Governance for Human Flourishing

Jenna Bednar University of Michigan jbednar@umich.edu

November 2020

"Our most acute concern should be that the coronavirus pandemic will change very little or nothing at all. That everything changes, but everything stays the same." —Helle Thorning-Schmidt, Former Prime Minister of Denmark¹

In this essay I propose a framework of human flourishing with a goal of encouraging public policy that works to rebuild our connections with one another. The four pillars of the framework—dignity, sustainability, community, and beauty—each tap into a value that makes us human and expresses a different aspect of our relationships. These values can become a framework to guide our policymaking and our academic analysis toward attentiveness to compassion and meaningful human connection. And they may help to rebuild our fraying social fabric and the norms that sustain our democracy.

As I write this essay, just after the US election, our world is upside down. Our democratic institutions are being tested worldwide; here in the United States, a defeated incumbent president refuses to accept the electoral results, during a pandemic, while we witness the alarming effects of climate change, following a summer of protest to highlight persistent, institutionalized racial inequities. In this lame duck period, the peaceful transfer of power is not guaranteed, an astonishing development in American political history. The country is polarized, heatedly divided. We are not only fractured, but atomized, our pandemic-induced physical separation a manifestation of our

¹Noema Magazine, "How COVID Will Change Us," Berggruen Institute, June 8, 2020, https://www.noemamag.com/yuval-harari-elif-shafak-dambisa-moyo-eric-schmidt-how-covid-will-change-us/.

disintegrating social fabric. I'm not sure what sign we're waiting for to declare this to be our moment to seize, what other evidence we need that things need to change.

Our current woes are related to one another, and there's a growing sense that they share a root problem: our society is splintered and our innate selfishness dominates our interactions with one another. Our technologicallyaided hyperconnectivity is ironic: we don't see one another as full human beings, and our social fabric is in tatters. We don't trust one another and the norms that undergird our democracy and our rule of law are decaying.

Our institutions have contributed to our atomization and the decay of our norms. Institutions shape how we interact with one another and what we think of one another—they literally constitute us. The current dominant model of our political economy has tipped too far toward neoliberalism's worst side, where economic growth is a marker of human progress, where markets are preferred to government, of individual achievement without regard for community health and progress.

While we humans do have innate tendencies to protect our self-interest, we also have innate tendencies to cooperate with one another, and even more, to care about one another. But we govern as if humans are exclusively self-ish. Our aspirations are about individual achievement rather than collective accomplishment. We've forgotten that what makes us human are our connections with one another, and that we are tied together by our relationships, the places we inhabit, our environment, and our shared wonder and joy.

We are at a critical juncture and a moment of choice. We need a reorientation of our public policy and our political economy to make our economy and political institutions serve our society, not the other way around. It needs to be more humane, recognize and foster our connections to one another, and enable us to care for one another and our planet. To do so, we need a vision, a plan, including models of our transformation, and some way to measure our progress.

An agenda rooted in human flourishing extends beyond offering a frame of compassion and connectedness. Our hyperindividualized society, abetted by institutions focused on material incentives, has shredded the confidence we have in one another. This confidence is necessary for the norms that form the backbone of our democratic institutions and our rule of law. The act of rebuilding those connections, reprioritizing them, will help to stitch back together our social fabric and revive the norms that make democracy and the rule of law work.

To stimulate discussion, in this essay I'll do four things. I open with a sketch of a political theory of the necessity and means to rebuild norms with the aim of providing a theoretical justification for a political economy focused on human connections and human flourishing. In Section 2, I'll define human flourishing in four related pillars. Because the aim is to develop an analytical framework around these four pillars, in Section 3 I'll offer a clear-eyed view of how the four pillar framework complexifies the governance space. The pillars are intertwined, so analysis needs to rise to a system level to accommodate the spillovers between them. These are values, not a prescriptive end; and so rather than prescribe a singular vision, it is non-singular—even anti-singular, given how important embracing diversity is to the set of values. Given that, our action plan is both bottom up and top down: how to shape institutions (regulation, incentives, inclusiveness, and structure) and norms (beliefs, morals, conventions) to build political economy and society that taps into this alternative framework, with attention to the dynamics, moving from where we are now toward a society of greater connection. Following the complexity interlude, in Section 4 I describe the tools of analysis: models, many that we already have in hand, and metrics, most which need to be developed.

1 The Problem and Opportunity

As we lay out a set of values that guide a moral political economy, we should ask not just what the values are, but why these values, in particular. To justify the set of four pillars of human flourishing I propose in Section 2, and the primary concern for reestablishing human connectedness, in this section I cast a theorist's eye over our modern social problems. My main claim is that we need to rebalance our institutions of governance from overemphasis on self interest and towards our connections with one another. In so doing we might begin to repair the social fabric necessary to sustain norms of cooperation and trust. I'll build this argument by describing why a continuation with the current institutions is insufficient. Institutions can help to rebuild our norms and promote human flourishing by the values that they express and the way that they structure our interaction.

1.1 The Problem

The unprecedented economic growth of the past two centuries has resulted in an unequal allocation of the resulting prosperity. Due to structural problems—for example, those laid out by Thomas Piketty (2013)—an unbridled economy leads naturally to greater wealth inequality; for related reasons, we've seen growing income inequality. Unsurprisingly, those left out of enjoying the fruits of economic growth are demanding a share, putting pressure on a renewed commitment to redistribution. These demands show up in the political sphere, in support for unconventional, populist candidates like Bernie Sanders, Donald Trump, and Alexandria Ocasio-Cortez.

The present pandemic has underscored our how unequal our society remains, with unequal access to health care and unequal resources to overcome financial stress. Our social divisions have led us to put politics above science, resulting in a poorly controlled spread of the virus. At a time when the individual decision about whether to follow epidemiology's recommendations to wear a mask becomes a political statement, in is unsurprising that our society has failed in the past several years to make progress toward our perennial shared goals like infrastructure upgrades, poverty reduction, improved access to quality education and health care, let alone bigger ambitions like reducing racism and protecting the climate.

In response to an inequality that can't be ignored, support is growing behind movements for redistribution and shared prosperity. Without a doubt improved access to resources would improve financial resilience, enabling more people to weather financial disasters like the pandemic. But it will not address the deeper problem that ails our society, and if a policy of heightened redistribution were to be implemented on its own, it could deepen our social problems.

So, why wouldn't an equitable distribution of economic gain repair our malaise? For starters, it is an incomplete response because it leaves the core premise of conventional political economy unchanged. Our society behaves as if our top priority is economic growth and the material prosperity that accompanies it. Despite warnings against overinterpreting GDP, since it was introduced in the 1930s GDP has become the dominant measure of institutional success—not just of a healthy economy, but as a measure of governmental performance. Everyone, from pundits to academics, cites GDP when describing how well a government performs over time, and the stock market for a daily update. Academics do often tack on the Gini coefficient,

a measure of inequality, to capture prosperity's spread. Nevertheless, even if we talk about inequitable distribution, the foundational assumption remains the same: a successful government is one where the economy is thriving—we might just need to re-slice the pie.

Second, redistribution sets us up as rivals, the haves and have nots, bargaining over how much to transfer. And for the haves, the government becomes a taking hand. The beneficiaries receive material relief—a substantial need met, for sure. But in terms of the recipient's status in society, it is unchanged, and in some ways, given the current frame of individual responsibility, it is diminished. We've become a transactional society that is fully focused on self-interest. Redistribution and a secure social safety net are critical responsibilities of a democratic government. At the same time, if the goal is to move to a more just and equitable society, the government must be able to do more than redistribute, more than reminding us that we are rivals.

Deep concern for the market's effect on our society defies ideological categorization. While the political left has long been dissatisfied with the market, recently pro-market voices have expressed their frustration. Industry concentration has led to less entrepreneurialism, less innovation, and price gauging. The allocation of capital is inefficient, binding up implementation of new ideas. There's a revolving door between regulators and the regulated, so that government regulation favors those who are already doing well within the system, impeding the natural adaptation and regeneration of the marketplace. Inequality depresses human capital, investment, innovation, and ultimately, the performance of the market.²

It is easy—too easy—to diagnose the problem as simply neoliberalism run amuck. If we are to effect positive change, we need to understand the problem at a deeper level. What is it, specifically, about society that has gone wrong, and how might the market have caused this deviation? In response to the first question, Robert Putnam and Shaylyn Romney Garrett argue that the United States has moved from a "We" society to an "I" society, that is, we've moved away from seeing ourselves as a connected community, and

²See, for example, Heather Boushey, Unbound: How Inequality Constricts our Economy and What We Can Do About It (2019); Brink Lindsey and Steven Teles, The Captured Economy: How the Powerful Become Richer, Slow Down Growth, and Increase Inequality (2017); Jonathan Tepper with Denise Hearn, The Myth of Capitalism: Monopolies and the Death of Competition (2018); Cook, Lisa, 2014. "Violence and economic activity: evidence from African American patents, 1870–1940." Journal of Economic Growth 19(2):221–257.

instead now our discourse is dominated by the atomized individual.³

Humans are naturally egoists, acting in our self-interest. But we are also naturally other-regarding. We are social animals who care innately about one another; our connections to one another make our lives meaningful. In the past few decades, and perhaps accelerating in the past five years, our egoist side has become dominant. Why have we grown to be so polarized and so isolated from one another? And to answer the question from above, how might the market, or neoliberalism, be to blame?

Political scientists tracing back to Aristotle have argued that institutions shape the way that we behave toward one another. Our institutions structure our interaction and take different forms, appearing as markets, hierarchies, democracies, communities, and algorithms. Although institutions are designed to solve particular problems—collective action, distribution of resources, impersonal exchange, etc—the way that we structure our economy, our government, our education, and our organizations of can affect the balance between these two innate human tendencies of egoism and solidarity.

Our institutions have overemphasized us as individuals, in outcomes, in behaviors, and left us disconnected. They assume that we are primarily motivated by material gain. We've told ourselves that humans are inherently selfish, and designed institutions to "harness" and "channel" that self-interest, to make it work for the common good. Lately, the very notion that a common good could be identified and agreed upon is in question. Government has become a tax man, demanding payment for goods that the public does not think it wants. Minimization of the tax burden is the most logical next step; these days, all government action is viewed in these terms: who will raise taxes, who will cut them, without any meaningful conversation about what purpose government might serve, what common benefit it brings.

Political philosophers warned of this descent in faith in government. If we structure all of our interactions as a market, where behavior is guided through material incentives, then it crowds out the role for morals, the ethical

³Robert Putnam with Shaylyn Romney Garrett, *The Upswing: How America Came Together a Century Ago and How We Can Do It Again* (2020).

principles that guide our behavior.⁴ It also crowds out our civic sense⁵ And it crowds out our natural regard for others.

The problem gets worse. When institutions emphasize material incentives, not only do they pit our egoist and social selves against one another, but they shape our perception of others. Sam Bowles brings our attention to an effect of institutions that we have not yet considered. In positive political theory, we model institutions as describing the incentive and information environments for individual choice. We don't step back to think about the meta information that institutions provide to us about one another: because others are willing to make a choice motivated, apparently, by material incentives alone, we infer that their choices can be bought. Even if we believe that humans are a combination of self-interest and other-regarding, institutions that prioritize material gains implicitly teach us that those around us are not motivated by a sense of responsibility to one another, unless that will bring them a material reward. So even if we wanted to act in an ethical way, or in accordance with our other-regarding preferences, if we believed that these actions would only achieve a positive outcome if others were motivated similarly, then we would not follow our community instincts. We, too, would act as if we were only motivated by material interests. The cycle is self-defeating.⁶

Norms work this way; they depend on our faith in one another. Norms prescribe behavior based upon common understanding of social rules and are enforced socially, by a mutual willingness to stand up for what we believe to be right behavior. That is, they depend entirely on public willingness to assume a cost to punish those who deviate from them, such as by shunning. If I think that no one else will uphold a norm then most likely I will not do it either, doubting that I alone would be effective. This is how norms decay.

Norms are the backbone of formal institutions like democracy and markets. Norms are what legitimizes these institutions; they sustain our respect

⁴For examples of this extensive argument in economics and political philosophy, see Michael Sandel, What Money Can't Buy; Deborah Satz, Why Some Things Should Not Be For Sale: The Limits of Markets (2010); Elizabeth Anderson, Value in Ethics and Economics, Amitai Etzioni, The Moral Dimension: Toward a New Economics; Bénabou, Roland, and Jean Tirole. 2006. "Incentives and Prosocial Behavior." American Economic Review 96(5):1652–78.

⁵Ostrom, Elinor. 2000. "Crowding Out Citizenship." Scandinavian Political Studies 23(1):3–16.

⁶Bowles, Samuel. 2016. The Moral Economy: Why Good Incentives are No Substitute for Good Citizens. New Haven: Yale University Press.

for the rule of law, for order that allows us to trust one another.

To explain democratic backsliding—the term that political scientists are using as they study the decline of democracy and the rise of authoritarian tendencies—theorists are increasingly pointing to the decay in norms.⁷ As democratic institutions are framed in terms of individual freedom, transactions based on taxation, and simplistic arguments about deregulation and eliminating government interference, we lose more than governmental efficiency. We we are losing the sense of us as one nation, of the possibility that comes from communal action. We no longer respect one another, we no longer trust one another as fellow members of the electorate. Democracy seems less sacred and autocracy begins to look more efficient. Ironically, as democracy declines because of norm decay, markets may be next: they, too, depend on norms to create trust in commerce between strangers.⁸

We've bent all institutions of human organization toward the values of hyperindividualism. We need a reorientation. We need to emphasize and encourage our connections with one another.

Our current hyperindividualism is killing the norms that sustain a free and flourishing society. But hyperindividualism is not inevitable. It is in our power to change it.

1.2 The Opportunity

Our current diagnosis of hyperindividualism, and the aspiration of connectedness, may seem like we'd need to move between mutually exclusive alternatives or antitheses. It may be true that as a society tends toward one it moves away from the other; Putnam and Garrett describe the social dynamic as a pendulum swinging from self-interest to solidarity, or "I" to "We", in their terms (2020:289–90). At the level of the individual, however, both egoism and solidarity are human tendencies; we hold both preferences simultaneously. Which preference gets expressed is a function of our development, environment, and the institutional structure of our behavioral choices.⁹

⁷See, for example Levitsky and Ziblatt, identifying the decline of two fundamental norms: forebearance and mutual toleration; Nancy Bermeo, etc.

⁸See, eg, Greif 2006; Timur Kuran, The Long Divergence.

⁹The characterization of what motivates humans is to resolve the communitarian vs liberalism ontological tension about the locus of study, rather than having to choose between the individual—methodological individualism—or society as the basis for analysis, political theorist Amatai Etzioni proposed that both are true, simultaneously, suggesting

As I discussed in the previous section, when institutions incentivize behavior through material incentives there is a fear that they will crowd out other-regarding preferences. Bowles (2016) takes our concern a step farther: when we observe others being motivated by material interests, we lose faith in their willingness to prioritize community, and when that happens, we lose confidence that they would engage in costly enforcement to uphold our social norms. Lacking enforcement, people stop abiding by them; they decay, imperiling our democracy, rule of law, and in time, our markets.

But institutions don't need to crowd out solidarity. They can also encourage it. In a celebrated study of labor unions, Ahlquist and Levi¹⁰ capture how institutions can build a more connected society—even to the point of caring about the welfare and dignity of strangers, people with no direct tie to the members of an organization. While Ahlquist and Levi work firmly in the tradition of positive political economy, they break open the standard model's assumption that people are exclusively self-interested and interested in material gain. Successful labor organizations did serve the short-term material interests of the union members, but did so by building an organization that was robust to the vicissitudes of annual economic fluctuations.

The robustness came by drawing upon more than members' private interests, and more than their internal shared sense of community and the bargaining power that comes from collective action. The union fostered a vision of a better future for a broader all—including those outside of the union, even outside of the nation-state. In this expanded "community of fate," the union members were not engaged in a transactional effort for material gain relationship; instead, they were part of a mission. These labor organizations set up inclusive institutions to tap into their members' sense of solidarity. It worked because leaders articulated a vision and the members believed that others believed in this vision.

Ahlquist and Levi's model of how one builds an expanded community of fate highlights how dependent formal institutions are on the beliefs we have about one another's preferences and provides guidance about how to build

a synthesis of "I&We" to highlight "the assumption that individuals act within a social context, that this context is not reducible to individual acts, and, most significantly, that the social context is not necessarily imposed or derived from voluntary or conscious transactions among individual." See Etzioni, Amitai. 1996. "A Moderate Communitarian Proposal," *Political Theory* 24(2):155–171, quote at 157.

¹⁰Ahlquist, John S. and Margaret Levi. 2013. *In the Interest of Others: Organizations and Social Activism.* Princeton, NJ: Princeton University Press.

the community confidence to sustain other-regarding norms. If I see others acting to enforce costly other-regarding norms, and I see everyone complying, then if I share that sense of solidarity, I too will abide by the norms. In Ahlquist and Levi's research, the common knowledge about one another's other-regarding preferences was kick-started by leadership who inspired the community to believe in their potential to make positive change. It was sustained through inclusive institutions where union members were treated with respect, incorporated into decisions, and encouraged to take pride in their work on behalf of strangers.

On the other hand, if I am told that the person I'm interacting with is guided only by material outcomes, and not by a moral compass or a sense of community regard, then I come to believe that any action that would require us both to abide by nonmaterial incentives will be for naught. If it is costly, I won't do it. Materially-minded leaders who focus on the short term, on private gain, and disdain inclusiveness will accelerate the decline. The expanded community of fate crumbles when we lack faith in one another's commitment to it. With its crumbling, the organization is no longer able to hold together. Our institutions are only as good as we are; they depend upon norms.

The good news about the problem with our democratic and market institutions is that this is fixable. We as a human species are not fatally flawed; instead, we are suffering because our institutions are bringing out the worst in us, or at least failing to bring out the good in us. What about institutions that augment, feed our connections to one another? That encourage us to build up our other-focused side, to make the most of our longing for connection, to rebuild society? That treat us not as only individuals, but as individuals who are embedded within a society, where the self has a place, connected to others, and finds meaning in those connections. Governments do more than compel; they can encourage, they can nudge, they can inform, they can include. If institutions can nurture our innate desire for connectedness, rather than minimize it, our norms can be recovered and thrive. It will take work and dedication and leadership, but we can transform institutions to transform society.

I am turning now to describe a framework of human flourishing. As you read it, think about how the pursuit of these values might not just shape the means and ends pursued by public policy, but might also point a path to designing institutions that would nurture our other-regarding tendencies. If institutions literally constitute us, couldn't they constitute us for connect-

2 The Four Pillars of Human Flourishing

In this section I lay out a set of values that together form a framework of human flourishing. The core element is the relationship between the individual and society (dignity), rooted in place (community), with care for the environment (sustainability) and embracing the human affinity for aesthetics and pleasure (beauty).

The conception of human flourishing that I'm framing here builds upon multiple literatures. Conventionally, human flourishing is defined relative to the individual, and in Aristotle's ethics, flourishing, or *eudaimonia*, corresponds to a life well lived and is often equated to well-being. For Aristotle, the individual ought to live in a way that promotes her own flourishing while not inhibiting other's ability to flourish. Virtue will guide behavior away from exploitation. For Amartya Sen, flourishing is a function of having the capabilities for a well-lived life, including health, autonomy, practical reasoning, and sociability.¹¹

The chief distinction between the standard usage and the way that I am employing human flourishing is the relation to community. For Sen, the development of the capacities for human flourishing depend on society with others; we are raised, and taught, and observe others. As the individual develops these capabilities her dependence on society decreases. In the frame I suggest, the individual is in society, and flourishing is an emergent property of this relationship between individuals and society. Our need for society never diminishes.

These four pillars are more than a set of values. They are hypotheses. I am suggesting that this set of values might feed prosociality and social norms. As I describe each pillar and its distinct contribution to our connectedness, I also point out how a political economy rooted in pure self-interest undermines attentiveness to the value. I then counter with how a value might contribute to the building up of social norms and individual action for the collective good.

¹¹Sen, Amartya. 1999. Development as Freedom.

2.1 Dignity

Not only has focusing on growth and efficiency and immediate returns on investment caused us and our planet to grow sicker, it ignores our social needs—our need to feel like our lives have meaning, that we have a purpose that is valued, that we feel needed and respected. We have a need of dignity.

In Aristotle's conception of eudaimonia, and in Martha Nussbaum's theories, dignity is at the core of human flourishing. Dignity is the ability of one to live a life worth living; in Nussbaum, it becomes the access to rights. In the liberal theory, it is the ability to pursue your desired ends without obstruction from others, to be who you want to be. As Griffin (2009:32) puts it, dignity is the basis of human rights, the capacity to be a person, "deliberating, assessing, choosing, and acting to make what we see as a good life for ourselves." It frees the individual from duties and attachments to community. 12

Other theorists stress that dignity implies a status within society: "a rank assigned ... to every human person, equally without discrimination," writes Waldron, "dignity as nobility for the common man." Like Waldron, the way that I employ the concept of dignity requires a human-to-human recognition of one's status, a relationship between an individual and a community. That is, it is distinct from a legal recognition of status; with legal recognition, one might have a claim to a right, but others may accept it begrudgingly, only because the law requires it. Instead, there's a common sense of one's value to the community. The individual has a recognizable role to play within that community—a respected, valued place in society.

In the remainder of this section I'll talk about two specific instances of dignity: first, the dignity of work, and specifically, of labor, as distinct from monetary remuneration. Second, I'll describe how dignity, diversity, and inclusion are related. Lastly, I'll tie the concept of dignity back to the question of institutional design and norm development.

2.1.1 Dignity of Work

At the 2019 meeting of the World Economic Forum, Winnie Byanyima, Executive Director of Oxfam, said, "We've been told that globalisation is bringing

¹²Nussbaum, Martha Nussbaum, Creating Capabilities: The Human Development Approach., 2011; James Griffin, On Human Rights, 2009.

¹³Jeremy Waldron, Dignity, Rank, and Rights (2009).

jobs. The quality of the jobs matter. ... [When you measure employment] you're counting the wrong things. You're not counting dignity of people. You're counting exploited people." She told stories of workers at a poultry farm in the United States being treated as if they were cogs in a machine, disposable, replaceable. 14

Those who would dismiss the subjection of these workers, arguing that their employment contract is voluntary, ignore how often people are trapped in bad jobs, whether due to impossibility of finding other employment (perhaps undocumented, perhaps undereducated, perhaps there's bias) or because they fear losing health benefits, ¹⁵ or can't afford to go a single day without a paycheck, and so literally can't afford to look for another job.

In contrast, Alexandria Ocasio-Cortez speaks about her past work experience with head held high. "I'm proud to be a bartender. Ain't nothing wrong that. There's nothing wrong with working retail . . . There is nothing wrong with preparing what your neighbors will eat. . . . There is nothing wrong with being a working person in the United States of America." ¹⁶ She at once says that she is of the people and elevates them to her now-elite position: those who work gain self-respect.

Our capitalist society has evolved to devalue work. Sandel suggests that it is because we have a consumer-driven relationship to the market where we measure value based on what we get rather than on who makes what. Work has become depersonalized, and by extension, so has society. Caitlin Rosenthal ties this depersonalization to the rise of scientific management. The fundamental aim of scientific management was to discern and extract the maximum amount of labor from workers. Managers and owners thought about men and women as inputs of production that could be adjusted and improved in the same manner as machines, and trained and rewarded like

¹⁴One might also look at the decline in workers' commitment to their firm, turning the table, acknowledging that the relationship can run both ways. We excuse the worker who hops from position to position because the contract is voluntary, but at the system level, it damages employment communities.

¹⁵One major success of the ACA was to end preexisting conditions clauses—where people would be locked into current employment because they would lose coverage for existing health care when moving jobs.

 $^{^{16}\}mathrm{April}$ 5, 2019, https://www.diversityinc.com/aoc-on-trumps-young-bartender-dig-there-is-nothing-wrong-with-being-a-working-person/

¹⁷Michael Sandel, The Tyranny of Merit: What's Become of the Common Good, (2020) at 213–4.

animals learning new tricks." 18

Progressive economists are pushing back, rejecting the degradation of work. Gene Sperling, former economic advisor in the Clinton and Obama administrations, argues that dignity should be the core frame for economic policy. People should feel that they can provide for their families and spend time with their families too—"being able not just to put food on the table but to be at the table as well." They should be able to pursue their potential, and they should be respected for the work that they do. He suggests a lengthy set of policies to do it, for example paycheck guarantees, a living wage, worker rights and expanded unionization, and job training. His list of ideas is long but no proposal is outrageous; with enough voices calling for this change, it could happen.

2.1.2 Dignity and Inclusion

Dignity could go a step farther; I argue that it should. It is not only the freedom to be left alone, and not only acknowledgement of one another's value, but the respect bestown when we include people in decision-making. With attentiveness to one's place in society, public policy ideally would not just refrain from holding back citizens from achieving their goals; instead, it'll say, there's a place for you here; you matter, your voice matters, we won't assume that we know what you want, but instead, we are here to listen. Dignity means inclusion.

For example, while I write before president-elect Biden has named a Secretary of the Interior, the two names receiving the most attention are both Native Americans, with most attention focussed on Congresswoman Deb Haaland. If one of them is appointed, it would be the first time that the United States has entrusted management of its lands and relations with the sovereign tribes to someone with an American heritage that predates any European immigration. Likewise, Biden has announced that he will nominate Alejandro Mayorkas to head the Department of Homeland Security. If he is confirmed, he will be the first immigrant and the first Hispanic American to head the DHS. These nominations are heavily symbolic, and more; these leaders would represent the populations who are most closely affected by the

¹⁸Caitlin Rosenthal, Accounting for Slavery: Masters and Management (2019), at 117.

¹⁹ "Economic Dignity", *Democracy Journal*, spring 2019, https://democracyjournal.org/magazine/52/economic-dignity/.

policies that emerge from these agencies, but whose voices are ordinarily not heard, and certainly are not in authority.

Dignity can be established—or undermined—in every form of social organization. Political dignity means respecting and valuing the participation of all qualified members of a society; this dignity is undermined through obstructive voting rules. With education, pursuing dignity means ensuring that public education is of high quality and committing to making access to it available to every member of our society. Dignity in society means tolerating, respecting, and yes, even valuing diversity; diverse groups are more creative and better problem-solvers than homogeneous groups.²⁰ Dignity may be elusive to measure, but a revised political economy ought to embrace it as a primary goal.

2.1.3 Dignity and Rebuilding Norms

In the neoliberal political economy, the legal guarantee of equal rights confers a legal status but removes dignity and mutual respect from our collective social responsibility. A person's dignity is defined by law and respect for it is enforced through formal legal channels. Lest I be misunderstood let me say straight out that legally-conferred status is important! But we need to think about the effect that law has on our duty to respect one another. No law says that I must respect others; it can only say that I must not interfere with them. Prosocial norms are needed to create and sustain our value of one another.

Consider, for example, Hillary Clinton's remarkable address at a UN Conference on Women in 1995. She declared that women's rights are human rights, and that when women are respected, society flourishes: "What we are learning around the world is that, if women are healthy and educated, their families will flourish. If women are free from violence, their families will flourish. If women have a chance to work and earn as full and equal partners in society, their families will flourish. And when families flourish, communities and nations will flourish." Recalling the research of Ahlquist and Levi (2013), when leaders frame positions in terms of nonmaterial, community-

²⁰See Scott E. Page. 2007. The Difference: How the Power of Diversity Creates Better Groups, Firms, Schools, and Societies. Princeton, NJ: Princeton University Press.

²¹Hillary Clinton, Remarks for the United Nations Fourth World Conference on Women, Beijing, China, September 5, 1995. https://www.un.org/esa/gopher-data/conf/fwcw/conf/gov/950905175653.txt.

focused incentives, and when they broaden the community of fate, the other-regarding preferences of their audience is activated and encouraged to grow. Clinton does not talk about how much more money anyone will have if women have rights, or how much better the economy will do overall, although that is true: she talks about *flourishing*; recognizing the dignity of women's work, the critical role women play in society, about their value to society.

Prosocial norms, particularly where prosocial means for the collective good, requires respect and valuing of those who benefit most from the collective good. While studies have shown that norms are difficult to maintain in diverse groups, recent evidence suggests that it is only in-group solidarity that becomes more difficult to maintain as a group diversifies. The successful development of prosocial behavior that concerns us here—the expanded community of fate—is affected by the positions held by minorities and immigrants in society and the extent that institutions support their political inclusion. That is, when institutions confer status on minorities and newcomers, including them in decisionmaking positions, they encourage the respect of the broader population. If policy feeds people's dignity, a dignity that is collectively conferred, rather than merely legally available, then prosocial norms more naturally take root. And by moving toward inclusive dignity, norms are collectively and diversely constructed and upheld, making them more robust.

2.2 Sustainability

There is no way to put it mildly: the planetary climate crisis is acute. Carbon dioxide levels are the highest ever measured, in a record that dates back 800,000 years. Our earthly cocoon of temperate climate is already starting to experience wild swings of heat, drought, and floods. Once-in-a-lifetime storms now come annually. Ecosystems are not recovering, leading to desertification, loss of species, loss of coastlines, and loss of arable soil. Our infrastructure wasn't built for environmental volatility to this degree, and climate-induced disease overwhelms our global health system. Climate migration is forecast to be the great social force of the 21st century; in 2017 alone, approximately 24 million people were displaced due to "sudden weather"

²²Baldassarri, Delia and Maria Abascal. 2020. "Diversity and Prosocial Behavior." *Science* 369(6508):1183–1187.

events;²³ the prevailing estimate is that there will be perhaps as many as 200 million climate migrants by 2050.²⁴ Climate stress exacerbates political tensions, leading to conflict. The United States is far from immune: rising sea levels alone are estimated to produce 13 million permanently displaced Americans this century, putting pressure on labor and housing markets in inland and urban areas.²⁵ The effect of climate change is felt globally and by every individual. It is the one issue that unites us all.

The connection between climate change and human activity is no longer seriously disputed: what does remain controversial is whether we've reached the point of no return, past the tipping point where we cannot reverse the changes. Despite the uncertainty about whether our actions now can stem or reverse climate change, given the devastation that awaits, it is worth trying. And we can also work together to mitigate the effects of climate change, building capacity now to reduce future calamity.

We can make choices in production, transportation, and energy use that would reduce the carbon load and prepare us for resilience in the face of future change. But these climate-friendlier technologies come at a price, and a market mindset pushes against making those choices. Our efficiency mindset, coupled with the short-term vision that our political economic structure rewards, will the death of us; we will "optimize our way to mass extinction" as colleagues and I wrote recently. 28

²³John Podesta, "The Climate Crisis, migration, and refugees," Brookings policy brief, July 25, 2019, https://www.brookings.edu/research/the-climate-crisis-migration-and-refugees/.

²⁴The number is hard to estimate, but what is clear is that it will be significant and requires planning now. See Oli Brown, "Migration and Climate Change," International Organization for Migration report, 2008.

²⁵Caleb Robinson, Bistra Dilkina, and Juan Moreno-Cruz, "Modeling migration patters in the USA under sea level rise," *PLoS ONE*, January 22, 2020, https://doi.org/10.1371/journal.pone.0227436.

²⁶For a list of policy prescriptions, see for example Erol Yayboke and Janina Staguhn, "A New Framework for U.S. Leadership on Climate Migration," CSIS Briefs, October 23, 2020, https://www.csis.org/analysis/new-framework-us-leadership-climate-migration.

²⁷See, for example, the recent lawsuit against European auto manufacturers, who failed to adopt emissions-reducing technologies because of cost. "E.U. regulators accuse BMW, Daimler, Volkswagen of colluding to block emission-fighting technology," *Washington Post*, April 5, 2019.

²⁸Beinhocker et al, "Economics After Neoliberalism," *Boston Review*, March 19, 2019, http://bostonreview.net/forum/economics-after-neoliberalism/complexit

How might institutions help us to prioritize sustainability? Not though material incentives. An incentive-based solution will be insufficient to meet the existential crisis of climate change for the same reasons we've discussed above.²⁹ If we motivate behavior through material incentives, then agents whether individuals, firms, whole industries, or nations—are primed to seek more for themselves. The market frame encourages overextraction and accumulation, because surplus can always be traded, perhaps for a private yacht, perhaps for the warm glow that comes from philanthropy. Uncertainty about climate change's effects, and the correspondence between our actions and planetary health, also promotes shirking. Motivating behavior based on material incentives alone will encourage these bad behaviors. Sustainability requires living in balance, of being grateful for having enough, and rewarding those who live the same way. And importantly, it requires social enforcement: shunning those who violate the norm of sustainability and balance, even at a cost. Market incentives alone cannot build the prosocial norms of living in balance.

What if we were to abide by the wisdom of Wendall Berry and live by the "contrary assumption that what is good for the world will be good for us." What if we were to end the subsidies that currently keep the fossil fuel energy industry afloat—the World Bank estimates that we spent \$5.2 trillion globally in 2017³¹—and instead dedicate those monies to sustain the environment? A focus on sustainability along with the awareness it brings to the connectedness of the climate, the economy, food production, and health offers hope. And we need hope. We need inspiration, a belief that we are not fated to poor health, social disconnection, and a dying planet. Instead, if we believed that our current political economy is not the best we can do; that human society has not yet reached its potential, and to get there, we need to value—and invest in—human flourishing, including care for our environment.

Sustainability is the core problem we face; it is our greatest common interest. Like dignity, sustainability ought to be a core principle of all public policy. Also like dignity, successful implementation of the policy will not

 $y\hbox{-economists-inclusive-economics-complexity-economics}.$

²⁹Cardenas, Juan Camilo, John Stranlund, and Cleve Willis. 2000. "Local Environmental Control and Institutional Crowding-Out." World Development 28(10):1719–33.

³⁰Wendell Berry, The Art of the Commonplace: The Agrarian Essays. Counterpoint, 2003.

³¹International Monetary Fund, Climate Change: Fossil Fuel Subsidies, no date, https://www.imf.org/en/Topics/climate-change/energy-subsidies.

come from rules and incentives alone; it requires leadership and community buy-in, the development of faith that enough of us are committed to a green future that we will bear costs to see it through.

2.3 Community

A third dimension of human flourishing, community and place making, is often ignored. Community represents both social and physical spaces, but not just any social or physical spaces. If a space is a community, it means something to the people collected within it. When it is a social community, it is a neighborhood, a village, a team—a set of people who are interconnected and known to one another. They may form spontaneously, as people who recognize that they have something in common that they value: a community of moms, a community of political supporters, a community of birdwatchers. Or they may be constructed, actively or passively; a department community, a neighborhood organization, a school cohort, a golf league. They may persist or be ephemeral; standing associations with bylaws can become communities but so can those surrounding you in a political protest, joined by a shared effort, and tending to one another's needs and sharing water and snacks, but never exchanging names, the bonds dissolving at the end of the day. And a structured organization may fail to become a community in the sense I invoke here; members may be bound only by the rules and function of the organization, their interaction amounting to transactions conducted according to those rules. Many groups never become joined in a community of fate.

If it is a physical place, I'm interested in the physical spaces that mean something to those who frequent it. Like a social space, an individual identifies with the physical space. It is the places where connections are born and sustained, at many scales, from lobbies to libraries to cafés to public squares to national parks. In these spaces you are connected to those who share the space with you. Unlike the social space, in the physical space many people will remain strangers to you. To see why the connections between strangers can be deeply meaningful, let's think more about them.

Communities, whether social or physical spaces, have a design, and shape human interaction through that design. It also affects our views of one another. We might ask, just what happens in a public square that is so important? Suppose it is the location of a Saturday farmer's market, where you might do a bit of shopping. We might model this as a conventional political economist and say that it a space where transactions between local producers and local consumers are made more efficient. That might be true, but it doesn't capture what is special about the market, how it becomes a community. It is a place to take in some fresh air, to see local acquaintances, to build a relationship with local suppliers. You build connections in these places—in Granovetter's terms, especially of weak ties.³²

And it is a place to observe the behavior of strangers, people unknown to you but with whom you share at least one thing: you are at the market on the same day at the same time. It is a space that is somehow aligned with your identity, and because of that, you subconsciously recognize the other people sharing this space share this affinity; it creates a sort of community. While sharing this space, you have the chance to observe the behavior of others, seeing whether the social norms that you thought were in place are still respected. You might witness a violation of a prosocial norm—perhaps you overhear a racist comment, see someone being impatient with a slow moving elderly vendor, or someone darts ahead of you in line—and if no one else admonishes this norm violation, then you begin to wonder whether those norms still hold. Our communities, whether social or physical, are places where we learn a lot about what motivates others, and whether norms are intact.³³

Our revised political economy needs to understand the value of place. Our physical and social infrastructure plays a critical role in shaping our views of what is possible, and in creating the communities that sustain meaning and foster creativity. Raj Chetty's research showing that five- to ten-fold differences in the probability of children moving out of poverty dependent on the health of their home community speak loudly and clearly that community lies at the root of economic opportunity, and, therefore, dignity. Geoffrey Canada has sparked imaginations everywhere as he demonstrated that to fix schools you need to fix communities. Eric Klinenberg's recent ode to libraries has sparked a national conversation about the importance of public spaces for community health.³⁴ Urban planners, likewise, speak of "place-

 $^{^{32} \}text{Granovetter},$ Mark S. 1973. "The strength of weak ties." American Journal of Sociology 78(6):1360–80.

³³Samuel Bowles and Herbert Gintis. 1998. "The Moral Economy of Communities: Structured Populations and the Evolution of Pro-Social Norms," *Evolution and Human Behavior* 19(1):3–25.

³⁴Eric Klinenberg, Palaces for the People: How Social Infrastructure Can Help Fight Inequality, Polarization, and the Decline of Civic Life (2018).

making"; of creating space where people interact, walk, and pause. Municipal advocates argue that place-making may seem like more costly development, it is consistent with a longer view plan for economic growth, and one that is more likely to be stable.³⁵

Place and community are not divorced from human dignity: they are intrinsic to it. Dignity arises from feeling that one belongs; from having a role within a community, a relationship to others. And that community is rooted by physical space, by the activities that happen within a social infrastructure. When we invest in our public spaces, our social infrastructure, we show respect for what happens in those spaces. We honor the connections fostered there through thoughtful design, well maintained.

Public spaces can also show disdain. One of the most affecting essays I read this fall was a New America blog post by Danicia Monét. 36 She writes of how we can feel a sense of "unbelonging" in a place. "Public art leaders and patrons alike must come to terms with our implicit and explicit behaviors, which make us complicit in the preservation of white racial frameworks that impose a homogenous palette on our shared built environments. Spaces that create feelings of unbelonging for any one among us." While good design is invisible, she writes, our built environments convey a message about who is included in a community: "Our public spaces, our built environments have been designed to condition us to understand who belongs (and who doesn't), who is valued and protected (and who isn't)." Public art, too, says what aesthetics are valued in the community, and those aesthetics tend to be overwhelmingly white. Placemaking needs to be inclusive; spaces should be designed by the communities they are for. Again, we are reminded about the importance of inclusion for dignity, here intertwined with the building of community space.

Instead of investing in public spaces, we've invested in walls to literally separate us from one another. As inequality has grown, it has lead to a spatial redistribution of the haves and have-nots. A new study shows that from 1980 to 2013, the proportion of Americans living in wealthy areas grew from 4% to 16%, while the proportion of those living in low wealth areas increased from 12% to 31%.³⁷ That is, the middle disappeared, not just in

³⁵Dan Gilmartin, The Economics of Place: the Art of Building Great Communities.

³⁶Danicia Monét, "Racism By Design: Power Dynamics in Public Spaces," New America Indianapolis blog post, October 22, 2020, https://www.newamerica.org/indianapolis/blog/racism-design-power-dynamics-public-spaces/

³⁷Manduca, Robert A. 2019. "The Contribution of National Income Inequality to Re-

wealth, but in physical space. Our commitment to democratic norms, norms of mutual respect, have disappeared with it.

In policymaking, we can recreate the specialness of place, where people feel connected to it, and find connection with one another.

2.4 Beauty

Beauty—a word that stands in for grace, delight, creativity, and pleasure—is closely related to place-making and community, dignity, and sustainability. It may be natural or built. Natural beauty inspires wonder. Good design makes people feel better about themselves and about the activities that take place in a well-designed space. It can be inviting and convey respect. It can create community and root us in history.

Beauty may seem frivolous, but it is fundamental to human dignity and place-making, and is a product of sustainability, whether through conservation or appreciation for local culture and craft. From beauty comes love, a power that can motivate people to make individual sacrifices on behalf of their community, to respect and uphold the norms that are the backbone of our laws. When our political economy respects beauty, it values human achievement and the Earth's gifts at the same time.

When beauty is absent it can feel like a punch in the gut. Above, I said that when we design physical spaces with intention and care, we show respect for the connections those spaces might foster, while noninclusive design, or no real design whatsoever, shows that the human connections within that space do not matter to the government that constructed it. A political economy dominated by he tyranny of low prices leads to the Walmartization of our spaces. "Form follows function," an architectural mantra, can motivate the inspiring cityscape of Chicago. But if function is defined sparely, just sufficient to enable the transactions that occur in the place, we end up with roadways and strip malls, buildings of cement block and linoleum tile and fluorescent tube lighting, indistinguishable from one another. No one feels inspired by places like these; no one feels connected to them. No one is proud of them.

Beauty captures the spiritual and ephemeral things that humans value. And lest you think that it has no place in helping to shape a policy platform,

gional Economic Divergence." *Social Forces* https://doi.org/10.1093/sf/soz013. See also CityLab: https://www.citylab.com/equity/2019/04/economic-inequality-geo graphic-divide-map-census-income-data/586222/.

I'd like you to recall President George Bush Sr.'s compassionate conservatism or Cory Booker and Van Jones talking about love, language that Joe Biden echoed in his post-election Thanksgiving week public address.

Because beauty (as love, play, struggle, pride, awe, joy) is not part of the standard economic model it is overlooked, but the need for beauty in our lives defines humans from other species. A public policy that respects the human need for beauty, for the connection inspired by joint experience of beauty, will reinforce our prosocial norms by reminding us of the souls that lie within one another.

3 Characterization and Complication

Author's note: to keep the text to a manageable length and focus our discussion, I've eliminated the portions of the manuscript that describe the analytical complexity of the human flourishing agenda and the section on models.

4 Analysis

While we are impatient for change, and it is intuitive to think that change comes from action—public policy—informed and lasting change must involve our modes of analysis. We have two primary methods of prescription and explanation: model construction and empirical measurement. When we build a model we develop an understanding of underlying causal mechanisms and derive hypotheses. Empirical analysis is a verification of our explanatory models and a gauge of our progress. It requires identification of useful observable outcomes. Most often we seek quantifiable metrics, although in some cases qualitative data is also used.

In both scores, the dominant modes of analysis have pushed us toward simplifying our nature and what we value. Models characterize humans as selfish, and only selfish, or that our selfishness will always dominate any other goal. And we've leaned very heavily on extremely simplified metrics to gauge the performance of our political economy. We can do better on both counts.

4.1 Models

Omitted for brevity

4.2 Metrics

I'm fully sympathetic to the arguments that the things that really matter in life can't be measured. At the same time, if we are talking about public policy, it is important to develop some yardsticks that we can use to measure progress. The dominant paradigm has a great advantage in having simple metrics. Gross national product and stock market valuations are simple to measure, simple to explain, simple to report out. Liberal theory is able to claim neutrality of its metrics, with price as valueless value and growth as generic gain.

But GDP says nothing about dignity and the stock market doesn't reflect community health. And wellbeing measurements are about individual health, not the fabric of the community, or the status of the individual within it. Of the four pillars, sustainability has the most straightforward measurements. We can talk about atmospheric greenhouse gas loads and freshwater supply; we can measure the effect of our action in terms of carbon load or resource consumption. The other pillars are harder to measure.

For those who define flourishing in terms of an individual, there are many possible measurables, including welfare, well-being, or capacities and rights.³⁸ We even see a few national governments redefining their priorities. In 2008, Bhutan introduced the Gross National Happiness Index. New Zealand recently introduced its "Wellbeing Budget", where performance is measured by mental health, child poverty, indigenous community support, sustainability, and broader economic opportunities and the future of work.³⁹ And, most important, we see transnational efforts, most notably the United Nations' Sustainable Development Goals, proposing a global effort to reach 17 objectives (or 1100, depending on how you count) from ending poverty and hunger, to gender equality, to supporting life on land and below water.⁴⁰

Bhutan, New Zealand, and the UN's goals are terrific steps forward. But they all remain focused on measurables at either the individual or planetary level. They're missing the meso-level, the community, and more specifically, the social fabric of a community, where the norms that shape our constitu-

³⁸See, for example, Kaplow & Shavell, Fairness versus Welfare (2006); Sen Development as Freedom; OECD well being index, etc.

³⁹New Zealand Department of the Treasury, the Wellbeing Budget 2019, https://treasury.govt.nz/publications/wellbeing-budget/wellbeing-budget-2019-html.

⁴⁰United Nations Sustainable Development Goals, https://sdgs.un.org/#goal_section.

tion are developed. Ecuador stands apart. It recently revised its constitution to embrace the concept of buen vivir, a concept that goes beyond the typical definition of wellbeing to include living in harmony with the planet and respecting the diversity of local communities. While buen vivir emerged from the conflict between indigenous communities and extractive foreign powers, by weaving the concept into the constitution, sustainability, dignity, and community have become policy goals. Slowly, the country is groping its way toward practices that rise to the level of its aspirations. If it did not lay out those high ambitions as constitutional provisions, publicly adopting them for all to see, it could not hope to move in that direction because the bottom line of immediate profit and growth is a much easier performance metric. Now, they're pledged to aim higher.

Acknowledging that the devil is in the details, it is possible to track metrics along the SDGs. What should we do about those things that are harder to track with a yardstick, like much of flourishing? How do we measure the emergent phenomenon of dignity, residing as it does in the space between an individual and society, in the respect that members in society have for others, in an individual's sense of self-worth, of having a meaningful role? How might we measure the health of a community or whether our policies bring beauty and joy with them? And how do we convey a sense of the whole? The lack of a neat single measure to counter the simplistic appeal of GDP is one of the great challenges of the flourishing agenda. Measuring flourishing is hard—but does that mean we ought to give up, and not aim for it?

5 Discussion

In his September 2020 video address to the United Nations General Assembly, Canadian Prime Minister Justin Trudeau made a stark assessment: "things have to change." Our current system has failed us, he said, because it has left some behind and it is has not caused us to sufficiently address climate change. "The world is in crisis, and not just because of the last few months. Not just because of COVID-19. But because of the last few decades. And because of

⁴¹Merino, Roger. "An alternative to 'alternative development'?: Buen vivir and human development in Andean countries." Oxford Development Studies 44.3 (2016): 271-286.

us." ⁴² In a follow-up address to a UN conference, he elaborated: the coronavirus pandemic was an "opportunity for a reset" to "reimagine economic systems," making progress toward goals of equality and sustainability. ⁴³ In naming what's wrong—inequality, intolerance, climate change—and in diagnosing the problem as the current political economy, Trudeau helps to build the common knowledge necessary to change course. Immediately those who feel threatened by systemic transformation—or just want to get a political leg up, given that the challenge was instigated by a member of the opposition party in Parliament—immediately charged Trudeau with plotting a "Great Reset"—perhaps accurately!—but with a sinister cast designed to frighten the public away from Trudeau's aspirations. Leader messaging is vulnerable to manipulation, especially when it is progressive, involving a change from current routines. But leadership is crucial for the activation of the prosocial norms laying dormant inside of us.

In this essay I've proposed a reorientation of our political economy and public policy to augment our connections with one another and promote human flourishing. This reorientation is necessary because we have adopted an institutional structure that is killing what's good inside us; it emphasizes our natural tendency toward self-interest and in doing so crowds out, or squashes altogether, our other natural tendency: to care for one another. As a result, our rivalry has grown, and with it, we've become isolated from one another. We've neglected to care for one another and about one another.

With a public policy that recognizes the need to change our institutions—whether in the principles that guide our policies, or in our analyses—we can rebalance our natural tendencies, so that we are both self-interested and connected. The goal is not to eliminate self-interest and certainly it is not to reject fundamental American principles like liberty and freedom. Instead, the idea is to hold those aspirations while augmenting our human connectedness. We can build true dignity with commitments to inclusivity. We can build public spaces that foster community development and include communities in decision-making. We can show our respect to those individuals and communities by building with beauty, and play, and encourage stakeholders to participate, so that they might feel that they've built it themselves, and feel

⁴²Canadian Prime Minister Justin Trudeau, virtual address to the United Nations General Assembly, September 25, 2020, available at https://www.youtube.com/watch?v=v Acvoa8otbw.

⁴³Canadian Prime Minister Justin Trudeau, Address to United Nations conference on the pandemic, September 29, 2020, https://www.youtube.com/watch?v=n2fp0Jeyjvw.

the pride that comes with effort and achievement. And in all that we do, we can recognize our ultimate budget constraint, our truest common interest: a finite planet that needs care to survive.

The reorientation will face challenges by those who benefit from the current way of doing things, and those challenges will resonate with us as humans, who worry about the unknown and so are naturally conservative. The path forward must therefore take incremental steps that show success, with leadership that can remind us of what we might aspire to be and do.

With a framework built on four pillars—dignity, sustainability, community, and beauty—our society might be brought back into balance.