

# Community and Nation

# Political Economy of Community: Basic Principles

- Instead of the individual or class..... **everyone is equivalent and undifferentiated**
- Instead of rational self-interest, profit or class struggle, **altruism, empathy, diffuse reciprocity, and “self-realization” through contribution to the community**
- Instead of Market competition, equality of opportunity, or equality of outcome.....**communal sharing**
- Instead of private property.....**communal stewardship**
- Instead of freedom or equality.....**communal solidarity and “spiritual” security**

# Communitarian Theory

Little need for markets



*Value is not determined by price*



Collective action/cooperation possible without authority



A New Political Economy?



Better life for all?

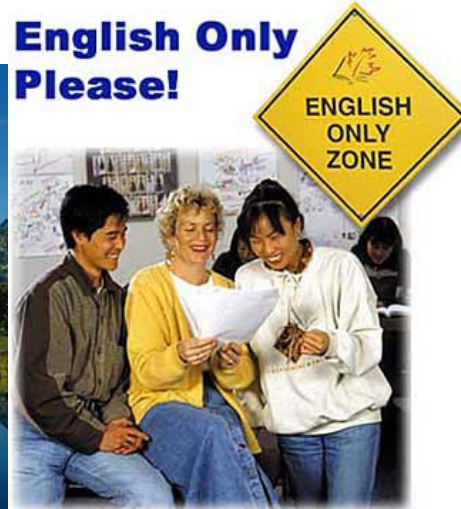
# Today's Menu: Varieties of Community

- general will
  - Gift economies
    - Polanyi's examples
    - Digital Communities and anti-rival goods
- Religious community
  - Islamic Economics
- Nation as Community
  - The State as the spiritual embodiment of the Nation
    - Fascism
    - Cultural Authoritarianism
- Human Community
  - Rifkin's Vision

# Religious Community: Islamic Economics

- Corporatism...Combines religious norms with the market
- Communitarian principles:
  - Assumptions about Human Well being
  - Assumptions about scarcity: More is not necessarily better than less
  - Social Interest must constrain Self-Interest
    - No harmony between self-interest and social interest
- The filter of moral values
  - Two levels of filtering
- Role of the State
- Implementation of Islamic Economics

The “nation” is a community of strangers tied together by a common identity of “nationalism



# The Nation as “spiritual” and emotional community

- The identity is not an accident but a mystical “given”
- National uniqueness
- Nations have “souls”
  - The “State” represents the soul of the Nation
    - States are Hierarchical and powerful
- Nations and War
- Contradiction between Nationalism and Liberalism
  - Reason vs. emotion
  - Comparative advantage vs. superiority
  - War distorts markets and undermines democracy
- Importance of LAND

# Emotion, land, tradition, religion, sense of historical mission,

- "My country 'tis of thee, sweet land of liberty, of thee i sing." Land of the Pilgram's pride, land where my fathers died, from every mountain side, Let freedom ring.
- My native country thee, Land of the noble free
- Thy name I love. I love thy rocks and rills, Thy woods and templed hills, My heart with rapture thrills, Like that above.
- 
- Our fathers' God, to thee, author of liberty, to thee we sing.
- Long may our land be bright, with freedom's holy light; protect us by thy might, Great God our King.
- 
- <http://www.shalldownation.com/2010/02/07/queen-latifah-super-bowl-2010-video-america-the-beautiful-performance/>



# **Nations are communities that fill the vacuum left by liberalism and socialism**

- They evoke emotion, not reason
- They evoke solidarity, not competition
- They provide an identity bigger than ourselves
- They provide security, not individual striving
- They provide an arena for cooperation, not competition

# Keynes and Nationalist Political Economy

- “The decadent international but individualistic capitalism, in the hands of which we find ourselves. . . Is not a success. It is not intelligent, it is not beautiful, it is not just, it is not virtuous, and it doesn’t deliver the goods....”

**Liberal nations are  
In tension...is liberal nationalism possible?**

- **Property rights, markets are possible in national communities but threaten them**



# Extreme National Community: Fascism

- "Those who perceive nothing beyond opportunistic considerations in the religious policy of the Fascist regime fail to realize that Fascism is not only a system of government but also and above all a system of thought."
- View of Human Beings
- Fascism and the State
- State and Nation
- War and Heroism
- Allocation of Resources: Corporatism

# Fascism and Democracy

## Rousseau

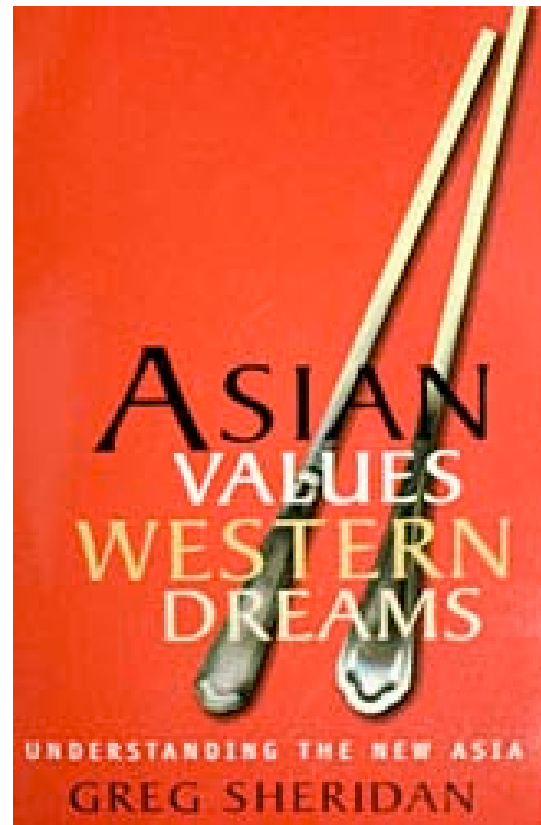
- " the general will is always right and tends to the public advantage; but it does not follow that the deliberations of the people are always equally correct. *Our will is always for our own good, but we do not always see what that is; the people is never corrupted,* but it is often deceived, and on such occasions only does it seem to will what is bad."

“There is often a great deal of difference between the **will of all** and **the general will**; **the latter considers only the common interest..... the former takes private interest** into account, and is no more than a sum of particular wills

## Mussolini

- The maxim that society exists only for the well-being and freedom of the individuals composing it does not seem to be in conformity with nature's plans, which care only for the species and seem ready to sacrifice the individual. It is much to be feared that the last word of democracy thus understood (and let me hasten to add that it is susceptible of a different interpretation) would be a form of society in which a degenerate mass would have no thought beyond that of enjoying the ignoble pleasures of the vulgar ".

# Culture and Authoritarian Communities: The Asian Case



# Liberals Ignore or Universalize Cultural Communities



# They didn't reckon with Lee Kwan Yoo

I'm  
one-vote

not convinced that  
is the best.

one-man,



we would have a better system if we gave every man over the age of 40 who has a family two votes because he's likely to be more careful, voting also for his children.



## Lee Kwan Yu on Political Economy

- Lee Kwan Yew: The liberal tradition claimed that human beings had arrived at this perfect state where everybody would be better off if they were allowed to do their own thing and flourish. It has not worked out, and I doubt if it will.
- Certain basics about human nature do not change. **Humans exist only in a social context—community more important than individualism** (agrees with Polanyi)

# Community is more important than Freedom

- Eastern societies believe that the individual exists in the context of his family. He is not pristine and separate. The family is part of the extended family, and then friends and the wider society.
- there is grave disquiet when we break away from tested norms, and the tested norm is the family unit. It is the building brick of society.
- "too much" democracy and "too many" individual rights destabilize social order.

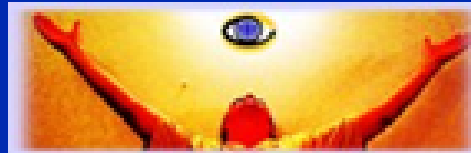
# Xiushen qija zhiguo pingtianxia.



# But Isn't freedom more conducive to growth than government control over behavior?



## 10 Commandments of Innovation



**1** Have a dream

**2** Inspire your team

**3** Focus on customers

**4** Be different

**5** Question everything

**6** Synergize

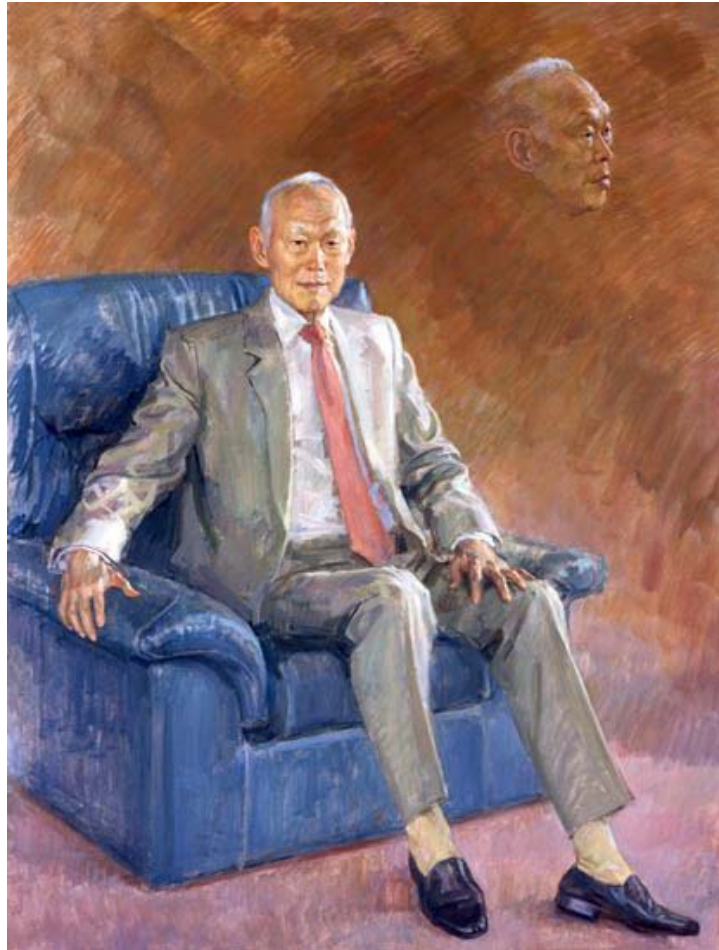
**7** Establish the process

**8** Take risk

**9** Lead change

**10** Be entrepreneurial

**No.....says Lee Kwan Yew**



## **So he advocates another form of political economy combining markets with community**

- Don't people in groups need to create hierarchies of authority in order to cooperate?
- (the collective action problem)
- So Singapore is a market economy with an authoritarian government
- A dominant leader solves the collective action problem
- Nations as communities always require authority

# Is a Global Community possible?

<http://www.youtube.com/watch?v=l7AWnfFRc7>

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