



Commentary

Decommodification as a foundation for ecological economics

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ABSTRACT

Ecological economists have emphasized the study of commodification (i.e., the development of market-based exchange and valuation) rather than decommodification processes (i.e., the degree of immunization from market dependency). This is surprising given the fact that large-scale decommodification may be our best option for a post-growth transition so dear to many ecological economists. Based on Heinsohn and Steiger's theory of ownership, we seek to provide an institutional foundation to processes of (de)commodification. These two authors distinguish between 'property' and 'possession', two bundles of rights generating different logics and consequences. We illustrate this approach with three cases taken from an advanced capitalist economy, Switzerland, showing how commodification and decommodification processes may appear together or vigorously oppose each other. Cooperatives, forests and municipal land are examples of (partial) decommodified assets that follow a logic of possession and are therefore more likely to be sustainable. It is high time that the study of decommodification becomes central to ecological economics.

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1. Introduction

The word 'decommodification' (or 'decommoditization') seems to have appeared only three times in the entire journal *Ecological Economics*: once in passing in a book review by Limburg (2001) and twice in Nierling (2012). This lack may symbolize a disregard for decommodification processes and an overemphasis on the opposite phenomenon, on commodification. The prime example of the latter is of course the large number of articles devoted to payments for ecosystem services, an approach that has gained prominence in ecological economics despite the growing critique (Gomez-Baggethun and Ruiz-Perez, 2011; Schröter et al., 2014). In contrast to this tendency, and in agreement with the heterodox roots of ecological economics, we argue that the study of decommodification should occupy a central position in the field, normatively as well as analytically, in the global South as well as in the global North. We argue that commodification cannot be understood independently of decommodification: both processes simultaneously take place in any market economy, if only because the contradictions produced by the commodification thrust continuously generate new counteraction movements.

The concept of 'commodification' – i.e. the process of considering utilities as a commodity that must be paid or traded for rather than as an entitlement – is of course a very old one but it is perhaps with the writing of Karl Marx (1859) that it acquired its notoriety. Marx denounced the 'commodity fetishism' of capitalist relationships and

argued that the commodification of labor could not form the basis of socialism (Burkett, 1999). More generally, he advocated for the disappearance of exchange values in a mature socialist system. On a similar vein, Karl Polanyi (1944) named land, money, labor and natural resources 'fictitious commodities', essentially calling for their decommodification (albeit without using the word).¹ Around the same time as Polanyi, Karl William Kapp – 'the first modern ecological economist' according to Söderbaum (2008: 5) – developed his own critique of commodification processes that he saw as bound to generate social and environmental costs. Taking Marx's ideas seriously, Kapp (1950) came to the conclusion that a decommodification of the economy – either partial or wide-ranging, through democratic planning – was the best candidate for overcoming the incapacity of generalized commodities to meet basic human needs for all: 'planning and the translation of social goals into an internally consistent development process call for a *calculation in real terms rather than in terms of prices*' (Kapp, 1963: 195, *our emphasis*). This idea can be related to Otto Neurath's *Naturalrechnung* (accounting in kind) which argued in favor of the decommodification of economic decision-making, a line of thought that is in many ways foundational to ecological economics (Gerber J.-F., 2016; O'Neill and Uebel, 2015).

In contrast to ecological economists, the concept of decommodification has, for quite some time, been explicitly used by political scientists studying the welfare state (e.g., Esping-Andersen, 1990) and by critical geographers studying urban processes (e.g., Brenner et al.,

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E-mail address: jean-david.gerber@giub.unibe.ch (J.-D. GERBER).¹ Wherever goods have not been commodified yet, it would be misleading to talk about "decommodification". Referring to non-commodities is more appropriate.

2010). In this context, often in the global North, decommodification has been defined as the strength of social entitlements and as the citizens' degree of immunization from market dependency. Commodification has direct impacts on individual and collective decision-making processes because it changes the setting in which actors make their choices. Consciously or not, a shift in management practices and objectives takes place. Goods and services that are considered commodities become exposed to a form of rationality that incorporates monetary cost/benefit considerations. The relation that individuals and communities maintain with these goods and services is changed, decision-making processes are redefined, and governance reshaped.

In the present Commentary, our objective is twofold. We would like, firstly, to draw attention to the central relevance of decommodification for ecological economics, and secondly, to strengthen the institutional dimension of the study of (de)commodification. More precisely, we argue that Gunnar Heinsohn and Otto Steiger's theory of ownership provides a valuable starting point for understanding the foundation of (de)commodification processes and their relationship to social and ecological sustainability (Heinsohn and Steiger, 1996, 2013; Steppacher, 2008; Steppacher and Gerber, 2012).² Heinsohn and Steiger's approach explains what type of ownership rights generate (de)commodification and with what consequence (see also Hodgson, 2015). Very briefly, these two authors distinguish between what they call 'property' – fostering credit transactions in all their variety – and 'possession' – regulating the material reproduction of all societies. Property is a historical 'oddity', born (or reborn) in early modern Western Europe, and always exists *in addition to* possession. Property – whether individual, collective or state – is characterized by the emission of state-enforceable titles that, ultimately, allow the 'deep' commodification of the economy through sale, lease, credit and debt transactions.³ While the tripartite distinction between individual, collective or state ownership – as used by most common property theorists – can be relevant for understanding (de)commodification, the distinction between property and possession is even more fundamental. Without property (or with possession only), there can be no deep commodification of the economy. This commodification process has generated its own economic logic, a logic that has had profound effects – often negative – on social and ecological sustainability. It is high time, we will argue, to explore and support ways of going back to a logic of possession through processes of decommodification. Such conversion might be the only way to achieve a post-growth transition that is so dear to many ecological economists.

After some further theoretical explorations, we discuss different empirical cases of decommodification taking place in the quintessential property-based economy, Switzerland, before concluding with some broader implications.

2. Linking Ownership and (De)commodification

While possession refers to the physical control of resources, property allows the construction of an abstract world of monetarily-evaluated commodities (Heinsohn and Steiger, 1996, 2013; Steppacher and Gerber, 2012). Property 'fixes the economic potential of assets', as Soto

(2000: 47–48) put it, which means that 'a formal property representation such as a title is not a reproduction of "a thing", like a photograph, but a representation of our concepts about [the thing]'. 'Specifically, it represents the non-visible qualities that have potential for producing [exchange] value'. Focusing on the title of a house and not on the house itself means entering an abstract conceptual world that Marx denounced as 'commodity fetishism'. It means concentrating 'on the economic potential [...] by filtering out all the confusing lights and shadows of its physical aspects and its local surroundings' (Soto, 2000: 48). The shift of economic attention to financial value instead of use value (Harvey, 2008) may allow creative growth, but at the same time it also implies a Faustian bargain where other key aspects are sacrificed (Binswanger, 1985). Property thus entails the capacity of transforming natural resources, land, water, goods, services and even pollution, into commodities subject to sale, rent and other contractual arrangements (Steppacher and Gerber, 2012). It is this strength (or danger) of abstraction that enables the process of commodification.

Besides selling, there is another key activity that reaches dramatic proportions under a property-led economy like capitalism: borrowing (Heinsohn and Steiger, 1996, 2013). Once an economic actor – whether rich or poor – has engaged his or her property as collateral in a credit contract, he/she must fully focus on the potential demand of money-holders (Gerber, 2014). He/she is compelled to generate *commodities* that, from the very beginning, are not produced for personal consumption (use value) but for their exchange value. Furthermore, '[t]he demand for a rate of interest forces upon [the debtor] a value of production, expressed in terms of quantity, time, money or price, which must be greater than the money proper advanced as capital. This demand thus necessitates a value surplus in the production of commodities, the rate of profit' (Heinsohn and Steiger, 2003: 511, emphasis in the original). What is crucial for the present discussion is that the constraints generated by indebtedness – i.e., to remain solvent and to grow – force economic actors to carry out monetary cost/benefit evaluation of all transactions and resources, based on current market prices, while surrounding (non-monetary) sociocultural and ecological considerations remain secondary (Steppacher, 2008). Large-scale commodification is thus rooted in the logic of property-based economies.

The logic of possession, on the other hand, does not foster the same pressures. Of course, possession-based systems can take a huge variety of forms, ranging from traditional agrarian societies to possible post-growth economies.⁴ But let us try to identify some overarching principles (Gerber and Steppacher, 2016). (1) Under possession only, it is not possible to conceptually 'extract' resources from their sociocultural and ecological context. As a result, possession typically goes hand in hand with the 'embeddedness' of the economic in the social (Polanyi, 1944). Weak sustainability (implying the substitutability of different forms of 'capital') is thus the prerogative of property-based economies but it is at odds with the logic of possession. (2) In possession-based systems, moreover, one's own work tends to create use right (i.e., possession). This principle was already put forward by John Locke in his 'labor theory of ownership' (1689).⁵ (3) But above all, possession-based arrangements lack any inbuilt growth imperative. Nowhere is this more evident than in Chayanov's (1925) well-known study of the Russian farms evolving under possession. Chayanov, and many analysts after him, realized that the labor of farmers increased only until it met the needs of the household, without accumulation. This phenomenon has also been documented in the informal (i.e., possession-based) sector of modern cities in the

² G. Heinsohn (1943–) and O. Steiger (1938–2008) are two German heterodox economists who have often worked together on ownership questions. They are still little discussed within ecological economics, probably because their work has been translated relatively late and only partially. However, the number of their followers seems to be increasing (e.g. Hodgson, 2015).

³ Like most civil law scholars and practitioners, Heinsohn and Steiger define property rights as *de jure* claims (Gerber et al., 2009). More specifically, property rights entitle their holders to the capacity of (1) burdening property titles in issuing money against interest, (2) encumbering titles as collateral for obtaining money as capital, (3) routinely alienating and leasing, and (4) enforcing contracts by state forces (see Heinsohn and Steiger, 1996, 2013; Hodgson, 2015). Heinsohn (2008) goes as far as saying that it is the phenomenon of debt that created markets and hence launched a large-scale process of commodification already observable some 5000 years ago in Mesopotamia.

⁴ In Heinsohn and Steiger's terminology, many of the 'common property' systems studied by Ostrom (1990) and her followers are in fact 'common possession' systems (i.e. they are without formal property titles and their associated potentials). The definition of 'property' used by the neoinstitutionalists (e.g., Schlager and Ostrom, 1992) is less precise on the consequences of the different ownership rights. It appears therefore less suited to shed valuable light on the (de)commodification debates.

⁵ In his argumentation, Locke goes further by arguing that invested labor legitimizes not only possession (direct control) but also property, opening the way to capital accumulation at a time when interest was still widely held to be immoral.

global South (Lautier, 2004). (5) Finally, regarding the prospect for sustainability, combining possession and biotic (renewable) resources has a good chance to provide the basis of a truly sustainable economy (Steppacher, 2008).

Everywhere around the world, however, and often for more than a century, possession-based systems are systematically being transformed into property-driven economies with the hope that this process will foster market exchanges and therefore growth. It is not here the place to review the effects of this transition. Suffice to say that although these effects have been varied, there can be no doubt that this transformation had fostered an unprecedented wave of commodification around the world. In fact, considering the obvious contradictions between a growth-dependent economic system and finite ecosystems, we may have approached a ‘commodity peak’ beyond which the reverse movement will start to manifest itself more clearly. More and more people are beginning to look for alternative economic logics, to look for ways toward decommodification. Even public administrations, as we will see, are following this tendency under the pressure of counter-movements and resistance strategies, a point that is particularly true in urban settings in which these citizen initiatives tend to be better established (Brenner, 2009; Harvey, 2008; Jessop, 2002). The process of decommodification can take different pathways. Based on the property/possession distinction, we distinguish three main avenues (Fig. 1).

Decommodification seeks to get out of the logic of the market, characterized by monetary valuation and exchange, nowhere more prevalent than in property-based economies. It seeks to leave the ‘exchange value’ of goods and services and to focus on their ‘use value’ only. Any individual property-holder can decide to choose this path, especially if loans have been repaid (path 1). However, the move toward possession of isolated individuals lacks long-term guarantees. The legal form of the property-holder plays a central role in that respect. Movements of collectivization or nationalization (path 2), for instance when formalized as common or state property, can follow a logic of common possession and decommodification (path 2’). This can be observed most clearly in worker or housing cooperatives and in many common-pool resource institutions. The third possibility (path 3) corresponds to a deeper institutional shift toward collective possession (i.e. away from the pro-market potential of property). It can be exemplified by new bundles of rights over public services. It would also correspond to a more radical legal rearrangement of (sectors of) our economies toward post-growth or degrowth.

In the next section, we focus on examples drawn from Switzerland, a state with a liberal economy based on a very strong definition of property rights, in order to show that some sectors have escaped a pure logic of commodification. In particular, we will illustrate processes following path 2^(v) (housing cooperatives), path 3 (forests) and a mix between paths 2 and 3 (municipal land ownership).

3. Decommodification in Practice

3.1. Housing Cooperatives

Housing cooperatives are an example of privately organized actors who reach a substantial degree of decommodification through a specific

form of legal association – the cooperative – together with targeted public support (paths 2 and 2’ in Fig. 1).

Public utility housing cooperatives manage a stock of affordable housing whose rent is calculated according to a cost-based price. Renting costs are especially attractive on the long run after initial investment loans have been repaid. Housing cooperatives typically emphasize the quality of the urban environment and community infrastructure, as well as construction forms adapted to children, energetically efficient and ecologically sustainable. One in every twenty housing units belongs to one of the 1500 housing cooperatives present in Switzerland. Historically, housing cooperatives have been more abundant in cities (Peters, 1950). For example, in the Swiss cities of Zurich, Basel, Lucerne, Bienne or Thun, they hold a share of more than 10% of the market. Public utility housing cooperatives benefit from an official recognition from the national government. This does not exempt them from taxation, but this official distinction allows public actors to support them in a targeted way (in particular, through preferential access to public building land, see below).

On average, members of a cooperative pay a rent that is 15% cheaper than other tenants (SFSO, 2014a). The difference is even higher in urbanized cantons: in the cantons of Zurich, Basel-City or Geneva, the decommodification of rents has led to a fall in costs of 20%. However, the dwellings provided by cooperatives hardly influence rent setting in the vast stock of housing (Kemeny et al., 2005).

Because housing cooperatives are non-profit, rents are calculated at cost price. This means that rent is independent of the land and housing market, and can be considered decommodified. Of course, it is only a partial decommodification: since loans are taken up on the financial market, rents can rise and fall with fluctuating mortgage interest rates. In housing cooperatives, tenants are members of the cooperatives. As such, they own a share of the housing infrastructure, but not their individual housing unit (Balmer and Bernet, 2015). Unlike public limited companies, the voting power does not depend on the effective number of shares. Through this basic rule, cooperatives have a democratic imprint, true to the “one human, one vote” principle. This mechanism guarantees the long-term perpetuation of the decommodified good following a logic of possession, as it protects members from unilateral decisions taken by individual members. An additional guarantee comes from the fact that many housing cooperatives are not owners of the land, which often belongs to a public actor (Gerber J.-D., 2016; Lawson, 2009).

Today, the proportion of housing provided by cooperatives is rapidly decreasing. The logic of property is still aggressively trying to replace islands of possession. Possession-based housing cooperatives are not in a position to keep up with the overall construction boom to maintain their share. The main reason is the lack of affordable parcels in urbanized centers, but also the reduction of direct public interventions, such as interest subsidies, direct loans and investment grants, following a neoliberal trend whereby the primary tools of more Keynesian housing strategies are being abandoned (Lawson, 2009). Reacting to this decline, many popular initiatives have been launched at the local level in different Swiss cities in order to force public authorities to support the provision of suitable land for housing cooperatives.

3.2. Forests

In Switzerland, forested land is one of the best examples of large-scale decommodification following de facto a logic of possession due to a combination of specific policies, public property and guarantee of access to everyone (path 3 in Fig. 1). This move toward decommodification took place as a consequence of the massive deforestations of the 19th century that led to landslides and erosion.

Around one third of Switzerland (approximately 1.31 million hectares) is under forest cover (SFSO, 2014b). Forests’ main functions are protection from natural hazards, biodiversity, wood production, recreation and carbon sequestration. Switzerland’s forest area increased by 2% between 2006 and 2013 (SFSO, 2014b). This is due to the

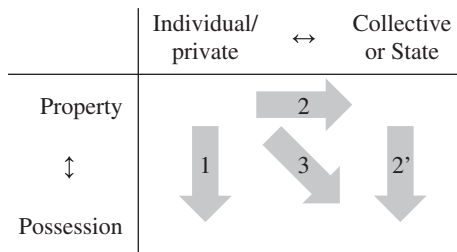


Fig. 1. The different routes of decommodification (see text for explanation).

reclamation of agricultural and Alpine pasture areas by forest, particularly in peripheral regions. Although forested areas are increasing, forest clearance remains prohibited in Switzerland.⁶ The ban on forest clearance is a fundamental principle of forest management in Switzerland and goes back to the Forest Law of 1902. It makes it impossible (i.e., illegal) to convert forests to other uses, such as agriculture, building land or sport infrastructure (e.g., ski runs). As it applies to both public and private forests, it is a strong measure for the decommodification of forested land.

Swiss forests are mostly public: 70% of the total forest area belongs to public bodies (federal state, cantons, but mainly municipalities and public corporations) (SFSO, 2014b).⁷ An additional feature protects the public character of forests: a right of access to all forests is guaranteed in the Swiss Civil Code (Article 699) since the beginning of the 20th century. It is essentially a ban on exclusion that gives everyone the right to enter public and private forests for recreation purposes and for the collection of non-timber forest products, following a logic of possession (Gerber et al., 2007). Free access does not lead to an open access regime, as public authorities can enforce restrictions if there is a risk of overuse (e.g., restricted mushroom season). Moreover, dedicated legislation (e.g., hunting, nature conservation, or defense) regulates specific uses.⁸

The decommodification of forests has a double dimension. Firstly, by removing forested land from the overall land market, it guarantees the preservation of the stock and prevents on the long term its conversion to other uses. Secondly, by regulating access, it stops exclusive (privatized) uses of the forest, making the resource available to all. This last dimension played a central role at the time of the introduction of the Civil Code in 1907. The latter is based on Roman law, which is much less tolerant to forms of collective possession than ancient Germanic law: guaranteeing free access to forests and meadows was a way to collectivize these resources and increase the acceptance of the new 'modern' property-based Civil Code among the agrarian population of that time (Liver, 1962).

Today, thanks to this triple strategy based on public property rights, strong regulation and guarantee of access anchored in the change-averse Civil Code, one third of the area of Switzerland can be considered decommodified according to a logic of possession. The main challenge that this form of decommodification is facing today is the pressure from urban sprawl. Many municipalities would be happy to see the strict regulation against forest clearance be softened to allow conversion into building land.

3.3. Public Land Property

Municipal land can be considered partly decommodified when local municipalities do not seek to manage their land for profit. Here, municipalities use a specific aspect of property – the possibility to lease their land – while keeping a strong possession-based logic by promoting public utility instead of seeking mere profit. In so doing, they contribute to decommodify parts of the Swiss land market (path 3 used to reinforce path 2' in Fig. 1).

Local municipalities usually own the infrastructures required to fulfil public tasks (such as school infrastructure, municipal roads, green parks, etc.). These infrastructures are part of the *administrative assets*

⁶ If exceptional clearance permits are granted, compensation must take place somewhere else through the afforestation of an equivalent area.

⁷ Forest owning corporations stem from medieval corporations in charge of commons. Therefore, the forest that they own might be considered non-commodified (not decommodified). Subsequent legislation reinforced the protection against market integration.

⁸ Swiss forests do not therefore fall under a "tragedy of open access" – mistakenly called "tragedy of the commons" by Hardin (1968). It should also be noted that Hardin made a second confusion, more rarely mentioned: he projected the typical market-based, maximizing behavior of economic agents evolving in property-based economies onto possession-based societies where behavioral constraints are different.

of cities, as they are not managed for profit. In addition to them, many cities in Switzerland amassed a large stock of land over decades or even centuries. These parcels are kept for different purposes (value capture, rent, reserve for future development, etc.), but the main historical reasons why cities acquired land were to provide affordable housing and fight against speculation (Walter, 1994). In some ways, one could say that they were mitigating the adverse effects of the potential offered by modern property. However, this land is usually recorded in the accounts as *financial assets*, meaning that they can in principle generate profit. The City of Zurich for instance owns 44% of the total municipal area (including forests) and 30% of the total constructible area (City of Zurich, 2015: 90–91).

As large landowners, cities do not generally develop their parcels themselves. They rely on 'heritable building leases' (a form of emphyteutic lease) to transfer temporarily (up to 99 years) the development rights to a leaseholder. Heritable building rights have many advantages for both parties – the landowner and the leaseholder. The latter might not have the resources to acquire the plot of land in full property, especially if it is located in an urban center. Cities can choose to follow a logic of possession and emphasize use value by lending out real assets at a price below market value; they can grant heritable building rights to support specific actors (e.g., public utility housing cooperatives) and impose conditions that are uneconomical from the perspective of the logic of property (e.g., target lower-income tenants). The land also remains in public ownership, which means that cities can use it for other kinds of development if they chose not to renew an expiring lease. Thus, heritable building rights lead municipalities to define long-term policy objectives, an important condition for increasing sustainability.

The parcels in public ownership leased to non-profits can be considered decommodified as their management is not primarily driven by market prices. Housing can also be considered partially decommodified depending on the rent-level (cost-based). Public ownership in larger cities is mostly well accepted by a broad political spectrum. However, municipalities are under an increasing pressure to integrate their assets into the land market, that is, to commodify their possessions. 'Cost-effectiveness', implying an alignment on market prices, becomes ever more insistent.

New international accounting rules for the public sector play an evident role toward commodification: they force public authorities to activate the property potential of their landholdings, resulting in a reevaluation – often at market-value – of real assets in the books. To avoid such a process that would undermine its possession-based objectives such as affordable housing, the city of Zurich managed to impose a new strategy after tight negotiations with higher-tier authorities: now landholdings used for affordable housing are posted as administrative assets (like schools), not as financial ones (like capital shares). This strategy allows the City to circumvent the effects of the new accounting rules and avoid a re-commodification of public assets in the name of cost-transparency. 'New public management' clearly puts decommodified assets at risk, but the latter example showed that a majority of the population supported the strategy of the city against the logic of property-led management (City of Zurich, 2010).

4. The Return of Possession?

Commodities are not, of course, dominating the entire economy of any country – far from it. Gibson-Graham (2006) convincingly argued that it is crucial – scientifically as well as politically – to recognize the institutional heterogeneity of 'capitalism' with its various forms of 'capitalist', 'alternative capitalist' and 'non-capitalist' activities and arrangements (Gerber, 2015). In our terminology, we would say that it is crucial to recognize the different forms and logics of possession within economies where property dominates.

The Swiss examples briefly presented above confirm that decommodification (and 'non-commodification') exists even at the very core

of advanced capitalist economies. Many other initiatives from around the world could be mentioned, including at the grassroots level. Such possession-based, decommodified initiatives may include local exchange trading systems (LETS), customary arrangements, agro-ecological systems as well as public services or economic planning. The objective of these arrangements is often explicitly to decommodify and gain in autonomy against the dominant property-driven economy.

Cohen (2009) and Graeber (2011), for example, reminded us that forms of 'socialism' can virtually be observed every day anywhere. By 'socialism', these two authors mean 'a logic of decommodified, common possession'. More broadly, it has been argued that decommodified economic logics could either be gradually expanded from below, 'in the shell of the old' and based on self-management (e.g. Mauss, 1925), or be implemented from above, through larger-scale socialization processes (e.g. Marx, 1859). But the precise forms of such a post-capitalist, possession-based economy is yet to be defined.

There is a constant struggle for or against the commodification of certain aspects of the economy. Decommodified goods following a logic of possession are constantly under attack by property and its logic of expansion but, on the other side, resistance organizes and social movements develop political strategies to contest this tendency. Paradoxically, however, decommodification in advanced capitalist economies might be a condition for their perpetuation: it makes it possible for people to accept large-scale commodification in other spheres of their life more easily (e.g., free access to forests might make people accept the privatization of land elsewhere); it prevents those who are struggling with precarious financial situation from protesting too loud (e.g., giving them the hope that they might obtain access to subsidized housing); it symbolizes other values than mere profit maximization and cost optimization (e.g., values such as solidarity, inclusiveness or sharing). In other words, capitalism cannot afford to commodify everything and decommodification is not necessarily 'anti-capitalist'. Discussions about decommodification also take place in the micropractices of individual daily life or collective action, at the interface between the economic and the social/political/ecological spheres. As such, it should be a central concern of research in ecological economics.

5. Conclusion

Ecological economics conceptualizes the economy as a subsystem of society, itself a subsystem of a larger, finite global ecosystem. The analytical instruments developed by ecological economics have greatly contributed to appraise the meaning of this embeddedness. However, over time, ecological economics has given too much attention to market-based exchange and valuation (i.e. to commodification processes). Decommodification-oriented public policies and local alternatives have somehow disappeared from the picture, although they form a crucial component of industrialized as well as developing economies. This is a serious omission given the fact that larger-scale decommodification may remain our best option for a sustainable future. Indeed, decommodification introduces a different logic in the relationship between societies and the environment or, more specifically, between users and resources. Our three examples taken from an advanced property-based economy – housing cooperatives, state forests and municipal land – show that decommodification reduces the control of the laws of the market on goods and services, thereby diminishing the pressure to generate financial profit. This gives more leeway and more opportunities for communities to shape the governance of the flows of benefits generated by the environment and it may lead to shifts in the balance between long- and short-term considerations, between efficiency and democracy, or between conservation and exploitation. In this context, Heinsohn and Steiger's theory of ownership provides a valuable framework highlighting the institutional foundation of (de)commodification processes and their consequences. Decommodification opens a path away from market

considerations alone that might be worth following in a transition toward more equity and sustainability.

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