Inventing the Ideology of Property

HE VAST CHANGES in spatial and temporal consciousness and the birth of the rational, autonomous individual transformed European life over a period of several hundred years. There is, however, one other institutional development that emerged alongside all of the other conceptual changes—an institution that gave concrete shape and meaning to the rest and provided the indispensable linchpin for the birth of the capitalist economy and the rise of the nation-state.

The invention and codification of a private property regime in the late medieval to early modern era became the foundation for the pursuit of the Enlightenment utopian vision of unlimited material progress. Private property rights became the essential legal tool for separating the individual from the human collective as well as from the rest of nature. A private property regime institutionalized the new spatial and temporal consciousness and made possible the modern notions of autonomy and mobility as well as the negative idea of freedom as personal independence and self-reliance. Its stormy development, and the equally fierce resistance to it, has continued, until very recently, to be the defining dynamic of European politics and the politics of much of the rest of the world.

The institutionalization of private property certainly would have to be

considered one of Europe's most important contributions. Without a mature, regulated private property regime in place, market capitalism could not exist and the nation-state would never have survived. This last point needs to be emphasized. The very concepts of a modern market and nation-state are inseparably linked to a private property regime. The purpose of markets is to allow for the free exchange of property. The primary function of the state, in turn, is to protect the private property rights of its citizens.

Europe created the idea of the states' new role, only to have second thoughts about the matter when so many of its destitute population were systematically left out of the new economic arrangement. Americans, however, bought the idea of the states' new mission from the get-go and never wavered from the view that the primary function of government is to safeguard the private property holdings of the people. Tocqueville took note of Americans' fierce attachment to private property rights on his short visit to the new country. He asked, rhetorically,

Why is it that in America, the land par excellence of democracy, no one makes that outcry against property in general that often echoes through Europe? Is there any need to explain? It is because there are no proletarians in America. Everyone, having some possession to defend, recognizes the right to property in principle.¹

Once again, Americans became the purest advocates of a European idea, later partially abandoned by Europeans themselves, as they begin to rein in private property rights with a commitment to socialist reforms. Knowing, then, how the private property regime emerged and understanding its critical role in the birth of modern capitalist markets and nation-state governance, as well as the different ways it was embraced in the Old World and in America, are essential to coming to grips with the full meaning of the changes now taking place in Europe as it prepares to move beyond both these pillars of the modern age to become the first post-territorial governing region in a network-linked global economy.

The Medieval View of Property

Property meant something very different in the medieval era than it does now in the modern world. In the feudal world, the holding of property was always considered conditional in nature, whereas in industrial society, the holding of property is regarded as an absolute right that resides exclusively with the owners, subject to certain limitations imposed by the state. This is a critical distinction that separates the feudal way of conceptualizing property from the way we think about it today.

The feudal society was conceived as being part of a "Great Chain of Being," a hierarchically structured natural and social world that stretched from the lowliest creatures in nature to the princes of the Church. The entire chain was God's creation and was organized in such a way as to ensure that each creature performed his or her role as God had prescribed it, which included serving those above and below according to his or her station.

The social structure of feudal society operated in a manner similar to nature's grand hierarchy. Every rung of the social ladder is populated by a unique category of individuals who perform a specific role or function in the grand scheme of things, and each is bound to those above and below him in the chain by a complex set of mutual obligations and reciprocal relationships. From serf to knight, from knight to lord, and from lord to Pope, all are unequal in degree and kind, and yet each is obligated to the other by the medieval bonds of homage, and all together make up a perfect mirror of God's total creation.

The notion of property has to be viewed within the broader context of the Church's worldview. While Church leaders came increasingly to acknowledge a legitimate role for private property in the social schemata, it was always understood that property itself was held in the form of a trust all along the social hierarchy. Since God is the owner of his creation, all things in the earthly world ultimately belong to him. God grants human beings the right to use his property so long as they are righteous and fulfill their obligation of homage and fealty both to him and to every other person on the social ladder in the way he has preordained.

Property, then, was a rather complex phenomenon in feudal society and was tightly bound to the idea of proprietary relationships. Things were not owned outright or exclusively by anyone, but rather shared in various ways under the conditions and terms established by a rigid code of proprietary obligations. For example, when the king granted land to a lord or vessel, "his rights over the land still remained, except for the particular interest he had parted with." The result, says historian Richard Schlatter, is that "no one could be said to own the land; everyone from the king down through the tenants and sub-tenants to the peasants who tilled it

had a certain dominion over it, but no one had an absolute lordship over it."² "The essence of the theory" of property in the medieval world, writes historian Charles H. McIlwain, "is a hierarchy of rights and powers all existing in or exercisable over the same objects or persons, and the fundamental relationship of one power to another in this hierarchy is the superiority of the higher to the lower, rather than a complete supremacy in any one over all the others."³

By the late eighteenth century, the feudal concept of the conditional right to use private property had given way to the modern notion of absolute ownership. While there were many factors that led to this radical change in the notion of property, none proved more important than the breakup of the feudal estates and the enclosure of the land commons into private real estate that could be bought and sold in the marketplace.

The land was transformed, first in England, and later on the Continent. After more than a millennium of history, when people had belonged to the land, new legislative initiatives, in the form of the great Enclosure Acts, reversed the spatial and temporal playing field. Henceforth, the land belonged to people and could be exchanged in the form of private property in the marketplace. Real estate could also be transformed into capital and used as a tool of credit to leverage economic activity.

It's difficult to imagine the change in consciousness brought on by the English Enclosure Acts. For centuries, people's security was bound up in attachment to their ancestral land and their duties and obligations in a Christian hierarchy that stretched from the common fields they tended to Christ's throne above. Now the land, which heretofore had been considered God's creation and administered by a complex set of rules and obligations that connected the lowliest serf to the Angels of Paradise, was severed. The land was divided up in the form of privately owned plots. Those who could not afford to purchase a lot of their own were forced off the land. Some became paid laborers working for the new owners, while others were forced to migrate to the nearest towns to find "work" in the new industrial factories.

In this detached world, one's labor became a form of property, and people sold their time in the marketplace. Daily rounds gave way to jobs, status in the community gave way to contractual agreements, and everyone, whether they wanted to or not, became responsible for making his or her own destiny.

It should be emphasized that a private property regime makes modern

markets possible and not the other way around. In the medieval era, exchange was generally by way of barter between relatives, extended kin, and neighbors. Without a common law and legal code, the only way to trust the authenticity and to ensure a peaceful transfer of ownership of property was for the seller and buyer to know each other and to be a part of a tightly bound social community. For this reason, markets were always local and limited in their reach and importance. A mature private property regime, by contrast, substitutes subjective criteria like trust, with objective criteria like ownership titles, and provides enforcement mechanisms—the police and the courts—to make sure that sellers and buyers abide by their contractual agreements. Only when such a legal regime is in place and backed by the full coercive authority of the state can markets be extended in space and time to include large numbers of players—most of whom are strangers to one another—in the exchange of property.

The Protestant Reformation of Property

The Protestant Reformation figured significantly in the reformulation of private property relations. Martin Luther and his followers launched an all-out attack on the authority of the Pope and the feudal social order over which the Vatican presided. Luther argued against the idea of the Church as God's sole emissary on Earth and said that the priests were sinners like everyone else and therefore incapable of acting as intermediaries between the faithful and the Lord Almighty. He counseled that the only infallible authority on matters of faith was the Bible and that God's will was knowable to every Christian by reading the scriptures. Each man and woman, said Luther, stands alone before God. Luther's doctrine challenged the very basis of papal authority—its claim to be God's appointed representative on Earth. By doing so, Luther and his followers cast doubt on the legitimacy of the Holy Roman Empire and feudal social arrangements.

Luther was particularly harsh in his attacks on Church property, arguing that the Vatican had amassed untold wealth over the centuries at the expense of the people and had violated Christian faith, which preached abstinence and eschewed worldly luxuries.

The Reformation fervor ended up replacing one propertied class for another. Church lands were confiscated in Western and Northern Europe even in Catholic Spain and Austria—and the lands of feudal lords were either seized or sold. The routing of the old feudal order made room for the establishment of a new bourgeois monied class of merchants, traders, and shopkeepers.

Luther's notion of "a calling" helped lay the groundwork for the naturallaw theory of property and provided the all-important spiritual underpinning for the amassing of capital and wealth—which made the industrial age possible. Luther argued that all callings, even the most humble in nature, are equally sacred in the eyes of the Lord. He wrote that "what you do in your house is worth as much as if you did it up in heaven for our Lord God." Luther railed against what he regarded as the elitism of priestly asceticism and argued that by faithfully discharging one's earthly duties—regardless of the calling—the believers are serving as God's stewards and the caretakers of his creation.

John Calvin, recall, went even further than Luther, calling on the faithful to continually improve their lot in life. While Calvin's doctrine was never intended to advance the notion of commerce, it had the unintentional effect of bolstering the very interests of the new capitalist class. His emphasis on unceasing work, productivity, and improving one's station proved compatible with a new class whose interest lay in hard work, expanded production, frugality, and a rational ordering of human activity in the marketplace.⁵ His doctrine helped justify, though inadvertently, the idea of accumulation of wealth and the amassing of capital, the key ingredients of a modern property regime and capitalist way of life. Economic historian Richard Henry Tawney and sociologist Max Weber wrote extensively on the deep philosophical connection between the rise of the Protestant work ethos and the emergence of modern capitalism. By freeing up individuals from dependency on the Church hierarchy and arming each person with a new psychology of material self-advancement, the Reformers left behind far more than a religious legacy. Long after the religious fires had died down, European men and women retained a new sense of self-worth that was compatible with modern notions of property accumulation.

The old idea of the individual as a small part of a complex social organism made up of proprietary relations and obligations gave way to the modern notion of the individual as an autonomous being in the world, alone before his God and his fellow human beings, and exercising, by strength of personal will, his or her unique stamp on the world. The metamorphosis of the individual from a loyal servant enveloped in the bowels

of a Great Chain of Being to an autonomous agent with one's own individual calling, and always improving one's material lot to the greater glory of God, went hand in hand with a change in the notion of property from proprietary rights to exclusive ownership. Property, once bound up in complex social arrangements and the conditional rights of usage, came to be seen much like the new individual, as autonomous things, each unique, and indivisible. Tawney writes that what remained after the fall of the feudal social order "was private rights and private interests, the material of a society rather than a society itself." In this new world, property rights would be the social glue that bound people together. Private property and unfettered economic freedom, said Tawney, "were taken for granted as the fundamentals upon which organization was to be based, and upon which no further argument was admissible."

While the Protestant ethic was born in Europe, many of its most fanatic disciples migrated to America, where they hitched Calvin's religious vision to Enlightenment notions of science, private property rights, and capitalist market relations, creating the uniquely American Dream.

The Metaphysics of Private Property

With private property ensconced as the organizing principle of society, it was left to modern scholars to create the appropriate philosophical rationale to accompany it. They found their answer in the natural-law theory of property—a concept that had developed slowly in the late medieval period and advanced more quickly during the Reformation and its aftermath.

The French political philosopher Jean Bodin began by arguing that common ownership is unnatural and a violation of divine law. Plato's commonwealth, with its adoration of communal ownership, wrote Bodin, is "against the law of God and nature, which detests not only incests, adulteries and inevitable murders, if all women should be common; but also expressly forbids us to steale, or so much as desire anything that another man's is." Bodin reminded his readers that theft is forbidden by God. Why would God include the commandment "Thou shalt not steal" if he didn't mean to embrace the concept of private ownership of property? asked Bodin.

Bodin goes on to make the point that the family—a natural institution—is built on private property, and the state, in turn, is built on the family.⁹

That being the case, argued Bodin, the chief responsibility of the state is to protect each person's—and family's—"natural" God-given right to own property.

The belief that the primary role of the government is to protect each person's inalienable right to own property was a radical idea that, in time, became the rallying cry for republican reformers and others in their struggle to replace monarchic rule with democratic forms of government. Bodin was insistent on this score. If the state were to abrogate its main reason for being—the protection of private property—it would have no legitimate claim to exist. He wrote, "But the greatest inconvenience is, that in taking away these words of Mine and Thine, they ruin the foundation of all Commonweales, the which were chiefly established to yield unto every man that which is his owne, and to forbid theft." ¹⁰

Bodin's writing pierced the church/state veil that had enveloped Europe since the fall of the Roman Empire. At a time when the prevailing orthodoxy still viewed the state as the upholder of the faith, Bodin dared to argue that the state's primary charge was far more secular in nature—to protect the natural right of private property. Individual rights—embedded first and foremost in private property—took precedence over both aristocratic privileges and deference to Church authority. In the new scheme of things, rulers exist to protect the individual rights of property holders rather than individuals existing to serve the interests of princes and kings. Tawney described the new way of thinking about the relationship of the individual and the state this way:

What it implies is, that the foundation of society is found, not in functions, but in rights: that rights are not deducible from the discharge of functions, so that the acquisition of wealth and the enjoyment of property are contingent upon the performances of services, but that the individual enters the world equipped with rights to the free disposal of his property and the pursuit of his economic self-interest, and that these rights are anterior to and independent of, any service which he may render.¹¹

Having laid out the broad intellectual groundwork for a bold new conception of private property in the fifteenth and sixteenth centuries, the unfinished business of filling in both the substance and details of the modern notion of ownership was taken up in the seventeenth century by the

political philosopher John Locke and later by a succession of theorists including Adam Smith, David Hume, Jeremy Bentham, John Stuart Mill, and Georg Wilhelm Friedrich Hegel.¹²

Locke's theory of property was published in 1690 in *Two Treatises on Civil Government*. His treatises quickly became the secular bible for a middle class that was beginning to climb onto the political stage in England. His writings served as a rationale for parliamentary reforms in England and, later, provided the philosophical foundation for the French and American revolutions.

Like many of his predecessors, Locke argued that private property is a natural right and unalterable. Locke's reasoning, however, is what distinguishes his theory from those who came before him. He argued that each man creates his own property by adding his labor to the raw stuff of nature, transforming it into things of value. While Locke acknowledged that the Earth and all of its creatures were common to all men in the state of nature, he was quick to add that each man, in turn, "has a property in his own person . . . and this no one has any right to but himself." Locke goes on to assert that "the labor of his body and work of his hands . . . are properly his." That being so, Locke concluded that

whatsoever, then, he removes out of the state that nature hath provided and left it in, he hath mixed his labor with it, and joined to it something that is his own, and thereby makes it his property. It being by him removed from the common state nature placed it in, it hath by this labor something annexed to it that excludes the common right of other men. For this "labor" being the unquestionable property of the laborer, no man but he can have a right to what that is once joined to, at least where there is enough, and as good left in common for others.¹³

As to the question of how much property a person might legitimately claim for himself, Locke said, "as much land as a man tills, plants, improves, cultivates and can use the product of, so much is his property." ¹⁴

Locke's natural-right theory of property was wildly popular with the new generation of independent farmers, merchants, shopkeepers, and small capitalists who were transforming English life and ridding the country of the last vestiges of feudal privilege. His treatises offered more than a mere explanation of the natural right of property. He elevated human la-

bor and glorified acquisition as the crowning achievement of human existence. Unlike medieval churchmen, who thought of human labor as a set of necessary obligations to fulfill, Locke saw in it opportunities for which every man ought to strive.

David Hume (and, later, Jeremy Bentham and John Stuart Mill) added the notion of utility value to the ownership of property. Hume argued that the justification for private ownership lies in the idea of utility: "Examine the writers of the laws of nature," writes Hume,

and you will always find that whatever principle they set out with, they are sure to terminate here at last, and to assign, as the ultimate reason for every rule which they establish, the convenience and the necessities of mankind. What other reason, indeed, would writers ever give, why this must be mine and that yours.¹⁵

The utility theory of property provided yet another rationale that could be used by the new class of merchants and traders to advance their personal and political agenda. The utility theory softened the edges of Locke's labor theory, making property not just an end in itself but rather an instrument for advancing human happiness. Philosophers of the period were in agreement that "the greatest possible happiness of society is attained by ensuring to every man the greatest possible quantity of the produce of his labor." ¹⁶

The utilitarians were among the first of the modern theorists to make the clear distinction between ownership as a thing in and of itself, that one possessed, and ownership as an instrument to advance human happiness. Georg Friedrich Hegel, the German philosopher, picked up this distinction in a slightly different way. His theory of property—which some call the personality theory—has become as important as Locke's labor theory of ownership in establishing the notion of private property in the modern world.

Hegel argued that property plays a far more important role than most philosophers had heretofore been willing to acknowledge. Beyond its material and utilitarian value, said Hegel, property has a deeper function. According to Hegel, "property enables an individual to put his will into a 'thing.'"¹⁷ One expresses his or her sense of personality by imprinting it into possessions. It is by way of fixing one's will onto objects in the external world that each person projects his being and creates a presence

among men. Work, in Hegel's cosmology, is a creative expression rather than just an exercise of labor, and the product of that work represents an expropriation of the world and its incorporation into the projected personality of the owner. He writes:

Personality is that which struggles to . . . give itself reality, or in other words to claim that external world as its own. To claim that external world as its own personality requires the institution of property. 18

As one's personality is always present in the owned object, property becomes an extension of one's personality. Others, in turn, come to know and recognize one's personality through the objects one owns. Hegel, then, viewed property as more than just a way to satisfy needs. On a more profound level, property is an expression of personal freedom. By surrounding oneself with property, a person inflates his or her personality in space and time, creating a sphere of personal influence. In short, he or she creates an expanded presence in the world.¹⁹

Property and personhood become nearly synonymous in Hegel's mind. Each becomes an expression of the other. Nearly a century after Hegel first advanced his personality theory of property, William James lent his support to the theory in terms readily recognizable to a generation becoming comfortable with psychological notions of projection. James writes:

It is clear that between what a man calls me and what he simply calls mine, the line is difficult to draw. We feel and act about certain things that are ours very much as we feel and act about ourselves. Our fame, our children, the work of our hands may be as dear to us as our bodies are, and arouse the same feelings and the same acts of reprisal if attacked. . . . In its oldest possible sense, however, a man's self is the sum total of all that he can call his, not only his body, and his psychic powers, but his clothes and house, his wife and children, his ancestors and friends, his reputation and work, his land and houses and yacht and bank account. All these things give him the same emotions. If they wax or prosper, he feels triumphant, if they dwindle and die away, he feels cast down . . . a great part of our feelings about what is ours is due to the fact that we live closer to our own things and so feel them more thoroughly and deeply. 20

James goes on to observe that when something that belongs to us is stolen or destroyed or simply lost, we feel "a sense of the shrinkage of our personality" because the things we come to possess are an extension of who we are.²¹

If Hegel's theory of property seems more contemporary than Locke's, perhaps it is because the emphasis of the capitalist system has shifted substantially over the years, from a production to a consumption orientation. The labor theory of property provided an ideal philosophical backdrop for an era where the attention was focused narrowly on hard work, industrious behavior, savings, and capital accumulation. Merchants, shopkeepers, and an emerging bourgeois class looked to the labor theory of property as a justification for their own behavior. Locke's ideas became values to live by as much as explanatory theories of the nature of property relations. Today, consumption and the commodification of personal experience are far more important factors in the commercial equation. It's no wonder, then, that the notion of property as an extension of one's personality and a mark of selfhood has greater social currency. Marketing professionals have long understood the close connection between personhood and property, and have habituated several generations of consumers to the idea that who we are is a direct reflection of what we have.

Mine vs. Thine

The metamorphosis in thinking about the nature of property paralleled the many other changes that were transforming a continent from a feudal economy to a market economy and from dynastic rule to nation-state governance. The new concept of property was a way for Europeans to reorder their relationship to space and time. The new technologies opened the door to vast new spaces and dramatically quickened the human tempo. Space that had for so long been conceived of as cloistered and vertical was suddenly horizontal and wide open to the vanishing point of the horizon. Time, which for aeons had been experienced as cyclical and relatively closed, was suddenly experienced as linear and expansive. The old feudal institutions, with their spatial walls and temporal boundaries, simply collapsed in the wake of what appeared to be an endless frontier running alongside an infinite future. The development of a private property per-

spective was the critical mental tool for domesticating the new spatial and temporal frontier.

The whole of earthly reality was reconfigured into a single formula—"mine vs. thine." And with this formulation, Europeans set out to enclose the whole of space and time. In the new future being born, every person would become his or her own private god whose divinity lay in amassing property, inflating his or her being, and casting an ever larger shadow over existence and duration. More mine, less thine. Those who could, by talent and cunning, acquire the most property could transform it into capital and use that capital to control not only nature but the lives of other people as well. They were called "capitalists."

The modern market economy and the nation-state, in turn, became the institutional mechanisms to speed along this new reorganization of the world. The market would serve as the impartial arena where each capitalist would lock in battle against his fellow warriors in the struggle to capture space and sequester time in the form of private property. The infant nation-state, in turn, was to be the protector of every person's property by establishing legal codes and enforcement mechanisms—and, by so doing, guarantee his or her freedom.

The concept of a society based on the sanctity of private property rights is a uniquely European idea. Its champions saw private property as the one and only mechanism that could ensure individual freedom. Later, its Marxist detractors would claim that private property, far from being the guarantor of personal freedom is, in fact, the single greatest obstacle to achieving it.

For the Enlightenment philosophers and the jurists of the eighteenth and nineteenth centuries, freedom was defined in negative terms as the right to exclude others. The early modern era was a time of differentiation—the separation of the individual from the cloak of the Church, the yoke of the feudal estate, the constraints of the craft guilds, and the many other obligations and indentures that were an integral part of a dynastic order based on status and rank.

Private property was viewed as a ticket of sorts to personal liberation. To be free, in the sense that it was used at the time, was to be autonomous and mobile—to not be dependent on or beholden to others or held hostage to circumstances. The more propertied one was, the more autonomous and mobile one could be. Greater autonomy and mobility meant

greater freedom. Property, then, was a border between the self and the other. Property means "mine not thine." The greater the accumulation of property and wealth, the larger the extension of one's domain and sphere of influence in the world. If one were secure in one's property, then all of the other rights would be guaranteed—the right to privacy, the right to be free of coercion, and so forth. Property rights, protected by law, ensured that no man could be bullied, oppressed, or made subject to another man's will.

An eighteenth-century Virginian, Arthur Lee, captured the high regard in which property was held on both sides of the Atlantic, declaring, "The right of property is the guardian of every other right, and to deprive a people of this is in fact to deprive them of their liberty." John Locke asked, rhetorically, What was the true purpose of governments? They are instituted, said Locke, "for the mutual preservation of [our] Lives, Liberties, and Estates, which I call by the general name, Property." When one reflects on the real reason "men" unite into commonwealths, Locke mused, it is to ensure "the preservation of their property." 23

Today, we have come to take for granted the dense legal codes and statutes, the common law, the legislative oversight, and the judicial review that enshrine private property at the very center of modern social life. But in the eighteenth and nineteenth centuries, the idea of a private property regime was still novel, and the subject of great public discussion. Kings and queens and the nobility and aristocracy of virtually every European kingdom still ruled by divine right, backed by the threat of force and coercion. The very idea that the only legitimate function of the state is to protect everyone's claim to property, equally and impartially, by rule of law, was incendiary. Thomas Paine and Alexis de Tocqueville went so far as to claim that the American and French revolutions were the product rather than the source of property relations.²⁴

The central role of the sovereign state in a post-dynastic era, then, becomes one of protecting private property relations and allowing the accumulation and exchange of property to flourish. It becomes clear that this new kind of state exists primarily to ease the workings of a nascent capitalist economy. Jean-Baptiste Say, the French classical economist, made the point that if government "either practices robbery itself, or is impotent to repress it in others, or where possession is rendered perpetually insecure, by the intricacies of legislative enactments," the market can't function. It is only when property rights are secured by law and enforced

by the state that "the sources of production, namely land, capital and industry [labor], attain their utmost degree of fecundity."²⁵

Is this just eighteenth-century polemics, or is there some profound truth to what Jean-Baptiste Say and other Enlightenment philosophers were preaching? Hernando de Soto, the Latin American economist, writes in his most recent book, *The Mystery of Capital*, that Say and other European economists of the day were right on the money. De Soto asks the question, Why are people so poor in the developing world, especially when "the poor already possess the assets they need to make a success of capitalism?" De Soto estimates the total value of just the real estate held by the poor in the third world to be more than \$9.3 trillion. But, he argues, "because the rights to these possessions are not adequately documented, the assets cannot be turned into capital, cannot be treated outside of narrow local circles where people know and trust each other, cannot be used as collateral for loans, and cannot be used as a share against an investment."

What separates the rich from the poor and the developed from the undeveloped worlds, says de Soto, is that America and Europe established "a widespread formal property law and invented the conversion process in that law that allowed them to create capital." De Soto says that Westerners "take this mechanism [a formal property rights regime] so completely for granted that they have lost all awareness of its existence." 30

De Soto and other third-world economists have come to understand that a private property regime is the very source of market capitalism. But for eighteenth-century utilitarian philosophers, it was much more. A private property regime was to be the means to replace the older, theologically inspired utopian vision of the Church with a new materialist-driven utopian dream. Divine salvation in the world to come would become secondary to material salvation here and now on Earth. "Property is human liberty exercised over physical nature," wrote Raymond-Théodore Troplong, the president of the French Senate between 1852 and 1869.³¹ Using the scientific method, all of nature could be expropriated, harnessed, and reduced to productive private property. Mixing one's labor to nature's resources—making something of it—not only transformed it into man's property but also made it more productive, thus increasing its value.

The accumulation and exchange of property would make the dream of an earthly cornucopia a reality. At a time when much of the Earth's surface was still unexploited frontier, the framers of the new vision understandably believed that property accumulation could be expanded almost indefinitely into the future. Eternal salvation slipped from the ascendant position that it had enjoyed for more than eleven centuries in Europe to make room for the radical new idea of material progress. During the French Revolution, the French aristocrat Marquis de Condorcet confidently predicted:

No bounds have been fixed to the improvement of the human faculties... the perfectibility of man is absolutely indefinite;... the progress of this perfectibility henceforth above the control of every power that would impede it, has no other limit than the duration of the globe upon which nature has placed us.³²

Not everyone agreed. The naysayers, and there were many, argued that a society organized almost exclusively around a private property regime and a "mine vs. thine" attitude would be the ruination of civilization. They envisioned a world of unrelenting competition and struggle in which the more powerful would prevail and the rest become indentured or cast aside. Jean-Jacques Rousseau, in his *Discourse on the Origin of Inequality*, published in 1755, wrote:

The first person who, having enclosed a plot of land, took it into his head to say *this is mine* and found people simple enough to believe him, was the true founder of civil society. What crimes, wars, murders, what miseries and horrors would the human race have been spared, had someone pulled up the stakes or filled in the ditch and cried out to his fellow men: "Do not listen to this impostor. You are lost if you forget that the fruits of the earth belong to all and the earth to no one!" 33

Nearly one hundred years later, Karl Marx published his *Communist Manifesto*. He attacked the philosophical and historical roots of private capital formation, calling it a scourge on civilization, and beseeched his fellow European countrymen to abolish the privatization of the means of production.

Although Europe was the seedbed for advancing a private property regime, there was opposition from the start. For every follower of John Locke, there were others who preferred to cast their lot with Rousseau. If, for some, private property was the path to utopia, for others it was a dystopian nightmare. Europe was caught between two very different conceptions of society. The older tradition favored a more communitarian approach to organizing economic activity, social life, and political rule. The emerging bourgeois class, however, was more anxious to let every man loose to go it on his own. An entrenched aristocratic class went along with the bourgeoisie. The nobility proved to be quite flexible in adapting to the new republican regimes and were often able to take advantage of their deep pockets and social connections to make their own killings in the marketplace.

Working people, however, didn't experience much of the material gains promised by the Enlightenment philosophers and their successors. Life in the urban industrial shops and factories was draconian. Dangerous working conditions, long hours of toil at the workbench, and later on the assembly lines, near starvation wages, and squalid and overcrowded living environments were a far cry from the world offered up by Condorcet. Millions of desperate Europeans simply picked up stakes and fled to America in hopes of finding a better life. Of those who stayed behind, many found the socialist critique of capitalism compelling, and more than a few became willing converts. European trade unions, cooperative associations, and socialist political parties gained increasing support among the working class in countries across Europe in the nineteenth and early twentieth centuries.

The idea of a welfare state became acceptable in Europe around this time. It was a grand compromise, a way to appease the rising bourgeois class and the remaining aristocracy on the one hand, and Europe's working class and poor on the other hand. The idea of a private property regime would be upheld in return for a promise that some of the excesses of unbridled market capitalism would be redistributed, in the form of government social benefits. The welfare state would become a way to balance the books and prevent class divisions from turning into open warfare and revolution in the streets. For the most part, the great European compromise succeeded.

Americans' Love Affair with Property

America didn't follow Europe's example. Socialism never really took hold on American soil. The German economist Werner Sombart laid the blame on the fact that American laborers enjoyed three times the amount of beef as German workers. He wrote, "On the shoals of roast beef and apple pie, all socialistic utopias founder."³⁴

The unadulterated European vision of a utopian society formed around the protection of individual property rights found its most enthusiastic supporters in the new world. Geography played an important role. There was so much cheap and free land for the taking. For millions of European newcomers moving on wagon trains west across the Appalachian Mountains and into the fertile fields of the American Midwest and on to the great prairies of the American plains, it certainly seemed like Eden. They wrote home and expressed their amazement about all of the available land. Listen to this description of the American wilderness by one newcomer:

The seemingly interminable line of trees before you, the boundless wilderness around, the mysterious depths amid the multitudinous foliage, where foot of man hath never penetrated, which partial gleams of the noontide sun, now seen, now lost, lit up with a changeful, magical beauty; the wondrous splendour and novelty of the flowers; the silence, unbroken but by the low cry of a bird, or hum of an insect or the splash and croak of some huge bullfrog; and the solitude in which we proceeded, no human being, no human dwelling, in sight.³⁵

From the very beginning, the young republic gave away vast tracts of land to settlers. The Public Land Act of 1796 allowed settlers to buy land at two dollars an acre and provided a year's credit for half of the total purchase. By 1800, the government was selling off 320-acre sites and allowing the buyer to put down only 25 percent of the purchase, the rest to be paid over the course of four years. For less than \$160, a European could lay claim to hundreds of acres of prime land, something out of reach in Europe, except for the wealthiest merchants and aristocrats. By 1811, more than three million acres of land had been sold to farmers.³⁶

The government sale of millions of acres of public land continued throughout the century. There was the Homestead Act of 1862, which provided 160 acres of public land to every farmer. This single act turned over 270 million acres of public land—10 percent of the entire landmass of the U.S.—to settlers. The clarion call of "free land" echoed back East and all the way to Europe. The Homestead Act spawned one of the great-

est migrations in history. Easterners, newly arrived immigrants, and freed slaves who were anxious to find new opportunities out West all rushed out onto the American frontier. The homesteaders needed only pay a filing fee of ten dollars to claim the land along with an additional six dollars for the final title, and a two-dollar commission to the land agent. To take final possession, the claimant had to build a home and farm the land within five years of making the claim. If the requirements were met, the title to the land was transferred from the government to the claimant.³⁷ Millions of Americans became property holders. In 1873, the government passed the Timber Culture Act, in 1887 the Desert Land Act, and in 1916 the Grazing Homestead Act.³⁸

In 1890, the U.S. Census Bureau officially announced the close of the American frontier. The Bureau wrote:

Up to and including 1880 the country had a frontier of settlement, but at present the unsettled area has been so broken into by isolated bodies of settlement that there can hardly be said to be a frontier line. In the discussion of its extent, its westward movement etc., it can not, therefore, any longer have a place in the census reports.³⁹

In less than a century, millions of acres of public land had been transformed to private property holdings. Even with the closing of the American frontier and the increasing waves of immigrants arriving each year from all over the world, the ratio of population to land continued to be sparse compared to Europe. In America, we still have far fewer people and far more unused land than Europe. The result is that we feel less crowded and more autonomous, less interdependent and more independent, less communitarian and more individualistic. Even New York City, our most dense urban environment, has only one-third the number of persons per square mile as Frankfurt, Germany.⁴⁰

The differences in human population relative to landmass have had a profound impact on how we Americans perceive the world around us and how Europeans do. When Americans travel to Europe, we always notice how compact everything is, how narrow the streets are, how close together all of the buildings are, how crowded the cafés are, and how small the portions of food are in the cafés. Even the elevators are cramped. An obese American can barely squeeze into one of them. Everything seems squished, tiny, parsimonious.

Americans are used to more space, much more. We may have officially closed the frontier more than a century ago, but we still live out the frontier spirit. We want to feel free, and freedom for many Americans means expanding the personal space we can control.

In the twentieth century, suburban home ownership became the way to keep the American Dream alive. The idea of living in a detached home, surrounded by wide expanses of garden and lawn was, and still is, rare in the urban residential communities of Europe. In the medieval era, crowding provided a sense of mutual security. As late as the eighteenth century, the Dutch were still building row houses, which had been the custom throughout Europe since the days of the Roman Empire. Even in the United States, early European settlers favored the European housing model. Over 71 percent of the residential population in the nation's capital, Washington, D.C., still lived in European-style row houses in the 1920s. In many Eastern cities, row-house construction was the norm until the end of World War II.⁴¹

The suburbs, by contrast, offered a different kind of security, less communal and more individualistic in bent. After 1870, says sociologist Kenneth Jackson, "the new idea was no longer to be part of a close community, but to have a self-contained unit, a private wonderland walled off from the rest of the world."⁴²

The suburban home personified the American belief that freedom means autonomy; that is, the right to exclude others and to exercise near total control over one's immediate environment. European visitors to America can't help but notice how different America's suburban neighborhoods are from those in residential areas of Europe, where people huddle much more closely together.

Europeans are surprised by the sheer size of the American home, which, on the average, contains more than twice the floor space of the average European home. The average floor space in American homes is about 2,300 square feet. In France, it's 946 square feet, in Germany 932 square feet, in Spain 917 square feet, and in Britain only 817 square feet.⁴³

Europeans are even more surprised by the amount of land each home occupies in America. Even with a growing population, we have far less human density today than eighty-five years ago. We are becoming more, not less, spread out. How did we pull this off? By moving out into the countryside and turning farm and pastureland into suburban housing tracts. According to the U.S. Census Bureau Report of 1920, the average density

of urbanized areas, which include cities, suburbs, and towns, was a little less than ten persons per acre. By 1990, the number of people had halved to four persons per acre. More important, the average density of all new housing developments in the U.S. since 1960 is a little more than two persons per acre. That's less than one-fourth the average number of people per acre in 1920. We did this by occupying eight times more developed land than we did more than eighty years ago.⁴⁴

The amount of land occupied per household is continuing to go up as well. This is happening even though the number of persons per household is declining. With single-parent households, smaller families, and empty nesters, household size has declined from 3.28 persons in 1940 to fewer than 2.48 persons in 2000.⁴⁵ While the number of households is increasing, so is the amount of space they are occupying. In Massachusetts, for example, there was one-half an acre of land per person in the 1950s, and by 1985 there was 1.83 acres of land per person.⁴⁶ In Maryland, lots of one acre or more per household are the most popular development category and make up three-quarters of all the land converted to housing in that state in the 1980s.⁴⁷

By contrast, metropolitan areas in Europe are, on the average, three to four times more dense than in America. Even Europe's suburban areas are four times as dense as ours in the States. 48

The American penchant to own land is matched by our desire to own the houses that go on the land. Federal government policies have long encouraged home ownership over rental in the American housing market. The Federal Housing Administration (FHA) and the Veterans Administration (VA) mortgage guarantees have underwritten the financing of one-quarter of all the single-family homes constructed in the past half century. Federal tax deductions on mortgage titles, accelerated depreciation, and other incentives have also encouraged home ownership over rentals in America.

European government policies favor apartments over houses and encourage renting rather than ownership. In Germany, Italy, and Spain, more than 50 percent of families live in flats, and in France, 41 percent live in flats. Home ownership throughout most of Europe is significantly less than in the United States. While 68 percent of Americans own their homes, only 54 percent of the French and 43 percent of Germans own their homes. In the Netherlands, only 44 percent of households own their own homes, and in Switzerland, less than 30 percent of households own

their own homes.⁵¹ (Only in the U.K., Italy, and Spain is home ownership as high as in the U.S.)

Publicly funded housing is also much higher in Europe than in the U.S. And, unlike in the U.S., public funding of housing since World War II has included much of the middle class as well as the poor. The number of people in publicly funded housing is two to three times as high in Europe as in the United States. In the U.K. and France, for example, approximately 20 percent of households live in social housing.⁵²

In America, freedom means independence, and independence means private control over space. Being self-contained and self-reliant has been the recurring theme of the American psyche since well before the American Revolution. We like to keep our distance from our neighbors. Not surprisingly, then, there is little sense of community in the average American suburb, certainly less than one experiences in the residential neighborhoods surrounding European cities. Jackson makes the pointed observation that "there are few places as desolate and lonely as a suburban street on a hot afternoon."

More than 60 percent of all U.S. metropolitan residents live in the suburbs, and their numbers are growing.⁵⁴ As shocking as it might seem to most Europeans, two-thirds of America's 86.4 million homes are single-family domiciles.⁵⁵ And while we seek autonomy inside our self-contained suburban homes, we also retain that nervous energy and restlessness that are also so much a part of the American Spirit. For Americans, freedom means both autonomy and mobility. It's no wonder, then, that in any given five-year period, 25 to 35 percent of all households change residence.⁵⁶

Europeans do not share the American restlessness, perhaps because they experience the place where they live as more than a house, as a community. With community comes deeper roots and less willingness to pick up and move to some unknown new place. The average European moves only half as often as the average American.⁵⁷ I have a young Italian friend in her early thirties who had lived in Rome for several years. She told me she was about to move back to the small community outside Bologna where she grew up and her parents still had their ancestral home. In America, it is unusual for children to return home to their childhood neighborhoods to live out their adult lives. Quite the contrary in Italy and other parts of Europe. My friend told me that many of her friends spent a few years in the "hot" cities of Europe at the beginning of their careers only to find their way back to their childhood communities when they chose to raise families of their own.

There's an old American saying, "There is no such thing as a free lunch." We've paid a heavy price for our penchant for autonomy and mobility. The desire for ever bigger houses and more private space coupled with our sense of rootlessness and constant changing of residence has cost us dearly, in terms of the aesthetics of daily living. An increasing number of Americans live in cookie-cutter housing tracts plopped down on former agricultural lands stretching as far as sixty to seventy miles from metropolitan beltways. More than 60 million people—one-quarter of the population of the lower forty-eight states—now live in what planners call "exurbs." The mass exodus of population from older cities into suburbs and exurbs has occurred rapidly, and with little or no long-term spatial planning to guide the migration. Nearly one-sixth of all the land developed over our nation's history occurred in just ten years between the early 1980s and the 1990s.⁵⁸ The net result of this chaotic and undirected dispersion of population is what we call "sprawl." It has become a defining characteristic of the American landscape.

Sprawl is easy to identify. It consists of scattered housing developments, often isolated from one another, and from places of employment, schools, and commercial areas; commercial strip malls along roads adjacent to interstate highways; few if any pedestrian paths connecting housing developments; a lack of public transportation, and wall-to-wall automobile traffic. Worse still, these residential areas generally lack a sense of organic development, or any kind of history. Some—not all—are communities in name only. An increasing number of Americans live in "bedroom communities," an obvious oxymoron. Culturally barren and nondescript, American suburbs can be isolated places to live. In a sense, they represent the final chapter of the American Dream. Each person is surrounded by his or her possessions and isolated from his or her surroundings—millions of autonomous personal spheres, virtually cut off from one another. Few Americans could likely name half of their neighbors within a three-minute walk of their houses.

What zoning restrictions that do exist in American counties are often weighted toward wide-open residential and commercial development. Coordinated long-term spatial planning between adjacent counties and at the state or federal level is virtually nonexistent. It's everyone for themselves, and the effect is blight, writ large, across the width and breadth of the American landscape.

It's not that way in Europe, because the rights of individual property

holders, whether they be home owners or commercial businesses, are continually balanced against the customs, social norms, and goals of the community as a whole. Any American that's ever driven across Europe notices the difference almost immediately. Each community has its own history and story to tell. Communities seem to follow an organic plan. There is a sense of purposefulness and order. In the big cities as well as in the outlying metropolitan areas, there is a sense of neighborhood and of community. People seem to belong.

None of this came about by chance. Spatial planning is far more developed throughout Europe. And now, the governments of Europe have gone a step further, developing an ambitious continent-wide spatial development plan. In September 2000, the European Conference of Ministers Responsible for Regional Planning (CEMAT) adopted what they call "Guiding Principles for Sustainable Spatial Development of the European Continent." The aim is to bring the economic and social development of each region into harmony with its ecological surroundings and cultural heritage in a "long-term, large-scale and balanced spatial development." The forty-five member states of the Council of Europe have agreed to work cooperatively at the local, regional, national, and continental levels, to make sure that future spatial planning across the European landmass is compatible with Europe's dream of inclusivity, diversity, sustainability, quality of life, universal human rights, the rights of nature, and peace among people.

Try to imagine the people of the United States ever agreeing to commit ourselves to a similar coordinated long-term spatial planning effort for the country. As long as undeveloped land is still widely available, the cost of gasoline is relatively cheap, home mortgages are affordable, and tax deductions on mortgage payments continue to exist, there is little chance we will reverse our present developmental course. Those who can afford it will have to make due with an occasional vacation in Europe, where they can enjoy a short respite walking streets that go from somewhere to somewhere and that feel lived in.

The Collision of Property and Democracy

On July 12, 1893, a young American historian, Frederick Jackson Turner, read a paper before a meeting of the American Historical Association in

Chicago on the closing of the American frontier, announced by the U.S. Census Bureau of 1890. Turner reflected on the two dreams that animated American life over the course of its short history as a nation. The first "was that of individual freedom to compete unrestrictedly for the resources of a continent—the squatter ideal." Turner noted that, to the pioneer, "government was evil." Americans were, and remain to this day, suspicious of government, always worried that it might encroach on or limit their right to accumulate property and remain free. "Don't tread on me" was one of the early mottos of the American revolutionaries in their struggle against the British crown. The spirit of that message continued to live on in the life of the young republic after the American Revolution.

The other dream, writes Turner, "was the ideal of democracy—government of, by, and for the people." These two dreams coexisted "with the passing into private possession of the free public domain and the natural resources of the United States." Turner cautioned, however, that "American democracy was based on an abundance of cheap and free lands; these were the very conditions that shaped its growth and its fundamental traits."

As long as cheap and free land was available, Americans would not have to be overly worried about class conflict. The exploited and destitute masses of immigrants and the native-born could escape the oppression of the East by continuing to move westward. The West, in effect, became a safety valve, a way to ensure equality of opportunity without having to worry about equality of condition. On the frontier, every person was equal in the sense that he or she was on his or her own, unencumbered by government edicts or, for the most part, the long hand of Eastern commercial interests. Now, however, noted Turner, "the age of free competition of individuals for the unpossessed resources of the nation is nearing its end." Turner worried about the fate of a people whose "nervous energy" had for so long been almost singularly dedicated to the task of taming the wild environs of a vast continent and transforming its natural abundance into a store of private property.

American president Calvin Coolidge once remarked that "the business of America is America's business." Thirty years earlier, intellectuals such as Turner were already beginning to have doubts about what the future might bring for America, if that was all there was to the American Dream. In his paper, Turner cites the French intellectual Emile Gaston Boutmy, who observed,

The striking and peculiar characteristic of American society is that it is not so much a democracy as a huge commercial company for the discovery, cultivation, and capitalization of its enormous territory.⁶⁴

Turner ended his paper with a lament that, in hindsight, more than one hundred years later, appears early prescient. He wrote,

So long as success in amassing great wealth for the aggrandizement of the individual is the exclusive or the dominant standard of success, so long as material prosperity, regardless of the conditions of its cost, or the civilization which results, is the shibboleth, American democracy, that faith in the common man which the pioneer cherishes, is in danger. For the strongest will make their way unerringly to whatever goal society sets up as the mark of conceded preeminence.⁶⁵

Most of my European friends and acquaintances are quick to ridicule America's love affair with "the almighty dollar." "All you Americans think about is money" has become a standard mantra in virtually every opening discussion about the American character and the American way of life. In reality, the American condition is more complex. It's not the money per se. Rather, it's the search for personal security that comes from being propertied, the belief that our possessions will make us free. For many Europeans who have opted for less wealth and more play, the American obsession with creating propertied wealth appears more like a kind of pathology. They say that "our possessions end up possessing us."

But the point is, it was the American people that became the purest advocates of the European Enlightenment idea that equates private property with freedom. So fervent has been our belief that when the U.S. Congress adopted a new version of the federal income tax in 1894, it was declared unconstitutional by the courts. The U.S. Constitution had to be amended before the new tax could be adopted. The very idea that government might take away a portion of one's propertied wealth to be used for other purposes was anathema to many Americans weaned on the frontier tradition of rugged individualism and self-reliance.

By the end of the first decade of the twentieth century, with the frontier closed and cheap public land no longer there for the taking, questions of economic justice and redistribution of wealth began to be heard, especially among immigrants and the native-born laboring in the new foundries and factories in the Eastern and Midwestern cities. The rise of a small coterie of super-rich and powerful robber barons like Andrew Carnegie, John D. Rockefeller, and Cornelius Vanderbilt, whose wealth rivaled the great aristocratic families of Europe, did not sit well with millions of American men and women toiling in wretched conditions in the factories and sweatshops that these new men of commerce controlled.

President Theodore Roosevelt was the first head of state to challenge the American preoccupation with property. In 1910, he told the American people,

We are face to face with new conceptions of the relations of property to human welfare, chiefly because certain advocates of the rights of property as against the rights of men have been pushing their claims too far. The man who wrongly holds that every human right is secondary to his profit must now give way to the advocate of human welfare, who rightly maintains that every man holds his property subject to the general right of the community to regulate its use to whatever degree the public welfare may require.⁶⁷

America's flirtation with the redistribution of wealth picked up steam during the global depression in the 1930s. President Franklin D. Roosevelt's administration's New Deal programs were America's first real foray into balancing property rights with human rights. The American dalliance continued through the 1960s and ended abruptly with the demise of President Lyndon B. Johnson's Great Society programs.

By 1980, America had all but abandoned the idea of redistributive justice. The election of Ronald Reagan, a transplanted Westerner, as president signaled a return to the earlier American Dream, the one that glorified the rags-to-riches theme and held up property rights as the foundation of American freedom.

Now, however, the rationale that spawned private property relations is beginning to fray in the wake of new technologies that are once again fundamentally altering our sense of space and time. The quickening connection of the central nervous system of every human being to every other human being on Earth, via the World Wide Web and other new global communication technologies, is forcing us into a global space and a new

simultaneous field of time. The result is that property exchange in national markets is going to increasingly give way in the twenty-first century to access relationships in vast global networks.

Diminished attachment to a private property regime has great potential import for the future of commerce and governance. After all, market capitalism is based on the idea of exchanging property in the form of goods and services between sellers and buyers. If the psychological and ideological attachment to private property continues to weaken, what will be the eventual fate of the marketplace?

The change from ownership to access has equally important implications for nation-state governance. Enlightenment philosophers and economists never tired of making the connection between a private property regime and the legitimacy of the nation-state. It was always assumed that the mission of the nation-state was largely to secure the private property of its citizens. If private property relations were to be subsumed by new commercial relationships—whose modus operandi is less wedded to market exchanges inside a territorially defined political unit and more geared to access in globally connected networks—what might be the effect on the future of the nation-state itself?

The conundrum is that the very commercial and political institutions that are attempting to accommodate these new spatial and temporal realities are the ones whose own futures are in doubt because of the far-reaching changes now taking place in the world. The capitalist marketplace and the nation-state are the defining institutional paradigm of the modern era, just as the Church and the feudal order were in the medieval era. And just as new spatial and temporal changes led to the demise of the medieval arrangement, now, once again, dramatic spatial and temporal changes are leading to the weakening of national markets and nation-states and the emergence of global commercial networks and transnational political spaces like the European Union. Rethinking a world beyond capitalist markets and nation-states will likely be as contentious and bitterly fought as was the struggle that led to the fall of Christendom and feudal society and the rise of the market economy and nation-state. Understanding what historian Karl Polanyi called the "Great Transformation," the twists and turns that gave birth to modern capitalism and nation-state formation, can provide a much-needed perspective on the challenges facing our current generation as it wrestles with defining a new consciousness and new institutional models better suited to a globalized space and time.