

# Introduction

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Since the end of the Soviet Union in 1989, it has largely been assumed that liberal democracy or democratic capitalism provides people with the best social institutions possible. While capitalism ensures individual economic freedom, democracy provides people with political freedom. Private property coupled with markets and periodic elections ensure that people receive the most efficient economic and political systems that they could possibly want. Francis Fukuyama famously propagates this thesis in his 1992 book *The End of History and the Last Man*. Here, Fukuyama writes,

The apparent number of choices that countries face in determining how they will organize themselves politically and economically has been diminishing over time. Of the different types of regimes that have emerged in the course of human history, from monarchies and aristocracies, to religious theocracies, to the fascist and communist dictatorships of this century, the only form of government that has survived intact to the end of the twentieth century has been liberal democracy. (Fukuyama 1992: 45)

Although Fukuyama admits that much can be improved in this system, he nevertheless believes that “we have trouble imagining a world that is radically better than our own, or a future that is not essentially democratic *and* capitalist” (ibid: 46; emphasis added). After the fall of the Berlin Wall, people’s ability to imagine a better and, importantly, different world has supposedly come to an end. Thus, humanity has reached the end of history, at least regarding its political and economic institutions.

It might appear somewhat tedious to begin a book on democracy, markets and commons with a reference to Francis Fukuyama. Many people have already written about his bold thesis. Nevertheless, it must be acknowledged that Fukuyama’s book articulates an idea that has taken hold of Western society – that democracy and capitalism exist in a mutually supporting relationship. However, the assumption that open, competitive markets and the material wealth that results from them are preconditions for democracy is not new and has also been espoused in more recent studies (Lipset 1960: 48-50; Boix/Stokes 2003; Boix 2011; Acemoglu/Robinson 2006;

Bühlmann/Kriesi 2013: 31–33). A central pillar of this argument is the Hobbesian and Lockean postulate that individual private property secures the basic liberty that is necessary for a free and pluralistic society (Hobbes 1985: 234; Locke 2008: II, V; Epstein 2011a, b; Hayek 2013). As Jan Narveson succinctly puts it, “Liberty is Property” (1988: 66). Generally speaking, the justification of individual private property is largely based on a critique of the idea of holding property in common with reference to two diverse yet interrelated arguments. Firstly, it is largely assumed that common property would normally not be cared for and overused. This age-old idea is already expressed by Aristotle who says that “what belongs in common to the greatest number, receives the least looking after” (Aristotle 2002: 24). A more recent interpretation of this notion is formulated by Garrett Hardin in his article *The Tragedy of the Commons* from 1968. Here, he concludes that “freedom in a commons brings ruin to all” (Hardin 1968: 1244). As Hardin – and many others – believe, there are only two alternatives to this tragedy: State ownership or privatization or, in other words, socialism or capitalism. This leads us to a second critique of common property. Here, it is often argued that the historical examples of socialist regimes during the 20<sup>th</sup> century demonstrated that common property arrangements ultimately lead to an inefficient economic system, totalitarianism and oppression. A combination of these theoretical assumptions and historical experiences has thus led to a widespread consensus that individual private property or, more generally, democratic capitalism is the only game in town. Or, in the (in)famous words of Margaret Thatcher: “There is no alternative” (Berlinski 2008).

However, since the turn of the millennium, diverse political, economic and environmental crises have increasingly put this grand narrative of democratic capitalism into question. I am aware that the term ‘crisis’ is problematic because it induces an alarmist and apocalyptic interpretation of reality. Apocalyptic narratives have probably existed since the beginning of human history and crisis theories have been prevalent ever since democracies and capitalist market economies were developed (Merkel 2014b: 11–12). Nevertheless, the existence or resurgence of these debates in diverse fields suggests that democratic capitalism is facing some fundamental challenges. Without going into the details, I would like to mention some central issues. Firstly, current political ‘crises’ revolve around a decline in political participation since the 1980s in many Western countries (Whiteley 2012; Merkel 2014a: 118–120; Schäfer 2015), the internationalization of politics and democratic deficits in many supranational political institutions such as the EU, the IMF and the World Bank (Held 1991, 1995; Glenn 2010; Bellamy/Staiger 2013; Lavenex 2013; Habermas 2015) and, finally, the more recent resurgence of populism (Mudde 2004, 2014; Gherghina et al. 2013). Secondly, economic ‘crises’ became most apparent in the global financial crisis of 2007/8 and have their roots, among other things, in the deregulation and denationalization of the economy (Streeck 1998; Stiglitz 2010) and in increasing socio-economic inequalities in many Western countries since

the mid-1970s (Piketty 2014; Streeck 2014). Thirdly, environmental ‘crises’, which can generally be defined as the overstepping of planetary boundaries in ways that lead to the degradation of soil fertility, the loss of biodiversity and global warming, appear to be increasing (Rockström et al. 2009; Steffen et al. 2015). These changes have led scientists to argue that humans have, after approximately 11,700 years, left the geological epoch of the Holocene behind them and entered the new and increasingly unstable epoch of the Anthropocene (Steffen et al. 2011). As we see, contemporary democratic and capitalist societies are facing diverse and rather serious political, economic and ecological challenges.

Yet what do these diverse political, economic and environmental ‘crises’ have to do with each other – and with democratic capitalism? This is one central yet underlying question that I will attempt to answer in this book. For now, it is sufficient to declare that I do believe that these crises are interrelated and have a common core: An open and competitive economic system based on individual private property that enables and, importantly, requires perpetual and exponential economic growth – on a finite planet. I will demonstrate that these background social arrangements lead to the appropriation and unequal accumulation of resources from socio-ecological systems, which not only cause detrimental effects on the environment but also large socio-economic inequalities which, in turn, both hinder political participation and cause economic instability or ‘crises’. Furthermore, the prioritization of negative rights in individual private property and a belief in the self-regulation of competitive markets structurally limit people’s ability to democratically alter their social arrangements and thus to collectively deal with the negative effects of these market arrangements. It is interesting to note that this situation is similar to – if not identical with – Garrett Hardin’s previously mentioned tragedy of the commons. However, it is not the commons that is the main cause of tragedy here, but rather privatization and the open and competitive market. Or, in other words, Hardin’s theory of the tragedy of the open and unregulated commons also turns out to be a story of the tragedy of the unregulated and supposedly self-regulating market. Put in this perspective, it appears as though we might have to reinterpret Margaret Thatcher’s slogan with an ironic twist: There is no alternative – but to search for alternatives.

As a reaction to the widespread acceptance of Hardin’s theory, one answer to this tragedy of democratic capitalism that has increasingly been debated since the turn of the millennium is the notion of the commons. A main reason for this upsurge of interest in commons is the work of the political economist Elinor Ostrom who received the so-called Nobel Prize in Economics in 2009. Since the 1960s, Elinor Ostrom and her colleagues have extensively studied existing examples of sustainable self-governance of common pool resources such as water systems, fisheries, forests and alpine meadows. A central point that can be drawn from her work is that her empirical research refuted the widespread belief that commons

inherently lead to destruction. Instead, she was able to demonstrate that the management of common property by those who use the specific resources was an alternative form of democratic and ecological governance “beyond markets and states” (E. Ostrom 2010). This, in turn, has led to an explosion of literature on commons that developed the concept in relation to diverse goods and resources such as information, open-source software, genetic code, seeds, food, land, housing, urban space, firms and credit (Shiva 2005; Benkler 2006; Hess/Ostrom 2007; Tortia 2011; Bollier et al. 2012; Bollier/Helfrich 2015, 2019). A main focus in this literature is often the contrast of commons to individual private property. As the renowned commons scholar Yochai Benkler states in his book *The Wealth of Networks*,

‘Commons’ refers to a particular institutional form of structuring the rights to access, use, and control resources. It is the opposite of ‘property’ in the following sense: With property, law determines one particular person who has the authority to decide how the resource will be used. (Benkler 2006: 60)

Although, as I will later show, commons can be understood as property arrangements, Benkler’s juxtaposition remains significant: While individual private property is based on exclusion and dominion, commons are often structured according to the principles of (regulated) access and democratic (network) governance. The emphasis of commons theorists on inclusion and democratic regulation has, more generally, made commons a name for an alternative, emancipatory and emerging form of social organization. Here, economic activities are based on needs-oriented and non-hierarchical ‘peer-production’, which short-circuits the competitive market, the price mechanism and perpetual economic growth (Rifkin 2015; Mason 2015). In this sense, it can be said that commons are providing people with concrete examples of how to create a more inclusive, democratic and ecologically sustainable society within or beyond democratic capitalism.

To assess this possible solution to the diverse challenges contemporary societies face, I will examine whether – and if so, how – the concept of commons can strengthen democratic practices and institutions by limiting or even overcoming negative socio-economic, political and ecological effects of capitalist markets. I will begin my paper with a discussion of democracy to lay an important stepping-stone for subsequent arguments. Here, I will reflect on the diverse and conflicting definitions of democracy and conclude that democracy fundamentally implies the rights and capabilities of people to codetermine their shared social conditions. In a second step, I will turn to the justifications of competitive and self-regulating markets and analyze their relations to the (democratic) state. I will demonstrate that a belief in the self-regulating market undermines people’s ability to solve social, economic and ecological problems in collective and democratic ways. As an answer to this, I will turn to the concept of commons as a possible alternative to the market-state dichotomy that underlies democratic capitalism. I will begin this discussion with an

analysis of Garrett Hardin's article "The Tragedy of the Commons" from 1968. After this preliminary discussion, I will examine the works of Elinor Ostrom and her husband, Vincent Ostrom. Here, it will be demonstrated that tragedy can be overcome through communication, reciprocity and trust, on the one hand, and democratically governed institutions of shared resource systems, on the other hand.

As will become clear, however, the Ostroms' work not only lacks a critique of privatization and markets but also a more fundamental, normative justification of commons in the name of ecological sustainability and human freedom. Due to this weakness, I will then develop an ecological understanding of commons that prioritizes the common reality of humans, the non-human world and their co-creation thereof. In turn, this will enable us to develop an ecological understanding of freedom that recognizes the rights of humans and non-human beings in the codetermination of their shared socio-ecological systems. I will thus argue that ecological freedom is based on the principles of care for others and on the civic tradition of democracy, which enables us to understand commons not simply as a resource, but rather as a practice of commoning in, with and through nature.

With this theoretical background, I then shift my focus and explore what a commons theory of property might look like. To do this, I contrast such an exemplary theory with John Locke's classical labor theory of property and John Rawls' more recent theory of a property-owning democracy. In my critique of Locke's labor theory of property, we will discover that the pillars of a commons theory of property are guardianship, non-domination and needs satisfaction. In the following reinterpretation of John Rawls' property-owning democracy, I argue that a more ecologically sound theory of (pre)distribution should not focus on productive monetary assets, but rather on the access to resources and their sustainable maintenance. In a final step, I emphasize that a commons theory of property must also include access to collective consumption goods, thereby increasing the freedom of individuals and the number of convivial social arrangements, while simultaneously decreasing humans' detrimental ecological impact. Ultimately, I hope to demonstrate that commons property arrangements enable the creation of a relative abundance on a planet with limited resources.

After this development of a commons theory of property, I examine the relations between commons and the state and then between commons and the market. In both cases, I argue that a commons-based or commons-creating society requires a significant democratization of both the state and the market. With reference to the Ostroms' notion of coproduction, I maintain that a commons-creating society would not only imply that access to vital goods and resources should be provided by the state, but, more importantly, that state provision of public goods is transformed into a state support of commons and commoning. I illustrate this through the examples of housing, health care and education. Finally, in my analysis of the market-commons relationship, I contend that we should not simply condemn the

market, but that we should, rather, transform the open and competitive market into what I call a market commons. While the former is supposedly self-regulating, the latter is democratically governed and regulated by those significantly affected by it. I explore this notion of the market commons with reference to the concepts and examples of associative and corporatist democracy, the social and solidarity economy and, finally, community-supported modes of production. In all these examples, antagonistic and thereby competitive relationships between isolated agents are mitigated through institutional arrangements of democratic negotiation and cooperation. Ultimately, I will argue that this democratic form of governance that lies at the heart of commons has the potential to solve the diverse and interrelated political, economic and ecological problems that we face today. That being said, it becomes clear that commons provide us with normatively robust and, simultaneously, practical alternatives to the tragedies of democratic capitalism. Yet as I will show, this alternative does not exist beyond markets and states, but lies, instead, in the democratic and ecological transformation of these institutions through commons and commoning.