

Community, Liberalism and the Capabilities Approach

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Abstract

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The decline of community institutions and the increasing erosion of community infrastructure is a serious problem with consequences for human well-being. The political and economic theories of liberalism have contributed to this decline. This work examines two branches of liberalism: economic liberalism, and normative liberalism, arguing that the former has contributed to the decline of community, and that the latter has failed to recognize and protect it. I argue that the capabilities approach theory of Martha Nussbaum and Amartya Sen provides an improved foundation for recognizing and protecting community as a human capability that all persons should have access to. By recognizing individual autonomy as well as community participation, and by focusing on capabilities rather than primary goods or utilities, the capabilities approach builds on the achievements of liberalism while also drawing on important Aristotelian insights related to human well-being and flourishing.

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Introduction

The 20th century witnessed a significant decline in the institutions and infrastructure of community. This decline has had a profound impact on our social, cultural, and political realities. It has affected our ability to realize human well-being, the attachment and obligation we feel to our surroundings, and our willingness and ability to attend to the needs of others. According to some, the loss of community has driven us to seek out group identities for the experience of shared belonging. Daniel Bell and Eric Hobsbawm have identified the rise of contemporary identity politics with the decline of community, and with the “extraordinary dissolution of traditional social norms, textures and values, which left so many inhabitants of the developed world orphaned and bereft.”¹

Hobsbawm writes that

never was the word “community” used more indiscriminately and emptily than in the decades when communities in the sociological sense [have] become hard to find in real life. Men and women look for groups to which they can belong, certainly and forever, in a world in which all else is moving and shifting, in which nothing else is certain. And they find it in an identity group.²

The importance of access to community life—its status as a core human good and the role it plays in an individual's well-being—is uncontroversial. Despite this, contemporary political theory drawing on liberalism has failed to recognize and protect the underlying conditions that make community possible and durable. Among the different theories of liberalism, community itself is recognized neither as a good worthy of protection, nor as a question of justice. Community is regarded instead with suspicion and

¹ Eric Hobsbawm. "Identity Politics and the Left." *New Left Review* (1996): 38-47.

² *Ibid*, 40.

as something to be held at arm's-length. It is accused of being in perpetual conflict with the rights and freedoms of the individual, and fundamentally opposed to the political and economic ends of liberalism. The idea of John Stuart Mill that society must protect against the “tyranny of prevailing opinion and feeling,” and against the tendency of groups to impose their “own ideas and practices as rules of conduct on those who dissent from them...” continues to haunt the liberal imagination.³

The creed of individualism has been frequently articulated throughout the enlightenment and into the modern age. Louis Blanc in 1846 argued that individualism “provides breathing-space and scope to human thought repressed for so long,” and that it empowers man to “submit to the judgment of every mind the totality of traditions, centuries, their achievements, their beliefs” and “resolve personally, in the midst of an immense struggle...the problem of his happiness and his destiny.”⁴ In 1933 H.M. Robertson argued that the “actions of individuals will suffice to provide the principles of society’s economic organization” and that social progress can be realized by allowing the individual “all the scope for his free self-development which is possible.”⁵ For this social progress and self-development to take place, the individual should be allowed to develop their aptitudes “in competition with others to the best of his ability,” and institutions must be defended that guarantee (1) economic freedom or freedom of enterprise, and (2) private property.⁶

³ John Stuart Mill, *On Liberty* (United Kingdom: Longmans, 1859), 13.

⁴ Louis Blanc, *Histoire de la Révolution française* (1846), quoted in Steven Lukes, *Individualism*, (Oxford: Blackwell, 1973), 11.

⁵ H.M. Robertson, *Aspects of the Rise of Economic Individualism* (Cambridge: 1933), 34, quoted in Steven Lukes, *Individualism* (Oxford: Blackwell, 1973), 89.

⁶ H.M. Robertson, *Aspects of the Rise of Economic Individualism* (Cambridge: 1933), 34, quoted in Steven Lukes, *Individualism* (Oxford: Blackwell, 1973), 89.

In Chapter 1 I explore this history of individualism and its emergence in political and economics philosophy, as well as the earlier theories of community that it replaced.

But community also has a legitimate claim, not only as a good necessary for the well-being, and flourishing of the individual, but as an aspect of justice. It has a claim *from the perspective of liberalism itself* as the legitimate heir to the virtue of *liberality*. Early attempts to formulate the values of liberalism drew on the meaning of a word that included virtues such as magnanimity and generosity. As Helena Rosenblatt writes in her history of liberalism, early liberals “never spoke of rights without stressing duties...[and] always rejected the idea that a viable community could be constructed on the basis of self-interestedness alone.”⁷ Early liberals warned “ad infinitum...of the dangers of selfishness” and “ceaselessly advocated generosity, moral probity, and civic values.”⁸ Madame de Staël, who together with Benjamin Constant worked to capture the core liberal principles following the aftermath of the French Revolution, would argue that what was needed in politics was a “lever against egoism,” as a buffer against the idea that “all the moral force of each man is focused on his self-interest.”⁹

Contemporary liberalism has pulled away from these earlier notions. Rather than recognize the importance of community and the role for community virtues such as charity, liberalism focuses on the liberty and rights of the individual, and accepts the gradual decline of community institutions as acceptable externalities in the pursuit of these ends. In classical liberal and libertarian perspectives, the separation between public and private is

⁷ Helena Rosenblatt, *The Lost History of Liberalism: From Ancient Rome to the Twenty-First Century* (United Kingdom: Princeton University Press, 2018), 4.

⁸ *Ibid*, 4.

⁹ *Ibid*, 53.

so central that few if any legitimate claims by the community can be made on the individual. Any support of the community by the individual is legitimate only as acts of willing altruism, and individual property rights are regularly held in higher regard than the community and its institutions. Liberal individualism, both in its extreme libertarian form, and its more moderate social democratic form, fails to provide community with its due.

But what is community due? There are many arguments, both normative and empirical, that indicate the vital importance of community. From a normative perspective Aristotle famously claims that the very thing that makes us human is our political nature, and that politics takes place in and is the natural activity of the community or *polis*. He would also point out that in addition to family and friends, we require less formal relationships with those living in the community around us to develop our virtues and practical wisdom, and thus to be able to live our best lives.

For Aristotle, being involved in a community enables us to grow and develop the skills that we need to live well. Contemporary forms of the same idea claim that community enables us to understand and navigate the social world around us, and that this acculturation of sorts is a necessary condition for human well-being. Through community we can develop a sense of moral responsibility towards others; learn to challenge familial hegemony; understand, contest, and contribute to the political and social changes taking place around us; and learn and practice virtues such as courage, generosity, and magnanimity. Community also offers the chance to simply enjoy the experience of our shared humanity through a pleasant connection with another human being.

John Dewey believed that community and communication, two concepts that share the same linguistic root, are deeply embedded into our humanity. He wrote that

[w]e are made for conversation with our kind. When we are not urged into talk by the necessities of mutual dependence and assistance, we are brought to it by an inner push: communicate and share in the communications of others we must. Solitary confinement is the last term in the prison house of man, and speech with our fellows is the beginning of any liberation from the jail of necessity.¹⁰

Hannah Arendt drew on the Aristotelian conception of community when she defined tyranny as “[t]he form of government in which the ruler...banished the citizens from the public realm into the privacy of their households, and demanded of them that they mind their own, private business”.¹¹ When we lack the capability to participate in the life of the community, we also lack the ability to consent or dissent on the decisions immediately impacting our lives and well-being. As Thomas Nagel puts it, “society makes us responsible for its acts, which are taken in our name and on which, in a democracy, we may even have some influence...”¹²

If community is to be considered a central human good, we should expect to see consequences when we isolate ourselves from it. Indeed, the evidence pointing to the physiological and psychological harms of social isolation is overwhelming. A landmark study in 1988 by House et al. found that social isolation was a major risk factor in mortality across a broad range of causes.¹³ Further research shows that social isolation increases mortality rates to a degree comparable with “cigarette smoking and other major biomedical and psycho-social risk factors,” and that isolation is strongly correlated with a

¹⁰ John Dewey, *The Middle Works, 1899-1924*, (United States: Southern Illinois University Press, 1976), 276.

¹¹ Hannah Arendt, *On Revolution* (United Kingdom: Penguin Publishing Group, 2006), 121.

¹² Thomas Nagel, "The Problem of Global Justice," *Philosophy & Public Affairs* 33, no. 2 (2005): 113-47.

¹³ James S. House, Karl R. Landis, and Debra Umberson, "Social Relationships and Health," *Science* 241, no. 4865 (1988): 540-545.

host of health problems ranging from heart disease, rates of infection, immune function and response, depression, cancer rates, risk of Alzheimer's and cognitive function in old age.¹⁴

There is also evidence that individuals with greater access to communities and community services report greater levels of life satisfaction and family functioning, and lower levels of work-family role conflict.¹⁵

To make matters worse, recent studies have found that loneliness and community disintegration is widespread. Work done by *The Economist* and The Kaiser Foundation has shown that "9% of adults in Japan, 22% in America and 23% in Britain always or often feel lonely, or lack companionship, or else feel left out or isolated."¹⁶ In the UK, 41% of Britons over 65 look to a pet or the television as their main source of source of companionship, while in Japan "more than half a million people stay at home for at least six months at a time, making no contact with the outside world" and 15% regularly eat alone.¹⁷ Before the 1960s the percentage of single households in the US, Europe, and Japan stood below 10%, while today it has grown to around 50% and above.¹⁸ Compounding the impact of social

¹⁴ James S. House, "Social isolation kills, but how and why?" *Psychosomatic Medicine* 63, no. 2 (2001): 273-274; Beverly H. Brummett, John C. Barefoot, Ilene C. Siegler, Nancy E. Clapp-Channing, et al., "Characteristics of Socially Isolated Patients with Coronary Artery Disease who are at Elevated Risk for Mortality," *Psychosomatic Medicine* 63, no. 2 (2001): 267-272; Lisa F. Berkman, Thomas Glass, Ian Brissette, and Teresa E. Seeman, "From Social Integration to Health: Durkheim in the new millennium," *Social Science & Medicine* 51, no. 6 (2000): 843-857; Bert N. Uchino, John T. Cacioppo, and Janice K. Kiecolt-Glaser, "The Relationship Between Social Support and Physiological Processes: A review with emphasis on underlying mechanisms and implications for health," *Psychological Bulletin* 119, no. 3 (1996): 488; Sarah D. Pressman, Sheldon Cohen, Gregory E. Miller, Anita Barkin, et al., "Loneliness, Social Network Size, and Immune Response to Influenza Vaccination in College Freshmen," *Health Psychology* 24, no. 3 (2005): 297; Lisa L. Barnes, C.F. Mendes De Leon, Robert S. Wilson, Julia L. Bienias, et al., "Social Resources and Cognitive Decline in a Population of Older African Americans and Whites," *Neurology* 63, no. 12 (2004): 2322-2326.

¹⁵ Marcie Pitt-Catsoupes, Shelley M. MacDermid, Rona Schwarz, and Christina Matz, "Community Contexts: The perspectives and adaptations of working parents," *American Behavioral Scientist* 49, no. 10 (June 2006): 1400-1421.

¹⁶ "Loneliness is a serious public-health problem," *The Economist*, September 1, 2018, <https://www.economist.com/international/2018/09/01/loneliness-is-a-serious-public-health-problem>.

¹⁷ Ibid.

¹⁸ Ibid.

isolation, other factors such as poor health and disability, unemployment, aging, and limited transportation options can individually or in combination magnify social isolation and its related ills.¹⁹

Beyond the question of well-being, recent works by Eric Kleinenburg, Benjamin Barber, Robert Putnam, and Shachar Pinsker have illustrated the steep costs paid by individuals, democratic institutions, the arts, and even scientific advancement when communities are neglected. As Barber has pointed out, “when democracy cannot respond to the need for community with anything more than a pusillanimous privatism, other, more oppressive political ideologies will step in.”²⁰

The central thesis of Robert Putnam’s *Bowling Alone* is that a confluence of factors have decimated community participation in the United States since the 1960s. Small business and other spaces that sustain community around the country have either been pushed out by increasing rents, driven out of business by big-box retailers, acquired and resold for quick profits by predatory investment banks, or have withered under pressure from online retail. Grocery stores, cafes, neighborhood bars, bakeries, bowling alleys, cinemas, barber shops and club houses that once provided space for community to develop are either disappearing or are being transformed into corporate-owned spaces without the same ties and obligations to local communities that small businesses once had.

¹⁹ The Japanese phenomenon of hikikomori is an interesting illustration of young persons (largely male) selectively withdrawing from society and isolating themselves in their bedroom for years at a time. Explanations for the hikikomori phenomenon look to the immense pressure that youth have to succeed in Japanese society and the severe costs to future job prospects associated with ‘drifting’ during formative adolescent years. If youth fail to land fixed positions at a young age they instead must work in the secondary labor market which tends to bring shame and financial hardship. See: Andy Furlong, “The Japanese Hikikomori Phenomenon: Acute social withdrawal among young people,” *The Sociological Review* 56, no. 2 (2008): 309-325.

²⁰ Benjamin Barber, *Strong Democracy: Participatory politics for a new age* (Berkeley: University of California Press, 2003), 118.

Unlike locally owned businesses, profits made by corporate entities are siphoned out of the towns and communities in which they do business. Local business owners in the 1960s often tied their personal lot to the fortunes of their town or city in relationships that recognized the mutual dependence between the success of an enterprise and the success of the community itself. By contrast, the rules and norms of businesses following the neoliberal economic revolution recognize no shared fate with the communities they benefit from. Productive economic activity is extracted away from local communities, and funneled away to financial centers, gated suburban neighborhoods, or other far-flung playgrounds for the wealthy. If the relationship between a small local business and its community is symbiotic, the relationship between a private equity conglomerate or corporate franchise to the community can be described as parasitic.

To understand how liberal theory fails to recognize and protect community I examine two separate but related criticisms of liberalism pertaining to its 'economic' and 'normative' schools. I argue that while there are significant differences between economic and normative liberalism, they both fail to support policies and institutions ensuring access to the community for individuals. Indeed, economic practices derived from liberal theory extract goods and resources from communities and redistribute them to the private sphere including the physical geographies and infrastructures necessary to participate in community life. And while normative liberalism exemplified by Rawls breaks sharply with much of economic liberalism by emphasizing equality and justice, it fails to adequately recognize and protect the conditions for community.

Looking at economic liberalism in Chapter 2, I find that the economic policies of deregulation, privatization, and globalization are removing capital from the community and redistributing it to individuals through a process of neo-enclosure.²¹ Since economic liberalism frames human well-being in terms of wealth generation, economic growth, and revealed preferences, the spaces and resources necessary for community to exist are not reflected in its cost-benefit analyses. Consequently, community resources such as physical community spaces, sufficient free time, adequate wages, in addition to unions, healthcare and pensions, are extracted and converted into productive capital. Economic liberalism theorizes that surplus profits generated under maximally efficient neoliberal economies are taxed and redistributed in the form of social welfare compensation. However, even on the occasion where this happens in practice, community spaces and resources tend to be lost in this transformative process. Furthermore, the underlying conditions for community cannot simply be incentivized in the marketplace in the same way that products or services can be, nor can they be willed into existence by rational, utility-maximizing actors. For this reason, community may mistakenly be interpreted as undesirable when judged by the revealed preferences of economic liberalism.

Normative liberalism on the other hand, exemplified by John Rawls' *A Theory of Justice* recognizes that violations of justice take place as a result of inequality. Normative liberals rely on minimally 'thin' theories of the good which use individual rational self-interest to determine which rights and goods ought to be protected. Normative liberalism thus recognizes civil and political rights, adequate wealth and income, and equality of

²¹ See: Nancy Fraser, "Behind Marx's Hidden Abode: For an expanded conception of capitalism," *New Left Review* no. 86 (2014): 55-72.

opportunity, but not access to the life of the community. I argue in Chapter 3 that while the Rawlsian difference principle provides an important remedy to the inequalities of economic liberalism, his focus on primary goods does not sufficiently protect the conditions for community against a neoliberal onslaught. Additionally, the task of identifying the 'least well-off' while applying the difference principle risks overlooking individuals with an abundance of primary goods, but little or no access to the community.

Though far from being settled, critiques of liberalism from the perspective of community are not new. The 'communitarian' line of argument, for instance, alleges that the liberal conception of the self is radically individualistic and 'unencumbered' from interpersonal commitments and community obligations.²² Communitarians claim that identity is by nature embedded, and that it cannot be abstracted or separated from our social surroundings or our relationships in the community.

The present work does not follow in the communitarian line of argument. Rather, it claims that liberal economic practice jeopardizes the very social infrastructures and institutions that make community possible, and that liberal theory requires a more robust notion of human well-being to recognize community as a good worthy of protection. My central thesis is that influential theories of contemporary liberalism do not provide the arguments needed to protect community access for individuals, and that the capabilities approach of Amartya Sen and Martha Nussbaum offers an implicit critique, and a community-friendly alternative.

²² See: Michael Sandel, *Liberalism and the Limits of Justice* (New York: Cambridge University Press, 1998).

Martha Nussbaum has argued in a series of articles that an Aristotelian theory of politics and a vision of the polis as a site of human flourishing is an excellent starting place for a contemporary theory of human well-being. In her article “Aristotelian Social Democracy” Nussbaum writes that

the Aristotelian conception...begins from the intuitive idea of a being who is neither a beast nor a god...[who] comes into the world...characterized both by certain basic powers and by amazing neediness—by rich neediness, we might say, borrowing a phrase from Marx, in the sense that the very powers of this being exist as needs for fulfillment and claim, for their fully human development, rich support from the human and natural world. This being’s good must always be pursued as a system of complex relations of dependence between the agent and unstable items in the world, such as friends, loved ones, food, water, [and] a city of fellow citizens. Government is “sharing for the sake of the good life,”—that is, a complex series of cooperative stratagems devised to protect and support citizens in their eating, moving, loving, and choosing, so as to convert their basic powers into fully human capabilities for choices of functioning. Human activity always goes on in complex interdependence. The task of politics must be to imagine forms of interdependence that are human rather than slavish, and to forge those circumstances, where possible, in the world.²³

As I show in Chapter 4, the capabilities approach recognizes that the community is both the medium through which many of the human capabilities are realized, as well as *in itself* a source of human flourishing. It is both an alternative to the normative theory underlying liberalism, and a call for a liberal reformation which reorients its ultimate ends around the interdependent and flourishing human being rather than the heroic individual who produces and consumes. It recognizes that individuals require underlying material goods to realize their powers and potentials, but it does not reduce these conditions or goods to revealed preferences, aggregate utility, negative rights, or a set of primary goods. It further distinguishes itself from theories that side unfailingly with protection for the rights-bearing individual in those instances where a conflict arises between individual rights and the conditions that enable community life.

²³ Martha Nussbaum, “Aristotelian Social Democracy,” in *Liberalism and the Good*, ed. R. Bruce Douglas, Gerald R. Mara, and Henry S. Richardson (United Kingdom: Routledge, 1990), 243.

In addition to the value of community, the capabilities approach *also* recognizes the paramount importance of individual liberty as a central human capability. In this sense, it is not the community conceived of for instance by Joseph de Maistre in which the individual is absorbed into society “as a river which flows into the ocean still exists in the mass of the water, but without name and distinct reality.”²⁴ Since individuals may decide whether or not to exercise their capabilities, the theory cannot be associated with a return to civic republicanism. It calls on providing individuals with access to certain central capabilities they need to pursue well-being—community included—but it says nothing of how an individual ought to live their life or which capabilities they ought to realize. For this reason, it is compatible with the spirit of rights-based theories by recognizing the role that individual autonomy plays in human well-being while at the same time supplying the arguments needed to criticize cascading inequality and the loss of community.

Jacques Maritain captures the spirit of this interplay in his work *The Person and the Common Good* writing that,

[t]he common good of the city is neither the mere collection of private goods, nor the proper good of a whole which, like the species with respect to its individuals or the hive with respect to its bees, relates the parts to itself alone and sacrifices them to itself. It is the good *human* life of the multitude, of a multitude of persons; it is their communion in good living. It is therefore common to both *the whole and the parts* into which it flows back and which, in turn, must benefit from it. [...] It presupposes the persons and flows back upon them, and in this sense, is achieved in them.

The capabilities approach thus arrives at very different policy outcomes than liberalism does and is uniquely situated to articulate a sensible defense of community without resorting to a reification in which the community ‘speaks’ or ‘acts’ for itself. Where

²⁴ Joseph de Maistre, *Étude sur la souveraineté* (1884) quoted in Stephen Lukes, *Individualism* (Oxford: Blackwell, 1973), 5.

liberalism struggles to articulate the value of community while remaining consistent with its other meta-ethical commitments, the capabilities approach is able to focus instead on access to the physical spaces and conditions which enable community (what Eric Klinenberg calls *social infrastructure*) while also preserving the inherent dignity of individual persons by safeguarding their liberty and autonomy. The capabilities approach supports community by focusing on creating basic capabilities and not by identifying a single common good that all are presumed to want such as wealth, identity, power, God, civics, the capacity to plan, freedom, utility, family or community. Instead, it recognizes the innate potential of each person to pursue their well-being to the extent that certain core capabilities are available to them to realize.

It will be helpful to briefly consider the definition of community for the present work, and to distinguish it from modern colloquial uses of the word. In common usage, community is said to relate to (among other things) physical proximity, relationships of moral consideration, activities in shared spaces, shared histories, traditions, and cultures, shared languages, and shared political institutions. The word also refers to groups that have little in common, but who may share an identity or interest, such as with a Hispanic community, a religious community, an academic community, a thespian community, an online community, and so on. Though community may exist among those who share identities and cultures, having these things in common is neither necessary nor sufficient for community and its beneficial aspects I intend to highlight.

Using the word community to refer to shared identities or pastimes creates the impression that community is ubiquitous today, and that membership requires no more

than adopting an identity and participating in the relevant activities. Furthermore, definitions of community in which identity is paramount, for example community as “individual identities...constructed through their bond to micro-cultures of values and meanings” as Wendy Larner defines it, do not recognize the identity-altering properties or the life-enriching potential of social interactions and activities that give rise to relationships of dependency, reciprocity, and trust.²⁵ As such, I define community here as the network of social relationships that can provide the intrinsic good of human interaction and the instrumental good of social capital. This definition focuses on aspects of community that matter for human well-being and differs from definitions used in recent attempts to defend liberalism against the charge of neglecting community.²⁶

In sociology and the literature on international capacity building, the tangible benefits that can be measured as resulting from relationship networks are referred to as *social capital*. The benefits of social capital include such things as (1) shared or pooled resources, (2) the reciprocal sharing of favors, assistance, and consideration, (3) collective leadership institutions, and (4) community support mechanisms for collective goals.²⁷ Two of the foundational scholars of social capital, J.S. Coleman and Pierre Bourdieu find that these goods and resources are enjoyed by individuals who belong to communities marked by reciprocal and trustworthy relationships. Being embedded in such a community generates “more social capital on which [individuals] can draw” and consequently greater

²⁵ Wendy Larner, “Neoliberalism in (Regional) Theory and Practice: The stronger communities action fund in New Zealand.” *Geographical Research* 43, no. 1 (2005): 9-18.

²⁶ For example Mulhall and Swift claim that community matters because it is “an emotive term, a ‘feelgood’ concept that any political doctrine will want to accommodate.” See: Stephen Mulhall and Adam Swift, “Rawls and Communitarianism,” in ed. Samuel Freeman, *The Cambridge Companion to Rawls* (Cambridge: Cambridge University Press, 2003), 461.

²⁷ Robert Chaskin, “Building Community Capacity: A definitional framework and case studies from a comprehensive community initiative,” *Urban Affairs Review* 36, no. 3 (2001): 291-323.

“resources that they can use to achieve their interests.”²⁸ Nobel Prize winner Elinor Ostrom—whose research shows that communities can and do develop strategies of mutual aid when managing shared, exhaustible resources—has also contributed to the literature on social capital. She points out that “individuals who devote time to constructing patterns of relationships among humans are building assets whether consciously or unconsciously.”²⁹ For Ostrom social capital is “formed over time and is embedded in common understanding rather than in physically obvious structures,” it is “not easy to see and measure,” and finally it “does not wear out with use *but rather with disuse.*”³⁰ In an important passage she writes that

...as time goes on, some individuals enter and others leave social groups. If newcomers are not introduced to an established pattern of interaction as they enter (through job training, initiation, or any of the myriad of other ways that social capital is passed from one generation to the next), social capital dissipates through turnover of personnel. Eventually, no one is quite sure how they used to get a particular joint activity done. Either the group has to pay most of the start-up costs all over again, or forego the joint advantages that they had achieved at an earlier time.³¹

Mutual aid and social capital in the community emerges not because it is compelled through contracts or legal coercion, but out of the sense of obligation, the recognition of shared fate, social norms of reciprocity, and a natural desire to help others.³² Although examples of mutual aid in so-called ‘digital communities’ do exist, I maintain that such instances draw on the underlying potential of physical community, and that a purely

²⁸ James S. Coleman, "Social Capital in the Creation of Human Capital," *American Journal of Sociology* 94 (1988): S95-S120.

²⁹ Elinor Ostrom, “Social Capital: A fad or a fundamental concept?” in *Social Capital: A multifaceted perspective*, ed. Partha Dasgupta and Ismail Serageldin (Washington, DC: The International Bank for Reconstruction and Development, 2000), 178.

³⁰ *Ibid.*, 179, emphasis added.

³¹ *Ibid.*, 180.

³² In one example Coleman performed a quantitative study looking at the impact of social capital on high school dropout rates, finding that greater social capital in the family and in the community around the school, demonstrated “considerable value in reducing the probability of dropping out of school.” *Ibid.*, 119.

'digital' community in which all social interaction is mediated by a screen, represents a profound loss of that which makes community worth preserving. Because of how community relationships develop and persist, social proximity is necessary for communities to generate the kinds of relationships that give rise to social capital.

The idea of social capital may be said to reduce the rich and multifaceted value of community to just another form of crude capital. But the spirit of its use here is meant to recognize how resources including time, care, creativity, physical labor and social reproduction are required for healthy communities. Social capital is extracted from the community and converted into hard capital when one is utterly dependent on the labor market for one's survival. The idea of social capital simply recognizes how labor might be used when not dedicated to the generation of surplus labor and the extraction of profit. Social capital thus does not cheapen the idea of community, but rather recognizes that the finite time, energy, and resources of individuals can be directed towards different ends. Economic incentives can either create hyper-efficient structures that compel persons to maximize their contribution to the growth of national productivity, or they can provide room to use our resources in the pursuit of our creative self-actualization, the caring for our friends and family, or the supporting of community.

Although the existence of greater social capital in the community can assist individuals to achieve their goals and well-being, it cannot be commissioned in a top-down fashion, and it tends to erode in cultures where norms of narrow self-interest dominate. As Coleman shows, social capital depends on *reciprocity* and a willingness to give *without expecting something in return*. It is a "public good" which is "created or destroyed as by-

products of other activities” and exists “without anyone’s willing it into or out of being.”³³ Following Coleman, I maintain that while physical proximity is important for relations of social capital to emerge, it is not sufficient. Much as the location, orbital incline, and chemical composition of our planet is ideally suited for the existence of life, so too must the conditions for community be encouraged and maintained through our theories of economics and politics, our social institutions, and urban planning and design.

One important distinction that we rely on throughout this work when defining community is between what Robert Putnam calls “bridging community” and “bonding community.”³⁴ Bonding communities are those composed of individuals who share close bonds, often informed by shared identities, values, or conceptions of the good. Bonding communities are exclusionary, selective, and based on affect or recognition. Bonding communities may of course include shared goals or activities that appeal more broadly to those outside the bonding community, but the ‘glue’ that holds these communities together is inward looking. Examples of bonding communities include family, friendship circles, private clubs, and community groups based on identity.

Bridging community on the other hand exists between individuals who participate in a common activity or goal but who may not share identities, cultures or worldviews. Examples of bridging activities include organizing for a common political goal, coaching and organizing little league games, church services, bowling leagues, town hall meetings, PTA meetings, drinking at a bar, discussions at a coffee shop, parenting groups,

³³ Ibid, 118.

³⁴ Robert Putnam, *Bowling Alone: The collapse and revival of American community* (United Kingdom: Simon and Schuster, 2001).

neighborhood associations, bake sales, local festivals and celebrations, and other everyday interactions in one's neighborhood. Bridging interactions have the potential to develop into relations generative of social capital, even among individuals who share little in common otherwise.

In *The Death and Life of Great American Cities* Jane Jacobs describes the existence of bridging community displayed in the urban life of Greenwich village, and further captures the role it plays in generating the kind of social capital that J.S. Coleman is interested in. She notes:

The point of the testimonial banquet and the social life of city sidewalks is precisely that they are public. They bring together people who do not know each other in an intimate, private social fashion and in most cases do not care to know each other in that fashion.

Nobody can keep open house in a great city. Nobody wants to. And yet if interesting, useful and significant contacts among people of cities are confined to acquaintanceships suitable for private life, the city becomes stultified. Cities are full of people with whom, from your viewpoint, or mine, or any other individual's, a certain degree of contact is useful or enjoyable; but you do not want them in your hair. And they do not want you in theirs either.³⁵

Capturing the role of trust in the manifestation of social capital in the community, Jacobs writes that,

The trust of a city street is formed over time from many, many little public sidewalk contacts. It grows out of people stopping by at the bar for a beer, getting advice from the grocer and getting advice from the newsstand man, comparing opinions with other customers at the bakery and nodding hello to the two boys drinking pop on the stoop, eying the girls while waiting to be called for dinner, admonishing the children, hearing about a job from the hardware man and borrowing a dollar from the druggist, admiring the new babies and sympathizing over the way a coat faded. Customs vary: in some neighborhoods people compare notes on their dogs; in others they compare notes on their landlords.

Most of it is ostensibly utterly trivial but the sum is not trivial at all. The sum of such casual, public contact at a local level—most of it fortuitous, most if it associated with errands, all of it metered by the person concerned and not thrust upon him by anyone—is *a feeling for the*

³⁵ Jane Jacobs, *The Death and Life of Great American Cities* (United Kingdom: Knopf Doubleday Publishing Group, 2016), 55-56.

public identity of people, a web of public respect and trust, and a resource in time of personal or neighborhood need. The absence of this trust is a disaster to a city street. Its cultivation cannot be institutionalized. And above all, it implies no private commitments.

Importantly, both sorts of community may generate social capital. This point by itself has significant implications for liberal skepticism towards the institution of community: namely that not all communities which provide a sense of membership and belonging, and direct material and psychological benefits to members depend on identity or the exclusionary practice of in-group/out-group relations.³⁶ Thus, while community encompasses both bridging and bonding kinds and while they do at times overlap, they should not be reduced to one another. Because one's potential bridging community will always be larger than one's potential bonding community, and because not all persons have access to networks of friends, family, or shared identities, bridging community plays a crucial role in the generation of social capital and individual well-being.

The importance of bridging community goes beyond social capital and has implications for the practice of democratic politics and the issue of tolerance in a society. Stuart Hall writes that, "since cultural diversity is, increasingly, the fate of the modern world, and ethnic absolutism a regressive feature of late-modernity, the greatest danger now arises from forms of national and cultural identity—new or old—which attempt to secure *their* identity by adopting closed versions of culture or community and by the refusal to engage...with the difficult problems that arise from trying to live with difference."³⁷ In other words, our ability to *live with difference* is exactly the kind of thing facilitated by bridging community. By focusing on the interests, goals, or activities that

³⁶ See also: Edward O. Wilson, "Tribalism is a Fundamental Human Trait," in *The Social Conquest of Earth* (New York: Liveright Publishing, 2012).

³⁷ Stuart Hall, "Our Mongrel Selves 1992," in *Selected Political Writings* (New York: Duke University Press, 2020), 281.

individuals do have in common, bridging community gives people an opportunity to learn about and get to know one another without requiring any racial, cultural, national or other identity as a prerequisite to participate as a member.

Lastly, one of the most central goals of the capabilities approach is to address “entrenched social injustice and inequality,” including the capability to participate in the life of the community *for all people*.³⁸ Following Elizabeth Anderson, I argue that the systematic disadvantage experienced by black Americans and other minority groups in the United States can be related to the widespread exclusion from the resources and institutions of the community. As Anderson argues, racial justice requires a “community in which people stand in relations of equality to others,” where the ability to interact in society is governed by the “social conditions of freedom.”³⁹ By focusing on the creation of access to the social and material conditions of freedom through the basic human capabilities for all persons, we can aim for what Anderson calls *democratic equality*.⁴⁰ It is our access to community spaces, including the “public streets and parks, public accommodations such as restaurants, shops, theaters, buses and airlines, communications systems such as broadcasting, telephones, and the internet, public libraries, hospitals, schools, and so forth” that provides the social conditions of freedom for democratic equality.⁴¹ Marginalized groups who are denied access to these goods due to segregation, apartheid, and other forms of racial discrimination are thus denied part of their basic human capabilities necessary for freedom and well-being.

³⁸ Martha Nussbaum, *Creating Capabilities : The human development approach* (Cambridge, Mass: Belknap Press, 2011), 19.

³⁹ Elizabeth Anderson, "What is the Point of Equality?" *Ethics* 109, no. 2 (1999): 287-337.

⁴⁰ *Ibid*, 289.

⁴¹ *Ibid*, 290.

The marginalization of black communities through policies such as redlining, segregation, and selective lending has caused persistent disadvantage by denying access to broader communal resources and social capital. Understanding the relation between theories of justice, economics, or politics and the idea of community must recognize the importance of community access for all persons, and the realization of these community goods through relations that are not based solely on identity. Whatever identity groups we choose to affiliate with or not as a part of our self-conceptions, these affiliations are no substitute for having real access to social capital and the physical conditions for community in our cities, neighborhoods, and nations.

Chapter 1

The Historical Emergence of Individualism

If we consider the role that communities have played in the advance of civilization since the neolithic revolution some 12,500 years ago, the modern political theory of individualism is a strange development. Cooperation with others on settled land for collective benefit has been indispensable in the development of human civilization and for the forms of philosophy, art, and science that have accompanied it. Archaeologists are now suggesting that the earliest permanent human settlements developed not out of economic necessity, but because social proximity enabled cultural and communal ceremonies, rituals, and the performance of collective artistic activities.¹ Political philosophy in classical Greece, Rome, and the Middle Ages held a privileged place for the role of community. Community was crucially, if not *singularly* important up until a torrent of change was introduced by the streams of thought connected to the Enlightenment, and later through the ideas of liberal political philosophy. Though early usage of the cognates of 'liberal' recognized communal virtues such as charity and generosity (*liberalitas*), later developments which culminated in modern liberal and 'neoliberal' thought relied on reborn notions of avarice and self-centeredness as being predictable, controllable, and thus preferable to the often unpredictable and potentially destructive passions.²

¹ See for instance: Ian Hodder, *The Domestication of Europe: Structure and contingency in neolithic societies* (Oxford, UK: Blackwell Press, 1990).

² Albert O. Hirschman, *The Passions and the Interests: Political arguments for capitalism before its triumph* (Princeton, NJ: Princeton University Press, 1977).

This chapter takes a brief historical stock of the emergence of modern individualism and the decline of the philosophy of community. We first consider the role of community in Greek, Roman, and medieval political thought, before tracing the re-emergence of Epicurean philosophy through the discovery of Lucretius' *On the Nature of Things* in the 15 and 16th centuries. We follow the impact of Lucretius on modern figures like Machiavelli, Gassendi and Hobbes before then considering the emergence of an early relative of neoliberalism in the work of Bernard Mandeville.

Ancient Greek and Roman political theory gave community a leading role in their understanding of ethics and justice. The very term polis which we now translate as city-state also suggested the idea of community. For Aristotle, the *polis* was a natural entity that precipitated the well-being of the individual human being. In a famous description, Aristotle writes, "it is evident that the polis belongs to the class of things that exist by nature, and that man is by nature an animal intended to live in a polis. He who is without a polis, by reason of his own nature and not of some accident, is either a poor sort of being, or a being higher than man."³ The polis was so central for our well-being, providing us with support, friendship, and sustenance, that Aristotle finds it impossible to imagine human happiness without it. The *polis* for man is like the soil for a plant, or water for a fish.

Aristotle understands community as a natural phenomenon that emerges as individuals seek each other out through the formation of towns, villages, and cities. This formation process begins with individuals forming families, and families banding together to form proto communities. Each expansion outwards towards the larger community of the

³ Aristotle, *Politics* 1253a6-8

polis is done out of a teleological drive to perfect a more complete human end of well-being and self-sufficiency. Aristotle writes that

[a] complete community constituted out of several villages, once it reaches the limit of total self-sufficiency, practically speaking, is a city-state. It comes to be for the sake of living, but it remains in existence for the sake of living well. That is why every city-state exists by nature, since the first communities do.⁴

The *polis* is not merely a “sharing of a common location,” for the sake of survival, nor does it exist for the purpose of “preventing mutual wrongdoing” or “exchanging goods.”⁵ It is rather, “only when households and families live well as a community whose end is a complete and self-sufficient life” that a city-state comes into being.⁶ Aristotle’s picture of the community is one in which its members intermarry, are friendly towards one another, and work together to create conditions for general wellbeing and flourishing. He writes that in addition to intermarriage, there emerges from community...“brotherhoods, religious sacrifices, and the leisured pursuits of living together” aiming at “a complete and self-sufficient life, which we say is living happily and nobly.”⁷ Thus, while the initial formation of community may occur from necessity, the emergence of the community as a *polis* takes place once its ends become directed towards living well—a change that Aristotle understands taking place *teleologically*.

Telos was central to Aristotle’s method of investigating the world and refers to the final end or purpose of a thing. In the case of the community, its end is to facilitate a happy and noble life for its members. That is, the end of the community is directly related to the ends of the human being. The end or pursuit of our full potential as human beings emerges

⁴ Ibid, 1252b 28

⁵ Ibid, 1280b 30-33

⁶ Ibid, 1280 34

⁷ Ibid, 1280 35-39

from Aristotle's discussion on the matter in *Nicomachean Ethics*. In this text Aristotle notes that some ends are sought for their own sake, some for further and more complete ends, and some for a combination of intrinsic and further ends. He writes that "what is sought out for itself is more complete than what is sought out on account of something else, and that what is never chosen on account of something else is more complete than those things chosen both for themselves and on account of this [further end]."⁸ To determine the most complete end of the human being, Aristotle seeks that which is "never chosen on account of something else," and determines this end to be that of happiness or flourishing.

By describing happiness as self-sufficient, Aristotle does not mean that an isolated individual living on her own would be happy because she is self-sufficient. Rather, he means that self-sufficiency necessarily includes the things found in community that fulfill our ends as humans. These things include "parents, offspring, a wife, and, in general, one's friends and fellow citizens" and they are necessary for our self-sufficiency because "by nature a human being is political."⁹ The Aristotelian idea of self-sufficiency is thus utterly different from the isolated atomistic idea of self-sufficiency and applies to the individual who is appropriately supported and who develops with the assistance of her community.

The virtues, which are required for self-sufficiency, and which are pursued both for their own sake and for the sake of happiness, depend on the assistance of others for their development. The virtue of *phronesis* for example, often translated as prudence, or sound judgment, is necessary for determining "what is good and advantageous...as a means to the

⁸ Aristotle, *Nicomachean Ethics* 1097a 34

⁹ *Ibid*, 1097b 10

good life in general.”¹⁰ As virtues are not fixed and eternal but must be applied according to the relevant context, sound judgment will clearly be important to understand what virtue requires here and now. But developing *phronesis*, or any other virtues for that matter, is not something that can be taught through book learning. They require practice and habituation, “by doing things in our interaction with human beings...” and through learning by example from those who have developed their own virtues and can help us to shape ours.¹¹

The self-sufficient community is necessary then for our development of the virtues, while the development of the virtues is in turn necessary for the activity of flourishing. By viewing the community as natural, Aristotle also means that it is not an artificial creation, but something inseparable from our being human. The connection of community to the very essence of our humanity is made through Aristotle’s argument from *logos*, such that by our possession of language and through our communication of ideas with others, we enter (often without realizing it) into the realm of politics and community. Aristotle writes,

It is also clear why a human being is more of a political animal than a bee or any other gregarious animal. Nature makes nothing pointlessly, as we say, and no animal has speech except a human being. A voice is a signifier of what is pleasant or painful, which is why it is also possessed by the other animals...but speech is for making clear what is beneficial or harmful, and hence also what is just or unjust. For it is peculiar to human beings, in comparison to the other animals, that they alone have perception of what is good or bad, just or unjust, and the rest. And it is *community* in this that makes a household and a city-state.¹²

This community of living well does not come into existence automatically with the gathering of people together, but nor is it a tool or the outcome of an *art* fashioned for some specific purpose. Community is an activity, or a practice, undertaken both for the sake of

¹⁰ Ibid, 1140a 5.1

¹¹ Ibid, 1103b 15

¹² Ibid, 1253a 10-18, emphasis added.

human flourishing, as well as an end in itself. Adriel Trott helpfully analogizes the act of community with the building of a house. She writes that

[t]he house is formed for shelter. It contributes to the living of a human being or several, but the activity of forming the house may be done by different human beings than those who will have their needs met by it. By contrast the activity of the community is inseparable from those who are fulfilled by it; no one can do your political activity on your behalf and hand it over to you.¹³

If community were an artificial tool constructed for a fixed end, it would need to be fashioned with that end in mind. But since human flourishing is not fixed and determinate, and since “no one deliberates about things that cannot vary,” community as an activity requires our deliberation with others on the meaning and practice of the virtues, as well as the meaning of justice and the good. Community is natural to us because it is the activity through which we realize what makes us unique among animals—and through which we discover what it means to exercise, for instance, good judgment, or what courage entails. Without access to community in this sense, Aristotle believes that we will be unable to practice the virtues, and subsequently (since developing a skill requires practice) we will be unable to develop them as an integral part of our pursuit of flourishing.¹⁴

The role that Aristotle thinks community plays for the human being is thus a constitutive part of being human. Without the opportunity to participate in the life of the community, a life that is also fundamentally political, we are separated from that which allows us to actualize our human nature. Separated from the community we retain the ability to be political and to realize our human nature, but without it our lives cannot reach their fullest potential.

¹³ Adriel M. Trott, *Aristotle on the Nature of Community* (United Kingdom: Cambridge University Press, 2014), 54.

¹⁴ *Nicomachean Ethics* 1140a 5

Aristotle also writes about the importance of contemplation, referring to it as a supreme good. His arguments about the ends of contemplation seem in contradiction at times with his focus in the *Nicomachean Ethics* on the practical exercise of virtue in the community. Scholars have interpreted Aristotle's understanding of contemplation with practical virtue in a few different ways including the view that contemplation is indeed the ultimate end of all virtuous activity (the 'dominant end' view), or that contemplation itself is made up of virtuous ends sought for their own sake which 'constitute' the end of contemplation (the 'inclusive end' view).¹⁵ What is clear is that virtue enables our flourishing *qua human beings*, and that contemplation (the only activity that Aristotle believes could be worthy of the gods), enables us to partake in the divine. He writes that "the contemplative person, insofar as he is a human being and lives with others, chooses to perform virtuous acts...[and] hence he will need the sorts of external goods to live a human life."¹⁶ These external goods include community, which is necessary to fully realize our nature. But human beings also have limited access to a divine realm, which is not a part of our nature as political animals, but which can be accessed through the activity that seeks truth and understanding.¹⁷

It is interesting to consider the way in which a life of contemplation might be created using political instruments. One can of course imagine many accompanying goods

¹⁵ See Norman O. Dahl, "Contemplation and *Eudaimonia* in the *Nicomachean Ethics*," in Ed. Jon Miller, *Aristotle's Nicomachean Ethics: A critical guide* (Cambridge: Cambridge University Press, 2011).

¹⁶ *Nicomachean Ethics* 1178b 5

¹⁷ Though Aristotle was an empiricist, he posits the existence of a separate substance in the case of *nous*. *Nous* is the universal rational ordering principle identified with God and the Good, that can be understood as the final cause of order in a sensible universe. According to some interpretations, *nous* creates movement towards it in the human mind as the unmoved mover. Through the desire to understand a rational universe, we contemplate, and thus partake in the divine nature of the universal rational ordering principle. Insofar as God can be said to act, this action would take the form of contemplation. Thus, human beings can, through contemplation, partake momentarily in the actuality of *nous*. Aristotle believes contemplation is among the most noble of all activities.

necessary in a society that recognizes the importance of contemplation including goods that satisfy our physical, psychological, social, and emotional needs. One can also, perhaps by way of objection, imagine such needs being met at the cost of freedom, according to a highly regimented and authoritarian political structure in which contemplation or some other end resembling it is ordained. However, the fact that contemplation is distinct from *practical reason* in Aristotle suggests perhaps that contemplation cannot be forced and is performed at the pleasure of the contemplator. This means that attempts to turn contemplation into a practical exercise in which a utilitarian society seeks to ‘maximize contemplation’ would destroy the defining characteristic of contemplation.

Following Aristotle, Roman philosophers like Cicero, Seneca, and Plutarch believed that his virtue of *ελευθεριότης* (*liberalitas* or generosity) was important for a flourishing community. The virtue as they understood it pertained to the relationship one had with wealth and how it was used. *Liberalitas* was concerned with being generous with others and with the community in the appropriate measure, as opposed to taking and hoarding for oneself. As Aristotle described it, “it belongs to the liberal person more to give to whom he ought than to take from whom he ought...”¹⁸ Romans believed that other-regarding behaviors such as giving freely, generosity, reciprocity and charity were essential parts of citizenship and necessary for a functioning republic. Indeed, *liberalitas* was so important in ancient Rome that even the coins were stamped with the word. Cicero writes on the importance of liberality that,

since we are not born for ourselves alone; since...men were brought into being for the sake of men, that they might do good to one another, we ought to contribute our part to the common good, and by the interchange of kind offices, both in giving and

¹⁸ *Nicomachean Ethics* 1120a 5-10

receiving, alike by skill, by labor and by the resources at our command, strengthen the social union of men among men.¹⁹

The importance of liberality and the communal virtues continued in the work of medieval philosophers, including Thomas Aquinas who wrote extensive commentaries on Aristotle, and found inspiration in his philosophy. Aquinas argued that there existed certain “natural goods” to which human beings are inclined, and that one of these natural goods is to live in a community. *Civitas* as he called it, is not an artificial construct as for instance a social contract might aspire to create but is a part of our human nature. Aquinas believed that the common good of a political community, and the goods of individual persons belonged to fundamentally distinct categories. Citing Aristotle on this point, Aquinas writes that “the two goods differ by a formal difference...just as the nature of a whole and the nature of parts of the whole are different.”²⁰

The communal virtues captured by Greek and Roman notions of *liberalitas* persisted through the high Middle Ages and continued to draw on the Aristotelian idea that living in a political community was natural and required to realize our nature. Although this idea persisted, particularly as European scholars rediscovered Greek philosophy by way of Averroes and other Moorish scholars, the reality of community life for an average feudal subject had changed significantly from the community life of an Athenian or Roman citizen. Stephen Greenblatt describes the rigidity of the medieval community in which “independence and self-reliance had no cultural purchase” such that they “could scarcely be conceived, let alone prized.”²¹ Social institutions like the household, the guild and one’s

¹⁹ Cicero, *On Duties* Book 1

²⁰ Thomas Aquinas, *On Law, Morality, and Politics* ed. Richard J. Regan and William P. Baumgarth, (Indianapolis: Hackett, 2002), 115.

²¹ Stephen Greenblatt, *The Swerve : How the world became modern* (New York: W.W. Norton, 2011).

kinship network determined the kind of life one could conceivably live. With the public sphere suffused by religion, tight-knit communities held immense power to ensure that individuals conform to prevailing social norms. The community might issue compelling threats of eternal damnation, excommunication, expulsion, or worse.²²

With a new way of thinking about property ownership spreading throughout Europe, the ground was fertile for the emergence of a new social science which dealt extensively in the realm of property and trade. But it was not only the emergence of economics that contributed to the rise of individualism. One event that contributed dramatically to the shift was the early 15th century rediscovery of the secular and individualistic thought of the Greek philosopher Epicurus. In 1417 Poggio Bracciolini, an Italian humanist scholar who had been an official scribe for the Pope, found a complete manuscript of Lucretius' epic poem *On the Nature of Things* rotting on the shelves of a German monastery. The poem summarized a wide-ranging and comprehensive body of Epicurean philosophy, written in strikingly beautiful dactylic hexameter. The ideas of Epicurus, who lived from 341 to 270 BC and spent most of his life in Athens, were radically different from the dominant theistic and Aristotelian paradigms of the Middle Ages. As a materialist, Epicurus believed that the universe was not only *not* divinely ordained, but further was *mechanistic*, containing nothing but substance (atoms), and the lack of substance (void). His theory held that all phenomena in the universe, from sound and texture to belief, emotion and taste, resulted from various atomic combinations, movements and vibrations.²³ For Epicurus, there are no 'supernatural' or 'immaterial'

²² The Greek practice of *ostracism* was similar in many respects.

²³ The mind for instance is made up of particles of fire, air, wind, and a fourth 'nameless' element.

substances, no punishment or reward in the afterlife, and no overarching purpose or *telos* to human life. Living things in general grow, develop, and perish through the clashing of atoms—not the realization of innate potential as Aristotle held.

In contrast to the Aristotelian virtues which can be both intrinsically good, and good instrumentally good for end of flourishing, the Epicurean virtues are a means to the end of happiness, defined as maximizing pleasure (or tranquility) and minimizing pain in our immediate sensory experience.²⁴ While the Epicureans valued living in communities together with like-minded companions, these communities were to be carefully selected, and existed in part to avoid larger political communities in which conflict and strife disturbed one's tranquility. As a result of prioritizing tranquility, Epicureans viewed participation in politics as leading to unnecessary pain and suffering and believed that it should be avoided whenever possible.²⁵ The closest we have to a direct quote from Epicurus on the matter is provided by Cicero who cites Epicurus on the contentious, and tranquility-shattering nature of politics. In *De Legibus* Cicero writes that the Epicureans “test the desirability or undesirability of everything on the basis of pleasure and pain. Let us, even if they are right,...request them to abstain...from taking any part in matters affecting the State, which they do not acknowledge, [and] never have they wanted to.”²⁶ In a letter to a friend, Cicero writes “my dear friend Pansa has informed me that you have

²⁴ He writes: “Let us be well assured that it is to physiology that it belongs to determine the causes of the most elevated phænomena.” Diogenes Laërtius, *The Lives and Opinions of Eminent Philosophers*, trans. C.D. Yonge (London: G. Bell and Sons, 1915), 424.

²⁵ James Warren, *The Cambridge Companion to Epicureanism* (Cambridge: Cambridge University Press, 2009).

²⁶ Cicero, *On the Laws* I.13.39

become an Epicurean ... what shall ever become of your people of Ulubrae if you lay it down that it is improper to 'to occupy oneself in politics?'"²⁷

Where Epicurus eschews politics, Aristotle recognizes that language and speech are inescapably political, and that deliberating with others on the nature of justice and the practice of virtue in a political community is integral for our well-being. Community is essential despite the fact, (or indeed perhaps *because* of it), that "living together and sharing any human concern is always difficult."²⁸ In contrast to the difficult but necessary engagement with the community that Aristotle advocates, Lucretius describes the Epicurean philosophy of *disengagement*, stating that:

[n]othing is more blissful than to occupy the heights effectively fortified by the teaching of the wise, tranquil sanctuaries from which you can look down upon others and see them wandering everywhere in their random search for the way of life, competing for intellectual eminence, disrupting about rank, and striving night and day with prodigious effort to scale the summit of wealth and to secure power.²⁹

From both active suppression and neglect, nearly all of Epicurus' extensive writings had been lost by the arrival of the high Middle Ages. Lucretius however was slowly translated and distributed throughout Europe, including an Italian translation done by a young Machiavelli. The spread of *On the Nature of Things* throughout Europe preceded a tremendous revival of Epicurean materialism right at the start of the enlightenment, and coincided with the radical transformation of early modernity. Figures at the center of early modern, enlightenment and early liberal political philosophy such as Bacon, Gassendi,

²⁷ Cicero, *Letters to Friends* VII.12

²⁸ Aristotle, *Politics* 1263a 15

²⁹ Lucretius, *On the Nature of Things* 2:1-13

Newton, Jefferson, Machiavelli, Hobbes, More and Montaigne read and found inspiration in Lucretius and his description of atoms and void.³⁰

As Epicurean materialism spread, so too did an ongoing effort to overturn the Aristotelian approach to natural philosophy and politics. Starting in the 15th century with Giovanni Francesco Pico's *Examen Vanitatis Doctrinae Gentium*, and continuing with Peter Ramus, Pierre Gassendi and Francis Bacon, culminating in Hugo Grotius in the 17th century, the criticisms often likened Aristotle to a "cuttlefish" who disappears under scrutiny in a cloud of obfuscating ink.³¹ The replacement of Aristotelian physics and the geocentric model cleared the way for revolutions in science and technology, but Aristotelian theories of social and moral philosophy, including a conception of human flourishing which placed community in a central and privileged role, were discarded as well.

One early modern thinker influenced by Epicurus was the atomist philosopher Pierre Gassendi. Gassendi was an important bridge between Epicurean atomism and the emerging philosophy of liberalism and had a significant impact not only on Thomas Hobbes but on Bernard Mandeville, and John Locke. Numerous scholars have claimed that it is Gassendi and not Locke who should be recognized as the founder of modern empiricism.³² Gassendi strongly objected to the works of Aristotle claiming that they contained "omissions, superfluities, errors, and contradictions," and that his dialectic was "neither

³⁰ See: Stephen Greenblatt, *The Swerve : How the world became modern* (New York: W.W. Norton, 2011).

³¹ Charles B. Schmitt, "Aristotle as a Cuttlefish: The origin and development of a renaissance image," *Studies in the Renaissance* 12 (1965): 60-72.

³² Fred S. Michael and Emily Michael, "The Theory of Ideas in Gassendi and Locke," *Journal of the History of Ideas* 51, no. 3 (1990): 379-99.

necessary nor useful.”³³ Gassendi argued that humans and animals were governed by the same atomic, materialistic principles as other physical bodies in space, and that human appetites or desires are stimulated or inhibited directly by the physical movement of the body such as the beating of the heart.³⁴ Gassendi held that just as the atom was the most basic building-block of matter, so was the individual the basic building-block of society. For Gassendi the study of individuals and groups were conceptually distinct and morality was “properly concerned with man as solitarius in the sense that the self is the foundation of all.”³⁵ Gassendi defended an ethics that was based on the pursuit of pleasure, and the avoidance of pain, and which was “fundamentally...utilitarian and egoistic.”³⁶ Just like Epicurus, Gassendi advocated a withdrawal from political and community life, preferring instead “retired life full of amiable conversation with friends.”³⁷

Gassendi’s materialism and his association of appetites and aversions with physical and involuntary bodily processes holds clear parallels to the mechanistic understanding of mankind held by his close friend Thomas Hobbes. At the beginning of *Leviathan* Hobbes employs mechanistic metaphors to describe the human body; he compares the heart to a spring, nerves to strings, and the joints to wheels. When writing on the human psyche, Hobbes is clearly influenced by the Epicurean account of the physical world. Specifically, individuals pursue pleasure and avoid pain according to their “endeavors” in a process of

³³ Gassendi, *Exercitationes* p.12 cited in Margaret J. Osler, *Divine Will and the Mechanical Philosophy: Gassendi and Descartes on contingency and necessity in the created world* (Cambridge: Cambridge University Press, 1994).

³⁴ Lisa T Sarasohn, *Gassendi's Ethics : Freedom in a mechanistic universe* (Ithaca: Cornell University Press, 1996), 131.

³⁵ George Sidney Brett, *The Philosophy of Gassendi* (London: Macmillan, 1908), 184.

³⁶ Lisa T Sarasohn, *Gassendi's Ethics : Freedom in a mechanistic universe* (Ithaca: Cornell University Press, 1996), 25.

³⁷ *Ibid*, 26.

deliberation directed primarily towards the continuation of physical vital motion or life. Competition and conflict emerge as individuals roam the land in pursuit of the satisfaction of their desires, breaking contracts and trust along the way and undermining the formation of stable societies and communities. Hobbes lays out in unmistakably clear terms the materialism that infuses his thought:

[t]he world (I mean not the earth only, that denominates the lovers of it *worldly men*, but the *universe*, that is, the whole mass of all things that are) is corporeal, that is to say, body, and hath the dimensions of magnitude, namely, length, breadth, and depth; also, every part of body is likewise body, and hath the like dimensions; and consequently every part of the universe is body; and that which is not body is no part of the universe. And because the universe is all, that which is no part of it is *nothing* and consequently *nowhere*.³⁸

Hobbes' understanding of human nature and community is nearly the exact opposite of Aristotle's. For Aristotle, the individual without community is weak, isolated, and lacks a central good for human flourishing. For Hobbes on the other hand, community represents a site of ever-present violence, duplicity, and thievery. In Aristotle individuals seek out one another for mutual benefit and families come together forming towns and villages. Through the exercise of speech between those in a community, man both realizes his nature, and this intercourse brings into being ideas like justice and the good. Political activity takes place within the community: ideas are compared and contrasted, agreed and disagreed upon, and our understanding of the virtues, along with how they should be practiced, is discussed and discovered. Of course, these interactions must be encouraged and enabled according to a politics that recognizes community as valuable, and that preserves the spaces and institutions that make it possible. But if we lack the opportunity to partake in the life of the community, our flourishing as human beings will be inhibited.

³⁸ Hobbes, *Leviathan* Pt. IV, Ch. 46, para. 15

For Hobbes, conversely, participation in a natural community is actually *harmful* to our well-being. Those within a natural community who “live without a common power to keep them all in awe...are in that condition which is called war, and such a war as is of every man against every man.”³⁹ The work of deliberating on the meaning of and practicing the art of justice within the Aristotelian community is abandoned by Hobbes who writes that in the natural state, “nothing can be unjust” and that “the notions of right and wrong, justice and injustice, there have no place.”⁴⁰ Hobbes claims that the only thing compelling those in a community to act reciprocally and keep their promises is “the terror of some punishment, greater than the benefit they expect by the breach of their covenant...”⁴¹ The communities that form ‘naturally’ are thus unpleasant and potentially deadly institutions that offer little hope for well-being.

Hobbes recognizes that *some* animals do indeed seem to “live sociably one with another...[with] no other direction than their particular judgements and appetites...and therefore some man may perhaps desire to know why mankind cannot do the same.”⁴² His answer is that

the agreement of these creatures [to live sociably] is natural; that of men is by covenant only, which is artificial; and therefore, it is no wonder if there be [something] else required...which is a common power to keep them in awe, and to direct their actions to the common benefit.⁴³

It is interesting to note that in Aristotle language not only distinguishes man from animal, but it also *anticipates* community such that as we come together for mutual benefit, we must necessarily engage in speech to facilitate our well-being. For Hobbes, on the other

³⁹ *Leviathan* Pt. I, Ch. 13, para. 8

⁴⁰ *Leviathan* Pt. I, Ch. 13, para. 13

⁴¹ *Leviathan* Pt. I, Ch. 15, para. 3

⁴² *Leviathan* Pt. II, Ch. 17, para. 6

⁴³ *Leviathan* Pt. II, Ch. 17, para. 12

hand, living together sociably is natural only for animals and not for human beings, and the practice of speech is not directed at establishing virtue or justice within the community, but at self-preservation by assigning a sovereign to do our talking for us. In Hobbes we do come together for mutual benefit by establishing an artificial covenant and a sovereign—but it is a *very* different way to achieve mutual benefit than Aristotle would recommend—and entails a very different vision for the community.

What accounts for this difference between Aristotle and Hobbes, in which community goes from necessary for human self-actualization and well-being, to an instrument of self-preservation? From Aristotle claiming that “every community...gives some occasion for justice, and also for friendship,”⁴⁴ to Hobbes claiming that “the causes why men seek each other’s company...does not happen because by nature it could not be otherwise, but by chance,” and that in seeking out others “...we are not looking for friends, but for honor or advantage from them.”⁴⁵

The spread of Epicurean materialism had a sweeping influence on how political philosophers understood justice and human nature. For Aristotle, justice “exists” in a dual sense as (1) the *practice* of justice as a virtue (which consists in finding the mean between doing what is unjust and suffering what is unjust), and (2) natural justice “which has the same force everywhere and is not affected by what men may or may not think.”⁴⁶ Justice itself manifests for Aristotle differently than it does for Hobbes. Aristotle believes that natural justice is directly linked to our ultimate end as human beings to flourish, and he even *praises* justice with an expression of awe and fascination writing that, “neither the

⁴⁴ *Nicomachean Ethics* 1159b-26

⁴⁵ Hobbes, *On the Citizen* Ch.1, para. 2

⁴⁶ *Nicomachean Ethics* 1134b-19-20

evening star nor the morning dawn [is] so wondrous.”⁴⁷ Filtered through an Epicurean lens in Hobbes, justice takes on a much different character. Because ideas of justice (or the good) are phantoms of our imagination, they do not inspire our wonder. We may speak of justice only in a material sense—in its legal or positive conceptions as created by human beings. Only once a sovereign establishes the law can we then identify wherein lies justice and injustice. But the idea that these might exist in any universal or eternal sense—that justice might be somehow associated with what makes us human, or the idea that justice might be worthy of capturing our awe, or that it might be worked out discursively within the community—is cast aside.

Hobbesian materialism thus utterly transforms community from the earlier conception of a place in which friendship, justice, deliberation, and self-actualization may come into being given fertile ground and political support, to an unfortunate state of affairs that must be endured. Arendt summarizes the Hobbesian threat to community, writing that his vision is one in which “there is neither fellowship nor responsibility between man and man” and which if accepted, would enable a “pattern of attitudes through which every genuine community can easily be destroyed.”⁴⁸

CB Macpherson saw Hobbes at the beginning of a philosophical chain of argument which gave rise to what he calls ‘possessive individualism.’ This condition manifests where immaterial justice has been cast out—that is once our freedom and well-being have become dependent on ownership and possession of physical property, and also of our own

⁴⁷ *Nicomachean Ethics* 1129b-29

⁴⁸ Hannah Arendt, *The Origins of Totalitarianism* (United Kingdom: Meridian Books, 1958), 140.

bodies conceived as property.⁴⁹ Society of this sort “consists of relations of exchange between proprietors” and “political society becomes a calculated device for the protection of this property and for the maintenance of an orderly relation of exchange.”⁵⁰ Macpherson finds that possessive individualism was once a strength as liberalism sought to articulate a language of individual rights, but that it has since become a liability by distorting and obfuscating the earlier ends of communal interdependence.

The possessive individual values the world according to his property and possessions (including the possession of himself) rather than through relationships and developing the virtues that facilitate his well-being. He stands apart from the community because possession of property requires only legal, positive justice, and not justice as determined through discourse and directed towards well-being. Filtering value through a material lens results in a radical leveling of all goods that would become the foundation of utility in modern economics. Since value becomes material under the Epicurean turn, and “since there is no measure of value except market price, every exchange of values between freely contracting persons is by definition an exchange of equal values.”⁵¹ In an Aristotelian community, the ultimate value is of course living well as human beings. Justice in exchange is concerned with proportional equality, and Aristotle believed that justice could be enforced through informal enforcement mechanisms such as “reproaches and praises, dishonors and honors...doing good in return for good...helping one’s friends and other such things” as a natural part of community affairs.⁵² In a Hobbesian society however, since no

⁴⁹ C.B. Macpherson, *The Political Theory of Possessive Individualism: Hobbes to Locke* (United Kingdom: Oxford University Press, 1964).

⁵⁰ *Ibid.*, 3.

⁵¹ *Ibid.*, 63.

⁵² C. D. C. Reeve, *Rhetoric* (Cambridge: Hackett Publishing Company, 2018), 46.

measure of justice exists apart from material things, “the value of all things contracted for is measured by the appetite of the contractors; and therefore the *just* value, is that which they be contented to give.”⁵³ Thus, in Hobbes, not only is justice itself determined materially by the sovereign in a positive legal context, but justice in exchange simply requires that we facilitate a market system by which the value of all things can be determined.

The differences between Aristotle and Hobbes went beyond their views on human nature and materialism. Hobbes criticized the entire corpus of Aristotle’s writing ferociously claiming that his explanations in the *Physics* provided nothing but empty descriptions, and that his *Metaphysics* were convoluted and impossible. In one passage in *Leviathan* Hobbes writes that “...scarce anything can be more absurdly said in natural philosophy than that which now is called *Aristotle’s Metaphysics*; nor more repugnant to government than much of that he hath said in his *Politics*; nor more ignorantly than a great part of his *Ethics*.”⁵⁴ Hobbes further announced to John Aubrey that “Aristotle was the worst teacher that ever was, the worst politician and teacher of ethics” and that “a country fellow that could live in the world would be as good.”⁵⁵ Hobbes suggested that the history of physics should point back to Galileo and should not be “traced back further than to him,” thus dismissing the extraordinary contributions of Aristotle to the subject.⁵⁶ Though Hobbes appears unsure whether Aristotle’s *Metaphysics* should be understood as providing arguments for God in the way the church claimed, he wrote on the topic that “that which is

⁵³ *Leviathan* Pt. I, Ch. 15, para. 14

⁵⁴ *Leviathan* Pt. IV, Ch. 46, para. 13

⁵⁵ John Aubrey, *Brief Lives* ed. Richard W. Barber (United Kingdom: Boydell Press, 1982), 159.

⁵⁶ Hobbes, *De Corpore* cited in Devin Stauffer, *Hobbes’s Kingdom of Light: A Study of the Foundations of Modern Political Philosophy* (United Kingdom: University of Chicago Press, 2018), 29.

there written is for the most part so far from the possibility of being understood, and so repugnant to natural reason, that whosoever thinketh there is anything to be understood by it must needs think it supernatural.”⁵⁷

In all fairness, Aristotle’s reputation during the time Hobbes had already been tarnished through misuse by the Catholic Church attempting to shore up various points of Christian theology—but Hobbes’s dislike nonetheless provides a certain insight into his influences.⁵⁸ Ultimately, Aristotelian thought represented an outdated but formidable obstacle to Hobbes’ goal of creating a new science of morality and politics. Aristotelian ethics cannot be made into a science in the way that Hobbes would wish, and Aristotelian metaphysics cannot be made to concur with the reductionist, materialist thrust of the enlightenment. Aristotle significantly complicates the views developed by Epicurus and Hobbes, and he would have acutely disagreed with a picture of society as a mechanistic world where individuals are drawn towards pleasure and in which “labor and thrift” were the “two things necessary for the enriching of subjects...”⁵⁹

Regardless of whether Hobbes should be considered a proto-liberal, his forceful denunciation of Greek philosophy and Aristotelian thought in his approach to ethics and politics has had a considerable influence on contemporary political thought.⁶⁰ Despite the backlash and even revulsion that Hobbes’ philosophy generated during his lifetime, his influence on scholars that followed was immense. Hobbes shaped the direction of political

⁵⁷ Hobbes, *Leviathan* Pt. IV, Ch. 46, para.14.

⁵⁸ Devin Stauffer, “Of Darkness from Vain Philosophy: Hobbes’s Critique of the classical tradition,” *American Political Science Review* 110, no. 3 (2016): 481-494.

⁵⁹ Hobbes, *Man and Citizen: De Homine and De Cive* ed. Charles T. Wood, T. S. K. Scott-Craig, and Bernard Gert (Indianapolis: Hackett, 1991), 266.

⁶⁰ It has been suggested by Helena Rosenblatt that those wishing to paint an unflattering picture of Liberalism trace its origins back to Hobbes or Machiavelli, while those of more sympathetic persuasions might look to Plato or Jesus.

thought that came after him and made lasting impressions on Locke and other early liberal and proto-liberal figures such as Mandeville, Hume, Kant, and Adam Smith. In a survey of early political economy, T.W. Hutchison writes that Hobbes' philosophy was to "wield a profound influence in English political economy, and perhaps most importantly on Adam Smith."⁶¹ In his work surveying Hobbes' reputation as an early inspiration for political economy and the politics of self-interest, Quentin Taylor notes that "at a minimum, [Hobbes] was 'a herald of laissez-faire,' but he also had a vision of man and society that was deeply informed by economic values and practices."⁶²

Bernard Mandeville was one such figure who found himself influenced by the thought of Hobbes.⁶³ A self-described Gassendian, Mandeville carries forward the possessive individualism found in Hobbes and cites Lucretius specifically to advance his claim that men are not naturally sociable.⁶⁴ In his widely read *Fable of the Bees*, Mandeville argues that the pursuit of self-interest and personal vice, including such things as fraud, corruption and deceit, are necessary for economic growth and prosperity. Mandeville shared a sense of moral skepticism with Hobbes, believing that the politics of virtue concealed self-denial at best, and hypocrisy at worst.⁶⁵ Mandeville argued instead for a society of individuals each pursuing their own narrow and selfish interests, and claimed

⁶¹ Quentin Taylor, "Thomas Hobbes, Political Economist: His changing historical fortunes," *The Independent Review* 14, no. 3 (2010): 415-33.

⁶² *Ibid.*, 423.

⁶³ James D. Young, "Mandeville: A Popularizer of Hobbes," *Modern Language Notes* 74, no. 1 (1959): 10-13.

⁶⁴ E. J. Hundert, *The Enlightenment's Fable: Bernard Mandeville and the Discovery of Society* (New York: Cambridge University Press, 1994), 47.

⁶⁵ It has been argued that Mandeville should not be considered as an adherent of *Laissez-Faire* liberalism due to the fact that he supported trade policies that were mercantilist rather than free-trade in opposition to Adam Smith. Mandeville's argument that the pursuit of private vice is necessary for the public benefits of an expanding economy however is perfectly positioned to justify privatization and deregulation. See: Nathan Rosenberg, "Mandeville and Laissez-Faire," *Journal of the History of Ideas* 24 (1963): 183-96.

that vice would spur productivity, create jobs, and generate more of the comforts of life. Eliminating vice and replacing it with virtue, Mandeville argued, would result in a breakdown of economic production, industry, and trade. Writing in verse, Mandeville neatly summarizes his views on the relation between vice and increases in quality of life:

Thus Vice nurs'd Ingenuity,
Which join'd with Time and Industry,
Had carry'd Life's Conveniencies,
It's real Pleasures, Comforts, Ease,
To such a Height, the very Poor,
Liv'd better than the Rich before,
And nothing could be added more.⁶⁶

Though he agreed with Hobbes' secularization of morality, Mandeville had little faith in a populace's ability to arrive at a social contract themselves. To ensure that vice was being put to good use, "even the most elementary forms of coordination and consent had to have been formed by the artful manipulation of the passions of these unreflective primates."⁶⁷ Inculcation of virtue at an early age robs us "of a felicity, that would flow spontaneously from the nature of every large society, if none were to divert or interrupt the stream."⁶⁸

Mandeville's aversion to what he perceived as the hypocrisy of virtue extended even to the practice of English "charity schools," operated by religious groups and providing poor children education on social skills, trade skills, virtue, and civics. In an argument which strikes us as immediately familiar, Mandeville denounced charity schools for promoting laziness, suggesting instead the promotion of economic productivity. He writes,

⁶⁶ Bernard Mandeville, *The Fable of the Bees* ed. E. J. Hundert (Indianapolis: Hackett, 1997), 28.

⁶⁷ E.J. Hundert, *The Enlightenment's Fable: Bernard Mandeville and the Discovery of Society* (Cambridge: Cambridge University Press, 1994), 30.

⁶⁸ *Ibid*, 427

“charity schools, and everything else that promotes idleness, and keeps the poor from working, are more accessory to the growth of villainy, than the want of reading and writing, or even the grossest ignorance and stupidity.”⁶⁹ While there are important differences between modern *laissez-faire* and Mandeville’s arguments, the fingerprint of Mandeville can clearly be seen on contemporary arguments that individual selfishness, greed, and vice is required to grow the economy and benefit all.⁷⁰

Much later, F.A Hayek would draft an essay placing Mandeville at the center of a new school of liberalism, distinct from earlier schools which made normative claims about politics, society, and the economy using notions of justice and right. Hayek notes that Mandeville successfully shows how we “owe most benefits of society to what on such a rigorous standard must be called vicious.”⁷¹ He points out that “almost everybody read” Mandeville, and that “few escaped infection.”⁷² The methodologies developed by Mandeville in relation to self-interest, spontaneous order, and economic benefit, according to Hayek, have “become of the greatest importance for the history of the social sciences” and that from Mandeville “there flows a direct line to David Hume...Adam Smith, Adam Ferguson and Edmund Burke...”⁷³

Adam Smith would have certainly resisted Hayek’s grouping of him together with Mandeville. In the *Theory of Moral Sentiments*, Smith conducts an extended discussion on the “follower of Hobbes” Mandeville by expressing strong disapproval and even dismay

⁶⁹ Ibid, 117

⁷⁰ Nathan Rosenberg, "Mandeville and Laissez-Faire." *Journal of the History of Ideas* 24, no. 2 (1963): 183-96.

⁷¹ F. A. Hayek, *The Collected Works of F.A. Hayek* ed. Peter G. Klein, Bruce Caldwell, William W. Bartley, Sandra J. Peart (Chicago: University of Chicago Press, 1989), 82.

⁷² Ibid, 95.

⁷³ Ibid, 99.

regarding his treatment of virtue and vice.⁷⁴ Though Smith laments the way in which Mandeville praises vice, Hayek is right to perceive an association. However dangerous the thought of Mandeville is, claims Smith, and however “destructive so ever this system may appear” it nonetheless “could never have imposed upon so great a number of persons, nor have occasioned so general an alarm among those who are the friends of better principles, had it not in some respects bordered upon the truth.”⁷⁵

Although Smith appears to be horrified at the way in which Mandeville treats the question of virtue, calling it ‘ingenious sophistry’ he nonetheless takes inspiration in the idea that unintended benefits are created when individuals pursue their own self-interest. In the *Wealth of Nations*, he writes that the individual, “by pursuing his own interest...frequently promotes that of the society more effectually than when he really intends to promote it.”⁷⁶ This idea is articulated differently from Mandeville’s praise of vice, but it shows nonetheless the strong impression that Hobbes and Mandeville both made on Smith. The idea that pursuing one’s own interest promotes the interest of society better than attending directly to others, is perhaps the single largest change to theories of community from the classical and Middle Ages to the end of the enlightenment period.

Though Smith himself had a nuanced way of writing about money and recognized that it was no guarantee of happiness, the idea that self-interest overlaps neatly with the interest of the others has provided plenty of justification for viewing wealth acquisition as an acceptable social goal. When Smith writes that consumption is the “sole end and purpose of all production” and that “the interest of the producer ought to be attended to

⁷⁴ Adam Smith, *The Theory of Moral Sentiments* ed. Dugald Stewart (London: Henry G. Bohn, 1853), 463.

⁷⁵ Ibid, 459.

⁷⁶ Adam Smith, *An Inquiry Into the Nature and Causes of the Wealth of Nations*. (United States: P. F. Collier, 1901), 161.

only so far as it may be necessary for promoting that of the consumer,” he seems to allow all forms of labor to be rightly funneled through the market—including the labor of attending to the well-being of others within the community.⁷⁷ In Aristotle by contrast, to promote the interest of the community demands more of us than the pursuit of self-interest. To act justly is to be able to act “in relation to another, and not only as regards himself.”⁷⁸ In a reversal from Smith, our individual well-being is promoted through our ability to practice the virtues including our ability to recognize and to “do what is advantageous to another...to someone who shares in the community” and not just for ourselves.⁷⁹

As David McNally observes, Smith hoped that a society of independent producers, possessing the means to their own small-scale production would temper the influence of merchants and manufacturers who would use political influence “to enact legislation directly contrary to the public interest...”⁸⁰ McNally notes how Smith wished to direct the benefits of wealth generation to the poor, and how he looked to the landed gentry to act as the repositories of virtue due to being “least subject to the wretched spirit of monopoly” and characterized by “generosity which is natural to their station”.⁸¹ McNally also notes how “historical and social reality proved that such a scenario was naive in the extreme” and

⁷⁷ Adam Smith, *An Inquiry Into the Nature and Causes of the Wealth of Nations*. (United States: P. F. Collier, 1901), 442.

⁷⁸ *Nicomachean Ethics* 1129b-32

⁷⁹ *Nicomachean Ethics* 1130a-5

⁸⁰ David McNally, *Against the Market: Political economy, market socialism and the Marxist critique* (New York : Verso, 1993), 59.

⁸¹ *Ibid*, 60.

that Smith's "moral intent was incompatible with the nature of the free markets he often idealized."⁸²

Though Smith's legacy remains complex and his interest in the fate of the poor is often overlooked, he nonetheless embraced enough of Mandeville's insight to conclude that the pursuit of self-interest leads to greater *production and consumption*, which consequently amounts to the proper end of an economy. Smith built a foundation for neoclassical economic thought around the individual who pursues her own self-interest, and who thereby promotes the well-being of those around her. The influence of Smith on later economists, as Ludwig Von Mises wrote, "paved the way for the unprecedented achievements of *laissez faire* capitalism."⁸³ Alfred North Whitehead identifies in early liberalism, including Smith and Hume, a faith "that by the decree of benevolent providence, individualistic competition and industrial activity, would necessarily work together for human happiness." This faith however was ultimately misplaced and "[broke] down as soon as it was tried."⁸⁴

As we have seen, the history of theories of community took a sharp turn away from those that placed community in a privileged place for well-being. The gradual elimination of teleological thought from notions of flourishing and their replacement by Epicurean-inspired theories has culminated in an association of well-being with the cycles of production and consumption. This transformation has had a significant impact not only on how we understand human well-being today, but also on the survival of community institutions that we may participate in. In the next chapter we take stock of the modern

⁸² Ibid, 60.

⁸³ Ludwig Von Mises, introduction to *An Inquiry Into the Nature and Causes of the Wealth of Nations*, by Adam Smith (Chicago: H. Regnery, 1953).

⁸⁴ Alfred North Whitehead, *Adventures of Ideas* (United Kingdom: Free Press, 1967), 35.

laissez faire theories of neoliberalism, and the relationship between these theories and community.

Chapter 2

Economic Liberalism

Economic liberalism introduced a momentous change in which production and consumption became indicators or approximations of well-being. Where the ancients understood well-being as inseparably linked to one's relationships in a community, and as enabled through social, civic, and intellectual goods, modern economic theory understands material goods as sufficient for well-being, which happily can be included in formal models and supplied by the free market. Hegel identified such a shift taking place in the cultural and political changes of the 19th century:

With the change in manners and the way of life each individual was more preoccupied with his own necessities and his own private affairs. By far the greatest number of free men, i.e. the strictly bourgeois class...must have had to look exclusively for their own necessities and their own living. As states became larger, those people who must have had to concern themselves exclusively with their own affairs formed a class of their own. There was an increase in the mass of things needed by the free man and the noble, who had to maintain themselves in their social position respectively by industry or by work for the state.¹

Emerging out of political philosophy, economics in the 18th and 19th centuries continued to drift away from questions of normative philosophy and well-being. It adopted vocabularies increasingly focused on the individual and his utility maximization, while communal relations involving generosity, reciprocity, interdependence, care, sacrifice and altruism were either overlooked, or were assumed to be included within the sphere of self-interest.

¹ G.W.F. Hegel, *Hegel's Political Writings* ed. Z. A. Pelczynski, trans. Thomas Malcolm Knox (Oxford: Clarendon Press, 1964), 202.

Early attempts to precisely define wealth, value, and utility often also illustrated the reasons for excluding broader conceptions of well-being from the science of economics. Henry Sidgwick writing in the late 19th century for instance recognizes that non-material goods such as services performed for others, as well as cultural goods including the “capacities for realizing certain elevated and delightful modes of mental existence” should be “kept in view” by the economist. However, since these immaterial goods vary so widely in quality between different times and places, and because “culture has for the most part but little natural connection with...the causes of *improvement in our supply of material commodities*,” he ultimately relegates them to a different domain of study.² In other words Sidgwick limits the scope of economics to the generation of wealth—specifically the conditions and laws that enable “the average annual produce per head of a given community at a given time greater than that of another...”³ If we can discover the laws which maximize productivity in the generation of “all the commodities derived from the application of labor,” we should by extension also have a good understanding of how to generate the greatest possible human well-being.⁴

Another leading philosopher who helped shape the direction of early political economy was the Scottish empiricist David Hume. Hume’s empiricism was very much aligned with most other canonized scholars in the early development of political economy and shows a clear influence from Epicurean materialism. Hume for instance holds that the “nature of bodies...is beyond the reach of human understanding” and that, “we can never

² Henry Sidgwick, *The Principles of Political Economy* (United Kingdom: Macmillan, 1924), 90, emphasis added.

³ Ibid, p.99.

⁴ Ibid, p.99.

pretend to know body otherwise than by those external properties, which discover themselves to the senses.”⁵ Hume’s insistence on limiting our understanding of the world to our faculties of sensory perception also informed his moral, economic, and political theory by focusing, like Smith, not on ideas but on passions.

Hume reinforces the early focus of economics on wealth and growth by framing well-being in these terms. Hume’s account does not *directly* lend itself to economic individualism, as he is also concerned with how to best marshal the collective strength of a state for the common good, but it does lay the groundwork for later neoliberal economics. Hume advocates focusing on cultivating self-interest and encouraging robust economic growth so that the state can allocate economic surpluses more effectively than if it were to direct people’s labor towards, or conscript them in the service of the common good. Hume writes that “as private men receive greater security in the possession of their trade and riches from the power of the public, so the public becomes powerful in proportion to the opulence and extensive commerce of private men.”⁶

He continues that

[w]here manufactures and mechanic arts are not cultivated the bulk of the people must apply themselves to agriculture; and if their skill and industry increase, there must arise a great superfluity from their labour beyond what suffices to maintain them. They have no temptation, therefore to increase their skill and industry; since they cannot exchange that superfluity for any commodities which may serve either to their pleasure or vanity. A habit of indolence naturally prevails. The greater part of the land lies uncultivated.⁷

As such, without the development of complex industry to satisfy “pleasure or vanity” laborers have no incentive to gain wealth beyond what is required for subsistence. This

⁵ David Hume, *A Treatise of Human Nature* (United Kingdom: Clarendon Press, 1888), 64.

⁶ David Hume, *Essays Moral, Political, and Literary* ed. T. H. Green, and T. H. Grose, (United Kingdom: Liberty Classics, 1987), 261.

⁷ *Ibid*, p.266.

lack of incentive leads to a “habit of indolence” and subsequently the *underutilization* of the land. Such a theory of economics places Hume squarely in the tradition of economic liberalism in which well-being is approximated through a focus on production and consumption. Hume finds that through industry, production, and trade, “men become acquainted with the pleasures of luxury and the profits of commerce” inspiring them to work hard and *produce* in order to satisfy visions of “luxury which they never before dreamed of...”⁸ Although his vision of happiness recognizes more than just pleasure, Hume returns repeatedly to the idea that maximizing “consumption of all the commodities which serve to the ornament and pleasure of life are advantages to society” since “they multiply those innocent gratifications...[and] are a kind of storehouse of labour which in the exigencies of state may be turned to the public service.”⁹

Furthermore, as A.O. Hirschman points out, Hume believed that cultivating the ‘love of gain’ would “activate some benign human proclivities at the expense of some malignant ones—because of the expectation that, in this way, it would repress and perhaps atrophy the more destructive and disastrous components of human nature.”¹⁰ Hume is often mentioned in contemporary arguments that underlie economic liberalism, and his support for the ideas of efficient wealth generation, the cultivation of a desire for gain in the human soul, and the importance of maximally productive land utilization make it easy to see why.¹¹ These policies “benefit” all, so long as a deeper exploration of the nuances of human

⁸ Ibid, p.270.

⁹ Ibid, 302.

¹⁰ Albert O. Hirschman, *The Passions and the Interests: Political arguments for capitalism before its triumph* (Princeton, NJ: Princeton University Press, 1977), 66.

¹¹ See for example F.A. Hayek who writes that “[t]he true individualism which I shall try to defend began its modern development with John Locke, and particularly with Bernard Madeville and David Hume, and achieved full stature for the first time in the work of Josiah Tucker, Adam Ferguson, and Adam Smith and in

well-being is neglected. Echoing Mandeville at times, Hume finds that it is “requisite to govern men by...passions, and animate them with a spirit of avarice and industry, art and luxury.”¹² In nations where this spirit of avarice is absent “men sink into indolence, lose all enjoyment of life and are useless to the public...”¹³

The exclusion of immaterial goods from questions of human well-being by economists extended to questions of morality and justice as well, insofar as they considered these questions at all. Vilfredo Pareto, for instance—instrumental in establishing economics as a strictly formal science—was uncompromising in his empiricism. In numerous revealing references, Pareto is clear that normative questions which cannot be addressed according to empirical tools have no place in economics. Not only questions pertaining to morality and justice, but also relationships within communities and questions pertaining to virtues such as charity and reciprocity are blithely panned. He writes in his *Manual of Political Economy* that it is

pointless to try...to find an objective basis for morality or justice. And yet, men have in all ages reasoned as though morality and justice existed in their own right, being impelled by a very strong tendency to confer an objective character on subjective facts, and by an overpowering need to cover the relations between their sentiments with a veneer of logic.¹⁴

Discussing charitable actions, Pareto points out that it is pure folly to ground charity on anything other than narrow self-interest or basic pleasure. Arguing that it is futile to force one to care about the well-being of another, he writes that,

that of their great contemporary, Edmund Burke—the man whom Smith described as the only person he ever knew who thought on economic subject exactly as he did without any previous communication having passed between them.” F.A. Hayek “Individualism: True and False,” in *Individualism and Economic Order* (Chicago: University of Chicago Press, 1948), 4.

¹² Ibid, p.269.

¹³ Ibid, p.279

¹⁴ Vilfredo Pareto, *Manual of Political Economy* ed. Alberto Zanni, Aldo Montesano, John S. Chipman et. al. (United Kingdom: Oxford University Press, 2014), 27.

either a man experiences pleasure in seeing others happy, and, in such a case, it is quite unnecessary to prove to him that he will procure pleasure by making others happy...or else this man feels no pleasure in seeing others happy, and in such a case it is not at all true that by benefiting others he will make himself happy. It is as if one were to say: 'you do not like wine; but, if you did like it and were to drink some, you would feel happy; so drink wine, and you will be happy'.¹⁵

The materialistic turn ignited by the rediscovery of Lucretius sparked the emergence of economics as a fully-fledged scientific discipline and the focus on measurable, quantifiable outcomes as indicators of well-being. And while early economists continued working on the difficult philosophical task of defining wealth and its relation to living a good life, the generations that came later found the question considerably less interesting. The purpose of economic activity and the formula for well-being became solidified as the maximization of production and consumption, or in short, the generation of wealth. As an empirical science, economics would pursue its subject matter scientifically, either by addressing well-being through models of production and consumption, or not at all. Utility became the accepted proxy for well-being, and by the end of the 19th century, most liberal economic thought had coalesced around a model of well-being as an increase in consumer choice, provided by the free market, in the most efficient manner possible.

David Ricardo helped advance the use of production and consumption as the desired outcome for economics with his theory of comparative advantage. Ricardo took as a starting point the laws of population and rent formulated by Malthus but argued against his protectionist conclusions. Ricardo believed that protectionist trade policy would reduce the profits of farmers so severely that it would make the risks of using capital to increase production not worth the trouble. Ricardo concluded that free trade was essential for a growing economy, and that if economies can import commodities for less than what they

¹⁵ Ibid, 30.

cost to produce domestically in labor and rent, then diverting those resources to more efficient industries will produce higher profits along with greater production and consumption. Ricardo's theory, which underlies modern arguments for globalization, views production and consumption as a social good precisely due to the now familiar Epicurean argument that "one set of necessities and conveniences admits of no comparison with another set, and value in use cannot be measured by any known standard..."¹⁶

Because "value in use cannot be measured by any known standard" economic liberalism recognizes no additional concept of human flourishing or well-being other than what can be observed by consumption patterns in the free market. And because bundles of goods cannot be compared, they also cannot be prioritized or privileged. Any normative question within economic liberalism must be addressed in the context of maximizing production and consumption, so that individuals can purchase wellbeing as they see fit. The free market 'solves' the problem of comparing and evaluating goods and replaces it with market behaviorism, or what might be called 'consumer emotivism'. Good is what I buy, and wellbeing inheres in the things I desire.

The identification of well-being with the cycles of production and consumption paved the way for a neoliberal wave in the 1970s. The core theories and policies of neoliberalism were articulated starting in the late 1940s in a Swiss resort above Lake Geneva. Invited by Friedrich Hayek, a group of economists had gathered there with the goal of developing narratives and theories to directly combat the Keynesian philosophy that was spreading rapidly in the west following the end of the war. Calling themselves the Mont Pelerin Society, they included founding members Milton Friedman, Karl Popper,

¹⁶ David Ricardo, *On the Principles of Political Economy and Taxation* (United Kingdom: G. Bell and sons, 1891), 420.

George Stigler and Ludwig von Mises, later to include Gary Becker and James M. Buchanan. In *The Road to Mont Pelerin* Dieter Plehwe identifies the core policy positions of the group and of neoliberalism more broadly as those of deregulation, privatization, and globalization.¹⁷

Before looking at how each of these policies has contributed to the erosion of community, it is useful to consider how modern neoliberal theories explain and justify the connection between growth and wealth generation on the one hand, and individual well-being on the other. The most basic intuition underlying these theories is the same that informs utilitarianism. It is in essence that wealth generation, when combined with a free market governed by minimalistic rules ensuring fair play, provides the best method for maximizing pleasure or utility. Growth cranks the machine of wealth generation while profit maximization ensures that capital is produced ‘efficiently.’ A world in which more wealth is generated is better than a world with less wealth because this wealth can be converted into well-being. Capitalism “pays us for innovation and efficiency...we respond to the incentives and so it works.”¹⁸ Two arguments in particular shoulder much of the theoretical heavy lifting for neoliberalism; the first is the *compensation hypothesis*, and the second is the theory of *revealed preferences*.

The compensation hypothesis, already alluded to in Hume, argues that greater utility is achieved by relinquishing control of the market to the mechanism of supply and demand, thus allowing it to dictate the kinds of goods that will exist in the marketplace. In situations where cutting the market free may lead to factory closures, pay cuts and other

¹⁷ Dieter Plehwe, “Introduction,” In *The Road from Mont Pèlerin*, ed. Philip Mirowski and Dieter Plehwe (Cambridge, Mass: Harvard University Press, 2009), 1–42.

¹⁸ Jason F. Brennan, *Why Not Capitalism?* (United States: Taylor & Francis, 2014), 4.

externalities, the compensation hypothesis claims that such losses are compensated for through social programs. Paying for this compensation through public spending and redistribution is still 'cheaper' or 'more efficient' than maintaining artificially throttled industries. Since a free-market economy grows faster than a regulated market economy, generating goods and capital more efficiently, it is better to unleash the economy and then redistribute the subsequent abundance later.¹⁹ This 'compensation' will be demanded by workers and other 'economic losers' who are excluded from prosperity within a dynamic and 'creatively destructive' market economy. Such actors will call for robust social protections, work training programs, unemployment and other state-sponsored measures to soften the blow of this economic natural selection. Governments will oblige out of the concern that allowing large groups of disaffected, underpaid and unemployed citizens to fester will lead to deleterious downstream effects.²⁰

According to Dani Rodrik the causal mechanism of the compensation hypothesis operates in a three-part movement in which individuals (1) experience increased economic insecurity, (2) raise their voices in demand for compensation and express their preference for left-leaning policies at the ballot which, (3) ultimately resulting in policies that compensate for economic losses and ensure that economic losses are minimized in the midst of abundant wealth, rapid growth, and increased productivity.²¹ Of course, the

¹⁹ Jagdish Bhagwati, *In Defense of Globalization* (Oxford University Press, 2004) ; Stefanie Walter, "Globalization and the Welfare State: Testing the microfoundations of the compensation hypothesis" *International Studies Quarterly* 54, no. 2 (2010): 403-426.

²⁰ Dani Rodrik, "Why do More Open Economies Have Bigger Governments?," *Journal of Political Economy* 106, no.5 (1998): 997-1032; John Ruggie, "International Regimes, Transactions and Change: Embedded Liberalism in the Postwar Economic Order," *International Organization* 36, no.2 (1982): 379-415; Peter Katzenstein, *Small States in World Markets: Industrial Policy in Europe* (Ithaca, NY: Cornell University Press, 1985).

²¹ Dani Rodrik, "Globalization, Social Conflict and Economic Growth," *World Economy* 21, no. 2 (1998): 143-58.

compensation hypothesis is used only by those neoliberal economists who wish to find an acceptable economic justification for acts of redistribution. Insofar as neoliberal economists resist the call of libertarianism and recognize at least some measure of importance for the health of the community, the compensation hypothesis is widespread.

The second theory providing support for economic liberalism is that of revealed preferences. The idea of preference ordering is central to neoclassical economic thought which uses the empirical observation of human behavior to arrive at a theory of value. Lionel Robbins wrote in 1935 that “the main postulate of the theory of value is the fact that individuals can arrange their preferences in an order, and in fact do so.”²² The ordering of preference can be seen in the marketplace, and it offers an objective method for economists to get inside the heads of utility-maximizing actors in order to better understand their behaviors. Robbins states that such postulates are so obvious that they need no “controlled experiments to establish their validity: they are so much the stuff of our everyday experience that they have only to be stated to be recognized as obvious.”²³

Revealed preference theory ultimately justifies free-market choice by illustrating specifically how the market acts to maximize utility (or create value) by providing goods and services according to the demands of consumers. It can further be used to show how consumer demand is a proxy for well-being insofar as it reflects the genuine *preferences* of individuals. Revealed preference theory allows economists to claim that mathematical models do indeed apply to questions of well-being via preference satisfaction, and even

²² Lionel Robbins, *An Essay on the Nature and Significance of Economic Science* (London: Macmillan, 1935), 121.

²³ *Ibid*, 121.

that models used in theoretical physics such as thermodynamic equilibrium can be used for economic analysis.²⁴ First articulated by the economist Paul Samuelson, a revealed preference is explained as an individual's preference for "some bundle of goods x to another bundle y if she chooses x from a set of options which includes y ."²⁵ A rational actor, in other words, is said to *prefer* something, if he or she *chooses* that thing among a set of alternatives.

For Samuelson, social welfare can also be captured by using revealed preference theory. He develops a welfare formula in which $\mathcal{W} = \mathcal{W}(\mathcal{W}_1, \mathcal{W}_2, \dots)$ where \mathcal{W} is "any variable relevant to social welfare."²⁶ Using this formulation Samuelson claims we can arrive at a detailed formula describing any individual's utility maximization, which can also be made Pareto optimal in relation to everyone else's utility maximization function. To remain 'value-free,' his formula recognizes no difference or hierarchy among the variables contributing to well-being. By observing the choices and actions of presumed rational individuals, we need not deliberate on the nature of well-being or ask what constitutes a good quality of life. As long as the market is allowed to operate such that preference demand is supplied efficiently, individuals will obtain well-being through their consumption behavior.

When exposed to broader scrutiny beyond the specialized realm of economic thought however, a number of problems emerge with these two theories. First, regarding

²⁴ See for instance: Irving Fisher.

²⁵ Robert Sugden, "Welfare, Resources, and Capabilities: A Review of Inequality Reexamined by Amartya Sen." *Journal of Economic Literature* 31, no.4 (December 1993): 1947-1962.

²⁶ Roger E. Backhouse, "Revisiting Samuelson's Foundations of Economic Analysis," *Journal of Economic Literature* 53, no. 2 (2015): 326-50.

the compensation hypothesis, it can be argued that even if the ‘compensation’ for the economically ostracized were to materialize, this compensation would do little for the loss of the spaces and institutions necessary for the practice of community. Even in the best-case scenario, robust social policies provided to the losers of laissez-faire capitalism would take the form of unemployment and various other social services. These goods, which are undoubtedly vital, and are worthy goals of compensation, are unfortunately insufficient to ensure the health and survival of the community. Specifically, the compensation hypothesis sees no harm in the loss of affordable and inclusive community spaces and their replacement by strip malls, chain stores, Walmarts, and online marketplaces, so long as the losers are sufficiently compensated for lost earnings. Later we will look at a related criticism by Amartya Sen (inspired by Marx) who calls this reduction of a spectrum of human goods to a core set of commodities “commodity fetishism.”²⁷

By arguing that increasing profits also increases the amount of capital available for social services, the compensation hypothesis attempts to provide a theoretical justification for neoliberal policies such as deregulation. Deregulation increases profits, to be sure, but it also has had a devastating impact on the community. A great deal of research has been performed examining the impact of the deregulation avalanche that occurred towards the end of the 20th century. This research has shown that most industries that were deregulated in the 70s and 80s saw significant declines in wages including railroads,²⁸

²⁷ Amartya Sen, *Resources, Values, and Development* (Harvard University Press, 1997).

²⁸ W.K. Talley and A.V. Schwarz-Miller, “Railroad Deregulation and Union Labor Earnings,” in *Regulatory Reform and Labor Markets* ed. J. Peoples (Boston: Kluwer Academic Publishers, 1998), 125-153.

trucking,²⁹ airlines,³⁰ telecommunications³¹ and industries with low levels of direct competition in general.³² Deregulation has also been identified as the culprit in decreased union membership, the collapse of the savings and loan industry,³³ and a general shift to less dependable jobs, increased financial precarity, and reduced discretionary time.³⁴ Individuals experiencing this increase in financial precarity, as Robert Putnam points out, are less likely to engage with the community and participate in social activities across the board, including “less time spent with friends, less card playing, less home entertaining, less frequent attendance at church, less volunteering, and less interest in politics.”³⁵ The only leisure activity according to Putnam that is in fact “positively correlated with financial anxiety is watching TV.”³⁶

In *Capital* Thomas Piketty shows how productivity has exploded since the 1970s—a smashing success largely attributable to neoliberal policy goals. But he also shows that over the same period of productivity growth, wages have remained flat and in some cases have declined.³⁷ In addition, according to Pew Research, the middle class in the United States has

²⁹ B. Hirsch and D.A. Macpherson, “Earnings and Employment in Trucking: Deregulating a naturally competitive industry” in *Regulatory Reform and Labor Markets*, ed. J. Peoples (Boston: Kluwer Academic Publishers, 1998), 61-112.

³⁰ David Card and Lisa Saunders, “Deregulation and Labor Earnings in the Airline Industry,” In *Regulatory Reform and Labor Markets*, ed. J. Peoples (Dordrecht: Springer, 1998), 183-247.

³¹ James Peoples, “Deregulation and the Labor Market,” *Journal of Economic Perspectives* 12, no. 3 (1998): 111-130.

³² Gabriele Cardullo, “The Distributive and Welfare Effects of Product and Labour Market Deregulation,” *Labour Economics* 18, no. 2 (2011): 205-17.

³³ Henry N. Pontell and Kitty Calavita, “The Savings and Loan Industry,” *Crime and Justice* 18 (1993): 203-246.

³⁴ For a comprehensive study on this point see Arne L. Kalleberg, *Good Jobs, Bad Jobs: The Rise of Polarized and Precarious Employment Systems in the United States, 1970s-2000s* (United States: Russell Sage Foundation, 2011).

³⁵ Robert Putnam, *Bowling alone: The Collapse and Revival of American Community* (United Kingdom: Simon and Schuster, 2001), 193.

³⁶ *Ibid*, p.193.

³⁷ Thomas Piketty, *Capital in the Twenty-First Century* (Cambridge: Harvard University Press, 2017).

gone from owning 32% of the aggregate wealth in the country in 1986, to owning 17% in 2016. Top earners conversely have gone from owning 60% of the aggregate wealth in 1986, to owning 79% in 2016—and the trend is accelerating.³⁸ In other words, both the wage gap and the wealth gap have grown under neoliberal economic policies. James Peoples explains that “in a deregulated industry, enhanced industry emphasis on cost savings and declining union control over the labor supply reduce the likelihood of workers receiving high earnings.”³⁹ In other words, these real-world developments seem to blatantly contradict the ideas of the compensation hypothesis. The increased efficiency in capital generation is going to the wealthy, and is clearly not being distributed back to the losers of neoliberalism—not in wages, not in social services, and most certainly not in community infrastructure. While the story of wealth inequality may strike us as a banal platitude as of 2022, it’s nonetheless worth fully spelling out the remarkable implausibility of the compensation hypothesis given the role it plays in justifying laissez-faire.

Responding to revealed preference theory we might ask: does my choice in the marketplace genuinely reflect my actual values and desires? Can we for instance fail to possess the necessary capabilities to act in a way that would fulfill our genuine preference? Revealed preference theory envisions a ‘radically neutral’ marketplace in which the consumer is king and producers cater to his every wish. The mistakes made by revealed preference theory however is first that all worthwhile goods are best delivered by the market, and second that all worthwhile goods *can* be delivered by the market. If individuals

³⁸ “Trends in Income and Wealth Inequality,” *Pew Research Center*, Accessed Jan 9, 2020, <https://www.pewresearch.org/social-trends/2020/01/09/trends-in-income-and-wealth-inequality>

³⁹ James Peoples, “Deregulation and the Labor Market.” *Journal of Economic Perspectives* 12, no. 3 (1998): 111-30.

are unable to participate in the life of the community due to community spaces or resources being no longer available, does this indicate a lack of preference? Revealed preference theory effectively resorts to misdirection by claiming that, so long as we continue purchasing certain goods and services, we must also *ipso facto* be pursuing our well-being, since this takes place through the consumption in the marketplace. Indeed, according to the theory of revealed preferences, the free market might be said *by definition* to maximize the satisfaction of individual preference since *whatsoever* we choose to consume should in theory reflect our actual, rational preferences. In reality however, we find that the maximization of production, consumption, and wealth generation consumes community resources which themselves remain unrecognized by economic models of well-being. These resources are eroded, consumed, and made inaccessible whether or not individuals possess a preference for them.

The consumption of community takes place through a process of what I call 'neo-enclosure,' similar to the enclosure identified by E.P Thompson.⁴⁰ Historically, enclosure was a process in the 16th and 17th centuries where landowners erected walls and fences thus disrupting the traditional grazing practices of yeoman farmers at the time. Neo-enclosure siphons resources out of shared institutions in the community and the municipality, and redistributes these resources to private individuals and corporations. A simple example of this can be seen when cities give tax breaks, land, infrastructure and other assets to entice companies to relocate to their cities. Such resources should belong to

⁴⁰ E.P. Thompson, *The Making of the English Working Class* (United States: Open Road Media, 2016).

the community, but are auctioned off instead in an attempt to encourage economic growth and job creation.⁴¹

So long as production and consumption remain the goal of economic policy and the evaluative criteria for well-being, community spaces will be enclosed, rendered productive, and consequently converted into hard capital. Examples of the enclosure phenomenon in the 21st century show similar results to those identified by Thompson including an increased reliance on wage-labor for survival, an increased or exclusive reliance on the market for necessary goods and services, and more recently, the transformation of the self into what we might call a 'survival entrepreneur.' The increased reliance on the market for all goods and services necessary for survival further helps to grow the economy by eliminating as much unremunerated labor as possible and converting it into productive activity.⁴² This unceasing demand for maximized production goes back to one of the fundamental ideas of liberalism that unproductive and *underproductive* land is wasted land. This maxim has persisted from Locke to modern neoliberal theory, and can be clearly seen in the three core tenets of neoliberalism that each aim to maximize production and consumption: globalization, privatization, and deregulation

Policy makers, economists, and politicians influenced (directly or not) by revealed preference theory and the compensation hypothesis claim to improve well-being by maximizing production and consumption in the marketplace and by enabling the greatest possible preference satisfaction. They do so however by using a process that extracts other

⁴¹ For an economic study illustrating the problem with a myopic focus on job creation see Paul N. Courant, "How would you know a good economic development policy if you tripped over one? Hint: don't just count jobs," *National Tax Journal* 47, no. 4 (1994): 863-881.

⁴² See for instance: Richard Lachmann, *From Manor to Market: Structural Change in England, 1536-1640* (Madison: University of Wisconsin Press, 1987).

goods such as community which cannot be substituted or compensated for, and which cannot be bought or sold in the marketplace. The question of revealed preferences will be considered again when we look later at the work of Amartya Sen and the capabilities approach. In the following section, we consider an example of how neoliberalism consumes the institutions and infrastructures that make community possible.

Lancaster, Ohio

In 1947 the town of Lancaster, Ohio was the focus of a cover page story in *Forbes Magazine* where it was hailed as an example of small-town community life under a capitalist economy. The article portrayed Lancaster as a town with a comfortable quality of life for its residents, an abundance of working-class jobs with middle class salaries, and good schools and hospitals.

According to *Forbes*, Lancaster was a place where the community flourished, and where citizens reinvested their time and resources back into the town for future generations. Lancastrians established and supported some of the best schools in Ohio at the time, rates of philanthropic club participation were high, homelessness was absent, and even relative poverty was rare. According to *Forbes*, it was a “very fortunate place in which to live...not only is everything clean and attractive, but the stores, factories, and offices are comfortably thriving, and retailers, manufacturers, and workers are getting along nicely.”⁴³ At the time, the vast majority of the 6,500 houses in the town were owned by the people who lived in them (85%), and while the inhabitants of these homes were not rich, they

⁴³ “This is America: The Rise of Lancaster,” *Forbes*, November 15, 1947.

could easily afford a comfortable middle-class life. In the entire town Forbes noted, “nowhere is there anything approaching a slum.”⁴⁴

The main employer in 1947 Lancaster was the well-known glass tableware manufacturer Anchor Hocking. It employed one out of every seven residents and more than three-fourths of the city’s industrial workers at the time.⁴⁵ These middle-class factory workers supported a thriving retail industry along the downtown commercial streets along with all the other services and community spaces (cafes, restaurants, cinemas, bars, drive-ins, salons, ice cream parlors, opera houses, etc.) that would be expected of a modern American mid-century town made up of by families with expendable incomes. Forbes noted that the cost of living in Lancaster at the time was “remarkably well attuned to the long-run income level.”⁴⁶

A flourishing economy, the expectation of upward mobility, compact urban geography, and a relatively equitable social distribution of resources in Lancaster led to robust community participation. Residents voted repeatedly to tax themselves in support of schools, hospitals, parks and other city facilities under the assumption that long-term investments contributed to their own and the well-being of future generations. Community spaces were plentiful and affordable, and cafes, restaurants, cinemas, bars, drive-ins, salons, drug stores, bowling alleys, swimming pools, public parks, ski rinks, museums and opera houses provided physical community spaces where residents could socialize, unwind and catch up on the local news and events. Brian Alexander, a journalist and author who

⁴⁴ Ibid.

⁴⁵ Ibid.

⁴⁶ Ibid.

grew up in Lancaster, describes his experience of the social contract in the decades following the war:

People worked hard, but most believe they'd made a fair deal. You could walk off the high school graduation stage on Saturday and walk into to a plant on Monday, where you could stay for the next four years. The company would make you a mechanic, a millwright, an electrician, a machine operator, and mold maker, a salesman. You'd do bone-wearying work but there were the perks, too, like the company softball, baseball, golf, and bowling teams; the company choir and drama clubs; the insurance and pension. You'd never get rich...but you could buy a little house on the west side, then maybe over on the east side or out in the country, and maybe a boat to fish from on Buckeye Lake. You could get married. You could pay for your kids to attend a decent state university. Best of all, you could stay in the town where your kid's fourth grade teacher who taught you, too.⁴⁷

The Lancaster 'social contract' continued in this way for around another 30 years following the publication of the Forbes article until the economic rules began to change. In the late '70s and early '80s the prevailing rules of capitalism were being upended by sweeping changes in business practice, public policy, and the laws coming out of Washington. Not only were businesses transitioning from commodity goods to finance and services, but deregulation was making corporate consolidation easier. Something called a leveraged buyout (LBO) exploded in popularity and the private equity investment firm was its chief proponent. LBOs enable an investor to purchase a company using the existing capital and revenue of the target company as collateral for the acquisition. This means that companies that exemplify successful industry (steady profits, trusted brands, little debt) are prime targets for LBO acquisitions. Starting in the 70s private investment firms began searching the country for attractive companies that could be flipped for a profit. After acquiring a company, investment firms would slash the cost of production, battle unions,

⁴⁷ Brian Alexander, *Glass House: The 1% Economy and the Shattering of the All-American Town* (United States: St. Martin's Publishing Group, 2017), 31.

spin off divisions, cut benefits, compel workers to be ruthlessly productive, and then sell the companies again for a quick profit or take them public and cash out.

The businesses of Lancaster were ideal targets for private equity investment. In 1983, roughly one half of Anchor Hocking (its container division) was spun off and acquired through an LBO. Multiple factories in Ohio were shuttered and operations moved to Florida. The new private equity owners issued ultimatums to unions and successfully forced concessions in compensation, insurance, retirement, and reductions in hours for the remaining workers. A second plant in Lancaster was later shut down for good with most jobs being eliminated, and in 1987 the remainder of the company was acquired through another LBO by Newell corporation.

Newell, a substantial corporation with a market cap of 11.3 billion as of 2021 and a large accumulation of brands including Rubbermaid, Ball, Sharpie, Coleman, Sunbeam, Oster, and around 40 others, slashed the labor force and introduced a culture of ruthlessness with the intent to maximize efficiency.⁴⁸ Newell immediately closed one of the factories in West Virginia and fired 110 people at the Lancaster headquarters thus shuttering the white-collar office in the center of downtown. Remarkably, incoming executives were advised to settle *outside of* Lancaster so that “they wouldn’t be troubled by requests for civic involvement or charitable contributions.”⁴⁹ Over the next few years, it parted out the less profitable divisions of the company in order to consolidate profits while simultaneously closing factories, battling unions and successfully extracting tax abatements

⁴⁸ Ibid.

⁴⁹ Ibid, 56.

from the city. The tactic worked well for Newell and by 2002 the corporation was booming with net sales of 7.5 billion and a 10.5% return on invested capital.⁵⁰

In 2004, Anchor Hocking was sold to the aptly named private equity investment group Cerberus Capital Management which specialized in profiting from bankruptcies. When Anchor Hocking went bankrupt in 2006, Cerberus was able to eliminate their financial obligations for pensions, healthcare, and unpaid 401k contributions during the court proceedings. Former employees and pensioners who had worked for the company their whole lives suddenly found themselves with thousand-dollar monthly insurance premiums and no pensions. Meanwhile Cerberus continued to thrive with more than \$30 billion in assets. Cerberus' CEO Steven Feinberg who was responsible for fighting to eliminate Anchor Hocking's financial obligations to its workers and to the town of Lancaster would later be tapped as an economic advisor in Donald Trump's administration in 2016.⁵¹ In 2007 Anchor Hocking was acquired by yet another private equity firm, and during the same year an entirely separate glass manufacturer in Lancaster was acquired by a private equity firm through an LBO and shut down.

The impact of predatory leveraged buyouts on the town of Lancaster was devastating. As layoffs grew the delicate balance in the community was disrupted and attitudes towards the town began to change. Where residents once took pride in Lancaster and supported schools, parks and community institutions, now bond measures could not get the votes they needed. Local schools which had once been the pride of Lancaster were neglected and entered a downward spiral. By the late 1990s "students were passing only

⁵⁰ Ibid.

⁵¹ Fairfield County in which Lancaster is located voted for Trump with an almost 30% margin in 2016.

ten out of twenty-seven proficiency standards, while fourth and sixth graders passed only one out of ten.”⁵² Drug abuse increased along with poverty, and law enforcement task forces ballooned in response. In 2016 the poverty rate for all families with children under five was over 38 percent.

As of 2018 Anchor Hocking still manufactured glass wares, but new hires make only \$12 per hour with few additional benefits. Factory workers make \$96 per day, or \$480 for a forty-hour work week. Alexander notes that “after deductions, health insurance premiums, and union dues...some workers take home under \$10,000 per year if they bought into the health insurance plan. That’s why many don’t.”⁵³ Lancaster itself has become largely dependent on federal and state government money for social services, health services, and law enforcement. Corporate generosity under the new economy has also vanished, and instead of pensions, health care, life insurance and community investments, Anchor Hocking workers were given a \$15 Walmart gift card as a holiday bonus before Thanksgiving 2015.⁵⁴

The example of Lancaster illustrates the impact of economic liberalism on community institutions. What Lancaster shows is how the pursuit of maximized capital production for the purpose of consumption as a proxy for well-being, entirely neglects the resulting damage inflicted on the community, and how liberal theories such as the compensation hypothesis do not function in practice. The cascading waves of LBOs in which private equity firms competed amongst themselves in a race to strip Anchor Hocking

⁵² Ibid, 69.

⁵³ Ibid, 278.

⁵⁴ Ibid, 287.

of all remaining value and extract as much additional capital from employees and the town of Lancaster as possible, was a resounding success from the perspective of maximizing capital production and consumption. It was also, however, a dismal failure for the communities that were once supported by business leaders living in and committed to the same communities as their employees.

The Lancaster of the 1940s during the time of the Forbes expose article was also a predominantly white community, undoubtedly one in which skin color, sexual orientation, and gender identities would have been a significant barrier to meaningful participation. Many businesses in Lancaster practiced segregation, and Ohio enacted a number of racist laws, including anti-miscegenation laws (1877), a statute that permitted schools to practice segregation if “in their judgment it may be for the advantage of the district to do so” (1878), as well as a statute requiring race to be taken into consideration in adoption petitions (1953). Many of the physical spaces including shops, diners, the aquatic center at certain times, and even entire neighborhoods would have been inaccessible for many minority groups at the time.

With this in mind, the point of using Lancaster to illustrate the impact of neoliberal economic policy was not to harken back to a nostalgic and idealized white American community that no longer exists. It is rather to show how the logic of neoliberalism plays out, and how community extraction operates when economic policy prioritizes profits, production, and consumption. The extraction of community under a neoliberal economy operates in the same way for minority communities, multicultural communities, and in hypothetical future societies in which legal rights, social norms, and cultural institutions

guarantee full equality of opportunity and access for all residents. So long as community is not recognized as a good to be protected in this hypothetical future state where racial justice has triumphed, but neoliberal markets prevail, it remains in danger of being consumed, or allowed to perish quietly. In this sense, the way forward for the Lancaster of the 50s would have been towards greater racial integration and justice,⁵⁵ extending the benefits of inclusive community to all on a basis of equality without discrimination, and not the dismantling of community by allowing corporate raiders to strip it bare.

The transformation of local businesses and industry into postmodern fiefdoms controlled by distant conglomerates has made it possible for the owners and administrators of these entities to remain separated from the locales in which they operate. Goods and services (both retail and e-commerce) are now supplied through economic mechanisms that operate as capital siphons, strategically distributed according to algorithms of profit maximization, and supported by centralized labor located in whichever state happens to be the cheapest. Lancaster illustrates how the neighborhoods and towns that once anchored the embedded, entangled, and interdependent affairs of those who share interests and fates are quickly becoming sites of alienated consumption in which community exists only in the most superficial sense.

A final illustration of the widespread phenomenon of community disintegration is cited by Alan Ehrenhalt who highlights the example of the Lennox Corporation in Marshalltown, Iowa. Ehrenhalt notes how Lennox, as it grew and prospered, provided a source of comfortable middle-class jobs for residents of Marshalltown, and that “it’s

⁵⁵ As argued in Elizabeth Anderson, *The Imperative of Integration* (Princeton: Princeton University Press, 2010).

managers helped with countless local fairs, fund drives, and school building campaigns.”⁵⁶

Throughout the late 1800s and early 1900s, Lennox Corporation remained in

Marshalltown. Ehrenhalt writes that,

Lennox could probably have improved its profit margins in the 1950s by moving to a place where labor was cheaper, but its loyalty was to Marshalltown. Eventually, though, company officials did investigate other locations. In the late 1970s Lennox moved its corporate headquarters to Dallas, arguing that a small town in central Iowa was inconvenient for the air travel needs of its executives. The factory stayed where it was.

In 1993 Lennox grew even more restless and announced that it might have to close the Marshalltown plant altogether, not because the company was losing money, or facing any sort of crisis, but just because the time had come to seek out the best opportunities. The fact that Marshalltown’s very survival might depend on Lennox was of no consequence. “Strictly a business decision,” the company vice presidents said.

In the end, Marshalltown managed to keep Lennox—with what amounted to a bribe of 20 million in subsidies paid out by a local government that badly needed the money, to a profitable corporation that really didn’t. But the lesson is clear: long-standing relationships don’t keep a factory open anymore. “In terms of the morality of the situation,” the mayor of Marshalltown said, “it’s just a fact of life.”⁵⁷

This “fact of life” cited by the mayor of Marshalltown illustrates the change of consciousness which has accompanied the success of economic liberalism. One can perfectly imagine the leadership of Anchor Hocking in the 1950s explaining their allegiance to Lancaster using similar “matter of fact” language. Today not only has the machinery and operation of our economy changed through the neoliberal paradigm shift, but so have our ways of understanding and talking about the ‘cold hard facts’ of our social, economic, and communal ways of living.

Deregulation

In this section we look more closely at one of the core features of economic liberalism. Market regulation has been a feature of American economic policy since the

⁵⁶ Alan Ehrenhalt, *The Lost City: Discovering the forgotten virtues of community in the Chicago of the 1950s* (New York: Basic Books, 1995), 11.

⁵⁷ *Ibid.*

19th century. During and after the Great Depression, sweeping market reforms sought to maintain market oversight and prevent future economic turmoil. In the 1930s, the Roosevelt administration established state regulatory agencies in industries across the American economy including in banking, securities, agriculture, communications, utilities, retail (protecting local stores against chains), food production, drugs, and cosmetics. Regulatory agencies came to oversee most major industries to ensure that companies would compete fairly, and would pay adequate attention to the public interest, and future economic stability.

During the 1970s, however, many of the free-market ideas advanced by the Mont Pelerin Society began to gain acceptance and in economic scholarship, government regulation was increasingly targeted as the cause of slow growth, increased inflation and economic inefficiency. During this time and continuing into the 80s and 90s, a remarkable number of regulatory agencies were dissolved in the US and the UK, including agencies overseeing railroads and banking to telecommunications, interstate transport and airlines. This push for deregulation in the US was supported by a group of economists asserting that regulation conceals taxation, subverts democratic and congressional oversight, stifles competition, and leads to inappropriate relationships between firms and regulatory agencies.

George Stigler, the conservative economist and a founding member of the Mont Pelerin Society won a Nobel Prize for developing his 'capture theory' of regulation which claims that rather than supporting the public interest and correcting market failures, regulatory agencies develop cozy relationships with the companies being regulated. These

companies lobby and cajole the agencies overseeing them resulting in the “capture” of those meant to protect the public interest.⁵⁸ Around the same time Richard Posner argued that government regulation included an element of ‘hidden taxation,’ protesting that regulation compels “the provision of certain services in quantities and at prices that a free market would not offer...,” thus distorting the price equilibrium.⁵⁹ Other research in economics in the 70s and 80s proposed that regulation generally failed to protect the public interest, and that it was actually *deregulation* which protected the public interest by maximizing productivity, consumption and by extension, well-being.⁶⁰

These works in economic theory provided the intellectual backdrop to the waves of deregulation and free market policy that swept across the US, the UK, and in Argentina in the 70s and 80s. In 1981 Ronald Reagan signed an executive order to reduce industry regulation by mandating that government agencies use financial cost-benefit analyses in policy decisions. Agencies were directed to monetarily quantify the “benefits” their regulations would provide in purely financial terms. By 1996 Cass Sunstein could accurately proclaim that “the regulatory state is slowly becoming something like a cost-benefit state” and that it was an “unmistakable feature of public life in...American government.”⁶¹ To Sunstein’s approval, this neoliberal wave had succeeded in placing productivity and efficient profit generation at the center of government policy.

⁵⁸ George J. Stigler, "The Theory of Economic Regulation." *The Bell Journal of Economics and Management Science* 2, no. 1 (1971): 3-21.

⁵⁹ Richard A. Posner, "Taxation by Regulation," *The Bell Journal of Economics and Management Science* 2, no. 1 (1971): 22-50.

⁶⁰ For an overview of these arguments see: Sam Peltzman, Michael Levine, and Roger Noll, "The Economic Theory of Regulation After a Decade of Deregulation," *Brookings Papers on Economic Activity* (1989), 1.

⁶¹ Cass Sunstein, "Congress, Constitutional Moments, and the Cost-Benefit State," *Stanford Law Review* 48, no. 2 (1996): 247.

Deregulation of the banking and securities industry foreshadowed the explosive growth of private capital along with the profit seeking activities that accompanied it. The incremental erosion of the 1933 Glass-Steagall Act which had established a “firewall” between banks and investment firms, partly contributed to the popularity of LBOs in the 70s and 80s. As with Anchor Hocking, companies which exemplify successful industry—steady profits, trusted brands and low debt ratios—are prime targets for an LBO. Post-acquisition, investors invariably slash the cost of production, battle unions, spin off divisions, cut benefits, compel workers to be ruthlessly productive, before selling the companies again for a quick profit, or taking them public and cashing out.

Reagan’s 1981 executive order requiring agencies to justify policy through financial cost-benefit analysis further fueled deregulation, forcing social goods like community to be ignored or stuffed into quantifiable (i.e., financial) analysis. In the UK for instance, deregulation of the pharmaceutical industry in 2003 was a benefit to chain stores and large drug retailers in increased financial pressure on small so-called “community pharmacies” in which basic health assistance and advice was also provided.⁶² A similar example can be seen in the United States in which small pharmacies once served as community spaces where people could come in and sit at the counter while the pharmacist served tonics for various ailments along with scrubs and floats.

Deregulation, Small Business, and Community

⁶² Sabine Vogler and Katharina Habimana and Danielle Arts, "Does Deregulation in Community Pharmacy Impact Accessibility of Medicines, Quality of Pharmacy Services and Costs? Evidence from nine European countries," *Health policy* 117, no. 3 (2014): 311-327.

The relationship between industry consolidation and the decline of small business in America was illustrated in the story of Anchor Hocking, but this story has also been repeated countless times across the country. Drove of small companies that were once the lifeblood of their communities have been increasingly subsumed into monolithic conglomerates whose only responsibility is to their shareholders—often with results echoing those in Lancaster. Newell Corporation for instance, (which also owned Anchor Hocking for a brief period) continues to have an extensive family of brands including Elmers, Reynolds, Paper Mate, Sharpie, X-ACTO, Graco, Coleman, Marmot, Stearns, First Alert, Oster, Rawlings, Sunbeam, Crock Pot, Ball, Mr. Coffee, Chesapeake Bay Candles, Rubbermaid, and many others. Each of these brands was once an Anchor Hocking rooted in cities and towns across the United States.

Once acquiring a new brand, conglomerates like Newell typically rip them from the communities in which they existed, often since their founding. Considering *just the brands mentioned above*, the Elmer's glue offices in Westerville, Ohio were closed in 2016,⁶³ the Rubbermaid facility in Pottsville, Pennsylvania was closed in 2014,⁶⁴ another Rubbermaid facility in Madison, Wisconsin was closed in 2006,⁶⁵ the Chesapeake Bay Candle manufacturing plant in Glen Burnie, Maryland was closed in 2019,⁶⁶ the production of

⁶³ Tom Knox, "Elmer's Glue leaving Central Ohio, cutting 40 jobs and moving 50," *Columbus Business First* (Columbus, Ohio) Feb 18, 2016, <https://www.bizjournals.com/columbus/news/2016/02/18/elmers-glue-leaving-columbus-h-40-jobs-lost.html>

⁶⁴ "Rubbermaid To Close Pottsville Facility; 100 To Lose Their Jobs," *The Associated Press* (Pottsville, Pennsylvania), February 13, 2014, <https://philadelphia.cbslocal.com/2014/02/13/rubbermaid-to-close-pottsville-facility-100-to-lose-their-jobs>

⁶⁵ Nathan Leaf, "Newell Rubbermaid Closing Plants More than 200 Madison Jobs will be Cut," *Madison.com* (Madison, Wisconsin), Jan 5, 2006, https://madison.com/business/newell-rubbermaid-closing-plants-more-than-200-madison-jobs-will-be-cut/article_61f25790-6d48-5ee8-bb40-a2df2312a4ed.html

⁶⁶ Colin Campbell, "Chesapeake Bay Candle manufacturing plant in Glen Burnie to close, laying off 125," *The Baltimore Sun* (Baltimore, Maryland), June 28, 2019, <https://www.baltimoresun.com/maryland/>

Rawlings sporting goods in Washington, Missouri ended in 2015,⁶⁷ the Coleman offices in Wichita were closed in 2017,⁶⁸ and the Mr. Coffee production facility in Glenwillow, Ohio was closed in 2000.⁶⁹ Each of these closures represents an attempt to cut costs, and increase productivity, efficiency, and profits at the cost of jobs, livelihoods, and communities.

Many of these closures have also been driven by a single-minded focus on achieving the lowest possible price to manufacture and sell a product. Walmart in particular is ruthless in pressuring companies to reduce their prices by any means necessary, invariably forcing them to close factories and relocate production elsewhere if they wish to be sold at the world's largest retailer.⁷⁰ In the case of Rubbermaid of Wooster Ohio, Walmart refused to pay more for their products when the raw material costs for manufacturing increased by 80 percent in the mid 1990s. Walmart dropped Rubbermaid products and the company subsequently saw its revenue plummet by 30 percent in 1995, setting the stage for its acquisition by Newell in 1999. A few years after the acquisition in 2003 Newell closed the flagship Wooster factory thus eliminating 850 manufacturing jobs and relocating another

anne-arundel/ac-cn-chesapeake-candle-20190629-story.html

⁶⁷ Lisa Brown, "End of the line for Rawlings' football helmets," *St. Louis Post-Dispatch* (St. Louis, Missouri), June 21, 2015, https://www.stltoday.com/business/local/end-of-the-line-for-rawlings-football-helmets/article_c2a1a349-104c-504e-80d7-ea37c7ddd951.html

⁶⁸ Dan Voorhis, "Coleman execs again leaving Colorado, Wichita plant safe," *The Wichita Eagle* (Wichita, Kansas) January 3, 2017, <https://www.kansas.com/news/business/article124266399.html>

⁶⁹ "Sunbeam Closing Mr. Coffee Plant," *Associated Press*, March 14, 2000, <https://apnews.com/article/de25230845004f954a91efb84c15dd92>.

⁷⁰ Rebekah Peoples Massengill, *Wal-Mart Wars : Moral Populism in the Twenty-first Century* (New York: New York University Press, 2013).

400 administrative jobs.⁷¹ The factory had played a vital role in the economy of Wooster, and the closure had a profound impact on the town and the community.

Driven by the “facts of life” that demand efficient production and increased profits, manufacturers are driven to cut costs and relocate accordingly, thereby weakening communities and threatening livelihoods. As middle-class jobs with benefits are cut back or eliminated entirely, individuals become increasingly dependent on ultra-cheap retailers. In *Walmart Wars*, Rebekah Massengill documents these stories of dependence. One Walmart shopper for instance declares that “Wal-Mart is a must in my family. There is no way that I could possibly not shop there. The low prices on everyday items of necessity and even non-necessity make it possible for the average working family to actually buy...[what they need].”⁷²

Although Walmart regularly styles itself as a champion of the community, Massengill shows that it also seems cognizant of its own estrangement, speaking with an “exclusionary undertone” about ‘giving back to the community’ and about ‘the communities we serve,’ implying “that Walmart is not itself a *member* of the community, but more of an interloper whose identity remains separate, even removed, from the local store’s surrounding area.”⁷³

Studies looking at the impact of big box chain retailers on communities across the US show that the opening of Walmarts and other large chain retailers lead, among other

⁷¹ See: AFL-CIO Wal-Mart Campaign, “Wal-Mart Imports from China, Exports Ohio jobs,” (Washington, DC: AFL-CIO, September 1, 2005), accessed from <https://hdl.handle.net/1813/88120>.

⁷² *Ibid*, p.52.

⁷³ *Ibid*, p.60.

things, to the closing of small local business,⁷⁴ slower income growth,⁷⁵ lower local employment overall,⁷⁶ and “smaller reduction in family-poverty rates in US counties relative to places that had no stores.”⁷⁷ In one study of three towns in rural Iowa for instance, Muller and Humstone show that the opening of a Walmart captures significant business from existing retailers, and that small locally owned businesses suffer invariably.⁷⁸ They write that

[t]here were clearly identified losses in downtown stores after Walmart opened. General merchandise stores were most affected. Other types of stores that closed include: automotive stores, hardware stores, drug stores, shoe stores, apparel stores, and sporting goods stores. Some restaurant closings were also noted.⁷⁹

When local retail becomes predominantly serviced by chain stores, it has a significant impact on the local economy and the dynamics of the local community.⁸⁰ When retailers operate in a community their presence is felt by many other players in the region due to the fact that they “buy raw materials and goods locally, hire local residents, obtain financing from local financial institutions, rent or lease real estate from local landlords and landowners, use local business services, and generate profit for local owners.”⁸¹ The use of

⁷⁴ See: Kenneth E. Stone, *Competing with the Retail Giants : How to Survive in the New Retail Landscape. National Retail Federation Series* (New York: Wiley, 1995); K. Stone, G. Artz and A. Myles, *The economic impact of Wal-Mart supercenters on existing businesses in Mississippi* (Starkville: Mississippi State University Extension Service, 2002).

⁷⁵ Sherrill Shaffer, "Establishment Size by Sector and County-Level Economic Growth," *Small Business Economics* 26, no. 2 (2006): 145-54.

⁷⁶ David Neumark, Junfu Zhang and Stephen Ciccarella, "The Effects of Wal-Mart on Local Labor Markets," *Journal of Urban Economics* 63, no. 2 (2008): 405-30.

⁷⁷ Stephan J. Goetz and Hema Swaminathan, "Wal-Mart and County-Wide Poverty." *Social Science Quarterly* 87, no. 2 (2006): 211-26.

⁷⁸ Thomas Muller and Elizabeth Humstone, "What Happened When Wal-Mart Came to Town? A Report on Three Iowa Communities with a Statistical Analysis of Seven Iowa Counties," *National Trust For Historic Preservation* (1996).

⁷⁹ *Ibid*, p.7.

⁸⁰ Stephen Halebsky, "Chain Stores and Local Economies: A Case Study of a Rural County in New York," *Community Development* 41, no. 4 (2010): 431-52.

⁸¹ *Ibid*, 434.

local labor for a retailer's business operations strengthens the local economy while local reinvestment of profit increases self-reliance, upward mobility, and availability of jobs in a community.

Chain stores on the other hand do not use local business services nor do they share their financial successes with the community. Jobs such as accounting, legal services, marketing, printmaking, logistics, finance, research and development, and communications are all done in-house, and in a location far away from the retail outlets. In addition, profits are siphoned outside of the community to be reinvested and spent elsewhere. This extraction of wealth and the subsequent weakening of the local economy increases the individual's dependence on cheap goods creating a feedback loop in which 'there is no way that I could possibly not shop there.'

The dominance of big box retailers across the urban landscape of the US is the result of deliberate policy initiatives which increasingly removed protections for small businesses. Large chain stores and mail-order businesses had attempted to get a toehold as far back as the 1920s. At that time small, locally owned businesses which lacked large storage facilities and logistics infrastructures relied on wholesalers to supply goods from manufacturers. Within this model, the wholesalers would receive a fixed discount from the manufacturer while the retailer would pay a modest premium to the wholesaler. Chain stores began to undercut small local businesses and retailers by 'eliminating the middleman' and performing the services of wholesalers through the use of their own internal logistics and purchasing departments who negotiated steep discounts directly with

manufacturers. Woolworth's was an early pioneer of this model and developed many cost-cutting strategies which were widely copied by retailers around the world.

During the New Deal era, however, the chain store threat posed to local retailers and local economies was enough of a concern that lawmakers passed legislation to protect small businesses. The sentiment was captured by the progressive Governor of Louisiana and later U.S. Senator Huey Long who proclaimed that he "would rather have thieves and gangsters than chain stores in Louisiana."⁸² Laws around the US took various approaches to curtail the explosive growth of chain stores, from explicitly forbidding "chains from opening additional units within the state" to imposing "punitive taxes on the operation of multiple-unit retail establishments."⁸³ One law passed by Congress in 1936 was the Robinson-Patman act, which outlawed the kind of price discrimination chain stores had been using to undercut small retailers. Under the law, producers would be compelled to sell the same product at the same price regardless of the volume of the order, or the relationship of the manufacturer with the purchaser.

As with many other regulations created during the progressive era, the Robinson-Patman act has become effectively defunct, and is no longer enforced by the Federal Trade Commission. David W. Boyd's 1997 article "From 'Mom and Pop' to Walmart" shows how the demise of Robinson-Patman and other resale pricing laws, since the early to mid 1970s has led to a consolidation in the total number of unique retail businesses in the US (a 26% decline from 1972 to 1982), as well as an increase of 37% in average annual sales per chain

⁸² Cited in Frederick M. Rowe, "The Evolution of the Robinson-Patman Act: A Twenty-Year Perspective," *Columbia Law Review* 57, no. 8 (1957): 1059-088.

⁸³ *Ibid*, p.1065.

stores between 1977 and 1992.⁸⁴ He writes that “the establishments that survived the retail consolidation beginning in the middle 1970s tended...to be stores with larger annual sales volume.”⁸⁵

The replacement of small local businesses by Walmart, Starbucks, CVS, McDonalds, Great Clips, Dollar General and so on amounts to a transformation in the character of community spaces, as well as a weakening of the strength and viability of communities themselves.⁸⁶ Retail consolidation not only remakes community spaces, erodes wages and benefits, and adversely impacts union membership, but it also forces communities to compete for employers who dangle the prospect of jobs in exchange for tax breaks, cash infusions, land grants, and other benefits. In the recent “HQ2” search involving Amazon, New York City offered the company 3 billion dollars in public funds, or around 48,000 per job created. This “reversal” in which tax revenues are given to companies rather than received from them is justified by citing hypothetical gains in tax revenues and economic growth, supposedly generating greater well-being through the theory of production and consumption.

Another area where deregulation has had an impact on community health is the banking and securities industry. The gradual elimination of the 1933 Glass-Steagall act which established a “firewall” between banks and investment firms partly contributed to the popularity of the leveraged buyout due to banks often being the only entities with the

⁸⁴ David W. Boyd, "From 'Mom and Pop' to Wal-Mart: The Impact of the Consumer Goods Pricing Act of 1975 on the Retail Sector in the United States," *Journal of Economic Issues* 31, no. 1 (1997): 223-32.

⁸⁵ Ibid.

⁸⁶ See for instance: Peter F. Korsching and John C. Allen, "Locality Based Entrepreneurship: A Strategy for Community Economic Vitality," *Community Development Journal* 39, no. 4 (2004): 385-400; Alison Morrison, John Breen and Shameem Ali, "Small Business Growth: Intention, Ability, and Opportunity," *Journal of Small Business Management* 41, no. 4 (2003): 417-25.

necessary capital to fund such large deals. By allowing banks to operate investment arms, capital otherwise held in savings and checking accounts was made available as dry powder in the acquisition of companies and conglomerates that had previously been too expensive for private equity. One of the largest LBOs in history in fact was the acquisition of HCA Healthcare in 2006 by Kohlberg Kravis Roberts, Mitt Romney's Bain Capital, and the investment arm of Bank of America (Merrill Lynch) for 33.6 billion. Prior to its acquisition in 2005 the annual gross profit for HCA Healthcare was at around \$20.3 million. Following the acquisition and years of standard private equity management policies to cut costs and maximize profits, including in this case the understaffing of doctors and nurses and the coding of medical treatments for maximum profitability, the 2018 annual gross profit for HCA nearly doubled to just under \$39 million. HCA Healthcare stock which went public in 2011 and spiked from a low of around \$18 per share that year to \$93 per share only four years later.⁸⁷ As of 2019 the stock reached highs of \$144 per share, representing a nearly 8-fold return on investment from 2011.

A *New York Times* article in 2012 described the success of the acquisition and how it spawned at least 35 similar acquisitions of hospitals by investment banks hoping to replicate the HCA formula. *The Times* also described the tactics used by leadership to achieve these results, including how in 2008 HCA "changed the billing codes it assigned to sick and injured patients who came into the emergency rooms" resulting in an immediate surge in patients who required additional and more expensive treatments, which were

⁸⁷ "HCA Healthcare Gross Profit 2010-2022," *Macrotrends.net*, accessed April 12th, 2019, <https://www.macrotrends.net/stocks/charts/HCA/hca-healthcare/gross-profit>

“paid for at significantly higher levels by Medicare.”⁸⁸ Through a standardized policy of recommending and coding medical treatments according to profitability over the needs of patients and the understaffing of hospital workers, private equity firms and Bank of America were able to generate astonishing wealth in a short period of time.

The example of LBO acquisitions demonstrate how untapped seams of capital are embedded like threads in the social fabric of our community and public institutions. These institutions are ripe for precisely the kind of enterprising profit maximization recommended by economic liberalism. By exploiting Medicare much of HCAs increased profits came directly from the pockets of the taxpayers, while the extraction of value from communities and workers through LBOs describe in fact what might be called a ‘reverse compensation hypothesis.’ Without regulation to direct the market towards the good of the community, the imperatives of production and consumption are realized by funneling wealth directly *from* the public interest *to* the private interest. This reversal of flow in which community, social reproduction, and quality of life are converted into productive capital is one of the primary ways that neoliberal rationality operates to undermine and extract community.

Globalization

Globalization forms the second pillar of neoliberalism. In its most attractive interpretation, Globalization is simply the maturation of the practice of ‘international’ trade as seen throughout human history. Modern trade has generated a remarkable cornucopia of goods and services readily available to consumers with the means to purchase them. It

⁸⁸ Julie Creswell and Reed Abelson, “A Giant Hospital Chain Is Blazing a Profit Trail,” *The New York Times* August 14, 2012, <https://www.nytimes.com/2012/08/15/business/hca-giant-hospital-chain-creates-a-windfall-for-private-equity.html>.

makes little sense to argue that trade *in and of itself* is an activity that must be eliminated to save our communities. Indeed, the availability of goods from around the world— from Taiwanese tea, Ethiopian coffee, and Mexican avocados to Thai mangoes, Ecuadorian bananas, Swiss chocolate, and French cheese, is an incredible feat of the modern world that few would wish to forego.

However, when practiced merely as a means for the unending drive for efficiency and profit maximization, trade becomes increasingly problematic for the health of local communities. The removal of trade barriers around the world has resulted in the exploitation of cheap labor as a way to generate ever-greater profits, and has incentivized states to lower tax rates, eliminate worker protection laws, and pollute their own biomes. It has also led to the collapse of domestic industries and communities whose profit margins were simply not large enough to satisfy the demands of modern economies.

Arguments for globalization and barrier-free trade are rooted in the idea of comparative advantage found in the work of Adam Smith and David Ricardo. Comparative advantage claims that if states focus on producing the goods and services that they're most efficient at and trade with other states doing the same, more commodities will be produced, and greater rates of consumption will be enabled by all. Once again, we see the now familiar bromide that greater consumption is an adequate approximation of increased prosperity and well-being.

While undeniably succeeding at increasing production and consumption, globalization has also driven down wages, weakened labor rights, and lowered levels of corporate taxation. The argument that globalization lifts people out of poverty ignores the

dynamic in which states competing against one another for foreign direct investment (FDI) slash their corporate tax rates and social services in exchange for a sort of corporate feudalism where employees are bussed back and forth every day from block housing to factories. These poverty elimination arguments for globalization make unwarranted assumptions about the actual capabilities realized by factory workers under such conditions. Incomes may indeed be substantially greater than under subsistence farming, but the relative capabilities to be and to do, cannot be approximated by looking at increases in wage and income alone. When states and communities with vastly different costs of living compete against one another for jobs, the winning strategy comes at a steep cost indeed.

Studies looking at the relationship between globalization and the “race to the bottom” phenomenon in which states compete against one another to provide labor at the cheapest possible price have clearly shown a strong correlation between the two.⁸⁹ Davies and Vadlamannati for instance find that among non-OECD countries competing for FDI, laws, standards, and practices protecting labor *all declined* from 1985 to 2002. In OECD states, labor *laws* remained on the books but the labor *standards and practices* in those states declined instead, suggesting that laws were simply being ignored.⁹⁰ In a separate study, William Olney found robust evidence of both a race to the bottom among states competing for FDI, as well as evidence showing that multinationals specifically seek out states with low labor standards. Olney writes that “if labor market standards are necessary to protect the rights of workers, then these results are discouraging. Multinationals are

⁸⁹ Ronald B. Davies and Krishna Chaitanya Vadlamannati, "A Race to the Bottom in Labor Standards? An empirical investigation," *Journal of Development Economics* 103, (2013): 1-14.

⁹⁰ *Ibid.*

investing in countries with the least restrictive regulatory standards..."⁹¹ If on the other hand, however, well-being is indeed facilitated by increased production and consumption, and if "labor standards are undesirable and hinder economic flexibility and growth" then the evidence that "countries are competitively lowering employment protection rules is encouraging."⁹²

Many examples can be found that illustrate the conflict between community and globalization. In a study looking at farming communities in northern Canada, Christopher Lind shows how globalization undermined and disrupted the carefully planned supply management system designed to ensure fair commodity prices that could support the livelihoods of Canadian farmers. Lind finds that the supply management systems are increasingly seen as obstacles to competition and efficiency, reflecting a shifting set of economic priorities. The net effect of globalization on Canadian farmers has been the "elevation of competitiveness as the dominant moral norm" and the subordination of "questions of social justice to questions of economic efficiency."⁹³ Lind describes how in 1993, over 50 percent of Saskatchewan's rural farmers appeared before government farm debt review boards—an appearance that happens only once creditors intend to foreclose on a property. The inability for farmers to remain solvent and compete with globalized labor has been devastating for the rural communities that Lind looks at.

⁹¹ William W. Olney, "A Race to the Bottom? Employment Protection and Foreign Direct Investment," *Journal of International Economics* 91, no. 2 (2013): 191-203.

⁹² *Ibid.*, 203.

⁹³ Christopher Lind, *Something's Wrong Somewhere : Globalization, community and the moral economy of the farm crisis* (United States: Fernwood Publishing, 1995), 40.

Globalization also includes the opening of real-estate markets to foreign capital. The use of housing and real estate as an investment vehicle pushes up the cost of living, drives out lower income residents, and leads to a less vibrant community when units sit vacant. Vancouver, BC for instance has become a case-study on what happens when community spaces become vehicles for capital generation, wealth sequestration, and safe-havens against foreign taxation and economic instability. An influx of real estate investors to Vancouver since the early 1980s has had a dramatic impact on the city, driving up housing prices and pushing out lower-income residents and business owners. David Ley has found that while real median household incomes in the Vancouver metro area peaked at \$61,800 between 1977 to 2006, and subsequently fell to \$54,900 in 2006, average real house prices roughly doubled during the same period.⁹⁴ Ley showed that despite having the lowest rates of wage growth among the 10 largest Canadian cities (36% between 2001 and 2014) Vancouver BC home prices “rose 63% in the metropolitan area and 211% in the city” over the same period.⁹⁵

Such rapid growth in rent and real estate generates greater profits for landowners, (and would thus also be considered more productive land) but have correspondingly negative impacts on communities. The concept of gentrification is one way to capture the increased productivity and profits generated by urban land. First identified by Sociologist Ruth Glass in the 1960s, Gentrification aims to transform poor, unproductive and often minority neighborhoods into centers of capital incubation and growth. Such neighborhoods are rebuilt and refashioned with new ‘designer’ offices, flex-work spaces, micro-housing,

⁹⁴ David Ley, "Global China and the Making of Vancouver's Residential Property Market," *International Journal of Housing Policy* 17, no. 1 (2015): 15-34.

⁹⁵ *Ibid*, 26

luxury shops, and restaurants. As seen in the above example of Vancouver, even those earning well above the national average often struggle to afford the cost of living in these refashioned, hyper-productive urban spaces.

According to Neil Smith gentrification has become a globalized urban strategy that is replacing the Keynesian city in Europe and North America which once supported and subsidized social reproduction. In its place is emerging a new revanchist urbanism, “densely connected into the circuits of global capital and cultural circulation” and concerned foremost with maximal capital production.⁹⁶ As Smith points out, under a neoliberal urban policy, “real-estate development becomes a centerpiece of the city’s productive economy, an end in itself, justified by appeals to jobs, taxes, and tourism,” and has become “an increasingly unassailable capital accumulation strategy for competing urban economies.”⁹⁷

As urban economies compete against one another in the globalized marketplace, corporations are courted and presented with lavish gifts under the assumption that more jobs and economic growth are unequivocally good for the city. This assumption, much like economic liberalism in general, overlooks the cost paid by the community. In one striking example, the City of New York under the Mayorship of Rudy Giuliani responded to ‘threats’ by the New York Stock Exchange that it might relocate to New Jersey by orchestrating a \$900 million taxpayer subsidy, including \$400 million for a new 650,000-square-foot office. As Smith writes, “there was never any pretense that financial need was even an issue...since

⁹⁶ Neil Smith, "New Globalism, New Urbanism: Gentrification as Global Urban Strategy," *Antipode* 34, no. 3 (2002): 427-50, p.439.

⁹⁷ *Ibid*, 443.

the subsidy came at a time when the stock exchange was siphoning unprecedented amounts of surplus capital from economies around the globe.”⁹⁸

The turn to maximize urban production is resulting in cities where low-wage workers are pushed increasingly further from the centers of production. In São Paulo for instance, many workers must leave at 3:30 a.m. to arrive at work by 8 am—exceeding four hours each way. In Harare, Zimbabwe, “the average commuting time from black townships on the urban periphery is also four hours each way, leading to a workday in which workers are absent from home for sixteen hours and sleeping most of the rest.”⁹⁹ Neil Smith observes that “there is a fundamental geographical contradiction between the dramatically increased land values that accompany the centralization of capital in the core of these metropolises and the marginal, exurban locations where workers are forced to live due to the pitiful wages on which that capital centralization is built.”¹⁰⁰ As workers get pushed further out of the ‘productive’ urban centers, spending in some cases eight hours a day commuting back and forth, the result is not a breakdown of that urban economy, but rather the complete elimination of discretionary time.¹⁰¹

Another effect caused by the gentrification of urban land is the loss of casual urban spaces where people can congregate. As cities become increasingly unaffordable and commercial rents are pushed higher, the businesses that once provided accessible, democratic “third places” that Ray Oldenburg identified in *The Great Good Place* are driven out of business. Third places are important community spaces that host frequent informal

⁹⁸ Ibid, 428.

⁹⁹ Ibid, 435.

¹⁰⁰ Ibid, 435.

¹⁰¹ Ibid, 435.

gatherings outside the spheres of home and work. These neutral, democratic spaces provide the chance for individuals to congregate, to come and go as they please, where “none are required to play host, and in which all feel at home and comfortable.”¹⁰² Third places are ‘leveling’ in the sense that they set no formal criteria on membership and expand the possible circle of one’s social association. Status claims in third spaces have less purchase, and the focus within them is that of “pure sociability...in which people get together for no other purpose, higher or lower, than for the ‘joy, vivacity, and relief’ of engaging their personalities beyond the contexts of purpose, duty or role.”¹⁰³

As rents climb, third places get pushed out of neighborhoods and cities. Vacancy rates in neighborhoods such as the Upper East Side have been climbing steadily due to property owners holding out for higher paying corporate tenants. As gentrification advances, third place business owners around the country struggle to pay the rent, resulting in family-owned businesses that have been around for decades being replaced by chains and tenants that must be significantly more profitable than their predecessors. Increased prices make these spaces less democratic, while an emphasis on efficiency and rapid customer turnover makes them unsuitable for the casual atmosphere of conversation and interaction characteristic of the third place.

On this point an interesting comparison can be drawn here between the cost of operating a café in 19th century Vienna and present-day New York City. The Austrian historian Gustav Gugitz writes about the extraordinarily successful Café Daum which

¹⁰² Ray Oldenburg, *The Great Good Place: Cafés, Coffee Shops, Community Centers, Beauty Parlors, General Stores, Bars, Hangouts, and How They Get You through the Day* (New York: Paragon House, 1989), 22.

¹⁰³ *Ibid*, p.24.

opened in 1829 just blocks away from the imperial grounds in Vienna, which was frequented by aristocrats, military officers, imperial officials and other well-heeled patrons. Gugitz notes that the cafe had multiple rooms where diverse groups tended to congregate, thus hinting at the generous size of the cafe, and wrote that “the importance of Café Daum is...borne out by the fact that in 1851 it paid over 9,000 fl. rent,” or somewhere around \$140,000 per year in 2020 dollars when converted and adjusted for inflation.¹⁰⁴ The rent paid by Café Daum was a massive sum at the time, and well above the average rent paid by coffeehouse owners in Vienna. Yet even so this rent would have been a relative bargain when compared to the rent costs in New York City. According to the *New York Times*, average rent for spaces that could serve as a restaurant or cafe ranged in 2016 from anywhere between \$120 to \$180 per square foot, meaning that a relatively small space of around 2000 square feet including kitchen, storage, and utilities would carry an annual rent cost of between \$240,000 to \$360,000 thousand dollars per year.¹⁰⁵ In the same article, the *New York Times* shows that as a result of exorbitant rent costs the total number of independently owned restaurants and cafés in the city declined by 3% between March 2015 and March 2016, and by 2.7% nationwide during the same time period.

The loss of the third place in cities and neighborhoods around the country and even the world removes the “neutral ground” where people can come together.¹⁰⁶ As these

¹⁰⁴ Gustav Gugitz, *Das Wiener Kaffeehaus. Ein Stück Kultur und Lokalgeschichte* (Vienna: Verlag für Jugend und Volk, 1940), 169.

¹⁰⁵ Karen Stabiner, “Is New York Too Expensive for Restaurateurs? We Do the Math,” *The New York Times*, Oct 25, 2016.

¹⁰⁶ The space where Cafe Daum was located is now occupied by an ultra-luxury fashion brand.

spaces disappear, “many, perhaps most, neighbors will never meet, to say nothing of associate, for there is no place for them to do so.”¹⁰⁷

Summary of Economic Liberalism

In this chapter we explored the relation between economic liberalism and community. We saw how the policies of economic liberalism are shackled to a theory which conceives of maximal production and consumption as the only appropriate proxies for human well-being. By pursuing these policies, economic liberalism ultimately siphons resources from the community and converts them into profits. This process of *neo-enclosure* is justified by an insufficient and flawed conception of human well-being.

We have also seen how wellbeing gets treated as simply an extension of preference satisfaction through the maximization of choice. This is enabled with policies that funnel goods, services, and human needs through an increasingly segmented market aiming to perpetually grow production, consumption and profits in all areas of life. Some political economists argue that economic growth can become Pareto efficient by aiming to maximize preference satisfaction to the greatest extent possible without reducing free choice for anyone. As we have seen, neoliberal economic theory argues through the compensation hypothesis that, where Pareto efficiency is not possible, it is still better to pursue economic growth. This is because even where such growth results in economic losses or fewer opportunities for preference satisfaction, such losses can easily be compensated by economic winners through political redistribution, and that the overall gains from this compensation will still be greater than if policies which mitigated growth were pursued.

¹⁰⁷ Ibid, p.22

As we have seen however, in modern economies driven by the demands of economic liberalism, companies abandon communities in pursuit of maximum profits because ‘that’s just the way things are’ and the bonds between companies and their hometowns are severed by a new understanding of how business should operate. This neoliberal approach to economic policy is hypothesized to ensure well-being by giving individuals access to the goods and services they desire in the marketplace. The idea that market forces themselves can theoretically ensure an equilibrium of Pareto-optimal well-being outcomes for participants is a flawed idea that mistakenly drew inspiration directly from physics and theories of fluid thermodynamics—and is one that ignores the damaging consequences that neoliberal economic policies have on community spaces and opportunities for community participation.

The ascendancy of economic liberalism has been made possible in the popular imagination by the spread of neoliberal ideas rooted in self-interest and an exclusive focus on profits and shareholder value. In a 1970 article for the *New York Times* titled “The Social Responsibility of Business is to Increase Its Profits,” Milton Friedman wrote that “there is one and only one social responsibility of business—to use its resources and engage in activities designed to increase its profits...”¹⁰⁸ Friedman’s vision for a capitalism lacking any consideration of well-being beyond self-interest and maximized profits was made possible by the theoretical foundations laid by thinkers such as Mandeville, Smith and Hume, and is supported by theories such as the compensation hypothesis and revealed preference theory. It is this worldview that has captured the imagination of economists,

¹⁰⁸ Milton Friedman, “A Friedman doctrine--The Social Responsibility Of Business Is to Increase Its Profits,” *The New York Times*, September 13, 1970.

business leaders, and academics in a neoliberal era, and which has spelled disaster for the health of our communities.

Chapter 3

Normative Liberalism

From Economic Liberalism to Normative Liberalism

Economic liberalism is not the only branch of liberalism that overlooks the importance of community. The other branch that I call normative liberalism, resists the nearsighted focus on production and consumption by placing economic, social and cultural rights above efficient wealth generation. It argues that the individual should be protected against an overzealous market, that human well-being requires more than just wealth generation, and that the acceptance of extreme inequality is not required by liberal arguments. The kind and extent of social protections suggested by normative liberal thinkers vary greatly, but all tend to use vocabularies of rights, dignity, autonomy, and agency over those of productivity, aggregate utility, and efficiency.

Normative liberalism grounds its theories in the individual self and the rights implicit in it. These individual-centered arguments touch on questions of freedom, agency, and well-being that begin in the works of Hobbes, Locke, Grotius, Gassendi and Pufendorf, and which mature much later in the works of Rawls, Dworkin, Nickel, Griffin, Kymlicka, Donnelly and others. Theories of normative liberalism follow in the wake of “New Liberalism” pioneered by thinkers such as T. H. Green, John Dewey, and Leonard Hobhouse, and argue for robust social and economic protections against the vicissitudes of the free market. Many of these thinkers also recognize the importance of community, and the role it plays for individual well-being. In this way normative liberalism improves significantly upon the economic variants explored above by correcting an overemphasis on production

and consumption. However, as we will see, the most recent theories of politics based on normative liberalism ultimately fail to recognize and protect community spaces from erosion and the process of neo-enclosure described earlier. In this chapter we explore the failings of normative liberalism to provide an adequate method to recognize and protect the infrastructure of community from the debilitating effects of economic liberalism.

So long as individual rights are safe, normative liberalism overlooks the decline of community. At the most extreme a normative liberal society manifests as an amalgamation of individuals armed with competing rights as trumps who, having turned away from the communal methods of dialogue and conflict resolution, settle disagreements primarily in a court of law and rely on the market (albeit one more readily accessible to all) to supply goods and services. Normative liberalism leaves in place many of the underlying arguments and assumptions that inform economic liberalism. And while normative liberalism advances priorities of human well-being beyond that of production and consumption, it nonetheless primarily does so by virtue of rights that, as Alan Gewirth puts it, focus on “exclusive individualistic preoccupation with fulfillment of one’s own desires or needs regardless of broader social goals.”¹ The liberal tendency to overlook the significance of interdependence and binding social connections between individuals in a community results in an amalgamated vision for society in which individuals exist in close proximity without the benefit of community. In other words, the weakness of normative liberalism from the perspective of community is precisely what Rousseau identified when comparing

¹ Alan Gewirth, "The Community of Rights." In *Applied Ethics in a Troubled World*, ed. E. Morsher, O. Neumaier and Peter M. Simmons (Dordrecht: Springer, 1998), 225-235.

the general will to the will of all, or what Ferdinand Tönnies captured in his distinction between *gesellschaft* from *gemeinschaft*.

Normative and economic liberalism share common roots, and many of the same ideas that lead economic liberalism to emphasize production and consumption, also lead normative liberalism to overemphasize the individual as both the source and beneficiary of well-being. These shared arguments focus specifically on the individual as the exclusive judge of individual happiness, and the impossibility of arriving at shared conceptions of well-being. As we saw previously, a tendency to overlook community along with a conceptual framework of “possessive individualism” has been found by thinkers such as C.B. Macpherson in the roots of normative liberal theory. Macpherson has argued that liberal individualism begins in Hobbes and continues in Harrington, Locke, and the writings of the Levellers. Before the breakaway of economics from political philosophy, deep connections of thought were forged between figures like Hobbes and Locke with those of Smith, Hume, and Pareto, most clearly expressed in the routine emphasis of the individual above and apart from the community.

Early liberals who sought expanded suffrage and religious liberty were simultaneously caught in the grip of individualistic thought.² The English Levellers of the 17th century for instance understood freedom as being deeply and fundamentally linked to the *absence of dependence* on others in any way. As C.B. Macpherson points out, this belief manifested in the Levellers when they excluded wage laborers from expanded adult male suffrage due to their reliance on an employer for survival. Such dependence placed wage

² C.B. Macpherson, *The Political Theory of Possessive Individualism: Hobbes to Locke* (Oxford: Clarendon Press, 2010).

laborers in opposition to property owners resulting in a natural reluctance to go against the wishes of their employer. In addition, wage laborers lacked the same personal stake in preserving and growing the wealth of the State that property-owners had. The individualism of the Levellers was also expressed in the opposition to communal ownership of land believing that “the opposite of freedom...[is] dependence on the will of other men.”³ This idea, that freedom is something rooted in the individual’s independence from other persons, persists in liberalism today, contributing to its suspicion of community.⁴ By disregarding the unavoidable fact of our interdependence with other persons, normative liberalism advances the narrative that our “human essence” consists in “freedom from any relations other than those a man enters with a view to his own interest.”⁵

John Locke is also positioned at the fork of diverging pathways between normative and economic liberalism. Locke imposes normative limitations in his *Second Treatise* not only on government such as rights that seek to protect against the threat of tyranny, but also more broadly on social and economic arrangements. However, while these normative guardrails are briefly imposed upon his economic vision of production and consumption, he ultimately justifies their removal in favor of greater wealth generation. Locke’s normative limitations on economics initially claim that the accumulation of property must be limited to ensure that all can equally obtain their individual livelihoods. These

³ Ibid, 148.

⁴ This kind of radical independence from others has been shown to be conceptually implausible in the work of care ethics where it is argued that dependence on others is a normal part of any human life. See: Daniel Engster, *The Heart of Justice: Care ethics and political theory* (New York: Oxford University Press, 2007); Joan Tronto, *Moral Boundaries: A political argument for an ethic of care*. (Georgetown: Taylor & Francis, 1993).

⁵ C.B. Macpherson, *The Political Theory of Possessive Individualism: Hobbes to Locke* (Oxford: Clarendon Press, 2010), 269.

limitations take the form that (1) one must not hoard more than he or she can make use of or convert into durable goods (the spoilage limitation), and that (2) when accumulating property, one must leave ‘enough and as good’ for others, such that “he that leaves as much as another can make use of does as good as take nothing at all.”⁶

At first glance these limitations appear robust. It appears that Locke calls us to resist greed in acquisition and to ensure equal opportunity to property for others. Despite his instinct to temper the greedier parts of our natures, however, Locke backtracks by immediately following his normative limitations by showing how the accumulation of money itself, which cannot spoil or become monopolized, promotes the benefits of all through increased production and consumption. His argument advances the idea that the *aggregate* benefits of wealth generation as a whole are substantial enough to outweigh the potential costs of inequality that may emerge. Since the creation of capital generates value, which is seen as persisting in society, monetary accumulation can be pursued endlessly resulting in both individual and societal benefits. This conceptual shift in the argument—from commodities that can spoil and land that must not be monopolized, to an abstract, potentially infinite conception of wealth which need not exist anywhere but in the minds of men—enables Locke to condemn land and labor which does not generate value efficiently and in adequate amounts. By framing well-being for individuals and for society in terms of efficient ‘value’ creation that emerges from the process of money generation, Locke sketches out a plausible normative argument for the idea that monetary profit advances human well-being.

⁶ Locke, *Second Treatise of Government*, Ch. V, para. 33.

As Ellen Meiksins Wood shows, Locke regards land that does not achieve adequate standards of efficient production as “effectively constitut[ing] waste.”⁷ The result of condemning underperforming land as ‘waste’ gives rise to the perpetual task of reinventing land use to bring it up to the highest levels of efficient profit generation. This task of increasing efficiency becomes one of the primary ways in which social value is conceived of both in Locke and in modern economic theory, and because social value is at stake, profit generation can be seen thus as a normative obligation.

As social value is increasingly understood in terms of profit generation, however, and as the imperative of efficient profit generation is embraced, not only does it spell ruin for the community, but it increasingly pushes out the ideas of normative liberalism in favor of economic thought. If we consider for instance the gentrification of land in a community through the lens of this imperative to perpetual increase efficiency, we can see how it expropriates and encloses community spaces to render them more productive. Unproductive and wasteful urban spaces are rendered productive again by converting unremunerated labor, like precious deposits solidified in rock, to profitable commodities and services that can be traded in the marketplace. This process of neo-enclosure has clear and direct parallels to the “plain enough case of class robbery” documented by E.P. Thompson in which the goal becomes higher rents, sustained by “higher yields per acre...[and] by higher prices.”⁸ The higher prices fetched in gentrified neighborhoods for rent, real estate, and the cost of goods and social reproduction, are justified according to the economic argument that, “...enclosers [are] giving added value to the people they

⁷ Ellen Meiksins Wood, *The Origin of Capitalism: A longer view* (New York: Verso, 2017), 158.

⁸ E.P. Thompson, *The Making of the English Working Class* (United Kingdom: Pantheon Books, 1964), 218.

displace, effectively *creating* value and therefore giving something to the community rather than taking it away...”⁹

Examining the relentless drive for efficiency in production and consumption reveals an interesting feature of the post-war American economy. Although the business models of companies such as Anchor Hocking before the era of private equity were less profitable than those of today, this “inefficiency” actually allowed more surplus value to remain in the community, distributed among its members. When employers pay employees fairly, when they encourage them to spend time volunteering, when they give back to the community in meaningful ways by providing generous bonuses, good health care, adequate time off, and sufficient retirement benefits, the community itself is supported and reinforced. In this way we must demand that the normative arguments found in our political theories, the arguments that protect goods such as community from the processes of neo-enclosure, do not become self-defeating through loopholes that fixate on profits. Considering the dependence of individual well-being on community and interpersonal relationships, the cost of a maximally efficient economy as Locke hopes to achieve in his war on waste is thus no less than the undermining of certain core human goods—community specifically, but certainly many others as well.

In this chapter I argue that while normative liberalism makes significant advances from economic liberalism, it nonetheless fails to recognize and protect community. This is because as a theory of justice, it does not recognize access to community as a fundamental

⁹ Ellen Meiksins Wood, *The Origin of Capitalism: A longer view* (New York: Verso, 2017), 165.

good in a just society.¹⁰ To make this claim, I first examine the relationship to community found in our representative normative liberal: John Rawls. I argue that Rawls fails to include community in his list of primary goods due to his conception of the rational individual in the original position, as well as an undertheorized conception of community itself: one that overlooks bridging community, and the extent to which value can be found in social, communal goods.

I also look here at Will Kymlicka's attempt to make room for minority and group rights within a normative liberal framework. Kymlicka's argument is that the central concern of liberalism is the individual's ability to continually form, reconsider, and revise their conception of the good, and that community or "culture" should be recognized in liberalism as the "context of choice" which empowers individuals to assess their concept of the good. Kymlicka argues that cultures and communities are protected by liberal arguments because they empower individuals to choose.¹¹ I respond to Kymlicka by claiming that individuals may make decisions (as a result of their freely chosen conceptions of the good) which lead to their entanglement with the lives of others around them. Once these social commitments and entanglements have been made, their abandonment due to a revised conception of the good inflicts harm. In the case of personal relationships, this harm may be necessarily allowed in order to ensure personal autonomy and freedom. However, in the case of individuals who have taken on institutional responsibilities, such as for instance with employers, community leaders, or families, their neglect or disregard should not be tolerated.

¹⁰ Will Kymlicka is a possible exception here, however his arguments also neglect community conceived as bridging interactions conducive to social capital.

¹¹ Will Kymlicka, *Liberalism, Community, and Culture* (United Kingdom: Clarendon Press, 1991).

Normative Liberalism and Rawls

John Rawls published *A Theory of Justice* in 1971 around the time when philosophers were claiming that “for the moment, anyway, political philosophy is dead.”¹² The moment, as it would happen, did not last long. *A Theory of Justice* had a profound impact on political philosophy and on the political discourse around the theory of liberalism. It theorized a society governed by justice in which social goods are taken seriously and some of the worst externalities of the free market were mitigated against. The work has had a full range of brilliant and varied responses including, among others, the so-called communitarians (Sandel, Taylor, Waltzer, and Macintyre), feminist theory (Young, Pateman, Kittay), critical race theory (Mills) and many others. Important criticisms of Rawls have been made, showing what he omitted or overlooked, and in some respects the discussion has moved on. Contemporary debates in political theory have often taken a post-Marxist turn, often inspired by Hegel, and consider questions such as democratic agonism, theories of a right to justification, genealogical accounts of justice and liberalism, and the internal contradictions and paradoxes of liberalism including a renewed interest in the works of Carl Schmidt by writers such as Chantal Mouffe, Antonio Negri and Slavoj Žižek. These authors look beyond the framework of liberalism for normative politics, while many express a renewed skepticism towards liberal theory in general. Many of their arguments identify serious deficiencies to liberalism that are becoming increasingly felt in the lived political reality of the early 21st century.

The present section returns to Rawls at the risk of reopening a chapter of what may seem like ancient history. It does so with the recognition that some social and political

¹² Peter Laslett, *Philosophy, Politics and Society: A collection* (United Kingdom: Blackwell, 1963), p.vii.

institutions that have grown out of liberal theory are worth saving, and that it would be a mistake to understand their rejection as the only way forward. Despite the many problems of liberalism, the untested alternatives are just as bad or worse. They risk some combination of either the erosion of democratic institutions, identity groups warring for recognition, a reversion to city-state governance and the intrastate conflict that comes with it, the return of arbitrary forms of authority due to a loss of representation, or the exchange of genuine autonomy for facile notions of ‘freedom’ in the libertarian sense. If the insights and progress of liberalism today can be appended to promote thriving, healthy community institutions, and if liberalism can recognize the need to reconnect directly with our neighborhoods, cities, and nations as facilitated by the creation of human capabilities—there is perhaps a chance that we can avoid the global upheaval that will follow liberalism’s collapse.

Rawls’s theory of liberal justice is situated in the tradition of social contract theory which seeks to develop fair and egalitarian rules governing society that would be *acceptable to all citizens*. To capture the broadest possible agreement Rawls asks for our participation in the development of principles of justice—to ask ourselves what principles would be acceptable if they governed a world that we would be born into entirely at random. Rawls argues that resulting from this ‘original position’ thought experiment, individuals will seek principles that are fair and acceptable regardless of which body, mind, and family we are ultimately born into. Assuming that we are rational and self-interested, Rawls proposes two basic, universal principles of justice that should appeal to all. The first protects “equal basic liberties compatible with a similar system of liberty for all” with a focus on civil and political rights. The second principle calls for fair equality of opportunity,

and relative equality of wealth and income. Both principles of justice are meant to ensure that a collection of basic 'primary goods' including "liberty and opportunity, income and wealth, and the bases of self-respect—are distributed equally unless an unequal distribution of any, or all, of these values is to everyone's advantage."¹³

Rawls' principles can be understood as a direct reply to economic liberalism. In the well-ordered society, inequality for the sake of purely economic ends such as greater rates of productivity and consumption would violate the principles of justice.¹⁴ Inequalities could only be justified if they benefit its least well-off members, as might happen under Pareto efficient economic conditions in which gains are not zero-sum but shared and complementary. To identify the least well-off individuals in a well-ordered society Rawls uses a collection of minimally thin primary goods that all persons are presumed to want. These goods—liberty, opportunity, income, wealth, and the social bases of self-respect—are understood to be exchangeable for more substantive goods that individuals might want in addition. By referring exclusively to minimally thin goods in his theory of justice, Rawls seeks to forge consensus, and to avoid subjective comparisons of well-being along with debates on the nature of the good life.

So long as we can identify the least-well off according to their lack of liberty, opportunity, income, wealth, and the social basis of self-respect, we are able to measure inequality in a meaningful way and perform the kinds of redistribution required by justice. Rawlsian liberalism would thus object to the neoliberal failure to provide adequate wages and opportunities by overemphasizing production, consumption, and profit. In a well-

¹³ John Rawls, *A Theory of Justice* (Cambridge: Belknap Press, 1999), 62.

¹⁴ *Ibid.*, 57-73.

ordered society justice demands that wealth and opportunity be distributed in a manner acceptable and fair to all: stable incomes commensurate with the cost of living provide economic security, wealth providing the material goods needed to live a life of dignity, and rights protecting individual bodies from undue coercion. Even political participation would require state support to ensure that everyone is able to take part and “be in a position to assess how proposals affect their well-being and which policies advance their conception of the public good.”¹⁵

From the perspective of economic justice, there is much to like in a Rawlsian account. But is a well-ordered society also protective of access to community for the individual? To answer this question, I consider three points: (1) how does Rawls conceive of community? (2) why is community not included as one of the primary goods? and (3) is a well-ordered society sufficient to ensure the existence of community? Let us look at each in turn.

Rawls defines community in section seventy-nine of *A Theory of Justice*. There he distinguishes “community” from a “private society” in which individuals interact in purely self-interested and instrumental ways. In a private society “no one takes account of the good of others or of what they possess” but rather “prefers the most efficient scheme that gives him the largest share of assets.”¹⁶ Referring to Hobbes and Locke, he draws a distinction between himself and earlier social contract theorists who held that a private

¹⁵ John Rawls, *A Theory of Justice* (Cambridge: Belknap Press, 1971), 225.

¹⁶ *Ibid*, 521.

society was the best that can be achieved given the reality of conflicting “persons who oppose one another as indifferent if not hostile powers.”¹⁷

Rawls attempts to move past the individualism of private society by recognizing that we do indeed have shared final ends, and that “we need one another as partners in ways of life that are engaged in for their own sake.”¹⁸ But Rawls also expands the scope of community beyond relationships with others in a shared geography. His examples include the family, a group pursuing a collective scientific or artistic endeavor, adherents to a religion, but also the “community of humankind” which extends across space and time and shares the common end of the gradual pursuit of justice. He writes on this point that,

...the essential thing is that there be a shared final end and accepted ways of advancing it which allow for the public recognition of the attainments of everyone. When this end is achieved, all find satisfaction in the very same thing; and this fact together with the complementary nature of the good of individuals affirms the tie of community.¹⁹

Community for Rawls can thus be understood as a union of shared ends with an element of inherent pleasure, but also as something that does not require the formation of direct interpersonal relationships. The well-ordered society itself will not lack community so long as its members share the collective end of “successfully carrying out of just institutions,” and together find pleasure in the institutions of justice which are “prized as good in themselves.”²⁰

This broad definition of community provides an important clue as to why it is not included as a primary good. By relying on rational self-interest for a “thin” theory of the

¹⁷ Ibid, 522.

¹⁸ Ibid, 523.

¹⁹ Ibid, 526.

²⁰ Ibid, 527.

good, Rawls can give reasons for why he should include some primary goods and not others. Rawls stipulates that in the original position we will consider our own self-interest and seek to maximize our chance of happiness after being born into the well-ordered society. If we considered interpersonal relationships or a sense of responsibility towards family or friends for instance—if anything other than pure self-interest were recognized as a matter of justice in the original position, the thought experiment would not command the same universality. Although Rawls's arguments do recognize the value of interpersonal relationships based on love and reciprocity, these relationships enter into his arguments only once the principles of justice have already been agreed upon through the original position. By relying on self-interest to determine principles of justice, e.g., by focusing on the question 'how can I alone flourish in the well-ordered society,' Rawls hopes to arrive at a universally acceptable outcome.

To maintain a minimally thin conception of the good that claims universal applicability, community is not included as one of the primary goods. Indeed, according to Rawls's definition of a community that can extend across space and time, it seems as if a well-ordered society would include community by default, even if this community failed to provide the kinds of goods, relationships, and advantages captured by social capital. Charitable, reciprocal, or so-called "supererogatory" acts are praiseworthy for Rawls, but they are not required by the principles of justice, and neither is community itself. Consideration of others is called for in the well-ordered society insofar as structural inequalities violate the two principles of justice, but the existence or lack of charitable and reciprocal acts that enable community are not. Ensuring that the principles of justice are

upheld is a matter of the state, but ensuring that community has what it needs to be able to sustain itself is not.

Rawls is of course right to avoid claiming that the state should (or can) compel private acts of generosity, but as we have seen in the examples of economic liberalism, it falls to theories of justice to ensure that opportunities for community continue to exist. Given the right resources, which are too often lacking under theories of economic liberalism, individuals will form relationships of moral consideration with others throughout their daily lives. These relationships will often generate obligations and if reciprocity is valued, some may choose to sacrifice their time, resources, or labor, to fulfill such obligations. As J.S. Coleman points out, community cannot be forced into existence by legislation or by reminding people of their duties to others. Still, no personal coercion aside from taxation would be required to claim that community, including the physical spaces, resources, time, and opportunities which enable it, should be recognized in a theory of justice.

Although nothing in Rawls explicitly prevents the existence of this sort of community should the opportunity arise, the principles of justice and the primary goods they enshrine are insufficient to protect institutions, geographies, and opportunities to participate in the community or to bring them back into existence should they disappear. Rawls does not consider social capital directly, and to enshrine a broader conception of community in the original position would violate his thin theory of the good. So, Rawls relinquishes community to the prevailing social, economic, and cultural circumstances in

the well-ordered society, without recognizing the fragility of the underlying infrastructures necessary for its existence.

Thomas Nagel has made a similar critique, writing that the “original position seems to presuppose not just a neutral theory of the good, but a liberal individualistic conception according to which the best that can be wished for someone is the unimpeded pursuit of his own path...”²¹ The goods provided by community are spurned in exchange for a collection of primary goods that

...will serve to advance many different individual life plans (some more efficiently than others), but they are less useful in implementing views that hold a good life to be readily achievable only in certain well-defined types of social structure, or only in a society that works concertedly for the realization of certain higher human capacities and the suppression of baser ones, or only given certain types of economic relations among men.²²

As we have seen in examples from economic liberalism, community infrastructure often succumbs to financial pressure in economies where individual competition and the imperatives of production and consumption are maximized. Even in a well-ordered society where profits and institutional wealth are redistributed in compliance with the difference principle benefiting the least well-off, Rawls provides no way of assuring that the conditions for community will survive an economic, geographic and social enclosure of the commons.

Consider, for instance, a society which closely adheres to the difference principle, carefully distributing goods for the benefit of the least well-off. Rights are protected in the constitution and in the courts, and wealth and income are substantially more equitable than under neoliberal schemes. The state even provides opportunities for political

²¹ Nagel, Thomas, "Rawls on justice," *The Philosophical Review* 82, no. 2 (1973): 220-234, 228.

²² *Ibid*, 228.

participation, through education, careful regulation of campaign finance, vouchers to help fund unknown candidates during the early stages of their campaign, and long form debates and discussions on issues voted on by citizens. Individuals have a dazzling variety of consumer goods they can purchase to pursue their vision of the good life.

Yet, whether because of inaccessible suburbanized development, or the enclosure and the disappearance of community spaces and activities, or simply a corporatized society in which community spaces are realized according to generic, drab, and profit maximizing approaches (even if these profits are promptly redistributed), many individuals would find themselves unable to realize their basic capability to participate in the life of the community. Loneliness, isolation, and individualism would result, despite many other needs being met. Because such a society had been careful not to presume which ends were desirable for individuals, it relied upon the market to provide goods not explicitly specified in the principles of justice. Since spaces and institutions fostering community were less profitable than those facilitating further division of labor and the expansion of services and capital, they slowly disappeared from the social and urban landscape resulting in a withering of opportunities for community interaction.

The question here is not 'would a communityless society *actually* emerge under a Rawlsian state' but rather, would a Rawlsian state *identify* the absence of community as detrimental to individual well-being. As we will see shortly, the nature of a community is also important to its ability to confer benefits to its members. Specifically, when communities exist where members are suspicious of one another, too busy to participate, and always looking for opportunities to take personal advantage, the interactions and

benefits (or social capital) resulting from such a community would be minimal at best. That is, specifically because the idea of community is easily applied to shared interests and abstract relations across time and space, it is important to be clear and specific about what we mean when talking about community.

Since Rawls conceives of community in such a way that overlooks the interpersonal relations necessary for social capital, and since his objection to market fundamentalism obtains only insofar as these transgressions violate his two principles of justice and prevents the distribution of primary goods, the disappearance of community would not be seen as a problem within the well-ordered society. Those who wished to petition the state regarding this loss would have no argument with which to make their case. The state would inform them that they have an abundance of primary goods, and that they are free to create or participate in community with the resources at their disposal.

Normative Liberalism and Will Kymlicka

One attempt to render liberalism compatible with community and to defend liberalism against the communitarian critique is found in Will Kymlicka's *Liberalism, Community and Culture*. Kymlicka offers an original reading of key liberal positions to make room for minority and group rights, and to recognize a version of community in the context of Rawlsian liberalism. Kymlicka's basic argument is that the central interest of liberalism is to protect the individual's ability to revise, reconsider, and reevaluate their life plans, values, and conceptions of the good, and that community should be understood as the "context of choice" that enables individuals to do such things. He writes that "individuals must have the cultural conditions conducive to acquiring different views about the good

life” so that they may consider these views and accept or reject them accordingly.²³

Communities are thus portrayed as compatible with liberal arguments that emphasize the individual’s ability to revise and reconsider beliefs because they are defined as institutions that enable individuals to do so.

At first glance Kymlicka’s premise sounds similar to that of the capabilities approach. He claims that individuals must “have the resources and liberties needed to live their lives in accordance with their beliefs about value.”²⁴ Kymlicka emphasizes the importance of our beliefs *about* our interests, pointing out that government must treat people as equals and provide them with the tools and opportunities to critically examine such beliefs because “our most essential interest is in getting these beliefs right and acting on them.”²⁵ Kymlicka denies that liberalism “involves abstract individualism and skepticism about the good,” arguing that these notions have emerged from erroneous readings of liberal theory, and that these features never “enter anywhere in the theories of Mill or Rawls, or Dworkin.”²⁶

Kymlicka disagrees and confronts the critics of Rawlsian liberalism such as Michael Sandel who claim that it is not possible to posit an *unencumbered* self who chooses which ends are most valuable. Sandel’s claim targets the Rawlsian notion that an individual in the original position may visualize herself apart from her attachments and identities to determine objectively fair principles of justice. Sandel claims the thought experiment fails by the fact that our self-perceptions are never value neutral—that they necessarily include

²³ Will Kymlicka, *Liberalism, Community, and Culture* (United Kingdom: Oxford University Press, 1991), 13.

²⁴ *Ibid.*, 13.

²⁵ *Ibid.*, 13.

²⁶ *Ibid.*, 13.

ends that are constitutive of the self. The self that chooses principles of justice in an original position must in some way hold fast to ends, attachments, and relationships by virtue of its selfhood, and if it is to resemble at all the person that will subsequently live in a society governed by the principles of justice.

Here Kymlicka intercedes, arguing that what is important for Rawls (and liberalism more broadly) is not whether selfhood entails ends *a priori*, but that we understand the self as prior to its ends “*in the sense that no end or goal is exempt from possible re-examination.*”²⁷ Liberalism should be seen as a protector of the self as a site of choice such that commitments, values and life plans should never be used as a reason to prevent the individual from changing her view or conception of the good. As this is the central insight of liberalism, liberal arguments need not maintain that we “perceive a self totally unencumbered by any ends,” but merely that we are able to engage in reasoning which compares “one ‘encumbered’ potential self with another ‘encumbered’ potential self” in order to decide what our values and visions of the good really are.²⁸ Kymlicka writes that “our projects and tasks...are the most important things in our lives, and it is because they are so important that we should be free to revise and reject them, should we come to believe that they are not fulfilling or worthwhile.”²⁹ Kymlicka cites Kant here who writes that “reason must look upon itself as the author of its own principles independently of alien influences,” with the alien influence of course being that of community.³⁰

²⁷ Ibid, 52.

²⁸ Ibid, 53.

²⁹ Ibid, 48.

³⁰ Ibid, 62.

Kymlicka defends Rawls from the communitarian challenge by showing how Taylor, Walzer, and Sandel each fail to appreciate a significant and central insight of liberalism—the sacred ability for individuals to reconsider and revise their beliefs, values, and visions of the good. When questioning our lives and values “we don’t go outside society” and indeed we need not “exist outside of, or prior to, society for it to be important that we have the ability to question our chosen ends.”³¹ However, in an attempt to *recognize* community as somehow valuable (and drawing on Mill for his argument) Kymlicka endorses the idea that individuals need social discourse and interaction to consider and revise their plans of life. Social discourse and interaction are provided by community, which offers us opportunities to choose, judge, and compare, thus becoming the context for our freedom of choice.

Kymlicka agrees that liberalism has historically done a poor job recognizing the importance of communities and minority rights. He points out that although culture may be important for Rawls in some respects, and despite the fact that communitarian attacks misunderstand the most relevant aspects of liberalism, it is nonetheless true that Rawls “never includes cultural membership as one of the primary goods with which justice is concerned.”³² As a result, Kymlicka believes that some kind of protection of the community is required, and his preferred method of providing it is to argue that community is necessary for the core liberal value of individual choice, and consequently that protection of individual choice entails protection of community.

³¹ Ibid, 15.

³² Ibid, 166.

Although this value of community is recognized by Kymlicka, he also makes it clear that many other salient features within a culture or community must not be held beyond scrutiny. That is, so long as individuals are able to participate in the refashioning of values and life-plans, “the cultural community continues to exist even when its members are free to modify the character of the culture, should they find its traditional ways of life no longer worthwhile.”³³ Additionally, “no matter how deeply implicated we find ourselves in a social practice or tradition, we [must] feel capable of questioning whether the practice is a valuable one...”³⁴ As such, communities will change and evolve, but this should not concern us, so long as they continue to provide a context of choice.

Kymlicka has written in a later article that his arguments here were inspired by Charles Taylor’s claim that there exist inherent tensions in liberalism. Specifically, Taylor’s claim that liberalism is self-undermining because it “cannot recognize the need for culture-securing policies due to its ‘atomism’” and the fact that it “cannot recognize the legitimacy of these policies because of its ‘neutrality.’”³⁵ Taylor’s charge is that the atomism and neutrality found in liberalism makes it inherently hostile towards community. Kymlicka wrote *Liberalism, Community and Culture* to overcome this challenge.

At this point however, we confront what might be called the ‘hard problem’ of community. The problem in brief is whether normative liberal theory that seeks to protect community, should also acknowledge the validity of self-imposed limitations on freedom of

³³ Ibid, 167.

³⁴ Will Kymlicka, *Liberalism, Community, and Culture* (United Kingdom: Clarendon Press, 1991), 54.

³⁵ Will Kymlicka, “Liberalism, Community and Culture Twenty-Five Years On: Philosophical inquiries and political claims,” *Dve Domovini* 44 (2016): 67-76; Charles Taylor, “Atomism.” In *Powers, Possessions and Freedom: Essays in Honour of C.B. Macpherson*, ed. Alkis Kontos (Toronto: University of Toronto Press, 1979).

choice, association, or ability to revise and reconsider belief. There is a paradox that manifests when we consider how individuals in a community develop relationships and obligations with others that may limit choice. Specifically, by voluntarily entering into relationships with others we can develop various obligations even without explicitly consenting to them. When individuals follow through on their obligations and when they exercise reciprocity to return a favor, this encourages trust and generates the glue that holds communities together. When relationships are treated as purely transactional on the other hand, and when obligations or dependencies are ignored, this can lead to harm and undermine the threads that bind community together.

By defining community as a necessary condition for individual choice, Kymlicka overlooks the role of obligations and commitments that hold community together in practice. He also risks overlooking the goods of social capital explored earlier, as well as the relations that sustain social capital. There are two related issues to consider here: (1) the freedom of an individual to disassociate herself from a group and ignore her moral obligations, and (2) the sufficiency of the normative reasons and arguments that underlie our political theories to support and encourage community. Regarding the first issue, it's clear that any political theory which follows the most basic liberal positions must allow for individual autonomy to associate and disassociate from community participation at will. However, this freedom to disassociate and abandon commitments and obligations must have certain limits when faced with possible dissolution or harm to the community. How might this balance be understood?

I propose two kinds of relationships relevant to the question of obligation. The first are direct, interpersonal relationships between individuals that have no broader impact on the community as a whole. These include personal friendships, romantic partnerships, non-dependent familial relationships, and direct individual associations with others in the community. Such relationships often involve moral obligations between individuals, the violation of which may indeed constitute some kind of harm. There is little room however, in a theory of normative politics that values individual autonomy, to cast judgment on interpersonal violations of trust or obligation—aside perhaps from arguing that the state ought to require basic curricula on virtue, civics and the rules of polite discourse in the education of youth. Otherwise, the involvement of the state in interpersonal relationships is an inappropriate exercise of authority and violation of individual autonomy or freedom of choice. Individuals must be free, for no apparent reason, to revise and reconsider their conceptions of the good in relation to other individuals in their lives in line with Kymlicka's arguments—to abandon commitments and obligations at will, regardless of consequences shy of violating the law.

The second kind of relationship is one that entails an element of institutional guardianship. These relationships develop when an individual steps into a role of leadership within the community and, whether tacitly or explicitly, accepts a larger responsibility for the well-being of a group of people or vulnerable individuals. Adopting such a role in the community often comes with the benefits of leadership including having considerable influence over others, receiving recognition and honor, and being generously compensated financially. But along with the benefits of leadership come the obligation of acting in the best interests of others, above and beyond your own self-interest. As such, the

individual who accepts a position of leadership in the community does not have the same kind of right to freedom of association as others have. Because they have chosen to become a community leader and to take on institutional responsibility for some part of the well-being of others, (while also receiving certain benefits) the institution itself has the right to hold such leaders accountable. This kind of relationship of an individual to a group may not be recognized under normative theories of politics that prioritize individual choice over the common good.

This 'community leader' role is somewhere between a 'contractual' and 'non-contractual' sort of obligation. Leadership may take forms that, viewed through a different lens, appear as nothing more than an individual pursuing his own self-interest. And while certain acts taken from a position of leadership should trigger some kind of oversight from the community, other violations of trust may have to rely on the strength of our arguments. Michael Hardimon for instance helpfully points out here that,

...abandoning the idea that we have noncontractual role obligations would require a radical revision of our self-conception, for we cannot give up the idea of noncontractual role obligation without also ceasing to conceive of ourselves as family members and citizens. What, after all, would it mean to say that we conceive of ourselves as family members but regard ourselves as having no familial obligations whatsoever?³⁶

Thus, while Kymlicka is certainly correct to point out the importance of individuals being able to revise and reconsider their conceptions of value or life plans, individuals do also have the liberty to make binding commitments in the community which may moderate freedom of choice as he imagines it. Of course, communities are stronger when they foster interpersonal relationships based on trust and reciprocity, but a theory of normative politics cannot force this situation into existence, nor punish individuals who violate such

³⁶ Michael Hardimon, "Role Obligations," *The Journal of Philosophy* 91, no. 7 (1994): 333-63.

norms. However, when an individual takes on responsibility to the community as a whole—to the *institutions* and *infrastructure* of the community, she can indeed be expected to live up to them. In this sense we might say that individuals cannot be prevented from acting in a way that binds them to the broader community, or from adopting responsibilities to communities large and small.

Recognition of this fact is implicit, even in liberal, individualistic societies. Parents who suddenly revise their conceptions of the good and abandon their children in pursuit of some other goal (greater freedom and a quiet house perhaps) cause terrible harm in their abandonment. Guardians have a legal responsibility to look after those in their charge, corporations have a putative obligation to the community to justify their articles of incorporation, and political leaders are expected to look after the well-being of the group beyond the well-being of themselves. The harm caused to the community when leaders abandon their commitments is recognized by the state through court mandated child support and social services. Individuals who violate the trust of the community by breaking its laws are often mandated to perform community service to repair the violation of trust and to make amends with the community as a whole. And in cases where the state has no legal recourse, for instance against business leaders who explicitly choose to exchange community goods for profits, or politicians who pilfer resources from the public trust to enrich themselves and their friends, the unfortunate result is a physical injury to the community and its members.

Kymlicka endorses liberal neutrality pertaining to the question of the good claiming that communitarian arguments “give no examples of such [shared] ends or practices—and

surely part of the reason is that there are no such shared ends.”³⁷ He cites Don Herzog who writes that supporters of community “owe us an account of what commitments should bind us, what *content* the communal attachments that should transcend our individual projects should have, [and] what exactly the common good should be.”³⁸ In the next chapter, we will see how the capabilities approach offers a new way to think about shared ends and common goods. But when it comes to the question of *which* binding commitments and communal attachments should be allowed to transcend our individual projects, we can reply: ‘those commitments and attachments that we have developed as the result of our pursuit of positions as leaders, models, guardians, or pillars of the community’.

The second issue mentioned above is whether the normative arguments that underlie our political theories are sufficient to support and encourage community. For instance, under earlier economic norms, community leaders often recognized their obligations and interdependence, resisting actions that might undermine the well-being of the communities in which they operated. With the erosion of these norms, the imperative of efficient profit generation has now become the primary, if not exclusive goal of running a business. When the property owners of small community-supporting enterprises decline to renew a lease to increase their returns, they neglect their responsibilities towards the community. Unless such a responsibility is recognized alongside the right to individual choice, community institutions will find themselves at the mercy of the profit motive. If access to community is valuable in itself or as a matter of justice, policy conflicts between

³⁷ Will Kymlicka, *Liberalism, Community, and Culture* (United Kingdom: Clarendon Press, 1991), 86.

³⁸ Don Herzog, “Some Questions for Republicans,” *Political Theory* 14, no. 3 (1986): 473–93.

individual choice and community access will resolve differently than if individual choice is the very reason for preserving community in the first place.

The importance of give and take and the dependence of community on the norms of reciprocity is persuasively demonstrated by J.S. Coleman as we saw above. Contributing time, energy, and resources to the community is viable, only when a culture of reciprocity prevails. When members of the community take and never give back, the community itself can become depleted, and no longer available for others. When trust breaks down and social capital is hoarded, people begin to conceptually separate their own well-being from the well-being of the community. Kymlicka's understanding of community misinterprets the dynamic of what makes a community not only valuable, but also resilient, and durable. The character of a community matters greatly, just as it matters whether people have the time, resources, and opportunities to participate. Under conditions of maximum economic efficiency, unless this tendency is recognized and guarded against by normative political theory, community is at risk of being sacrificed for individual autonomy and choice.

By defining community as valuable because of how it enables the revisability of belief, values, and commitments, Kymlicka artificially limits community's scope of value, and opens the door to community disintegration. Consider for instance the owners of Anchor Hocking in Lancaster Ohio. The owners possessed and exercised their unconditional right to revise and reconsider their view of the good when they decided to cash out and sell their assets to a private equity firm, fully understanding what it would mean for their employees and for the community. However, given the dependency of the community on the values, beliefs, and commitments of a few highly influential leaders, this

decision must be given, at the very least, the opportunity for a community veto. Ideally, laws should require actions that might cause significant harm to the community to be either reviewed by a panel of community judges, or to be prohibited outright. This limitation makes impossible Kymlicka's suggestion that people should be free to revise and reconsider their beliefs, values and commitments "without being deprived of their liberties or resources" and "without being penalized or discriminated against by society."³⁹

A further example can be illustrated with the plight of the Gullah communities on the coastal islands of South Carolina. The Gullah people are descendants of enslaved ancestors, who, following emancipation, acquired the land they worked while enslaved. This land developed over time into strong communities with a distinct dialect, cultural practices, and traditions that persist today. The land is legally held in a communal system of ownership called 'heirship' in which ownership is spread across hundreds of members of the community. As land is held in common, a single individual who wishes to sell may initiate a 'partition lawsuit' and request to cash out the value of their share of ownership. However, because the land is not clearly delineated in lots, this process often forces large chunks of the land to be sold off into a series of auctions to raise the capital for the sale. Luxury resort developers have found ways to exploit this unique form of property ownership by turning members of the community against one another in litigation to break-up valuable beachfront property and acquire large tracts of prime real-estate for steep discounts.⁴⁰

³⁹ Will Kymlicka, *Liberalism, Community, and Culture* (Oxford: Clarendon Press, 1991), 164.

⁴⁰ Faith Rivers, "The Public Trust Debate: Implications for Heirs' Property Along the Gullah Coast." *Southeastern Environmental Law Journal* 15 (2006): 147.

This case provides an interesting illustration of the difference between community as a 'context of choice,' and a community as a central human capability. It may be appropriate in such cases where the decision of an individual to force the sale of a parcel of land would significantly disrupt or disintegrate the rest of the Gullah community, to either be prohibited or subject to community review. Considering how the price of land in Gullah communities has shot up since the early 2000s and given the interest of condominium and resort developers in the area, it is easy to see how Gullah land could be slowly lost to the community, and how they could lose their ancestral homeland for good.⁴¹

When balancing conflicting rights and social priorities, community must be considered as one integral component of human well-being, among others. In some cases, individual rights are appropriate tools to protect against the violation of a central human capability. Other times, the invocation of individual rights, and in particular the right to property, may enable the violation of an individual's central capabilities. This happens when property held by an individual is relied on by the community, and its liquidation would sever the bond. This of course also holds true for corporations who are treated as individuals. Despite being owned by shareholders, oversight mechanisms meant to ensure corporate social responsibility are inadequate for protecting community spaces and the

⁴¹ In 2006, South Carolina Governor Mark Sanford signed a bill into law meant to stem the breakup of Gullah land. The law gives families that own heirs property the opportunity to purchase it at appraised value in the event individuals attempt to sell property in a partition lawsuit. The text of the bill is written to "give one or more of the joint tenants or tenants in common the right of first refusal to purchase the subject property before its judicial partition." See: *An act to Amend Chapter 61, Title 15, Code of Laws of South Carolina, 1976, by Adding Section 15-61-25, Relating to Partitions, so as to Give One or More of the Joint Tenants or Tenants in Common the Right of Refusal to Purchase the Subject Property Before its Judicial Partition*, Public Law S.925, General Assembly of the State of South Carolina, Session 116 (2005-2006).

integrity of community.⁴² By relying on theories of liberal individualism, or by focusing on the revisability of belief as the principle normative argument in our theories of politics, other substantive goods such as an individual's access to the capability of community will be overlooked.

As we will see shortly when looking at the capabilities approach, the capability of an individual to be able to participate in the community is comparable to a right to access. It is up to the individual whether to exercise their capabilities. But the right to dispose of one's property, especially property that serves as community infrastructure, must be considered within the context of other central human capabilities. Adjudicating the conflict between (for instance) the community and the individual factory owner would require a careful assessment of the impact it can be expected to have. Selling a company that employs many people to a private equity firm with a history of slashing and cashing out, can be reasonably expected to have a detrimental effect on the community, and adversely impact the individual members' ability to exercise their core human capabilities.

Despite an underspecified vision of community Kymlicka, takes important steps for liberal theory by recognizing community as something valuable for the individual. He also is right to call for the protection of individual autonomy and the underlying conditions enabling freedom of choice. Liberty is a central good for the capabilities approach, and it is protected through an important distinction between capabilities and achieved functionings. However, the specific arguments that Kymlicka uses for a liberalism compatible with community raise paradoxes and overlook how community can be

⁴² See also: Adolf A. Berle and Gardiner C. Means, *The Modern Corporation and Private Property* (New York: Macmillan, 1932).

dismantled by market mechanisms and the spread of individualism. In addition, Kymlicka's theory ignores other tangible goods provided by community—goods that, as J.S. Coleman and others point out, are fragile and cannot be rebuilt quickly or easily.

Instead of focusing exclusively on primary goods and individual choice like Rawls and Kymlicka, we ought instead to focus on the actual things that individuals are able to do and to be in their lives. To achieve access to community individuals will require not only certain commodities, such as for instance a means for communication, a means for transportation and so on, but they also require that the externalities of political and economic policies are not allowed to infringe on community spaces and undermine the culture of reciprocity. In other words, more attention must be paid to achieving wellbeing, including access to community. In the next chapter we explore the theories of the capabilities approach and examine its prioritization of wellbeing, including community, over that of production and consumption.

Chapter 4

Capabilities, Liberalism and Community

It remains the uniqueness of German individualism that it is entirely compatible with ethical socialism, which is called 'state socialism' but which is quite distinct from the philosophy of the rights of man and Marxism. For it is only the individualism of the Enlightenment, the liberal individualism of the West, which is incompatible with the social principle." -Thomas Mann

Introduction to Capabilities

This chapter looks at how the capabilities approach opens a door to reconciling the tension between the (underlying conditions for) community and the individual. It does so by first recognizing the crucial role of both community and individual autonomy for a fully functioning human life, and second by claiming that access to community should be a capability available to those who wish to participate in it, without being forced upon those who do not. The common-sense approach of the capabilities approach advocates for the provision and protection of community spaces and resources which provide individuals the opportunity and motivation to participate in the life of the community. These spaces can be as simple as dive bars and cafes, but they also include grand civic institutions such as libraries, public spaces for the arts, places for exercise, play, and sport, as well as spaces for political discourse and deliberation.

The capabilities approach originates from an Aristotelian emphasis on human flourishing and well-being, rather than utility or categorical imperatives. By centering on the question of well-being, the capabilities approach is sensitive to cases where the

maximization of utility or a focus on rights may not ultimately result in human flourishing. Like Aristotle, it recognizes that, while the material goods which are the result of economic production may be necessary for well-being, they are not, in themselves, *sufficient*. A political theory of capabilities seeks to enable individuals with the underlying conditions they need to pursue a good life—the capabilities which they may choose to exercise or not. By contrast, a society which seeks to maximize wealth, productivity, and consumption, as modern liberal economic theory does, plainly overlooks the other kinds of goods necessary for well-being.

One of these goods, access to the life of the community, has been recognized by Amartya Sen from his earliest writings on the capabilities approach. By framing this good within the context of a capability that may or may not be exercised, the theory can remain committed to individual liberty as a central capability. For this reason, the capabilities approach cannot be equated with a return to civic republicanism. It calls for providing individuals with access to certain central capabilities that they need to pursue well-being, but it says nothing of how they ought to live their lives. It is thus also compatible with rights-based theories that locate moral agency in the individual. Focusing on individual well-being means that in many cases, human rights arguments will call for the same legal protections and guarantees that the capabilities approach would. In some cases, it takes protections further or emphasizes different aspects of rights, such as when an individual claiming his right to property clashes with an individual who is about to lose her access to the community.

Despite recognizing the importance of individual autonomy, however, the capabilities approach is critical of liberal attempts to reduce human well-being to revealed preferences, aggregate utility, a collection of negative rights, or a set of primary goods. Thus, it also arrives at vastly different policy outcomes than do mainstream liberal arguments and is uniquely suited to articulate a sensible defense of community without resorting to the *reification* of community which ‘speaks’ and ‘acts’ for itself. The capabilities approach navigates the tension between individual liberty and the common good differently than liberalism does. Unlike liberalism which struggles to articulate the value of community, the capabilities approach unreservedly recognizes the importance of maintaining access to life of the community, including the requisite physical spaces and conditions which enable this. Yet, it also seeks to preserve the inherent dignity of individual persons by safeguarding their liberty and autonomy.

Responding specifically to those theories of liberalism which seek to maximize productivity, consumption, or primary goods, the capabilities approach advances several objections. First, it does not tolerate the erosion of well-being that occurs when questions of justice are left to the devices of production and consumption, or supply and demand. Economic materialism, says the capabilities approach, advanced by the most influential economists of neoliberalism from Pareto and Hayek to Friedman and von Mises, overlooks important aspects of freedom and equality central to overall well-being—aspects which cannot be relegated to the market. Indeed, the capabilities approach would point out that the widespread attempt of economic liberalism to use the proxy of wealth creation as the primary tool to address the complex questions of human well-being, has been a dismal failure. It responds to such wealth-centric approaches by pointing out that a focus on

aggregate wealth creation results in extreme inequalities in many other areas of well-being, and that the distributive mechanisms theorized for instance in the compensation hypothesis, are empirically absent and theoretically misleading. Nussbaum writes that “a political community has ‘good living’ as its point, not just possessions, and not just mere sustenance.”¹ Capturing a key falsehood at the center of economic liberalism, she points out that “no item’s worth can be properly assessed if we do not set it in the context of a thicker theory of good living; and when we do so, we discover that wealth has no independent worth.”²

In response to the normative liberal arguments rooted in primary goods or formal rights, the capabilities approach has a related response. Amartya Sen’s initial research project which would become the capabilities approach started by looking at the many distinct categories of substantive equality, pointing out that equality in one category often accompanies inequality in another.³ Individuals who appear equal on paper—with the same exact bundle of rights, wealth and income—may not all be able to translate these goods into the ‘beings and doings’ necessary for their well-being. To take the example of community, even individuals who possess a suite of social and economic rights, who have access to sufficient wealth and income, may in fact live in an urban landscape which affords little opportunity to participate. The difficulty of framing certain capabilities in the language of rights—determining whose responsibility it would be to ensure a right to community for instance—can be better understood when we consider these goods in the

¹ Martha Nussbaum, “Nature, Function, and Capability: Aristotle on political distribution,” *World Institute for Development Economics Research of the United Nations University* Vol. 31 (1987): 7.

² *Ibid*, 10.

³ Amartya Sen, “Equality of What?” In *The Tanner Lecture on Human Values I* (Cambridge: Cambridge University Press, 1980), 197-220.

context of access to the relevant capabilities, such as the time, resources, and access to community spaces that would be required.

Sen's contribution regarding an individuals' varying ability to convert goods into realized functionings can be understood as an objection to Rawls and the subsequent theories of normative liberalism which draw on the idea of primary goods. As we have seen, Rawls avoids making comparisons of well-being by focusing on a minimally thin set of primary goods—including a bundle of rights— which all self-interested individuals can be said to want. However, Sen and Nussbaum point out that primary goods themselves—rights and money—are not able to tell us anything about the most important measure of an individual's life: the extent to which they are able to *realize* the central capabilities. This means that the central strategy of normative liberalism to remain neutral on the actual things required for a good life, fails from the perspective of well-being and flourishing.

The capabilities approach threads a careful line between equality of opportunity and equality of outcome. On the one hand, it criticizes economic liberalism for ignoring the unequal outcomes of capability generated by the market, and normative liberalism for its fixation on primary goods to the exclusion of other goods. On the other hand, it approaches the question of community and other capabilities with the realization that individuals must have the freedom to choose whether to exercise these capabilities. The capabilities approach cares about the outcome of well-being and implements this concern by asking whether individuals have all the necessary capabilities they need to flourish. But it also grants individuals the autonomy to exercise or decline to exercise their capabilities,

stopping short of nanny-state policies which as Elizabeth Anderson has pointed out, only serve to diminish individual agency.⁴

If we compare the kinds of real-world policy recommendations that result from these three premises—normative liberalism, economic liberalism and the capabilities approach—we find significant differences, particularly when it comes to the question of community. The theory of justice contained in normative liberalism does not go far enough to protect the institutions, physical spaces, and capabilities required for participation in the life of the community from the neo-enclosure process of economic liberalism. The capabilities approach would recommend that community be recognized as a core human good, and that it should be correspondingly and appropriately weighted against other goods.

The Capabilities Approach

As we saw in Chapter One, the triumph of Epicurus over Aristotle during the renaissance presented a new way of thinking about political and economic philosophy. Proto liberal and early liberal thinkers were significantly influenced by this turn thanks to the rediscovery of Lucretius' *On the Nature of Things*. The rapid spread of Epicurean ideas led to an emergent philosophy of materialism during the enlightenment which culminated in the utilitarianism of Bentham, the mechanistic psychology and politics of Hobbes, and the empiricism of Hume, Locke, Smith, and the classical liberal economists. The capabilities approach re-engages with the arguments of Aristotle by returning a teleological element to social and political thought. It accepts Aristotle's premise of flourishing as the end of social

⁴ Elizabeth Anderson, "What is the Point of Equality?" *Ethics* 109, no. 2 (1999): 287-337.

and political institutions, and it views well-being as a potential in all of us that can be enabled to greater or lesser degrees depending on the capabilities at our disposal.

The capabilities approach (CA) is the result of two parallel projects, one by Amartya Sen to develop criteria for measuring development outcome goals, and another by Martha Nussbaum to develop a theory of justice based on Aristotelian virtue ethics. Sen's early work sought to determine a standard of measurement for equality that philosophers, economists, and development organizations could all use. This standard was intended to include meaningful freedom of choice, along with a consideration of actual achieved functionings. By achieved functionings, they mean the actual states of 'being and doing' that individuals may attain such as being nourished, having shelter, or participating in community. The CA makes an important distinction between the states of "beings and doings" themselves and the *capability* to be or to do. Sen for instance distinguishes between starvation which results from the absence of a capability, and fasting, which results from the choice not to exercise a capability. By focusing on capabilities rather than measuring direct outcomes, the CA recognizes the importance of individual autonomy and freedom of choice.

The CA helps us recognize both the importance of community and the importance of individual rights. This is because the capabilities approach takes as its end goal a fully functioning human life which includes both community and individual freedom and autonomy. The CA draws on distinct theories from those underlying liberalism and makes possible a conceptual reconciliation between community and protection of the individual.

Amartya Sen has written extensively on problems located at the intersection of ethics and modern liberal economics. His substantial contributions have forced economic thought to grapple with the complexity of concepts like well-being and self-interest, and to face the over-simplifications contained in their formal models. As Sen points out, there are many ways in which the ideas of well-being and self-interest may be understood. Just a few of these include “Is he well off? Is she happy? Does he feel fulfilled? Does she have much freedom? Can he get what he wants? Can she do what she would like to do? Is society being good to him? Is she having a good life?”⁵ Economics, Sen argues, has been uninterested in the ‘plurality of focus’ required to adequately judge a person’s states and interests, satisfying itself instead with “one simple measure of a person’s interest and its fulfillment...often called ‘utility’.”⁶

Sen seeks to significantly broaden the scope of how an individual’s states and interests are identified when establishing economic goals and advancing theories of well-being. This is necessary to address the weaknesses in existing models of human well-being, such as the utilitarian and the primary goods approach, both of which Sen criticizes. The utility approach on the one hand fails to address the problem of reduced expectations as a result of the internalization of certain expectations about life—that is, those who have learned to align their goals and desires with the reality of their living conditions. The primary goods approach on the other hand fails to address the differing ability for individuals to convert primary goods into capabilities and functionings, and results in wildly different outcomes from the same bundle of primary goods. Sen’s answer to these

⁵ Amartya Sen, *Commodities and Capabilities* (Netherlands: North-Holland, 1985), 1.

⁶ *Ibid.*, 2.

problems is to argue that both theory and practice must be focused on outcomes, and that those outcomes should be the capabilities themselves.

In building out his theory, Sen makes several important distinctions. The first is between an achieved functioning and a capability. A functioning is a *realized capability*, or something that a person may *do or be*, while a capability is the power to realize, or decline to realize, that state. A ‘capability-set’ refers to a person’s “combinations of functionings that are feasible for her to achieve” and is thus “a kind of freedom...to achieve alternative functioning combinations.”⁷ By distinguishing between being/doing and the *ability* to be or do, the capabilities approach allows for freedom of individual choice. Indeed, Sen’s particular approach values market freedoms to a large degree as important components of this liberty, however these market freedoms must be recognized as means to the ends of flourishing and not as ends themselves. That is, insofar as market freedoms work against the goal of human well-being, as they often do under neoliberal economic practices, they must be brought to heel behind the achievement of the end goal.

Placing well-being in all its full complexity ahead of reductionist metrics such as consumption and production, Sen calls into question the traditional focus on ‘real income’ estimates (opulence), or ‘welfare economic’ formulations such as utility.⁸ By plainly pointing out that traditional measurements overlook the fundamental capabilities to do or to be, Sen skillfully carves out a new area of inquiry in theories of economics, political theory, and well-being. Sen’s distinction between categories such as commodities, the functionings they enable, and the mental states that attach to such functionings, raises

⁷ Amartya Sen, *Development as Freedom* (United Kingdom: Knopf Doubleday Publishing Group, 2011), 75.

⁸ Amartya Sen, *Commodities and Capabilities* (Netherlands: North-Holland, 1985), 1.

serious problems for the formal models of mainstream economic thought—including notably Samuelson’s revealed preference approach which assigns utility to whatever act taken by an individual. The pervasiveness of revealed preference theory, even in the 21st century, makes Sen’s critique of the theory as a “heroic simplification” and a “non-starter” of particular interest.⁹

Sen’s early research sought to determine standards of measurement for equality around which philosophers, economists, and development agencies could unite, and was originally conceived as a hybrid approach adopting a Rawlsian priority of liberty with an outcome-oriented emphasis of consequentialism. Any proposed *standard* of equality (that is—what specifically we measure when we measure equality) ought to combine both meaningful freedom of choice along with a consideration of actual achieved functionings. By focusing on capabilities and functionings as “constitutive elements” of human well-being, Sen can include human diversity as a principal component of equality. That is, if we consider the actual diversity of human beings “demanding equality in terms of one variable tends to clash—in fact and not just in theory—with wanting equality in terms of another.”¹⁰ Sen writes that

[t]he *substantive* importance of the question ‘equality of what?’ relates, thus, to the empirical fact of pervasive human diversity. Investigations of equality—theoretical as well as practical—that proceed with the assumption of antecedent uniformity (including the presumption that ‘all men are created equal’) thus miss out on a major aspect of the problem. Human diversity is no secondary complication (to be ignored, or to be introduced ‘later on’); it is a fundamental aspect of our interest in equality.¹¹

⁹ Ibid, 20.

¹⁰ Amartya Sen, *Inequality Reexamined* (United Kingdom: Clarendon Press, 1992), p.xi.

¹¹ Ibid, p.xi.

This insight into the nature of equality is highly valuable. By drawing out the various *tradeoffs* that are often inevitable when ‘solving’ for one equality variable or another, Sen shows us that a new way of measuring equality is needed. To take the most obvious example here, solving for wealth leads to inequalities in well-being as the diversity of natural human ability and context does not uniformly convert wealth into achieved functionings. Sen points out that these tradeoffs exist in theories that emphasize liberty, utility, or freedom as the focus of equality.

To take the example of freedom, Sen illustrates in *Inequality Reexamined* how even this can lead to reductions in well-being. He starts by identifying two distinct kinds of freedom that a person can have: agency freedom and well-being freedom.¹² Agency freedom allows an individual to pursue her various ‘goals and values’ which “need not be guided only by her own well-being.”¹³ Sen writes, “[i]f a person aims at, say, the independence of her country, or the prosperity of her community, or some such general goal, her agency achievement would involve evaluation of states of affairs in the light of those objects, and not merely in the light of the extent to which those achievements would contribute to her own well-being.”¹⁴ In other words, increased freedom to achieve certain goals and values we may hold dear will not always coincide with increases in well-being and may even result in a reduction of well-being.¹⁵

¹² Sen draws even further distinctions in the text between agency achievement and agency freedom on the one hand, and well-being achievement and well-being freedom on the other, each of which can involve trade-offs with any other.

¹³ *Ibid*, 56.

¹⁴ *Ibid*, 56.

¹⁵ Sen also notes here that agency and well-being remain thoroughly interdependent, but that nonetheless they are distinct concepts and should not be subsumed into a simplified economic model in which increases in freedom is in every case assumed to coincide with increases in well-being.

Sen also points out that increases in freedom of choice may coincide in reductions of well-being. For example, increasing freedom in this area may result in

...forcing on the person the necessity to spend time and effort in making lots of choices that he or she would rather not have to make. There can be inconvenience and hassle from having to make more choices, and this may well be far from advantageous, no matter how exactly we define advantage.¹⁶

Sen's point here is not to question the value of freedom or of choice, but to recognize the very Aristotelian need for evaluation and judgment to negotiate the relationship between various goods and our well-being. By emphasizing freedom as an unvarnished good, the complex question of how our well-being relates to our freedom is obscured. Lost is the fact that there exists an "inescapable need for evaluation" when it comes to the expansion of certain kinds of freedoms from the perspective of well-being, and that "the expansion of some types of choices [and freedoms] can reduce our ability to choose lifestyles that we might treasure."¹⁷

By framing equality in terms of functionings and capabilities, Sen shifts the focus of economic policy on well-being outcomes. Outcomes that do indeed require things like liberty, income, rights, and commodities, but that *also* require goods not provisioned in the free market and not normally recognized in economic and normative theories of liberalism—the capability to participate in the life of the community for instance. That is, any theory which neglects ends and outcomes risks missing the crucial importance of human well-being. For Sen, as for Aristotle, questions of justice and distribution must first address the question of ends before they can say what the distribution of goods is to be measured against.

¹⁶ Ibid, 63.

¹⁷ Ibid, 64.

Since the beginning of the capabilities approach participation in the life of the community has been a fundamental human capability. Writing on the oversights of liberalism Sen notes that “what is missing...[is] some notion of ‘basic capabilities’: a person being able to do certain basic things. The ability to move about is the relevant one here, but one can consider others, e.g... the *power to participate in the social life of the community*.”¹⁸ Sen writes in the 1985 essay *Commodities and Capabilities* that we must include among the various beings which matter for well-being such goods as being “well-nourished, well-clothed, mobile, [and] taking part in the life of the community.”¹⁹

Sen’s commitment to the importance of community extends to the various commodities and institutions that would enable such participation. That is, Sen recognizes that

...a family in contemporary America or Western Europe may find it hard to take part in the life of the community without possessing some specific commodities (such as a telephone, a television, or an automobile) that are not necessary for community life in poorer societies. The focus has to be...on the freedoms generated by commodities, rather than on the commodities seen on their own.²⁰

This list of commodities can be expanded to include the goods that make community participation possible, including such things as the physical community spaces and urban geographies which provide the chance to congregate, as well as such goods as free time, adequate mobility, and access to community activities, events, and gatherings.

Ten years after the initial work by Sen, Martha Nussbaum published two articles in 1987 arguing that Aristotelian virtue ethics can be used to develop a theory of justice and

¹⁸ Amartya Sen, “Equality of What?” *In The Tanner Lecture on Human Values I* (Cambridge: Cambridge University Press, 1980), 197-220, 218, emphasis added.

¹⁹ Amartya Sen, *Commodities and Capabilities* (Netherlands: North-Holland, 1985).

²⁰ Amartya Sen, *Development as Freedom* (United Kingdom: Knopf Doubleday Publishing Group, 2011), 74.

politics, thus preparing a set of theoretical foundations for the capabilities approach.

Nussbaum claims that there exists a foundational set of human goods which are thicker than Rawls' primary goods, and which can be used as "objective" moral criteria expressed in a good human life.

In her first article on the topic, "Non-relative Virtues: An Aristotelian Approach," Nussbaum argues that there do exist *universal* spheres of human experience which all persons must take some stance regarding. They include things like our attitude towards our own mortality, the planning and management of our lives and affairs (practical reason), and affiliation. These spheres of human experience are starting places for the core human capabilities and can be used to develop a list of goods the capabilities approach can measure against. In her early writings, Nussbaum also appeals to our "humanity" as a way of theoretically grounding the capabilities approach, drawing for instance on the human experience of affiliation, found in the poetry and philosophy of ancient Greece. She invites us to imagine a species that resembles mankind, but which no longer has any need for social affiliation. As we imagine such an individualistic and antisocial species, she asks whether we would recognize that species as human. She writes,

[t]he defender of solitary self-sufficiency...must either show that our conception of our identity is not what Aristotle says it is—that it does, after all, accommodate Cyclopes and totally non-social anthropomorphs; or she must persuade us that other aims and beliefs require us to *revise* these deep beliefs about identity; or she must grant that the proper sort of self-sufficiency for us to aim at is Aristotle's sort; or finally she must dissociate herself from the other parties to the argument, announcing that her conception of identity and nature is truly not the same as theirs, and acting, henceforth, accordingly.²¹

²¹ Martha Nussbaum, "Aristotle on Human Nature and the Foundations of Ethics," In *World, Mind, and Ethics: Essays on the Ethical Philosophy of Bernard Williams* ed. J.E.J. Altham and Ross Harrison (Cambridge: Cambridge University Press, 2014), 191.

Early in the development of the capabilities approach, Nussbaum defends an Aristotelian “contextual objectivity” in which she argues that actions can be both ‘relative’ or ‘contextual’ *and* simultaneously objective. She summarizes this claim in a passage arguing that it is “right absolutely, objectively, from anywhere in the human world, to attend to the particular features of one's context; and the person who so attends and who chooses accordingly is making, according to Aristotle, the humanly correct decision, period. If another situation ever should arise with all the same morally relevant features, including contextual features, the same decision would again be absolutely right.”²² This account of contextual objectivity anticipates the ethical strategy of the capabilities approach in which the well-being of any given individual entails *objective* elements that depend on their context and circumstance. There are, in other words, “morally relevant features” of an individual's life and surroundings that change the moral weight of the decisions they make. By changing these features as they exist in the social and political environment, the ability for an individual to live a good life can be made easier or more difficult. Insisting on both objectivity and contextualism, Nussbaum sets the stage for a theory distinct from deontology or utility and recognizes that she relies on a “Marxian/Aristotelian idea of human functioning” for her argument.²³

This understanding of objectivity also underlies Nussbaum's (and Sen's) objections to the liberal reliance on primary goods and GDP as an approximation of human well-being. If objectivity exists within different social and cultural contexts, then the liberal reluctance to specify the underlying goods required for flourishing falls short of what objective justice

²² Ibid.

²³ Ibid, p.13.

requires. In her 1987 article “Nature, Functioning, and Capability” Nussbaum argues that political ends ought to be measured against the extent to which they empower individuals with the necessary capabilities to pursue a flourishing human life. Whether or not these conditions obtain in society can serve as a measure to distinguish good political arrangements from bad ones. By evaluating policies in terms of capability creation we can use vocabularies both of collective, objective goods, as well as of individual choice.²⁴

To identify the social and political contexts that maximize our chance for living a good life, Nussbaum has created a list of core human capabilities. Because the capabilities approach is “fully universal...important for each and every citizen, in each and every nation,” a list provides a starting point for discussing the merit of each capability and realizing them in practice.²⁵ By creating a list Nussbaum also wishes to recognize that the absence of ‘objectively valuable’ human capabilities represents a deficiency. That is, a human life enriched by the availability of certain core capabilities is superior to one that lacks them. Nussbaum points out that when we consider the kinds of lives that people may be confronted with, for instance a life that utterly lacks the opportunity to flourish, such a life can be “so impoverished that it is not worthy of the dignity of the human being...”²⁶ By identifying an objective list of capabilities Nussbaum is also commenting on circumstances in which individuals have been *deprived* of the ability to pursue flourishing due to social, political, or other contingent conditions. Such lives, lacking in the basic capabilities have

²⁴ Martha Nussbaum, “Nature, Function, and Capability: Aristotle on political distribution,” *World Institute for Development Economics Research of the United Nations University* Vol. 31 (1987).

²⁵ Martha Nussbaum, *Women and human development: The capabilities approach*. (Cambridge: Cambridge University Press, 2001), 6.

²⁶ *Ibid*, 72.

“not been enabled to live in a truly human way.”²⁷ Objectivity in capabilities is thus both the starting point for arguments against injustice, and a necessary anchor-point for its ability to make claims for developing human well-being.

Nussbaum also stresses a connection between Marx and Kant on the topic of the individual being an end in him or herself. She points out that the authors make similar arguments about the importance of considering the individual as an end, though their approach for achieving this differs. As she writes, “the capabilities are sought for *each and every person*” and not in the first instance for “groups or families or states...” or indeed (we might add) for communities ‘themselves’.²⁸ By stressing the importance of the individual when considering the central capabilities, we avoid the potential danger of ascribing agency to ‘the community’ as such. That is, the value of community can be realized from the perspective of the individual members of the community, and not from an imagined perspective of ‘the whole’.

In developing a list of core human capabilities, Nussbaum recognizes that, although different in “structure and substance” from Rawls’ primary goods, they are offered in a similar spirit to that of political liberalism. Specifically, “as a list that can be endorsed for political purposes, as the moral basis of central constitutional guarantees, by people who otherwise have very different views of what a complete good life for a human being would be.”²⁹ Nussbaum first proposed such a list first in her book *Women and Human Development*, and has continued to develop it. Nussbaum embraces the idea that the list is

²⁷ Ibid, 74.

²⁸ Ibid, p.74.

²⁹ Ibid, p.74.

contestable, but that nonetheless, “a life that lacks any one of these capabilities, no matter what else it has, will fall short of being a good human life.”³⁰ Nussbaum’s paraphrased list includes:

- Being able to live to the end of a human life of normal length.
- Being able to have good health, adequate nutrition, adequate shelter, opportunities for sexual satisfaction and choice in reproduction, and mobility.
- Being able to avoid unnecessary and non-beneficial pain and to have pleasurable experiences.
- Being able to use the senses, imagine, think, and reason; and to have the educational opportunities necessary to realize these capacities.
- Being able to have attachments to things and persons outside ourselves.
- Being able to form a conception of the good and to engage in critical reflection about the planning of one’s own life.
- Being able to live with and toward others, to recognize and show concern for other human beings.
- Being able to live with concern for and in relation to animals and the world of nature.
- Being able to laugh, to play, to enjoy recreational activities.
- Being able to live one’s own life and no one else’s; enjoying freedom of association and freedom from unwarranted search and seizure.

Although community itself is not included in Nussbaum’s original list, it is no stretch to see that community presupposes and underlies many of the items included here. In particular, community would be required for the capability of being able to live with and toward others, for the capability of being able to have attachments to persons outside ourselves, the capability of recognizing and showing concern for others, and even the capability of being able to laugh, play, and enjoy recreational activities.

Though Nussbaum has since expanded her metaethical framework to include a Rawlsian “overlapping consensus” argument, as well as the idea of reflective equilibrium,

³⁰ Martha Nussbaum, “Human Capabilities, Female Human Beings,” in *Women, Culture, and Development: A Study of Human Capabilities*, ed. Martha Nussbaum and Jonathan Glover (Oxford: Clarendon Press, 1995), 85.

the capabilities approach in general remains grounded in the insights and arguments developed in her early writings. Nussbaum recognizes that different meta-ethical justifications will appeal to different people, and she embraces the pragmatic approach of different intuitive journeys taken to arrive at a list of core human capabilities. She writes,

I now understand the list of central human capabilities as the core of a specifically political form of liberalism, in the Rawlsian sense. (...) It is neither an exhaustive account of the good nor a metaphysically grounded account. Each citizen will interpret its metaphysics differently, in the manner of a Rawlsian overlapping consensus, understanding the core values in terms of the rest of her comprehensive conception."³¹

While Nussbaum declines to attach the capabilities approach to a single metaethical theory, she nonetheless argues that, when interpreted correctly, these theories will each point to the fundamental insight that human beings possess dignity, and that this dignity demands that social and political institutions enable the pursuit of flourishing rather than inhibit it. This also means that, when conflicts arise between the generation of wealth and well-being, or between a narrow focus and enforcement of certain rights and well-being, we must side with the creation of well-being and the enablement of flourishing through the creation of human capabilities.

Both Nussbaum and Sen embrace a vision of justice that can be realized through the creation of capabilities that would demand radical changes in political, social, and economic institutions. My addition to their vision is an explicit recognition of community as a central capability, and to call for similar political, social, and economic changes to better protect an individual's capability to participate in the life of the community. In the next sections, we explore the specific differences between a capability approach towards community, and an

³¹ Martha Nussbaum, "Political Animals: Luck, Love, and Dignity," *Metaphilosophy* vol. 29 (1998): 273-287, 284.

economic and normative liberal approach towards community. The capabilities approach offers unique theoretical strengths where both economic and normative liberalism fall short.

Capabilities Approach and Liberalism

In previous chapters we explored how liberalism and community interact. For economic liberalism, we have seen the many ways that it can actively consume and transform a community, and how it reduces well-being to the proxies of production and consumption. We have also seen how normative liberalism fails to protect community from the harms of economic liberalism by declining to specify the idea of a good life and overemphasizing the individual in matters of justice, thus neglecting how community can be both an object of, and means towards, justice. In this section we revisit these claims and explore how the capabilities approach can offer original and productive insights both on the failings of liberalism, and how our political might recognize community.

One of the central claims of economic liberalism is that the efficient generation of wealth is essential for and complementary to the generation of social value. The focus on wealth generation and marginal individual utility means that economic liberalism ultimately extracts value from communities and funnels it to individuals. This is not only due to certain inherent mechanisms of capitalism where efficient production requires increasing sacrifice from workers to generate surplus value, but also because efficient wealth generation consumes the physical spaces and the urban land that makes community possible. To understand the capabilities approach response to these claims, it's helpful to familiarize ourselves with Marxian criticisms of social value extraction and alienation.

For Marx, human labor is the only thing that can create value. When human labor is congealed into a commodity or a service in exchange for a wage, profits can be extracted by selling the commodity or service for less than the total cost of production. Thus, to increase profits, one must extract greater value from the same or less of human labor input. This can be done by either increasing automation, which increases productivity, or by reducing the cost of labor itself. Crucially, however, an increase in profits does not increase the amount of value in the world. When Marx notes that “an increase in the amount of material wealth may correspond to a simultaneous fall in the magnitude of its value,” he means that as labor produces more material wealth, value itself, which is inherently a *social relation*, is extracted or consumed in the process.³² This dynamic of value creation and extraction takes place in the creation of physical commodities as well as in the services that replace social and reproductive labor.

The community that contains relations of trust and reciprocity relies less on wage labor to fulfill its social and reproductive labor. Indeed, human labor, given freely in various forms of care, regard, friendship, and mutual aid, makes up one of the most important elements of a community. When labor is exchanged directly among members of the community, the goal is not the extraction of surplus value to be converted into wealth generation, but the creation of value directly through mutual aid. This direct exchange, dependent on norms of reciprocity and trust, results in greater freedom from the labor market for individual survival and well-being. The more that community members support one another, taking turns in the creation and distribution of value, the less they are forced to sell their labor in the market. When community relations are strong, and when the

³² Karl Marx, *Capital* (London: Penguin, 1990), 137.

physical and social infrastructure for community is in place, many needs can be met without donating additional surplus value for the express purpose of greater wealth generation.

Conversely, local economies that depend on wage labor for social and reproductive work tend to undermine relations of trust and reciprocity necessary for community. As social capital is increasingly commodified, realizing our capability to participate in the life of the community becomes more difficult. Many associated goods either become luxury products for the wealthy or unavailable at any price. As commodification spreads even the wealthy lose access to a world in which relationships are guided by reciprocity, charity, kindness, and common regard. One in which alienation from one another is not yet widespread and where one's own well-being isn't dependent on the monetary wealth extracted from surplus labor. In other words, as the imperative to produce and consume expands, not only does the value embedded in community erode, but increasing alienation undermines the very relationships that community depends on. Marx writes that

[i]f the product of labor does not belong to the worker, if it confronts him as an alien power, this can only be because it belongs to some other man than the worker. Thus, if the product of his labor...is for him an alien, hostile, powerful object independent of him, then his position towards it is such that someone else is master of this object, someone who is alien, hostile, powerful and independent of him...Every self-estrangement of man from himself and from nature appears in the relation in which he places himself and nature to men other than and differentiated from himself.³³

When our social labor in the community becomes alienated to the extent that it is performed not for the person receiving it, but rather for the "alien, hostile, powerful and independent" social service firm, it becomes nearly impossible to preserve the relations of

³³ Karl Marx, *Economic and Philosophic Manuscripts of 1844*, trans. Martin Milligan (New York: Prometheus Books, 2009), 79.

trust and reciprocity necessary for community to flourish. Under such widespread alienation, care for others is compelled by market forces and must be conducted efficiently in order to continue generating surplus value. Giving care freely becomes difficult because the norms of reciprocity have broken down, and few have the time, resources, or fellow feeling to do so. The commodification of everything simply creates a greater dependence on the price that one's labor can fetch in the market and worsens the experience of inequality by making money the only resource relevant for one's quality of life.

By recognizing community as a central human good and protecting the underlying conditions for community in economic and political theory, the capabilities approach preserves these direct exchanges of value and accepts a reduction in efficient wealth generation. Even so, the capabilities approach does not argue for the abolition of the market—indeed Sen is clear that market freedom is an important element of human freedom more broadly—but compared to economic liberalism it prioritizes goods essential for human well-being and argues that value should remain in the community. Human freedom is a central human good for the capabilities approach, but other positive freedoms *to do* and *to be* in various ways are just as important. Since these positive freedoms are capabilities and not outcomes, individuals are not coerced to accept one way of life or another. But neither are individuals *prevented* from realizing a capability, such as if the ability to participate in the life of the community were to disappear or become inaccessible.

In one sense then, the capabilities approach would argue for an *inefficient market*—not the inefficiency of a soviet planned economy in which the kind, quality, and number of goods were centrally allocated—but the kind of inefficiency that allows greater surplus

value to remain with the laborer in the community rather than being maximally extracted and converted into capital.³⁴ Because redistribution cannot repair fractured communities once they are drained of value, the extraction process itself must be altered. By allowing individuals to retain more of their labor, protecting community spaces from neo-enclosure, and restricting corporations who act against the community, the capabilities approach indirectly advocates a less efficient means of production for the sake of well-being and human flourishing.

At a minimum, the protection of community through a capabilities approach would recognize that certain areas of human society must not be understood solely from the perspective of economic analysis. Such protection requires normative arguments which claim that some goods fall under the rubric of justice, and the idea of justice requires, if not metaphysical or teleological thinking, at least arguments that break from Epicurean thought. The deep Epicurean roots of economic liberalism render it unable to speak to the value and importance of community, or to a broader sense of human well-being.

The example of Lancaster showed how pursuing economic rationality to the exclusion of perspectives of justice led to the breakdown of community. The capabilities approach would require that financial mechanisms such as leveraged buyouts which maximize growth and wealth would need to be evaluated in terms of their impact not on production and consumption, but on wellbeing, flourishing, and community. It would

³⁴ Goods in the Soviet planned economy were produced according to what the central planners thought would be needed. This led to many interesting problems in the supply chain, such as when certain fashions in clothing were produced in ample supply, people found them less desirable. This forced central planners to try to catch up with the cycles of demand, resulting in a highly inefficient market.

recognize that the criteria of success in economics is at odds with the criteria that determine wellbeing, human flourishing, and the possibility of community.

Economic liberalism would object that free market mechanisms are unrivaled in their ability to determine a just distribution of goods. So long as the market is unimpeded, they argue, people will identify what they want and need in their lives and the market will provide it. The more we restrict and throttle the market, the more friction is created between supply and demand, and the more we impede individual preference satisfaction. As we saw earlier with *revealed preference* theory, liberalism maintains skepticism towards the idea that there could exist core goods for human well-being and argues instead for maximized preference satisfaction in the free market. Since no objective goods can be said to exist for all persons, the free market is the best approximation of well-being we can ever hope for.

However, just because an individual does not actively recognize the absence of a good, does not make that good irrelevant to their flourishing and well-being. Sen points out in *Resources, Values and Development* that people living in poverty often adapt their preferences to the match to their immediate circumstances. If the core human capabilities become so far out of reach that they no longer occur as a spark of hope in our imagined future, we lower our expectations and adjust to the present reality. He writes that,

[t]he most blatant forms of inequalities and exploitations survive in the world through making allies out of the deprived and the exploited. The underdog learns to bear the burden so well that he or she overlooks the burden itself. Discontent is replaced by acceptance, hopeless rebellion by conformist quiet, and...suffering and anger by cheerful endurance. As

people learn to survive to adjust to the existing horrors by sheer necessity of uneventful survival, the horrors look less terrible in the metric of utilities.³⁵

Compounding the problem of lowered expectations is the tendency of vested power and interest to perpetuate itself in a deregulated market economy. This happens not only in direct exercises of power backed by the threat (and use) of violence and the power of agenda-setting through media capture, lobbying, and litigation, but also by what Stephen Lukes identifies as the 'third dimension' of power. The third dimension of power is exercised when our ideas, preferences, and beliefs are shaped such that a rich variety of possible futures are unavailable to our imagination.³⁶ This can happen through selective education, media and news propaganda, and normalizing a certain lifestyle in popular culture. It can also happen when the economic imperatives of production, consumption and growth come to reify themselves in the popular imagination. This narrowing of the political imaginary, which Sheldon Wolin traces back to the struggle against Soviet communism during the Cold War, has cast the economy in the popular imaginary as an unquestioned power structure that must be "considered as much a part of the 'foundation' of political society as the institutions prescribed by the Constitution."³⁷ The new political imaginary can no longer perceive a distinction between liberal democracy and economic liberalism. The apparent inevitability of economic liberalism has emerged alongside a transformation of the market

...from one of small-scale producers into one dominated by large corporations and monopolies and near monopolies... The market was now the site of great powers: powers

³⁵ Amartya Sen, *Resources, Values and Development* (Oxford: Basil Blackwell, 1984), 309.

³⁶ Steven Lukes. *Power: A Radical View* (United Kingdom: MacMillan Press, 1979); Sheldon Wolin. *Democracy Incorporated: Managed Democracy and the Specter of Inverted Totalitarianism* (United Kingdom: Princeton University Press, 2017).

³⁷ Sheldon Wolin. *Democracy Incorporated* (United Kingdom: Princeton University Press), 2017, p.91.

that determined prices, wages, patterns of consumption, the well-being or poverty of individuals, the fate of entire neighborhoods, cities, states, and nations.³⁸

By recognizing clear differences between wealth, economic growth, and human well-being, the capabilities approach introduces an entirely different political imaginary, according to which market forces cannot not fully satisfy the needs of human well-being. By advocating a set of central capabilities for all persons, even in cases where individual expectations have fallen alongside the rise of a reified economic reality, the capabilities approach rejects consumer demand, wealth generation, and revealed preference as the sole or primary means for attaining human well-being. Instead, it recognizes that strong community institutions and opportunities to participate in bridging community that welcome a diversity of ideas, perspectives, and backgrounds can help to grow the political imaginary. The protection of these institutions and spaces not only encourages dialogue, interaction, and the exchange of ideas, but can also introduce entirely new ideas and visions of what it means to live well in a community.

It should be clear by now specifically how and through which mechanisms production and consumption erodes community, as well as the alternative offered by the capabilities approach. By allowing people to retain enough labor power to participate in community life, and by erecting guard-rails around community spaces and institutions through sensible laws and policy, the relationship between free markets and community is significantly altered. Because the capabilities approach embraces the full complexity of well-being achievement rather than assuming markets can sufficiently approximate well-

³⁸ Ibid, 92.

being, it calls for much greater direction over the economy. But this direction needs only ensure that the market is used in the service of the core human capabilities.

Where economic liberalism relinquishes normative command over the economy, as Locke does when he preempts his provisos by encouraging the endless accumulation of money, the capabilities approach refuses such a move. The fantasy of a neat overlap between profit and social well-being is rejected, and the messy task of determining how best to throttle the market for the sake of creating capabilities is embraced. This point is repeated often by both Nussbaum and Sen in the sense that “a political community has ‘good living’ as its point, not just possessions, and not just mere sustenance.”³⁹ Even Rawlsian primary goods are “too thin” such that “no item’s worth can be properly assessed if we do not set it in the context of a thicker theory of good living; and when we do so, we discover that wealth has no independent worth.”⁴⁰

The capabilities approach must be seen then as divergent from the accepted liberal wisdom of economic growth, due to its rejection of the idea that “wealth (of a person, or of a nation) is an end in itself, and that the accumulation of as much wealth as possible is an appropriate end for politics to pursue.”⁴¹ Its policy goal is the achievement of the actual capability sets possessed by individuals, and not subjective well-being, primary goods, commodities, or utility. Both Sen and Nussbaum disagree with the liberal hesitance to identify substantive goods which relies on implicit assumptions regarding the *kind of*

³⁹ Martha Nussbaum, “Nature, Function, and Capability: Aristotle on political distribution,” *World Institute for Development Economics Research of the United Nations University* Vol. 31 (1987): 7.

⁴⁰ *Ibid*, 10.

⁴¹ Martha Nussbaum, “Aristotle, politics, and human capabilities: A response to Antony, Arneson, Charlesworth, and Mulgan.” *Ethics* 111, no. 1 (2000): 102-140.

equality individuals have reason to value. These assumptions neglect the differing ability for individuals to convert their resources into actual beings or doings, and thus the vastly different outcomes that result from the same bundle of resources. Sen notes that

[h]ad all people been exactly similar, equality in one space (e.g. incomes) would tend to be congruent with equalities in others (e.g. health, well-being, happiness). One of the consequences of 'human diversity' is that equality in one space tends to go, in fact, with inequality in another.⁴²

The reality of human diversity means that individuals face various kinds of challenges as they go about converting their primary goods, commodities, and wealth into actual beings and doings. Due to this oversight, Sen calls the primary goods approach to justice as containing an element of “commodity fetishism.”⁴³ For Sen, a theory of justice must first address questions that both kinds of liberalism avoid: the question of good ends, or the creation of capabilities that enable specific beings and doings.

The capabilities approach thus simultaneously identifies the shortcomings of liberal theory as explored here, and points to a way forward. By emphasizing the capability to participate in community rather than the actual participation itself, the capabilities approach avoids many of the worries of liberalism related to individual autonomy. The subsequent policies which focus on capability creation rather than production, consumption, or the primary goods would indeed include a familiar collection of individual rights. But it would also include a wide range of regulations and programs aimed at protecting and generating the capabilities themselves.

⁴² Amartya Sen, *Inequality reexamined* (Oxford: Clarendon Press, 1992).

⁴³ *Ibid.*

Rather than the focus on production and consumption seen in Locke and Smith, there would be robust consumer protection laws, consumer safety and security laws, antitrust measures, fair banking and anti-usury laws, anti-lemon laws, right to repair laws, equitable housing laws, public transportation laws designed to empower mobility, laws regulating exploitative for-profit education companies, regulation of media consolidation and conflict of interest laws in the 4th estate, and laws regulating the use of dangerous pesticides and drugs in food production.

And instead of a focus on the minimally thin primary goods, the capabilities approach would ensure the existence and access to desirable public spaces, and it would protect the libraries, cafes, museums, swimming pools, taverns, community gardens, barbershops, bookstores and bowling alleys that enable bridging interactions from enclosure by the market. Though economic liberals will argue that taking an active hands-on approach to the economy through political regulation contains the risk of cozy relationships between regulator and regulatee, it's clear that the alternative reliance on consumer demand and self-interest as an adequate proxy for human well-being is insufficient.

It further holds that the ends of economic organization are altogether different, and indeed more closely align to theories that advocate prosperity without growth. The economist Tim Jackson for instance argues that economies should be oriented primarily around wellbeing and quality of life, recognizing that the growth mandate cannot continue in a system of finite resources. For Jackson 'prosperity' should be understood in terms of,

...the ability to give and receive love, to enjoy the respect of our peers, to contribute usefully to society, to have a sense of belonging and trust in the community, to help create the social

world and find a credible place in it. In short, an important component of prosperity is the ability to participate meaningfully in the life of society.⁴⁴

The vision of community life in the capabilities approach returns us again to Aristotle and the idea that our well-being as individuals immediately depends on the communities in which we live. We benefit from the community both as children who receive education and support to become functioning adults, as well as throughout our adult life through interactions with others around us. The political community for Aristotle is one that requires reciprocity, not only by directly donating time and the fruits of our labor with others, but also through taxation and redistribution. As Richard Kraut points out, Aristotle not only “assumes that wealthy citizens who use their resources to help other members of the community suffer no loss in well-being when they do so” but indeed the virtue of magnanimity (*megalopsychia*) is one of the core human virtues required for living well.⁴⁵

Thus, economic policy guided by the capabilities approach must be thoroughly reinterpreted in light of the goals of wellbeing. This change would be necessary whether or not community was included as one the core capabilities but becomes increasingly important once we recognize how community is extracted and converted through the process of neo-enclosure.

Membership and Belonging

All human beings who have tasted bondage and have known the bitter experience of servitude in any form, hate the chains that bind the bodies, souls and minds of mankind, and they will pay the greatest price to dismiss their fetters and to lose their chains. But all the citizens in this democratic republic have more to lose than

⁴⁴ Tim Jackson, *Prosperity Without Growth: Economics for a Finite Planet* (Italy: Earthscan, 2011), 189.

⁴⁵ Richard Kraut. "Aristotelianism and Libertarianism." *Critical Review (New York, N.Y.)* 11, no. 3 (1997): 359-72.

their chains. They may lose...their community with all its values and social endowments.⁴⁶

An important criticism of community is that it may dominate over an individual or minority group—not only refusing admittance but also denying access to community goods and services. This criticism is important to address, particularly because communal belonging can often be psychologically rooted in the exclusion of the other, and any sort of political theory that concerns itself with both justice and the protection of community must contend with the danger that community might become rooted in exclusion, xenophobia, racism, and bigotry. Recent and ancient history alike is of course rich with examples of communities adopting intolerant attitudes towards outsiders, and in the cases of segregation and apartheid, the very identity of a community itself may come to be associated with the singling out and exclusion of a particular race.

It is important to remember that the capabilities approach is rooted in an idea of the radically egalitarian creation of capabilities. The capabilities approach takes as its starting point the confrontation of “*entrenched social injustice and inequality*,” and in particular, capability failures “that are the result of discrimination and marginalization.”⁴⁷ The capabilities approach does not tolerate practices of exclusion or institutionalized racism and does not suggest a return to the Lancaster of the 1950s. But the capabilities approach also does not see the preservation of community along with the attainment of racial justice as incommensurable or incompatible with one another.

⁴⁶ J.H. Jackson, “All Human Beings,” in *Unholy Shadows and Freedom’s Holy Light* (Townsend Press, 1967), quoted in Alan Ehrenhalt, *The Lost City: The Forgotten Virtues Of Community In America* (New York: Basic Books, 1995), 183.

⁴⁷ Martha Nussbaum, *Creating Capabilities: The Human Development Approach* (Cambridge: Belknap Press of Harvard University Press, 2011), 19.

When the capabilities approach advocates for the creation of community, or more specifically, the capability to participate in the life of the community, it is referring not only to the ability for individuals to be able to access things like friendship circles, private clubs, dinner parties but also, crucially, community interactions that pull from a wide cross-section of diverse citizens that may not share identities or interests with one another. As we saw earlier, this is the distinction between bridging and bonding communities which shows that while exclusion is indeed one part of community relations (e.g., families are by definition exclusive communities), there is another equally important aspect to community. There is nothing inherently unjust about bonding community, and individuals are free to create bonding communities as they see fit. But as Michael Walzer points out in *Spheres of Justice* these bonding communities must not be allowed to extinguish the possibility of bridging communities existing simultaneously. As Walzer writes, individuals must be prohibited from claiming “jurisdiction and rule over the people with whom they share [a] territory. To do this is to act outside their sphere, beyond their rights.”⁴⁸

Bridging community is built around activities that cut across identities, ethnicities, and backgrounds. It is also essential for well-being and the full realization of human capabilities. Bridging communities not only generate social capital through the relationships that form naturally as we interact with others, but they also make up the social bedrock for democratic politics. Without having opportunities to relate and interact physically with one another woven into our daily lives, the generation of empathy, the practice of political deliberation, and the empathy for others required for democracy to flourish and persist can each fail to materialize. Without opportunities to interact

⁴⁸ Michael Walzer, *Spheres of Justice: A Defense Of Pluralism And Equality* (New York: Basic Books, 2008), 62.

meaningfully with others in our cities, towns, and neighborhoods, it becomes harder to develop an understanding or appreciation of their perspectives, easier it is to dismiss their claims to humanity, and easier to forget that we are inextricably linked by shared fates.

Bridging community is thus by definition inclusive for all persons within some geographical boundary. Racial segregation denies individuals the opportunity to participate in bridging community and inflicts genuine harm on those who are refused access. Minorities excluded from the community are denied the benefits and social capital it affords despite living and working in the same cities and states and contributing resources to them. Segregation in particular represents the antithesis of bridging community, and for Elizabeth Anderson segregation is “harmful and unjust in itself, apart from further inequalities... [such as] access to material goods.”⁴⁹ As Anderson points out, segregation creates both material inequalities by restricting access to material goods such as housing and access to certain basic resources, but it also creates social inequalities and personal harm by limiting access to a fundamental human good. And while communities that result from segregated, marginalized groups can and do develop into important sites of support and resistance for their members, they are nonetheless set apart from the wider community and denied access to the larger networks of social capital that should be available to them.

The practice of withholding community from a group or individual has been used in a punitive capacity throughout history including such practices as exile, ghettoization, and redlining. These practices seek to remove or confine certain groups away from the larger

⁴⁹ Elizabeth Anderson, *The Imperative of Integration* (Princeton: Princeton University Press, 2010), 84.

community, and by design are intended to punish such groups by inflicting the harm of isolation, marginalization and the withholding of community. Bridging community is thus an imperative of strong social democracies not only by creating relational bonds and empathy between individuals with differing identities, perspectives, and life experiences, but also by ensuring that all persons are included in the life of the community, to the extent they wish to be. Bridging community operates by focusing the attention of participants onto an activity, experience, or goal that cuts across beliefs, values, or identifications; it is open to all and must be protected with rights and legislation not only against discriminatory practice and selective admittance, but also against the dynamics of neo-enclosure.

Elizabeth Anderson builds on this idea by arguing that membership to the community is a matter of justice, the denial of which constitutes real harm. For Anderson, racial justice requires creating a “community in which people stand in relations of equality to others,” ensuring what she calls the “social conditions of freedom.”⁵⁰ By ensuring that all law-abiding citizens have “effective access to the social conditions of their freedom at all times” we can achieve a kind of *democratic equality*.⁵¹ In a community where the social conditions of freedom exist, “citizens make claims on one another in virtue of their equality, not their inferiority, to others.”⁵² Democratic equality and the social conditions of freedom requires not only rights, but also the ability to participate in civil society including, as she writes, “public streets and parks, public accommodations such as restaurants, shops, theaters, buses and airlines, communications systems such as broadcasting, telephones,

⁵⁰ Elizabeth Anderson. “What is the Point of Equality?.” *Ethics* 109, no. 2 (1999): 287-337.

⁵¹ *Ibid*, 289.

⁵² *Ibid*, 289.

and the Internet, public libraries, hospitals, schools, and so forth.”⁵³ Marginalized groups who are denied access to these goods due to segregation, apartheid, and other forms of racial discrimination are thus denied the basic human capabilities necessary for their freedom.

To illustrate the importance of integrated (bridging) community as a basic human good Anderson contrasts the benefits of community participation with the traditional liberal solution to inequality and bad luck. Anderson argues that the liberal solution assumes recipients of aid are simply suffering from unfortunate economic circumstances and bad moral luck, both of which can be corrected by supplying primary goods, clearing the way for greater freedom and well-being. However, she writes, primary good compensation “ignores the fact that most of the things people want to do require participation in social activities, and hence communication and interaction with others.”⁵⁴ That is, if one is made to be an outcast, or if the very possibility of your participation in the broader community is eliminated, primary goods cannot possibly compensate for this loss. Rather than ignore the important role that community plays for well-being, Anderson argues that political theory must embrace it and further recognize the harm caused when racial minorities are *denied access*. Such community spaces, as we have seen already, are vulnerable to the enclosing tendencies of economic liberalism, and can thus be made unavailable to marginalized groups not only through racist laws, practices, and norms—but also through being consumed by the dynamics of the market.

⁵³ Anderson, Elizabeth S. "What Is the Point of Equality? *." *Ethics* 109, no. 2 (1999): 287-337.

⁵⁴ *Ibid.*, 315.

The selective restriction of access to community along racial or other lines is precisely the sort of injustice that the capabilities approach seeks to address by advocating for equality of capability, and which we seek to firmly establish as central to any understanding of community justice. In a final passage Anderson writes that

[o]ne of the important achievements of the civil rights movement was to vindicate an understanding of citizenship that includes the right to participate as an equal in civil society as well as in government affairs. A group that is excluded from or segregated within the institutions of civil society, or subject to discrimination on the basis of ascribed social identities by institutions in civil society, has been relegated to second-class citizenship, even if its members enjoy all of their political rights.⁵⁵

Thus, the communities of 1950s America such as Lancaster Ohio failed not on account of the existence of the communal institutions themselves, which had not yet been consumed by the hyper-productivity of economic liberalism, but on account of how they selectively denied groups access to these community institutions thus relegating them to second-class citizenship. The civil rights achievements of the 1960s legislated that certain privately owned community spaces must be made accessible to all, and that discrimination regarding access to such spaces will not be tolerated. The next step for the protection of community today is the conservation of these spaces in the economic and political realms as well.

Some scholars such as Michael Walzer, David Miller, and Christopher Heath Wellman argue that exclusion is a necessary and important part of community. They claim not only that “...admission and exclusion are at the core of communal independence”⁵⁶ but also that people have a rightful interest in shaping the culture of a country—to be able “to shape the way that their nation develops, including the values that are contained in the

⁵⁵ Ibid.

⁵⁶ Michael Walzer, *Spheres of Justice* (New York: Basic, 2008), 62.

public culture.”⁵⁷ I claim that these arguments take an unnecessarily restrictive view of community and conflate bridging community with bonding community. Bonding communities which exist in the case of families, friendship circles, and private clubs naturally reserve a right to exclude people from their group. This exclusion allows bonding communities to shape the way in which their private circles grow and develop and allows them to exercise their right of association. The larger community institutions of a state however, including public spaces, public transportation, cafes, bars, museums, theaters and parks, and neighborhoods themselves, must be made available to all. Denying access to the institutions that make bridging community possible on the grounds of a right to association is a violation of justice, and a clear-cut example of the kind of social policy prevalent under segregation and apartheid.

To be clear, these authors highlight specific philosophical problems, and none of them intend to defend segregation or apartheid. They write largely in the context of immigration, which is beyond the scope of the present work, and which may require a different level of analysis for a theory of community. However, the idea that exclusion is at the heart of community is important to address and is directly relevant to the distinction between bridging and bonding community. The spaces that make bridging community possible must be available for all, both legally speaking, and in terms of being actually, physically available. There is no valid claim that can be made by a community to exclude fellow community-members, or certain groups of fellow community-members from accessing and participating in the bridging community spaces that belong to all.

⁵⁷ David Miller, “Immigration: The Case for Limits,” in *Contemporary Debates in Applied Ethics*, ed. Andrew I. Cohen and Christopher Heath Wellman (Hoboken: Wiley-Blackwell, 2005), 193-206.

Chapter 5

Urban Planning and Community

We have seen how protecting community depends on the economic practices and the normative theories that inform our socio-political world. Some might argue however that more is required, that the actual physical work of designing and building community infrastructure in the real world requires attention too. And they would be right. In this chapter we ask: what can be done *practically* for the design and creation of community infrastructure? For answers we look at the connections between community and urban planning, urban development and architecture.

The imperative of production and consumption has had a significant impact on our built urban environment. Especially in the United States but increasingly around the world, urban and suburban development has eroded community, and has had a significant detrimental impact on the health of our democracies, our psychological well-being, and the pride taken in our cities, towns, and villages. Much of the urban planning and development trends that have been so detrimental to community can be located in a combination of the influence of modernism, the process of suburbanization, and the wholesale rejection of urban development philosophies prominent before WWII. As a result of these things, shared common spaces are becoming increasingly rare—either omitted entirely in suburban development, or disappearing in urban neighborhoods because of land efficiency maximization. Jane Jacobs points out that as shared public spaces disappear “people are

faced with the choice of sharing much or nothing,” and predictably, they often choose the latter. She writes that “in city areas that lack a natural and casual public life, it is common for residents to isolate themselves from each other to a fantastic degree.”¹ Finding a way out of the planning cul-de-sac that has become deeply embedded in our urban fabric has significant implications for our democracies, and for our ability to flourish both as individuals and as communities.

In his seminal text on suburbanization in America, Kenneth T. Jackson writes that the United States was the first place in the world where an ‘inversion’ took place following the Civil War in which wealthy residents moved outside of urban environments and began to seek suburban dwellings. Jackson writes that in European cities for thousands of years “to be a resident of a big town was to enjoy the best of life, to have a place in man’s true home” while “to live outside the walls, away from palaces and cathedrals, was to live in inferior surroundings.”² Walkable pre-modern cities have had the good fortune of maturing over centuries to fully become the physical expressions and manifestations of community life. This maturation includes an adequate proportion of services available relative to the population size, human-scale and walkable neighborhoods, and the existence of public spaces that give neighbors the chance to congregate and socialize with one another.

The process of suburbanization in the United States following the Civil War began with the separation of functions and activities. City planners such as Frederick Law Olmstead claimed that “the city, no less than the private home, had to be divided into

¹ Jane Jacobs, *The Death and Life of Great American Cities* (United Kingdom: Knopf Doubleday Publishing Group, 2016), 65.

² Kenneth T. Jackson *Crabgrass frontier: The suburbanization of the United States*. Oxford University Press, 1987, 15.

various segments that could perform specialized functions.”³ Kenneth Jackson writes how the urban inversion that took place in the United States during this period “was one of the most important [phenomena] in the history of society, for it represented the most fundamental realignment of urban structure in the 4,500-year past of cities on this planet.”⁴ By the 19th century, single-family home ownership had become deeply embedded into the national consciousness of the American psyche. Reverend William G. Eliot Jr. for instance wrote in 1853 that “the foundation of our free institutions is in our love, as a people, for our homes,” and that “the strength of our country is found, not in the declaration that all men are free and equal, but in the quiet influence of the fireside, the bonds which unite together in the family circle.”⁵

Jackson observes that the single-family home became “the most visible symbol of having arrived at a fixed place in society, the goal to which every decent family aspired.”⁶ He quotes Walt Whitman who, anticipating a future suburban creed, wrote that “a man is not a whole and complete man, unless he owns a house and the ground it stands on.”⁷ These expressions—influenced surely by the lingering sway of Thomas Jefferson’s democratic ideals—capture the idea that home ownership is required for moral rectitude and virtue. As Russell Conwell wrote in a lecture delivered around the country, “introduce

³ Ibid, 20.

⁴ Ibid, 20.

⁵ Ibid, 48.

⁶ Ibid, 50.

⁷ Ibid, 50.

me to the people who own their homes around this great city...and I will introduce you to the very best people in character as well as in enterprise..."⁸

The draw of the suburbs in 1883 was also understood in terms of access to nature, green space, fresh air, and at least at the time, easy access to commercial centers. The travel writer Willard Glazer wrote during that same year that the suburbs were paradises of "grass, gardens, lawns, and tree-shaded roads."⁹ In the late 1800s wealthy Americans all over the country were moving to suburban locations that fit this description. These neighborhoods included Nob Hill and Russian Hill in San Francisco, Edgefield in Nashville, Beacon Hill in Boston, Germantown in Philadelphia, Gramercy Park and Washington Square in New York, as well as the very first commuter suburb and one of the most successful suburban developments of all time: Brooklyn. These late 18th and early 19th century suburbs were close enough to their urban centers to facilitate commutes that could be taken on foot, carriage, or perhaps with a short ferry ride. They also, especially in the case of Brooklyn, developed their own urban centers in a process of growth-through-replication as opposed to growth-through-sprawl that made them urban centers in their own right.

As the example of Brooklyn shows, pre-war suburban development followed a much different model than it did after the war. While home ownership may have been fetishized, these 'suburban' developments retained walkability, community spaces, and access to commercial centers. One community space in Brooklyn for instance, Ebbets Field, opened 1913 in the center of town and provided residents with a bridging community space that "teemed with people the color of an artist's palette arrayed around its outfield walls, a

⁸ Ibid, 50.

⁹ Ibid, 25.

bustling Brooklyn neighborhood right over the top of its right-field fence on Bedford Avenue, where a cascading home run ball would occasionally stop traffic while children scrambled in its wake.”¹⁰ Ebbets Field was easily accessible on foot from most parts of Brooklyn and was an integral part of the community, from its first baseball game to its ultimate demolition in 1960 for block housing. Mindy Fullilove uses the demolition of Ebbets Field as an illustration of what happens when important institutions are suddenly ripped out of a community in an experience that she calls “root shock.” Fullilove writes that we “are not independent” of such physical spaces, but rather “we are more like Siamese twins, conjoined to the locations of our daily life, such that our emotions flow through places, just as blood flows through two interdependent people,” and that “when a part is ripped away, as happened in Brooklyn when the Dodgers moved to Los Angeles, root shock ensues.”¹¹

Of course, not all pre-war city planning supported community and the well-being of city residents. The urban environs that developed during the industrial revolution in 18th and 19th century England represented a shift in which housing became an extension of efficient production and consumption, rather than dwellings for flourishing human beings. In Manchester for instance, housing was in form and function built to satisfy the demand for efficiency and growth. It was housing built for the purpose of sustaining laborers, and not for sustaining well-being or community. Factory owners “needed to be able to guarantee a regular supply of labor in return for standardized wages and hours” and as a

¹⁰ Bob McGee. *The Greatest Ballpark Ever: Ebbets Field and the Story of the Brooklyn Dodgers*. United Kingdom: Rutgers University Press, 2005, p.4.

¹¹ Mindy Thompson Fullilove. *Root Shock: How Tearing Up City Neighborhoods Hurts America, And What We Can Do About It*. United States: New Village Press, 2016, p.11.

result “a new landless tenantry, accommodated in purpose-built urban houses, emerged to fulfill this need....”¹² In his famous depiction of the living conditions in Manchester, Friedrich Engels concluded that

[i]f we briefly formulate the result of our wanderings, we must admit that 350,000 working-people of Manchester and its environs live, almost all of them, in wretched, damp, filthy cottages, that the streets which surround them are usually in the most miserable and filthy condition, laid out without the slightest reference to ventilation, with reference solely to the profit secured by the contractor. In a word, we must confess that in the working men's dwellings of Manchester, no cleanliness, no convenience, and consequently no comfortable family life is possible; that in such dwellings only a physically degenerate race, robbed of all humanity, degraded, reduced morally and physically to bestiality, could feel comfortable and at home.¹³

While the housing boom in post-war America was still very much an effort to build working-class dwellings for labor, it nonetheless addressed many of the Manchester housing problems described by Engels. Squalid, dank, and poorly ventilated housing was replaced by light, airy, and ‘modern’ buildings furnished with modern conveniences and comforts. But this new suburban approach to housing and urban planning also introduced a host of new and unique problems—many of which stemmed from placing the automobile at the very center of mid-century American life. Even by 1953, Lewis Mumford would write that the American has “sacrificed his life as a whole to the motorcar, like some who, demented with passion, wrecks his home in order to lavish his income on a capricious mistress who promises delights he can only occasionally enjoy.”¹⁴

Post-war suburban development in the United States all but eliminated walkability and access to the “life of the street” found in pre-war suburbs. According to Jackson’s

¹² Michael Nevell. "Living in the Industrial City: Housing Quality, Land Ownership and the Archaeological Evidence from Industrial Manchester, 1740-1850." *International Journal of Historical Archaeology* 15, no. 4 (2011): 594-606, p.605.

¹³ Friedrich Engels. *The Condition of the Working-Class in England In 1844*. United States: Cosimo, Incorporated, 2009, p.63.

¹⁴ Lewis Mumford, *The Highway and the City* (New York: Harcourt, Brace and World, 1953), 235.

analysis, American lives were now “centered inside the house, rather than on the neighborhood or the community” while “the social intercourse that used to be the main characteristic of urban life has vanished.”¹⁵ He writes that “residential neighborhoods have become a mass of small, private islands; with the back yard functioning as a wholesome, family-oriented, and reclusive place” observing that “there are few places as desolate and lonely as a suburban street on a hot afternoon.”¹⁶ Despite the terrible consequences that suburbanization has had on community, the shift in urban development itself represented less a desire to escape from community life than it did a desire for home ownership in areas with peaceful surroundings, parks, trees, and room for children to play. Alan Ehrenhalt describes the suburban movements after the war in his book *The Lost City*. He writes that

...new suburbanites were not fleeing community, or even the particular communities they were leaving behind. In many cases they felt genuine fondness, if not for the urban physical surroundings, then for the old friends and social connections. But they believed, with the faith of the 1950s, that community was something they could simply re-create in the place they were moving to. And they did everything they could to re-create it, with an energy that some sometimes bordered on compulsiveness.¹⁷

One can hypothesize, then, that by reintroducing community infrastructure in new and existing developments, it should be possible to create urban environments that allow for walkability, recreation and sport, proximity to nature, parks and public squares, and which generally avoid the Scylla of Manchester on the one hand and the Charybdis of the ‘Pleasant Valley’ type subdivision on the other. Léon Krier is one such architect and urban planning scholar who has articulated a theory of community-centric development that seeks to correct the failures of post-war urban planning.

¹⁵ Kenneth T. Jackson *Crabgrass frontier: The suburbanization of the United States*. Oxford University Press, 1987, p.280.

¹⁶ *Ibid*, p.280.

¹⁷ Alan Ehrenhalt. *The lost city: discovering the forgotten virtues of community in the Chicago of the 1950s*. New York: Basic Books, 1995, p.197.

Krier's philosophy of urban development is one that proposes the elimination of zoning, the creation of clusters of walkable neighborhoods, with squares and other public spaces within each walkable cluster, and the prioritization of urban 'self-sufficiency' such that residents can perform nearly all of their daily and weekly activities within their immediate communities without traveling long distances. In what follows we look more closely at the ideas of Krier to enquire whether it provides a blueprint for new urban development and a corrective antidote to suburban development.

To start with, Krier finds that the practice of zoning has created serious problems for urban planning and community in general. He writes that "functional zoning replaces the organic order of the city with the mechanical disorder of the suburbs and the absence of true centers and centrality."¹⁸ Krier traces the widespread adoption of zoning laws to the 1931 Charter of Athens which claims that population density is "too great in the historic, central districts of cities as well as in some nineteenth century areas of expansion" and which claims that the "segregation of dwellings is sanctioned by custom, and by a system of local authority regulations considered quite justifiable: zoning."¹⁹ The charter spells out a list of guiding principles for the development of cities including rules for the historic preservation of buildings and the importance of space for recreation and sport. It also claims that full advantage should be taken of existing natural beauty to provide residential views of water, forests, hills, mountains, valleys and so on. The charter thus addresses certain problems of urban development as seen in Manchester, but its embrace of urban zoning has led to effects that, Krier and others argue, have been detrimental overall.

¹⁸ Leon Krier. *The architecture of community*. Island Press, 2009, p.104.

¹⁹ Congress Internationaux d'Architecture moderne, *The Athens Charter, 1933*. Trans. J.Tyrwhitt (Paris: The Library of the Graduate School of Design, Harvard University, 1946).

In addition to replacing the organic order of the city, zoning fragments it into artificially separated spaces exclusively dedicated to a certain kind of activity. According to typical zoning regulation, the central commercial and business districts of American cities are surrounded by residential districts, all of which is interspersed throughout with industry in less attractive plots. Krier points out that as the single central business district becomes ever denser, confined to its commercial zone, the residential districts continue to sprawl outward in the form of low-density housing. This dynamic in which the commercial districts grow up and the residential districts grow out, Krier argues, results from zoning incentives, and culminates in cities where livability and community have been sacrificed. Krier believes that cities have ideal dimensions, densities, and populations, and that these limitations draw on factors such as the distance from center to periphery, the ideal population size to engage democratically, and the kind of building density that preserves human scale neighborhoods, adequate sunlight, visual variety, and proximity to nature and parks.

Importantly, the problem with zoning for Krier is not simply that it disallows higher density in residential zones and should thus be eliminated to accommodate vertical growth. Today many speak of zoning regulation as the cause of unaffordable housing that distorts the natural dynamic of supply and demand.²⁰ Krier points out however that leaving zoning laws in place while simply increasing densities does not solve the underlying co-dependent relationship between the urban and suburban. Over time as urban commercial cores grow taller and as density increases throughout the city, the suburbs will continue to

²⁰ See for instance comments by Janet Yellen in: Ezra Klein. "Can Democrats See What's Coming?" *New York Times*, Feb, 12, 2022, <https://www.nytimes.com/2022/02/12/opinion/yellen-supply-side-liberalism.html> (accessed April 2, 2022).

stretch further outward, feeding on the city's growth engine and consuming undeveloped natural land in a process that only further exacerbates the suburban mobility and community crisis.

Urban growth that supports quality of life and community therefore should not be an endless expansion of urban cores upward and residential districts outward, but rather the duplication of wholly 'self-contained' urban poleis or clusters. Each of these urban clusters should feature a town center with adequate human-scale proportions, walkable streets, rings of parkland that surround and intersperse the polis, plenty of shared community spaces, commercial services for the daily and weekly needs of residents, and even monuments that celebrate collective achievements to punctuate the visual pattern and street layout. These urban centers should develop in clusters which appear from above like cells clustered together with distinct borders and greenspace between them. The size of the urban centers approximates the historic centers of European cities and towns, and may grow large, so long as the growth remains rooted in the definite end goal of achieving the livability and community that is the mark of a mature city.

For suburban developments that have already spread around the world and introduced planning quagmires, Krier argues that steps can be taken to improve their livability and to prevent the ever-growing suburban demand for mobility that consumes both city and the countryside. These steps include introducing and developing urban elements within the suburbs themselves such as making available every-day necessities within walking distance, building out community spaces, creating walkable areas within suburban clusters, and allowing multi-use in place of zoning separation. By doing this, Krier

argues that the “urban economy will no longer grow by expansion into the surrounding countryside” nor will we have “the overdevelopment of historic centers” but growth can proceed “by the redevelopment, maturing, opening up, completion, and internal growth of the suburbs.”²¹

Existing cities should also be guided by masterplans, which are to a city what a constitution is to a nation. Masterplans spell out the guiding philosophy of a city, including the specific ways in which a city will encourage community and well-being for residents. The details of these masterplans will differ from place to place, but what matters is that they fill the city planning vacuum that would otherwise exist when these spheres are left market-logic. Krier believes that masterplans are needed to preserve and protect urban communities. He asks “[can] public spaces...survive in a market economy that is by nature not primarily motivated by the general interest but by the welfare of private property and the quality of their returns?”²² He continues,

...it is everywhere evident that private developers, private foundations, and private interest groups, however well-intentioned, are incapable of building in preserving public spaces that are in any way the equal of European historic centers. Although commerce is an essential and constituent part of public space, good public space is not a mere byproduct of commerce, the establishment and maintenance of true public space is first of all a matter of general interest, of communal life and citizenship. (...) Architects and planners working for private land developers are necessarily serving private interests; in this dependence they cannot truly act as public legislators. Technically speaking and in accordance with the full meaning of the title, the author of a master plan has to have the independence of a legislator, his loyalty being to the public interest and not to the interests of private shareholders alone.²³

Krier maintains that a masterplan should include guidelines for details such as:

²¹ Leon Krier. *The Architecture of Community*. Island Press, 2009, 108.

²² Leon Krier. *The Architecture of Community*. Island Press, 2009, 125.

²³ Ibid, 125.

1. The size and form of urban quarters and parks, and the network of major avenues, boulevards, and landscape corridors.
2. Plans for each quarter, defining the network of streets, squares, and blocks.
3. The form of individual plots on each urban block including number, shape, and use type and location of floors that can be built by plot.
4. The architectural code describing materials, technical configurations, proportions for external building elements (walls, roofs, windows, doors, portico, porches, garden walls, chimneys) and all built elements that are visible from public spaces.
5. A code for public spaces, defining the materials, configurations, techniques and designs for paving, street furniture, signage, lighting, and planting.

To this list we might add the planning goals identified by Jane Jacobs for the creation of dynamic urban environments supportive of community. Specifically, the creation of (1) “lively and interesting streets” (2) making the “fabric of these streets as continuous a network as possible *throughout* a district” and (3) the “use [of] parks and squares and public buildings as part of this street fabric...to intensify and knit together the fabric’s complexity and multiple use.”²⁴

The urban clusters that Krier and Jacobs envision are limited in size with definite borders but are also autonomous in regard to activities available to residents. For Krier the smallest urban clusters consist of a town center that should be self-sufficient with respect to the most basic necessities of life including kindergartens, primary schools, daily grocery shopping and markets, health services, cultural activities, and public spaces for community interaction (e.g., cafes, bars, libraries, parks, squares, etc.), and they should be largely self-sufficient with regards to employment.²⁵ Larger urban clusters should have greater levels of self-sufficiency and should also draw from the surrounding clusters for “monthly and seasonal shopping, and also in terms of administration, sport, services, culture, and leisure

²⁴ Jane Jacobs. *The Death and Life of Great American Cities*. United Kingdom: Knopf Doubleday Publishing Group, 2016, 129.

²⁵ *Ibid*, 135.

activities at a regional level.”²⁶ He writes that urban centers should be rounded in shape, that different quarters in the urban center should have “at least one central square and one high street that forms the backbone of a network of streets and squares,” and that urban centers “should never extend more than...2,900 feet in any direction,” thus having a diameter of between 1,600 feet and 1,900 feet.²⁷

Looking at the average urban footprint throughout history may suggest room for flexibility in the dimensions suggested by Krier. For instance, most medieval cities stood around one mile in diameter within the city walls, and typically no more than approximately two miles including developments beyond the walls. The salient point however is that by limiting the size and diameter of a city, we avoid the “squandering of land, energy, and time” that results when functional zoning and urban sprawl render citizens dependent on automobiles or buses to complete simple daily activities”.²⁸

Even when mobility is enhanced through public transportation, as Lewis Mumford pointed out in his seminal 1934 work on technology and civilization, the outward urban growth negates the time saved by the new method of transportation. Mumford points out how such improvements have “increased the area over which people are compelled to move: so that a person who would have had to spend half an hour to walk to work a century ago must still spend half an hour to reach his destination, because the contrivance that would have enabled him to save time had he remained in his original situation now—

²⁶ *Ibid*, 135.

²⁷ *Ibid*, 140-141.

²⁸ *Ibid*, 105.

by driving him to a more distant residential area—effectually cancels out the gain.”²⁹ In ancient Greece and Rome, in the Middle Ages, and even in American cities prior to the development of the automotive suburb, the urban geography of cities was surrounded by farmland, and access to nature was simply a matter of walking outside the city gates or beyond the urban boundary. The pathway to Plato’s Academy from the Acropolis still partially exists today, and walking along it, flanked by cypress, and olive trees, and by stone monuments and tablets honoring the earliest figures of the city, one can easily grasp what is lost when suburban sprawl is allowed to consume the undeveloped natural land surrounding a city.

By expanding the suburbs ever further into the exurbs and into the countryside, the mobility crisis will be exacerbated especially where commercial and industrial centers are concentrated by zoning law into a ‘root and branch’ style development model. In his widely cited and influential work *A City is Not a Tree* Christopher Alexander makes the very same point. He argues that organizing cities according to the ‘tree’ model of root (commercial center) and branch (residential suburbs), has been disastrous for urban planning and design. He writes that “whenever we have a tree structure, it means that within this structure no piece of any unit is ever connected to other units, except through the medium of that unit as a whole.”³⁰ He continues that

the total separation of work started by Tony Garnier in his industrial city, then incorporated in the 1929 Athens Charter, is now found in every artificial city and accepted everywhere where zoning is enforced. Is it a sound principle? It is easy to see how bad conditions at the beginning of the century prompted planners to try to get the dirty factories out of the

²⁹ Lewis Mumford, *Technics and Civilization* (Chicago: University of Chicago Press, 2010), 272.

³⁰ Christopher Alexander, *A City is Not a Tree: 50th Anniversary Edition* (Portland, Or: Sustasis Press, 2017), 10.

residential areas. But the separation misses a variety of systems which require, for their sustenance, little parts of both.

The alternative to the 'tree' structure is that of a 'semi-lattice' or 'complex network' in which "when two overlapping sets belong to the collection, the set of elements common to both also belongs to the collection."³¹ In other words, the semi-lattice structure seeks the creation of overlapping interactions and relations between the constituent parts of the city.

Alexander considers the example of Cambridge University as the form of an urban semi-lattice. He writes that,

At certain points, Trinity Street is physically almost indistinguishable from Trinity College. One pedestrian crossover in the street is literally part of the college. The buildings on the street, though they contain stores and coffee shops and banks at ground level, contain undergraduates' rooms in their upper stories. In many cases the actual fabric of the street buildings melts into the fabric of the old college buildings so that one cannot be altered without the other.

There will always be many systems of activity where university life and city life overlap: pub-crawling, coffee-drinking, the movies, walking from place to place. In some cases whole departments may be actively involved in the life of the city's inhabitants (the hospital-cum-medical school is an example). In Cambridge, a natural city where university and city have grown together gradually, the physical units overlap because they are the physical residues of city systems and university systems which overlap.³²

In this way, creating walkable neighborhoods where daily activities can be done without extensive commuting, and where interactions overlap and intersect according to a 'semi-lattice' structure, leads to the emergence of different kinds of community interaction than those of a suburban root and branch structure. As Krier puts it, "the first objective of ecological urban development must be to significantly reduce the number of miles traveled per person per day between workplace, home, school, shops, and leisure activities."³³

³¹ Ibid, 4.

³² Ibid.

³³ Leon Krier, *The Architecture of Community* ed. Dhiru A. Thadani, Peter J. Hetzel (United Kingdom: Island Press, 2009), 140.

Walkability supplies a sustaining lifeblood for urban centers while preventing wasted time, energy, and money, when simple activities all require an automobile. As cities grow and develop, they reach states of maturity just like other organisms. Prior to maturity they might be called adolescent, however once they have grown into a mature city, the drive to grow endlessly onward is a mistake. Krier points out that it corresponds to a “negation of adulthood, to a childish dream of never-ending adolescence,” and that when the imperative of growth is turned into a standard policy goal it “provokes also rabid forms of conservatism.”³⁴

For Krier in other words, density must be recognized as potentially problematic when pursued in itself or as a replacement for urban planning. Krier points out that lived experience of urban life, including community and quality of life, should be the priority of development, and provides clear instructions on how to pursue these priorities. By allowing urban environs to grow beyond their ideal proportions, “the value of building plots [rise] astronomically, which in turn creates more pressure for higher and higher densities.”³⁵ This vicious circle over time “leads to an insidious ‘Manhattanism’ and the financial over-exploitation of the land of the city whose unavoidable structural bankruptcy must in the end be paid for by public funds.”³⁶ A mature city or urban cluster is one that has reached “optimum density in both form and appearance,” and where the drive for

³⁴ Ibid, 69.

³⁵ Ibid, 189.

³⁶ Ibid, 189.

additional density is driven by the maximization of plot value and land productivity, not quality of life or community.³⁷

Despite Krier's frequent references to the unfortunate phenomenon of 'Manhattanization,' it was on Hudson street in Greenwich village that Jane Jacobs developed her theory of 'eyes on the street,' and where she wrote so eloquently about the "ballet of the good city sidewalk." These urban communities, which very nearly approximate the urban clusters esteemed by Krier, are of course increasingly inaccessible for middle-class income in modern New York City. In 1961 however, Jacobs captured the living spirit of a community that may represent a high point in the history of American urban life. She describes the morning routine of a day on Hudson street,

I make my own first entrance into it a little after eight when I put out my garbage can, surely a prosaic occupation, but I enjoy my part, my little clang, as the junior droves of junior high school students walk by the center of the stage dropping candy wrappers. (How do they eat so much candy so early in the morning?)

While I sweep up the wrappers I watch the other rituals of the morning: Mr Halpert unlocking the laundry's handcart from its mooring to a cellar door, Joe Cornacchia's son-in-law stacking out the empty crates from the delicatessen, the barber bringing out his sidewalk folding chair, Mr. Goldstein arranging the coils of wire which proclaim the hardware store is open, the wife of the tenement's superintendent depositing her chunky three-year-old with a toy mandolin on the stoop, the vantage point from which he is learning English his mother cannot speak. Now the primary children, heading for St. Luke's, dribble through the south; the children from St. Veronica's cross, heading to the west, and the children for P.S. 41, heading toward the east. Two new entrances are made from the wings: well-dressed and even elegant women and men with brief cases emerge from doorways and side streets. Most of these are heading for the bus and subways, but some hover on the curbs, stopping taxis which have miraculously appeared at the right moment, for the taxis are part of a wider morning ritual: having dropped passengers from midtown in the downtown financial district, they are now bringing downtowners up to midtown. Simultaneously, numbers of women in housedresses have emerged and as they crisscross with one another they pause for quick conversations that sound with laughter or joint indignation, never, it seems, anything in between. It is time for me to hurry to work too, and I exchange my ritual farewell with Mr. Lofaro, the short, thick bodied, white-aproned fruit man who stands outside his doorway a little up the street, his arms folded, his feet planted,

³⁷ Ibid, 189.

looking solid as the earth itself. We nod; we each glance quickly up and down the street, then look back at each other and smile. We have done this many a morning for more than ten years, and we both know what it means: all is well.³⁸

Jacob's *mise en scène* illustrates the life of a community that emerges when urban areas support it with the right kinds of urban infrastructure. An example of this kind of development today can be seen in the town of Poundbury, England where Krier has worked, together with Prince Charles, to put his ideas into practice. The town's masterplan was developed with the involvement of Krier starting in 1988, and construction is scheduled to be completed around 2025. Though this is an entirely new development it has rejected the modern suburban trend and embraced instead clustered urban development with central public squares and separate districts, each with their own squares and public spaces. Architecturally, the town is a part of the so-called 'new classical' movement that draws on traditional design forms and styles—though Krier's ideas need not rely on a classical architecture style. Although the town has received its share of criticism from architects (usually from adherents of modernism who enjoy comparing it to Disneyland) it remains popular with residents, and property is in high demand. The town is fully walkable, contains all the amenities that one would need including greenspace, squares, and offices, and it fully defies all modern urban planning conventions. Although it can't compare to urban areas developed over centuries in which a synthesis between form and function has had time to take shape—it nonetheless makes great strides towards a model of community revival and away from the suburban status-quo.

³⁸ Jane Jacobs, *The Death and Life of Great American Cities* (United Kingdom: Knopf Doubleday Publishing Group, 2016), 51.

If we relate questions of urban development explored here with our earlier study of economic liberalism and the phenomenon of neo-enclosure, we might find that the essential question becomes: do we want our cities, our urban geography, our surroundings, our homes, and our community spaces to be developed, designed, and constructed all according to the goal of profit maximization? As the city or *polis* represents the space in which community may take place, the design and development of its neighborhoods are far too important to be left either to chance, or to the free market. As Krier points out,

[a] city can be built and prosper only if it represents the goals of individuals, of a society and its institutions. A city is not an accident but the result of coherent visions and aims. It is an invention of the human spirit. Without this guiding idea there would be no urban civilization. Manufacturing and commercial logic does not by sheer necessity produce cities of enduring value. While these activities are necessary conditions for building settlements, great cities are never their automatic by-product. Qualities such as civic vitality, urbanity, beauty, pride of home, citizenship, character, and the beauty of public spaces, squares, parks, and architecture are not just wild flowers in the field of economic relationships. Industrial dynamism left to its own logic occupies land in almost military fashion, causing much collateral damage.³⁹

Furthermore, in addition to the careful planning of city development, the *preservation* of existing community spaces and infrastructures is also an essential part of ensuring access to community. And preservation, as Rem Koolhaas has pointed out, emerged first not as a reactionary move against the advance of modernity, but instead in the 18th and 19th centuries in the wake of the French Revolution. He writes that “...preservation is not the enemy of modernity but actually one of its inventions.”⁴⁰

In sum, the practical development of community requires careful planning in urban areas to support it, immediate preservation of existing community spaces and infrastructures, as well as corrective measures to be taken in the suburbs. While the urban

³⁹ Leon Krier, *The Architecture of Community* ed. Dhiru A. Thadani, Peter J. Hetzel (United Kingdom: Island Press, 2009), 101.

⁴⁰ Rem Koolhaas, *Preservation is Overtaking Us* ed. Jorge Otero-Pailos (United States: GSAPP Books, 2014), 14.

development ideas found in post-war modernism, captured by architects such as Le Corbusier and Mies van der Rohe have fallen out of favor in the 21st century, the status quo for new housing development in the suburbs has changed little. The practical planning task of today is to articulate and defend principles of urban planning and architecture that prioritize community and quality of life, over those that seek to maximize the efficiency of urban land, and those which further entangle us in a suburban quagmire. Krier, Jacobs, Alexander, and others help to point the way forward for an urban planning strategy that prioritizes quality of life and community.

Conclusion

As the study of economics progressed from the early social and political philosophy of Locke, Mandeville, Smith and Hume it increasingly aspired to scientific objectivity and sought to compare itself with the natural sciences. John Elliott Cairnes wrote that economics “is a science in the same sense in which Astronomy, Dynamics, Chemistry, [and] Physiology are sciences” and that “its methods, its aims, [and] the character of its conclusions are the same as theirs.”¹ For Cairnes, the subject of economics “expounds the laws of the phenomena of wealth,” and as with any other science, these laws and observations are entirely neutral regarding the applications and ends to which they are applied.² Indeed the neutrality of economics was, in every way, likened to the neutrality of the natural sciences. Cairnes writes that

[p]olitical Economy offers no opinions, pronounces no judgment...standing neutral between competing social schemes; neutral as the science of Mechanics stands neutral between competing plans of railway construction...as Chemistry stands neutral between competing plans of sanitary improvement...as Physiology stands neutral between opposing systems of medicine. It supplies the means...for estimating all; it refuses to identify itself with any.³

What this neutrality meant in practice was that, as economist Thorstein Veblen writes, “there is no definitively adequate method of life and no deductive or absolutely worthy end of action, so far as concerns the science...of economic life.”⁴ This early articulation of economics as an objective, impartial science clearly favors the Epicurean rather than the Aristotelian view of human relations, and the claim of neutrality persists

¹ J. E. Cairnes, *Essays in Political Economy: Theoretical and Applied* (London: Macmillan and Co., 1873), 253.

² *Ibid*, 254.

³ *Ibid*, 256-257.

⁴ Thorstein Veblen, “Why is Economics not an Evolutionary Science?” in *The Quarterly Journal of Economics* Vol. 12, no. 4 (1898): 373-397, p.391.

into the self-conception of economics today. Not only has this purported neutrality resulted in blindspots when theories such as the compensation hypothesis or revealed preference theory include very definite ends related to wealth generation and the relative value of certain goods over others, but it also has provided a plausible foundation for economic theories that simply advance the aims of entrenched capital. Economic arguments that capital should be directed in ways not determined solely by the supply and demand of the free market are labeled as ‘normative,’ and dismissed as unscientific violations of the principle of neutral objectivity.

For Aristotle and his followers, the explicit goal of human well-being must be stated clearly as the self-realized agent in society. The individual is embedded in a community that supports and encourages flourishing, while community life and altruistic behavior are not in conflict with a life well-lived but instead help constitute it. Economics on this account is a tool to achieve the ends of genuine human well-being and the availability of our core human capabilities. According to this account economics should not be seen as an objective science ‘expounding of the laws of wealth,’ but is rather like an engineer who is given specific plans and tasked with applying sound construction techniques to build the edifice. If the plans given to an engineer call for human well-being, including goods beyond those of physical capital and primary goods, the engineer must pay close attention to how the generation of wealth in a free market may erode the capabilities that make human well-being and the access to community possible.

Individual flourishing in the Aristotelian sense requires something beyond mere freedom of choice and revisability of belief, and beyond mere survival and reproduction:

it requires a vision of a good life. This vision is the normative or teleological dimension that economic liberalism and neoliberalism ignores, and that “normative” liberalism understands too narrowly in terms of individual self-interest. Unless some notion of a good life is recognized, including the capabilities we can or cannot realize to pursue that life, our political theory will be left incomplete, and our community infrastructure will be at risk. For Aristotle, the neoliberal and libertarian notions of freedom in which the individual is unconstrained by relations of reciprocity, dependence or community, is also the picture of an individual without access to one of the basic necessities of human well-being.

In this work I have explored the history of individualism and community and the relation of these to individual well-being. The first chapter looked at the historical emergence of individualism, tracing it back to the branch of thought forged by Epicurus as an alternative to the theoretical system of Aristotle. I have shown how the Epicurean influence has made an outsized mark on the emergence of modern liberal economics and political theory. This materialist individualism insists on understanding the world through an empirical lens, including the very intractable domain of human behavior. As a result of its insistence on materialist frameworks, economic theory models human behavior according to inputs and outputs that can be measured and quantified—in particular through preferences, sentiments, consumption behavior, and a calculated utility maximization. Economic theory unfortunately also reduces human well-being to a function of certain basic material variables, thus neglecting other goods such as community that are not easily quantified.

I have shown how this way of understanding human behavior has resulted in an impoverished conception of well-being with negative (and widespread) consequences for individuals. In addition, I have shown how neoliberalism tends to consume the conditions of community through a process of neo-enclosure, converting communal goods into private goods. This process can be seen in communities around the United States, and increasingly around the world. For the sake of economic growth, and in the pursuit of rendering land as productive as possible, the embedded physical and social institutions that support community are ripped out and replaced by liquid capital. Through leveraged buyouts, investment banks and private equity apply the neoliberal imperative to maximize shareholder value at all costs. As such, they engage in a never-ending search for congealed value that can be dislodged or dispossessed from the community and converted into liquid shareholder capital. This process is often justified according to notions of redistribution or “compensation”; however, as we have seen, the process of generating the excess liquid capital for the purpose of redistribution (whether or not such redistribution happens in practice) consumes community in the process.

In our examination of normative liberalism, we recognized that it makes progress in important respects from economic liberalism. By introducing notions of rights, equality, and social justice, normative liberalism places other goods above naked economic production and wealth generation. However, as I show, even normative liberalism fails to provide adequate protection for the conditions of community. This is because normative liberalism retains the idea of an individual utility maximizer who selfishly pursues his or her well-being. Although normative liberalism imposes restrictions on economic inequality and requires certain core primary goods as a matter

of justice, it fails to recognize community as one of those goods and consequently is unable to provide compelling arguments for the protection of the community.

Our exploration of the capabilities approach argued that it provides a theoretical framework that captures both the importance of community, and the importance of individual rights. This is because the capabilities approach takes as its end goal a fully functioning human life which includes both community but also individual freedom and autonomy. I have shown how the capabilities approach is philosophically rooted in Aristotelian theory and a normative view of human nature rather than a mechanistic, Epicurean one.

Flourishing is a potential in all of us that can be enabled to greater or lesser degrees, depending on the capabilities at an individual's disposal. We saw how, on the question of equality, Amartya Sen proposes that *equality of capabilities* provides the strongest method for enabling individual well-being as widely as possible, and also avoids certain problems that arise when prioritizing equality of rights or utilities. We saw how a capabilities approach theory of community argues that individuals who wish to participate in the life of the community ought to have the capability to do so, including having access to the requisite institutions and communal spaces. It recognizes that individuals may forge commitments and obligations by pursuing advantage and power through their role in the community, and how in some cases these obligations ought to be recognized as legally enforceable. At the same time the capabilities approach requires that we respect those who choose to step back from public life or who have no desire to participate in the community institutions and relationships.

Finally, we saw how, through the distinction between bridging and bonding kinds of community, valuable community interactions can and do exist between groups that do not share central parts of their identities. These interactions are not only valuable on a personal level, but also essential for modern multicultural nation states. One possible political model for community here is a “nested” model that brings together both bridging and bonding kinds of community. Under this model, states would be required to provide the necessary underlying resources to support bridging community interactions, including ensuring that physical community spaces are accessible and that they do not disappear under the market pressures that tend to destroy them. While bridging interactions would be supported just like positive rights (through progressive taxation and redistributive policy), bonding interactions would continue to come in and out of existence organically as they do today and would not generally be regulated by the state.

At many points in our discussion, it has been implied that a theory of politics which pays close attention to community in the way I have proposed will be incompatible with most modern flavors of capitalism, especially those inspired by the Mont Pelerin Society. Insofar as capitalism causes us to lose sight of the larger ends of human flourishing and freedom, it should rightfully be subject to the fierce criticism not only of capability approach theorists, but also positive human rights theorists such as Alan Gewirth or Henry Shue. As Martha Nussbaum has pointed out, the typical ends of capitalism are routinely panned by neo-Aristotelians, who share a “dislike for the ideas that wealth (of a person, or

of a nation) is an end in itself, and that the accumulation of as much wealth as possible is an appropriate end for politics to pursue.”⁵

What this means for economic policy is clearly a separate topic of research. However, the work of sustainable “steady-state” economics seen for instance in the works of Nicholas Georgescu-Roegen, Herman Daly, Kenneth E. Boulding and Tim Jackson among others will be important in the task of reimagining an economic system that focuses on the creation of human capabilities. The use of production and consumption as proxies for human happiness and well-being have reached the end of their useful lives and should be put out to pasture.

⁵ Martha Nussbaum, "Aristotle, politics, and human capabilities: A response to Antony, Arneson, Charlesworth, and Mulgan." *Ethics* 111, no. 1 (2000): 102-140.

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