the two. Instead, commons are comprehended as a performative civic activity of self-organizing or commoning that brings common goods and our common reality about through a process of co-creation.

### Common property

After presenting this ecological reinterpretation of freedom, democracy and the commons, I then attempted to elaborate a commons theory of property. With reference to my previous discussion of socio-ecological interdependence, I argued that a commons theory of property revolves around the concept of access to and democratic governance of shared resources for the satisfaction of people's similar yet conflicting needs. With this general notion, I then sought to critically reflect on and reinterpret John Locke's famous labor theory of property. In a nutshell, Locke's theory of property declares that in a state of nature people have the right to individually appropriate resources from a commons that was originally given to everyone. I discussed this theory in relation to three central concepts: (self-)ownership, non-interference and labor. With reference to G. A. Cohen, I argued that the concept of self-ownership is based on the prioritization of freedom from all non-contractual claims and obligations towards the wider community. This is basically the principle of non-interference, which lies at the heart of conceptions of negative freedom. Put somewhat differently, ownership frees the individual from considering the negative effects of one's actions on the other. I argued that in light of my notion of ecological freedom this is particularly problematic, because it denies the inherent, pre-contractual interdependence between beings and the underlying conflicts that result from constituting this shared reality. While the owner of individual property can enter cooperative relationships through contracts, she is systematically freed from having to deal with existing conflicts. For this reason, I argued that we must develop another notion of property that is more suited to the principles of interdependence. With reference to Michael Sandel I then contended that the concept of guardianship or stewardship is more adequate for a commons theory of property, because it aims to integrate other affected beings into the structures by which resources are governed.

In a second step, I discussed the notion of non-interference in more depth. Here, I argued that non-interference is problematic, because the un-interfered-in or unlimited appropriation and accumulation of resources by individuals inherently interferes with the freedom of other people. The reason for this is that it changes the quantity and quality of the resources that other people have access to. Simply put, if someone appropriates a plot of land, I cannot use it; fewer resources are now available to me. Assuming unequal opportunities to appropriate, access to resources can, as a consequence, become highly unequal. Those without direct access to resources must then pursue wage labor in order to exchange labor for money and money for food. Owing to their dependence on wages, people without resources must enter wage-labor relationships. And due to the underlying power asymmetries between the employer and the employee in such a constellation, I argued – with reference to Philipp Pettit – that wage labor relationships are problematic because of the threat of arbitrary domination that they carry. In short, non-interference can lead to serious forms of arbitrary interference and, importantly, domination. I therefore argue that a commons theory of property must replace the principle of non-interference with the notion of non-domination.

In a third step, I argued that we must replace the central category of labor in Locke's theory with that of needs. According to Locke, labor is the central justification for the right to appropriate resources. With reference to Carol Gould, I argued that a commons theory of property would emphasize the social appropriation of resources in joint activities. The problem that arises here is, however, that people and groups have highly unequal productive capabilities. This could theoretically lead us to a similar asymmetrical distribution of resources and thus to relations of domination. As an answer to this, I argued with Jeremy Waldron that this special right to appropriate resources through labor must be replaced with a general right to access resources according to need. Yet in contrast to the unlimited access to resources as conceptualized in Locke's original commons, in this scenario, commons would be democratically regulated.

After this critical reinterpretation of Locke's theory of property, I then turned to John Rawls. For me, Rawls' property-owning democracy presents an interesting social arrangement that also emphasizes positive freedom that consists in having access to resources as a precondition for life and liberty in a democratic society. Schematically portrayed, in comparison to the *ex post* distribution schemes of the welfare state in the form of housing and health care for those in need, Rawls conceptualizes this positive right as an *ex ante* or predistribution of "productive assets". While I agree with much of his reasoning, I contended that the coupling of these individualized resources with competitive markets is highly problematic because it leads to maximization strategies and perpetual economic growth as already discussed in relation to the tragedy of the market. For this reason, I argued that not only must we be critical of the emphasis on the competitive market, but

we must also shift our focus in such a predistribution scheme from productivity to care. I interpreted care, however, not as the supposedly 'unproductive' activities of housekeeping and social work, but rather as the emphasis on the sustainable reproduction of resources through labor activities. Accordingly, I argued with Sibyl Schwarzenbach that this is best done with common property arrangements that are more conducive to care and sustainability due to their inclusive and democratic governance structure.

In order to avoid possible misunderstandings, I would like to mention something important about my numerous claims that we must 'shift from X to Y'. Throughout my investigation I have argued that we must change concepts that underly other concepts. These 'shifts' include, for example: from anthropocentric to ecocentric, from dualistic to systemic, from ownership to guardianship, from non-interference to non-domination, from labor to needs and, finally, from productivity to care. I must admit that this sure is a lot of shifting. Critical readers of my argument will have noticed, however, that I regularly fall back on old terms that I had just criticized. Often enough, the shifts that I argue for rarely imply that a term should be entirely annulled. Let me illustrate this with reference to a few examples. In my discussion of nature and ecology I argue that we must replace our dualistic understanding of nature with a systemic concept. This does not, however, mean that all linguistic distinctions between mind and body or culture and nature simply disappear. The point is that although we differentiate these things symbolically, they remain organically interrelated parts of a whole. In my discussion of Locke, I argued that we must replace the special right to resources through labor with the general right to access resources according to needs. While I maintain that this is true, I do not, however, intend to imply that all rights to the fruits of one's labor should be denied. Instead, the shift to a needs-orientation in property theory simply implies its prioritization over the value of labor, without necessarily negating it. This is also the case in relation to non-interference, which should be replaced by the notion of non-domination: obviously, non-interference remains an important value, but should be positioned under non-domination in the ordering of principles. Similarly, my critique of the focus on productivity in Rawls' property-owning democracy does not free me from using this term. I cannot simply replace the word productive with care, because no one would then understand what I was talking about. I do not intend to banish the word productivity from our vocabulary. Instead, my discussion hopes to replace its connotation with endless monetary growth with one of care, sustainable reproduction and qualitative growth. That being said, let me now turn to summarize the last section of my discussion of a commons property theory, in which I, again, use the term productive.

In the final step in my commons theory of property I discussed the relation between productive and consumptive goods. Here, I asked myself whether we should

organize only some activities and goods by means of common property arrangements. In this discussion, I referred to the problem of greenhouse gas emissions and their unequal distribution: the wealthiest 20 percent of the world's population produces 80 percent of the world's greenhouse gas emissions. This problem provides us with the insight that strategies of accumulation do not only occur in the sphere of production, but also in the sphere of consumption. Furthermore, strategies of consumption maximization are largely interrelated with accumulation strategies in production. I argue that this maximization strategy occurs in the sphere of consumption because it is assumed that my freedom is increased, if I extend my reach over my possession of goods. More goods equal more freedom. And because the access to these consumption goods is normally structured according to the principle of individual private property and non-interference, the central means to access more goods is simply to buy them. This leads to the situation where everyone strives to own increasingly more and more things. As we well know, this is problematic in a world of limited resources. A commons approach to this problem is rather simple: if people share these goods, they can increase their access to resources, without necessarily having to produce and buy more goods. Thus, the direct access to common goods can substantially expand the range of people's individual freedom. This is a concrete example of how abundance can be created within planetary boundaries.

### Commons and the state

Having developed a commons theory of property I then turned to analyze the relationship between the state and commons. The focus here was not the organization of governmental bodies, but rather the question if and how the state should provide citizens access to common resources. Before turning to this question, however, it is important to briefly mention the theoretical organizational structure of a state in a commons-based society. As previously mentioned in my discussion of Vincent Ostrom's critique of hierarchical monocentric orders, from a commons perspective the democratic state should be interpreted as a pooling of coercive abilities through collective action. Ideally, democratic state power is then understood as a form of reciprocal and public coercion. Importantly, in order to deal with the problem of free riding, the state must be structured in a monocentric manner. The problems of a monocentric order therefore result not from its monopoly on the use of force, but rather from its undemocratic internal organization. In order to uphold a democratic structure within, the internal organization of the monocentric state should, however, consist of multilayered, overlapping democratically governed bodies. This is normally understood as federalism. The unity of the superstructure would, in turn, aim to limit free riding on the part of individual units and competition between them.

Before continuing with the summary of my argument, I would like now to touch briefly on an issue that is under-examined in my analysis: supranational global governance. Theoretically, the insights above also apply to a system of global governance. But since this issue was underdeveloped in my investigation, I would like to briefly consider the problem here. To my mind, the insights I have considered imply that in order to overcome global tragedies, a type of monocentric global government is theoretically required. A democratic organization of such a federal, supranational structure can be understood with the help of David Held's notion of a cosmopolitical order (Held 1995) or with Francis Cheneval's concept of a "demoicracy" (Cheneval 2011). At first glance, this conclusion might seem to imply a rather important break with the Ostroms' theory of a polycentric order. Here, we might ask ourselves why the Ostroms did not see this inconsistency in their theory. One reason for their emphasis on polycentricity could have been of pragmatic nature. Knowing that the world is messy and supranational collective action can be difficult to realize, they simply opted for a more viable alternative. Another explanation could, however, be that an overarching global government is not necessary, because only the different global commons (e.g. air, the Internet etc.) need governing bodies and not the world per se. Here, the concept of territorial units would be replaced with functionally defined jurisdictions. To be fair, I can imagine that it is this notion of a plurality of functional governing bodies over commons that they imagined. It can nevertheless be asked whether the coordination of these diverse bodies does not also require a higher level monocentric order. According to the arguments I have presented here, my assumption is that they would. Whether such a monocentric order is realizable is, however, another question.

Let us now return to the level of the nation-state and examine the role of the state in the management and provisioning of commons. I began this analysis with a recapitulation of various models of the state and their principles when it comes to organizing common resources. Let me briefly summarize these findings. As we know, the hierarchical and monocentric state manages common resources in a top-down manner according to unitary rules. Theoretically, the range of commons managed by the state depends on the will of the sovereign. As I have already mentioned, the problems here can range from oppression, through paternalistic provisioning to tragedies of over- and underuse. In a minimal, market-based state common resources are generally minimalized. Within the Lockean framework, we can say that the resources of the original commons have largely been enclosed and privatized. A possible later expansion of commons by the state is constrained by the structures of the open and competitive market. In contrast to the minimal market-based state, both the welfare state and a property-owning democracy aim to provide individuals access to resources that have been pooled through the collection of levies. The distributed resources are often understood as public goods that are provided for by the state and often consumed individually (e.g. housing, health care etc.). While

this model provides people with access to resources, the criticism is often made that this occurs in a paternalistic manner. A property-owning democracy aims to mitigate this problem by providing people with productive assets. As we have seen, coupled with competitive markets this leads to the problem of perpetual growth, which tends to overuse society's common, socio-ecological resources.

After having gone over these models, I asked myself how the state could provide access to resources in a commons-creating society. Furthermore, I asked which resources and goods a state should provide. Beginning with the second question, I briefly discussed the problem of ideal theory in political theory. My main claim here was that ideal theory can not only disempower people, but can also lead to a type of paternalism in which people (e.g. philosophers) create lists of the goods that the state should provide. For this reason, I argued with Amartya Sen that instead of such a "transcendental institutionalism", a "realization approach" might be more suitable to answering these questions. According to Sen, a realization approach focuses on injustices and aims to overcome them through widespread democratic deliberation and participation. In this manner people can express their own concerns, needs and desires and are empowered in their democratic capabilities. From a commons perspective, this also includes the civic activities of commoning in the state provisioning of public goods. This would generally imply the democratic coproduction of public goods. In order to understand this in more detail I then compared three examples of the provision of public goods with state supported commons arrangements: housing, health care and education. In most general terms, public goods as commons implies that the significantly (and potentially) affected people have the rights and capabilities to create and manage the common resources. The state would provide an enabling role. For this reason, I refer here to the notion of a background partner state. In the case of housing, this would imply that the people actually co-owned their housing units; the land could in turn be organized as a Community Land Trust. The access to a home could occur, for example, through the provision of housing commons coupons. In the case of health care, I discussed the problem of rising costs and the tragedy of the anti-commons caused by an increase in the registration of patents in medical research and development. As an answer to this, I presented the notion of an open-access health commons for research in which information can be shared freely. Another example I described was a model of community health centers that can be understood as a commons. Lastly, I discussed education as a commons. With reference to the problem of the enclosure of scientific information through private academic journals, I again propagated a model of an open-access information commons. In relation to schools and schooling I emphasized the democratic participation in education policymaking and the actual governing of schools. Furthermore, I discussed the importance of ecological and democratic principles in schooling, both in relation to teaching content and the organization of learning processes. Importantly, this would imply the in-

dividual and collective self-organization of learning in relation with one's concrete environment. In most general terms, I conclude that the state should not simply provide commons, but rather support the co-creation and maintenance thereof.

After having fleshed out the difference between public goods and commons, I then turn to some final questions of the state-commons relationship in a non-ideal world. Firstly, it is important to recognize that, in a non-ideal world, possibilities to democratically participate in the processes of commoning are not necessarily given. It can also be expected that powerful social actors resist these practices, because they largely limit their appropriation possibilities and might even transform some of their resources back into commons. Due to the power of such actors, they are often able to influence politicians and politics, ultimately illegitimately utilizing the state monopoly to protect their private interests. Considering such illegitimate social arrangements, it can be expected that both fewer common resources are provided to citizens and that democratic participation is limited. In such cases, I argue that it is necessary to widen our understanding of democratic participation. This can include, for example, practices of confrontation. Confrontation understood as social protest can provide people with a means to criticize injustices and illegitimate social arrangements through collective action. When politicians do not hear these voices, another strategy that is practiced is that of 'reclaiming the commons' in which privatized resources are (re-)appropriated, either on the supposition that they were originally held in common or because it is said that they ought to be held in common. Besides confrontation, another strategy of dealing with elite resistance and state oppression is through 'interstitial' commoning. Here, people actively create commons in the cracks of existing social arrangements by pooling resources and collectively organizing common goods and services for the satisfaction of their needs and desires.

## Market commons

Finally, in the last step of our investigation I examined the relationship between the market and commons. Despite my rather thorough-going critique of open and competitive markets, in this chapter I asked whether the institution of the market could be organized in a different manner. The reason for this is that I believe that the basic principle of contractual exchange of goods and services is a very practical social institution. The question therefore is whether we can have democratically regulated exchange-based markets without having the self-regulation of supply and demand through competitive prices as the dominant form of social organization. Interestingly, a quick review of commons literature on markets shows that many authors criticize the market and defend democratically organized firms, but few deal with this rather important issue. In order to develop an understanding of this problem I approached the topic from an historical perspective. With reference

to Karl Polanyi and Fernand Braudel I argued that markets have existed throughout human history, even if they have often only been on the margins of society. This is not to say that exchange or markets are inherently 'natural' practices or institutions, but rather that an historical perspective might provide us with illustrations of other market arrangements. Importantly, the competitive market developed only slowly from its inception in the 15<sup>th</sup> century; it has gained importance and influence only since the 18<sup>th</sup> century. I interpreted this development as a process of opening up socially embedded markets, a process that occurred parallel to the enclosure movements that transferred common fields and forests into private property. In order to comprehend how markets may have been organized before the existence of open and competitive markets, I discussed the role of guilds in medieval markets. Importantly, guilds defined rules and regulations that limited competition and stabilized prices in particular markets; the guilds did this in order to protect themselves from potential economic instabilities and existential threats. Importantly, market institutions were regulated and adjusted in order to satisfy people's 'egotistical' needs and desires. Although it can be questioned to what extent this regulation was truly democratic, it nevertheless was a means of institutionalizing an exchange system yet without allowing market competition and monetary growth to determine economic activities.

After this rather short historical excursion, I then attempted to develop a concept of a social embedded and democratically regulated market, which I call the market commons. The aim is thus to transform the open, common market into a market commons. By defining the market as a commons I argue that we must conceptualize the market within an ecological framework. Here, we must keep in mind the flows of matter and energy that are brought about through monetary exchange. Furthermore, I argued that a market commons must be structured according to the democratic regulation of the people who are significantly affected. Ideally, democratic management of economic institutions provides people with ways to collectively organize their economic activities in order to satisfy their similar yet conflicting needs and desires. In this situation, the concept of wealth would itself be democratically defined, thereby replacing a purely quantitative monetary notion of growth with a plurality of forms of qualitative development. The aim of such arrangements is to enable people to maintain local and regional economic cycles without, however, negating interregional and global exchanges. In this sense, the democratic management of the market commons transforms the overarching and transcendent 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. Acknowledging the problems of uneven development and regional disparities, such a decentralized arrangement would, however, necessarily

also require higher-level democratic governing bodies for the codetermination and perpetual adaptation of its overall framework.

After laying out this somewhat idealized model, I then discussed some other concepts and examples of markets in order to flesh out the idea of a market commons. I began this exploration with a corporatist-associative notion of democracy. Viewed in a general way, Paul Hirst's understanding of associationalism comes quite close to my own concept of a market commons in that it emphasizes the widespread democratic inclusion of significantly affected people in the governing practices it describes. Similarly, Wolfgang Streeck and Philippe Schmitter discuss the notion of corporatist-associative organizations that aim to overcome the prisoner's dilemma in competitive markets through processes of negotiation between conflicting parties. Put somewhat differently, a market commons enables people to complement *ex post* individual decision-making in the market with *ex ante* collective decision-making about the market. With Axel Honneth, I described this as a "discursive flexibilization" of market mechanisms, in which other non-monetary values can be expressed and integrated into the evaluation of resources, goods and services. More generally, I grasped this as a re-embedding and decommodification of economic goods and activities.

In general, this notion of corporatist-associative democracy can be interpreted as a transformation of the competitive, liberal market into a socially embedded, coordinated market. As Hall and Soskice argue in their *Varieties of Capitalism* (2004), a classical example of such coordinated market is the labor market and, more specifically, the production of skills through a vocational education and training (VET) system. VET was interesting to me insofar as it exemplifies concrete corporatist 'intermediary' institutions between the market and the state that possess legal authority to define, adapt and enforce its own rules and regulations. Importantly, VET is a governance system that was historically developed in order to mitigate employee poaching and overcome the tragedy of skill degradation that results from competitive markets. Yet despite these similarities to a market commons, there do exist fundamental differences between corporatist arrangements and existing VET systems. A major problem in existing VET systems is their focus on the needs of 'the economy', that is firms, and not on the needs and desires of the wider public, due to their limited democratic inclusion, on the one hand, and the structuring principles of the wider competitive market in which they are enmeshed, on the other.

For this reason, I then turned to another example of what a market commons could look like: the social and solidarity economy. The social and solidarity economy aims to organize market arrangements according to the principles of fairness, ecological sustainability and democratic self-government. A central feature of its institutional arrangements is the satisfaction of basic needs. Classical examples of the social and solidarity economy are fair trade and organic farming networks,

community development organizations and socio-ecological investment funds. In contrast to the notion of market socialism, in which firms are democratically run in a competitive market setting, here, the isolation paradox is overcome through negotiated cooperation between producers and consumers. Other, diverse stakeholders are also integrated into the governance schemes thereby creating arenas for conflict management and collective action. Importantly, the governing bodies of these market arrangements often have the right to collectively codetermine the reinvestment strategies that firms may pursue, thereby democratizing the flow of capital. As we remember from our original discussion of the state-market relationship, the private control over capital is a central cause of the structural constraints on democratic government. An inclusive, democratic governance structure for such economic activities provides the institutional framework that can foster principles of guardianship towards the wider community and ecological systems.

My last example of a market commons is what can generally be called community modes of production. The most prevalent type of this is community-supported agriculture (CSA), which can be understood as a practical response to the diverse and severely negative effects of open and competitive markets in agriculture. CSA can generally be understood as a 'food commons' that aims to re-appropriate the control over one's local food system. A central feature of CSAs is that consumers normally subscribe to a weekly ration of food, which finances the enterprise prior to production processes. This small change in the payment structure frees the producers from having to sell their goods 'on the market' and thereby enables them to plan the production process in accordance to the needs of the members of the association. Importantly, this interesting 'trick' suspends the coercive market mechanisms that force one to perpetually produce more and more goods for less and less money. Furthermore, the payment in advance leads to a socialization of the entrepreneurial risks between all the members of the group. Acknowledging that such organizations might not be affordable to everyone, some CSAs have even institutionalized 'offer rounds' in which the members pay for their subscription according to their abilities. These offer rounds provide a somewhat new interpretation of monetary exchange that replaces competitive prices with practices of gift giving. Furthermore, the opportunities often provided for CSA members to participate in the production process not only decrease the costs of the subscriptions but also demonetize the value of the goods being produced and consumed. All in all, production and consumption become social activities that are not organized simply according to efficiency gains, but rather according to shared notions of a convivial, good life. Even though it must be recognized that this model cannot be used for all economic activities, it can nevertheless be applied to many other goods and services.

Now, in my very last section I will bring my paper to a close with a short recapitulation of the defense of market commons against possible criticisms. A first crit-

icism that might be raised is that a democratic market commons limits and eradicates market choice. Here, it must be emphasized that choice is not eradicated, because the buying of goods 'on the market' (or in the supermarket) still remains. Instead, a market commons aims to alter the institutional framework of the market and those of its principles that structure the choice of products. Furthermore, the democratic governance of these institutions provides people with the abilities to codetermine these arrangements according to their shared and conflicting needs and desires. Lastly, in some cases feedback loops exist in which consumers can influence the creation of products before they are even produced. From an ecological perspective, this *ex ante* choice and codetermination is of great importance because it coordinates supply and demand through democratic deliberation and negotiation processes, ultimately replacing the invisible hand of the competitive market with the transparent and democratic self-determination of people.

A second criticism is that economic affairs are too complex to be democratically regulated. I argue that this widespread belief is nothing other than a theistic argument that aims to immunize economic activities from democratization. The question is not necessarily if we can, but rather if we should (attempt to) break up the complexity into more transparent and manageable units. Nevertheless, it is important to make a distinction here between democratic institutions in general and the democratic planning of economic institutions and activities in particular. The mere fact that the institutional framework is democratic does not imply that all activities will be planned in advance. Instead, it connotes that the institutional framework can be perpetually adapted to the changing socio-ecological conditions. While prices can be democratically codetermined, the *ex post* choice in the market is individually and 'spontaneously' chosen – often in reference to these prices. Beyond this, however, democratic economic institutions can also provide producers and consumers with opportunities to coordinate their economic activities in overlapping networks. In this sense, democratic planning must not occur in a uniform, top-down manner, but can occur in decentralized organizations that are created through the free association of consumers and producers.

A third criticism that is often heard in these debates is that democratic governance of economic activities is not efficient. This is another knock-down argument that aims to silence all challenges to the competitive market. As we have seen from our extensive discussion of the open and competitive market, this institutional arrangement might be efficient in generating wealth for the few but not at maintaining sustainable livelihoods for the many. In this sense, the democratic management of economic activities is more efficient in two ways. As just mentioned, democratic governance can, firstly, increase the *ex ante* deliberation over what shall be produced, thereby short-circuiting the rather energy-intensive, time-consuming and, thus, costly feedback loop of markets that are based on purchasing choices. Secondly, democratic governance can allow people to codetermine their economic in-

stitutions and activities according to non-monetary values that competitive prices and regular commodities cannot take into account. In this sense, we can conclude that democratic economic governance is significantly more efficient in satisfying people's diverse and rich needs than one-dimensional competitive markets.

A fourth criticism is that people do not have the time for or interest in such time-consuming commoning activities. But time is used for a plethora of activities. The question of time is therefore more a question of priorities in the valuation of these activities. This leads us to the actual key question: will people desire to partake in such democratic activities of economic governance? This is a question that theory cannot answer. But assuming that people are reflexive, sentient beings that aim to solve problems, it can be assumed that they will take interest in commoning as an answer to the various socio-economic, ecological and political challenges that they face.

Last but not least, market commons will most likely be criticized because it is assumed that they cannot be scaled up. Here, we are dealing with the general problem of globalization. If we interpret globalization as a unified entity, it will be a difficult nut to crack. But fortunately, globalization can be broken down into existing commodity chains and real, interdependent relationships. While some or most of my examples might have appeared to focus on the local, regional and national, this is because it is in the local that the global social relations are anchored. The global and the local are interwoven. Taking democratic control over one's local economy in no way negates the possibility of communicating and collaborating with people on the other side of the world. When we understand the market as a *glocal* commons, we can aim to provide people with the rights and capabilities they need to reclaim, codetermine and adapt their institutional frameworks on various scales in order to satisfy their needs and maintain their livelihoods within the changing ecological systems that they inhabit.

