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How Commerce Consumed the Commons

by Jonathan Rowe

Where the commons went, and how to get it back

Part of the spell that the term “the market” casts upon our minds is that it appears to refer to something specific—but it does not. “The market” of policy is not the world but rather a way of looking at the world—a system of belief, a mental overlay, that has been projected into all space and defines it, regardless of what is actually there. To many, it is the functional equivalent of God.

But in the beginning this was not the case. Markets were particular events, much the way street fairs and farmers' markets are today. There was society, and part of that society was times and places for commercial exchange. The process by which actual markets have become “the market” has brought a kind of economic failure that economists don't even know how to see. Their prescriptions, in fact, are making the problem worse, because they are displacing further the productivity of the social commons and stripping away the generative social functions that markets used to serve.



For nearly 170 years Union Square has been a gathering place for commerce, entertainment, recreation and labor and political events. Photo by Frank Zimmerman. www.frankphoto.com

The evidence is not hard to find. It might seem strange that Americans today feel lonely and disconnected in a nation that is so wired. (USA Today reported that 25 percent of Americans say they have no one they can confide in.) It might seem strange that we feel so chronically hungry and depleted in a nation that is so full of stuff, feel so under siege when we have relatively so much space, and that the civic realm is dying despite schooling levels that are so high.

But the seeming paradox actually makes sense. A whole part of the economy—the part that met the needs implicit in such deficits—is missing. The social commons that spawned markets has been devoured by the things it spawned. The revival of this missing parallel economy dimension will require tools beyond the repertoire of most who deal with economic policy today. It will require new thinking about productivity and wealth—what an economy is and what it is for.

There's a bonus, though. It so happens that resurrection of this missing sector is a key to local economic health in the more conventional sense as well.

From Conviviality to Global Feedlots

Before there were markets, there was social space, which is common space. Economists deem this realm a void, but in fact it was a teeming realm of productivity.

In early European towns, markets typically occurred in the large plazas that surrounded churches. The social function—the people drawn together for a common purpose—came first, and commerce found a place within that frame. Later, American settlements designated a day or days as market days. Boston established a Thursday market in 1633. William Penn's Philadelphia had two a week. (Those liberals.)

The early markets were not just embedded in a social context. They were themselves social occasions as much as commercial ones. Charlemagne ordered the serfs on his estates not to “run about to markets.” Much later, this social function took a quieter, more civic form on American main streets, where people did business at the post office and town hall, where neighbors chatted in cafes, and farmers caught up on news. A writer for the Southern Mercury observed in the 1890s, during the presidential campaign of William Jennings Bryan, that on street corners and “wherever people are gathered together, the money question has been seriously discussed.”

Street corners aren't much like that any more (except sometimes outside inner-city groceries). As Wal-Mart and the rest have sucked commerce out of traditional market settings, they also have cannibalized the attendant social and

civic functions—the commons productivity—that were a part of the purpose of markets in the first place. In the process they have wreaked havoc with the larger economy of well-being, of which markets were just a part.

When Peter Fanueil, the Boston merchant, built Fanueil Hall in 1742, he made space for public meetings and town offices as well as for markets. While merchants haggled, Sam Adams and others helped bestir the birth of liberty, for European settlers at least. Later, William Lloyd Garrison, Frederick Douglass, and Lucy Stone would start there the struggle to free the slaves.

The balance was already shifting; commerce was getting the upper hand. But at this moment—the moment of the nation's founding—people still assumed that markets were part of something larger that no person or corporation owned. In today's malls, by contrast, there is no citizenship or community. In most states, the owners can stop you even from gathering petitions. Civic space has become private space. Markets have become what they are in the economic textbooks—"the market," a global feedlot for stuff with a circus thrown in.

We-Side Economics

The market of the textbooks has little connection to human need. "The word 'need' when used in economics is always a fallacy," Milton Friedman once put it, with pride. He was right, within his own narrow frame. "The market" responds to desire plus money, which is called "demand." Need is someone else's problem, especially when it is of a type that money cannot meet.

For actual people, however, need is not so easily dismissed. This is why, in localities throughout the nation, there are efforts to resurrect the economy of the social commons that the corporate market has displaced. The opposition to Wal-Mart, for example, is as much about reclaiming the social productivity of traditional main streets as it is about the big box giant's treatment of its employees. The so-called new urbanism is really the old village-ism, a rediscovery of the wisdom of traditional patterns of human settlement in which interaction is built into the flow of daily life.

The community garden movement—New York City alone has some 700 hundred of them—harkens back to the common pastures and fields of the early New England settlements, as well as to the Victory Gardens of World War II. Some dismiss such efforts as exercises in nostalgia. Whatever the corporate economy brings, they say, is progress by definition; to think otherwise is to suffer from psycho-emotional dysfunction.

Yet common spaces give expression to a "we" side of human nature that is both universal and deep. I have a brother-in-law in the Philippines who helped build a water system in a rural village there. He told me that the women continued to come to the common containment pool to wash clothes in the morning, even after the project was completed and the water ran to individual homes. The spontaneous social interaction was as important in its own way as the water itself, just as in community gardens the community is as important as the garden.

Which is not to say material production is not important. The Food Project in Boston produces over 120,000 pounds of vegetables on 21 acres near downtown, most of which goes to people in need. The gardens thus are doubly productive—materially and socially—in ways the market, by Professor Friedman's definition, doesn't even ken.

Cities are starting to catch on to the generative effects of common spaces. Several decades ago, in the wake of devastating riots, Detroit tried to revive its downtown with a big office development called the Renaissance Center that became a walled corporate fortress. General Motors made its headquarters there, metaphorically enough. The rest of downtown was as lifeless as before.

More recently, someone had the idea of starting where the first markets did—with a commons. The city created a big new public space called Campus Martius in the middle of downtown. The Motor City actually displaced cars to make room for people, thus completing the metaphor; and life is coming back. People are coming in from the suburbs to get what the suburbs lack. Investment is coming too—some \$500 million worth. The Compuware corporation has moved its 4,000 employees in from the suburbs to be close by.

The First Internet

The economics of the commons does not revolve around the old public-private axis. The question is not whether a private business does something or the government does. Rather, it is whether an enterprise is co-productive with a larger generative social process or whether it encloses and depletes it.

Farmers' markets are models of such positive symbiosis. They have become wildly popular: there are nearly 4,000 of them in the United States, double the number of just 10 years ago. The reason is not just fresh produce. Farmers' markets have that festive, social quality that is lacking at Wal-Mart (and was lacking also in a bleaker way in the former Soviet states). I asked a producer at our local market whether he made any money there. "Maybe ten dollars an hour," he said. "It's about community, the way people used to do it."

So too the local coffee shop.

You could write the history of human freedom from the standpoint of these shops. In England they were hubs of discussion, pamphleteering, even early stock markets. A writer for *The Economist* magazine called them the "internet of the Enlightenment era." (The movement for municipal WiFi systems really is an extension of this community-building function into cyberspace.)

Recently, when people in one Minneapolis neighborhood were asked to map their local commons, the coffee shop was something almost everyone mentioned. Coffee chains don't kill this entirely. They still are meeting places; in malls and airports, they can be the closest thing to a commons to be found. But in neighborhoods, independent local owners are part of the alchemy that turns Main Streets into communities. There is a social ecology of commerce that has to be protected as vigilantly as the natural kind.

Yesterday's Answer, Today's Problem

The productivity of the social commons can be deeply unsettling to those trained in conventional economic beliefs. They learned that wealth arises from private property and private efforts, with a bit of government thrown in. That a different kind of wealth might arise from common property in which people participate together isn't in the script. Yet this new-old economic principle is on the rise throughout the economy, from research and innovation to the management of natural resources.

The old canard about the tragedy of the commons is yielding to the truth of commons productivity. (We'll leave the tragedy of the corporate for another time.) This in turn betokens a larger and more seismic shift in thinking about economics generally. There was a time perhaps when the productivity of social (and also natural) wealth could be overlooked. It seemed so vast and inexhaustible, and human industry so promising; why not just assume the former and obsess over the latter?

But now that dynamic has reached a point of diminishing returns.

Increasingly we need most that which once seemed most abundant. The next economics will attend to commons production as much as to the corporate kind. Markets will again take a place within the larger economy of well-being. And like most great changes, it will start locally. In fact it has done so already.

Jonathan Rowe, a YES! contributing editor, is a fellow at the Tomales Bay Institute, which recently published *The Commons Rising*, a report on the revival of commons-based economics throughout the United States. See also [On the Commons](#).



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