

An approach to the public household with focus on degrees of
access for publicly funded goods and services

An interdisciplinary approach of Philosophy and Economics

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Abstract

The reasons and justifications for funding/providing goods and services publicly are central in political and public discourse, effecting all citizens daily lives. The problem is that most of the academic literature deals with such reasons either from an economic standpoint or from a normative standpoint -- the majority of the time strictly separated. This thesis is an attempt to generate an approach to the reasons for public funding and provision, which can accommodate an array of values, including those prominent in economics (e.g., efficiency) and those prominent in political philosophy (e.g., re-/pre-distributive justice, solidarity). This thesis will disentangle the two classic conditions, non-excludability and non-rivalry, of the prominent economic frameworks for public expenditure, the public goods theory, and connotate a different meaning to those. The perspective this thesis will suggest, perceives non-rivalry as a condition which the states intend to imitate when proving/funding goods and services publicly. Moreover, non-excludability is not considered a necessary or sufficient condition for a public good, but it is acknowledged that public goods come in degrees of accessibility. Perceiving degrees of access as mean to manage fund effectively (so that outcome and intended purpose align) implies that analysing those can help to unveil the purposes which motivated the decision to fund/provide referring goods publicly in the first place.

Introduction

Government services are present in all our lives. May it be the road we are using to get around, may it be public TV channels on which we watch our daily news or may it be one of the many more examples there are. What all these government services have in common is that they are, at least to some degree, funded by the public budget which is mostly fuelled by

taxes. Taxes have the unique feature that they are coercively gathered, meaning they are not voluntary contributions¹. The opinions about taxes vary. Though two streams of thought can be roughly outlined; the continental literature perceives the public sector "as a participant within society" (also through its provision of public goods) while in the Anglo-Saxon tradition, the public entity is rather perceived as "an intervening agent that acts on society", where taxes can be seen as a 'necessary evil' (Backhaus and Wagner 2005, 327)

Yet either way which position one takes towards the matter of taxes, a matter we are all affected by is how the government decides to allocate the resources it has gathered. One question to be asked is if the ways in which the government spends its money is politically legitimate². Yet this will not be the focus of this thesis. Instead, this thesis is concerned with the reasons on which basis the state decides to allocate public resources, in the way we observe it. It is intended to contribute to a better understanding of the public household³ by making use of public goods theory's tools in a modified way.

To do so this thesis will deviate from the standard understanding of public goods' criterions in the following way. Instead of treating non-rivalry as an inherent feature of a good (as a necessary condition for a good to be a public good), I propose to see non-rivalry as being

¹ For a discussion of an alternative perspective on taxes, in particular the voluntary exchange model, see Johnson (2015).

² For such a discussion see Claassen (2013).

³ The term public household is taken by Musgrave (1959), who was inspired by German and Austrian sociological economists, who used this term for dealings with problems of state finance. The reasons to employ this term is the sociological connotation of the domestic household the term conveys. Firstly, it includes the idea that in a household, certain things are shared in common. This in turn requires some common understanding of the household's common good. Secondly, it includes the idea of an inflow and outflow of resources, for which the "distributive principle is simple. The head of the household makes the necessary decisions, but at the table there is a simple sharing. No one is given food in exact proportion to what he/[she] has contributed" (Bell 1974, 30-31).

imitated by the state when goods and services are funded/provided publicly. First, one can observe that ability-to-pay is almost never a criterion to receive or to use a publicly funded/provided good or service. Meaning that effectively rivalry does not exist in the eye of the user/recipient. Secondly, the state's goal is to provide a publicly funded/provided good or service in such a way so that an additional user/consumer does not decrease the benefit of all those using/consuming the good. It is acknowledged that congestion can well occur, however, if this is the case on a regular and persistent way, the state will have to adjust the capacities of the public good, so it becomes non-rival in the eyes of citizen again (otherwise public support, needed in a democracy, would be compromised). Therefore, I speak of intended imitation of non-rivalry.

However, since public budgets, by means of which the state intend to imitate non-rivalry when pursuing selected purposes, the state must find a way to manage its limited funds effectively -- so that budget limitations pose as little limitation to pursuing a range of purposes as possible. I suggest that the public household does so by setting different degrees of access for different public goods. One can empirically observe that different public goods and services come with different degrees of access. Thus, I treat non-excludability not as an inherent feature of a good as a necessary condition for a good to be a public good. Instead, I propose understanding different degrees of access as a mean to effectively pursue the intended goals behind the motivations to fund/provide different goods and services publicly. To prevent public resources are being used other than specifically for the intended purpose, degrees of access are applied for some goods and services for which a universal access does not align with the intended purpose and the motivation to provide the good or service publicly. Therefore, I argue that analytical focus on degrees of access to publicly

funded/provided goods and services, can shed light on the intended purpose the referring goods or services ought to pursue.

The word access is used here, instead of exclusion, because non-excludability conveys the connotation of a technical problem or one of costs (the two are related) which both make exclusion not feasible or not worthwhile. The term of granting access conveys, on the other hand, a conscious (political) choice to set different degrees of access for different goods and services. In this sense, paying attention to degrees of access to publicly funded/provided goods and services can be a promising approach, to evaluate the normative reasons⁴, a community has, to collectively decide to fund/provide certain goods and services publicly through coercive collective payment (taxes).

The contribution this thesis makes to the existing literature is: (a) to understand non-rivalry as a condition which the state intends to imitate when funding/providing goods and services publicly; and (b) to focus on degrees of access to public goods and services with the prospect that this can help scrutinising the reasons why certain goods and services are publicly funded/provided.

To lay out this line of reasoning this thesis will be structured as follows: Chapter I will be concerned with (i) reconstructing the theoretical foundations of the standard economics conception of public goods as non-rival and non-excludable goods; (ii) introducing the idea to conceptualise goods on a continuum of degrees of rivalry and exclusion feasibility -- motivated by the fact that barely any good matches the narrow standard definition; (iii)

⁴ Such normative reasons can well include efficiency, as laid out in Chapter II, i.

continuing with a reconstruction on the theory of impure public goods; club goods and the commons; (iv) lastly discussing the explanatory value and the empirical applicability of the goods typology for the public household. This chapter will conclude that the goods typology has in some cases great explanatory power, however, falls short on covering the public household in a satisfactory manner.

On this basis this thesis wants to suggest its own broader approach to publicly funded/provided goods and services in Chapter II. Before this conception will be laid out, (i) it will be justified why this thesis holds on to public goods as a starting point of inquiry. In the following (ii) I will discuss a broader understanding of the public goods framework in terms of the state's role as efficiency generator, which will be accompanied by a discussion on the epistemological and methodological issues of a technical efficiency evaluation in this context. This prepares the discussion (iii) to see public goods as a political/collective choice. Thereafter, (iv) I will suggest seeing the condition of non-rivalry as being a condition which the state intends to imitate when funding/providing goods publicly. This and the complexity of value considerations (can include but are not limited to efficiency) which fuel the decisions to provide goods publicly, will then be the foundation for (v) the proposal to pay particular attention to degrees of access to publicly funded/provided goods and services.

This thesis will share the perspective of public goods with Sekera (2014) in which "public goods derive from social as well as economic forces. In reality, public goods originate through collective choice (voting) and are funded by collective payment (taxes)". This means that all goods which satisfy these two conditions are understood as public goods in the

following of this thesis. Therefore, all publicly funded or provided goods or services are understood and will be referred to as public goods⁵.

To sum up, this thesis examines the question: *How can analytical attention on different degrees of access to public goods help understand the public household?*

In order to approach this question this thesis will make use of economics and political philosophy in an integrated manner. This thesis will utilise explanatory economic theory while acknowledging that normative content is embedded "in the social facticity of observable political processes" (Habermas 1996, 287). Thus, this thesis will -- in some way -- engage in rational reconstruction in the Habermasian sense, by not treating "real and ideal" as separates but by reconstructing the real while identifying fragments of ideals within (Habermas 1996, 287). In other words, in this thesis not only economics tools are applied to understand the empirical public household, but also underlying/implicit and explicit normative values will have room to contribute to a better understanding of the empirical public household.

I. The standard economics conception of public goods and its relatives

⁵ One objection which might apply here is that joint consumption is the most important criterion for a good to be public (Musgrave und Buchanan 1999). I, however, share the perspective that our individual utility curves are in part influenced by other's utilities, so they are interdependent. This means even if we not directly consume a good jointly with others, it can still have positive effects on our own utility (in economics sometimes called psychic externalities) (Desmarais-Tremblay 2019, 226). Say, even if we do not benefit directly from redistributive policies, we may enjoy living in a just community or we may enjoy the absence of guild that others do not have a humane standard of living in our community while we do (Hochman und Rodgers 1970). Therefore, we benefit from the good jointly, one party directly, the other party indirectly. Taking this into account, the public household is encompassed by goods and services characterised by joint consumption. There is a reason those goods appear in the public household. Collective/political choice has better prospect to reveal such interdependent preferences, while the market is prone to not do so. Those benefiting indirectly from such a good are not benefiting enough so that they are willing to pay for the good directly or privately, which would in turn not allow for market allocation (Baker 1974, 44 fn).

This chapter will review the classic literature of public finance/economics and public choice when it comes to the central aspects surrounding the concept of public goods and the implication to be drawn from those aspects. First, it will be discussed how a good's characteristics of non-rivalry and non-excludability (in contrast to private goods) lead to a market failure, which trigger state intervention into the market economy. Secondly, given the fact that the characteristics of non-rivalry and non-excludability are barely satisfied in pure form when one looks at empirical cases of goods and services, this chapter will discuss the conception of goods to be located on a continuum of rivalry and excludability. Thirdly, the idea that goods do not satisfy the conditions of non-rivalry and non-excludability purely has informed two concepts, the commons (or common pool resources) and club goods. Each of these two categories of goods and services inhibits one of the public goods conditions to a relatively high degree, by which means their own implications are derived. Fourthly, with a detailed review of public goods in contrast to private goods, club goods and the commons, the established typology of goods is complete. The typology of goods will then be discussed in regard to its explanatory, justificatory value and its empirical applicability.

i. The traditional economics conception of public goods and the market failure

Considering the foundation of the modern economic conception of public goods, we will turn to the two authors, Musgrave and Samuelson, which are acclaimed to be the foundation layers of the prevailing concept's characteristics of non-excludability and non-rivalry (Pickhardt 2006, 446). Those characteristics are also most commonly found as workable definition among public finance and economics textbooks⁶ and for discussion of the

⁶ See for example Cullis and Jones (2009); Hindriks and Myles (2013); Nicholson und Synder (2017).

topic outside economics. Even most political theorists rely on this definition as "starting place of their inquiries" (De Jongh 2019, 39).

Musgrave and Samuelson worked on the issue at a similar time and interchanged thoughts (Desmarais-Tremblay 2017). Let us first review Samuelson's highly influential paper (1954) which formulises how a pareto optimal allocation is theoretically possible in the presence of collective consumption goods next to private consumption goods. Building on Musgrave's conceptual work, Samuelson integrated the concept of public goods into New Welfare Economics. In turn, this paper also influenced Musgrave's succeeding works (Desmarais-Tremblay 2017, 68-69), which will be discussed next.

Samuelson (1954) classifies two kinds of goods. One, "private consumption goods", for which the total consumption can be identified by adding up individuals' consumption, meaning that one's consumption leaves less of the good to consume for others. Second, "collective consumption goods", which "all [simultaneously] enjoy in common in the sense that each individual's consumption of such a goods leads to no sub-traction from any other individual's consumption of that good" (Samuelson 1954, 387)⁷. If one assumes an ordinal set of preferences which includes the preferences of consumption for both, private and collective consumption goods and if one assumes the hypothesis of diminishing returns concerning total output, then there should be -- at least theoretically -- a set of constellations including a level of consumption and a level of production in which no person can be made

⁷ Authors later have highlighted that the simultaneous consumption in Samuelson's definition is critical for his definition of public goods, as subsequent consumption can turn non-rivalry and non-excludability into a matter of perspective for the sequential consumers (Pickhardt 2006, 448-449). Upstream a river fresh water may be a public good, yet once polluted by that person the next consumer further down the stream will not be confronted with a non-rivalrous good. Thus, it is a matter of perspective for whom the goods is considered a public good and for whom it is not in Samuelson's sense.

better off without making someone else worse off. This represents the utility frontier of pareto optimal constellations. A pareto optimal constellation of private and collective consumption goods can theoretically be identified by satisfying Samuelson condition. Here the sums of marginal rates of substitutions for the two goods are equal to the marginal rate of transformation between the two kinds of goods (Samuelson 1954).

What becomes evident here is that one of the two defining characteristics, non-rivalry in consumption appear explicitly in Samuelson's (1954) account. Joint consumption in the sense of non-excludable appears -- if at all -- highly implicitly in his formulation of "collective consumption goods", which "all enjoy in common" (Samuelson 1954, 387)⁸. That the non-excludability condition does not attain a central role in this account of Samuelson (1954) is owed to the fact that exclusion appears to be an inefficient way to enforce revealed preference and related payment of those who are jointly consuming, as the good is purely non-rival (number of consumer does not matter for the provider once the good is provided).

Samuelson sees the main problem rather at the inherent incentive structure to underreport preferences, as soon as "jointness of demand" is given⁹ (Samuelson 1954, 389). Therefore, Samuelson reconginses that it comes down to the issue of "external economies"¹⁰, since there is no additional marginal cost for an additional production unit which is consumed. This prevents market mechanism to work (Samuelson 1954, 389). He does not mention the term free riding here, yet it captures exactly that. To circumvent this issue, Samuelson suggests

⁸ See for a similar argument Head (1962).

⁹ There is evidence that Musgrave will agree with this claim later (Desmarais-Tremblay 2019).

¹⁰ An external economy or an externality captures the situation in which social costs and benefit do not align to private costs and benefits (Head 1962, 73).

that an outside-the-market solution is needed. Yet he raises doubts how realistically, for example, a government can determine optimal levels of public goods (due to issues of sincere preference revelation of consumers, e.g., via voting)¹¹. However, an optimal level of public goods provision theoretically exists in Samuelson's eyes (Samuelson 1954, 388-389).

After having explored Samuelson's account on public goods we will now turn to Musgrave. Musgrave's concept of "social wants", conceptually elaborates on Samuelson's account of collective consumption goods. In his words, social wants are:

"those wants satisfied by services that must be consumed in equal amounts by all. People who do not pay for the service cannot be excluded from the benefits; and since they cannot be excluded from the benefits, they will not engage in voluntary payments. Hence the market cannot satisfy such wants. Budgetary[/state] provision is needed if they are to be satisfied at all" (Musgrave 1959, 8).

He goes on to note that the distinction of private and social wants is not clearly cut, as for private wants suboptimal or inefficient allocation occur too, yet the degree of inefficiency for social wants is so high that without state provision they would not be provided at all. In consequence, evaluating this degree is a crucial task for the state (Musgrave 1959, 8-9).

So why is the market -- or the price mechanism in particular -- failing to deliver an outcome which is to an acceptable degree efficient? It comes down the combination of "joint consumption" and the inapplicability of the "exclusion principle" in situations in which a

¹¹ Other concerns about the government solution to cure external economies are raised by scholars of the public choice school. The main concern is that actors within the government are also subjected to the premises of homo economicus, which involves self-fish, strategic, utility maximising behaviour. This in turn can then be the cause for a so-called government failure as the consequence to the attempted cure for a market failure. Among public choice scholars, the trust into the dynamics and into the players within the public sphere is often such that a government failure is assumed to do more damage to society's welfare than the initial market failure (Cullis and Jones 2009).

consumer is one among many. The first, "joint consumption" refers to the fact that the provision of a goods or service contributes to the welfare of the whole community. The individual benefit individuals derive may differ, yet the benefits are always independent from the referring individual contributions (Musgrave 1959, 9-10). For this condition to be met entirely, the second condition is necessary, namely that the "exclusion principle" cannot be applied. If it is possible to exclude individuals from the joint consumption (by, for instance, changing a fee) different individuals could consume different amounts. Only in cases in which this is not possible, "the condition of equal consumption must apply to all, whether they pay or not" (Musgrave 1959, 10). He concludes that in this situation a "political process must be substituted for the market mechanism, and individuals must be made to adhere to the group decision" (Musgrave 1959, 10-11)¹². Here one sees how the "joint consumption" condition corresponds to what is now commonly referred to as non-rivalry and how the inapplicability of the "exclusion principle" corresponds to what is now commonly referred to as non-excludability¹³. Yet, according to Musgrave these conditions are necessary yet not sufficient for public goods:

"Our conception of public wants may thus be supplemented by a concept of public *goods* - that is, goods the inherent quality of which requires public production. While public goods are

¹² This argument rests, according to the author, on the premise that individuals can evaluate social wants along a preferences scale together with private wants. Otherwise, a public preference for certain goods and services could not be determined at all. The same time Musgrave admits the difficulty of an exact determination of an individual's preference for a social want. Moreover, he adds that such individual preferences must not merely rest on individual benefit but can well include altruistic or social intentions. Yet even if individual preferences can be determined, the problem remains that a desirable allocation, on basis of a social preference function, is not simply met by the efficiency condition -- as in the case of private wants (Musgrave 1959, 11-12).

¹³ Musgrave himself used these terms the first time at a later stage in 1969. There he referred to social goods instead of social wants, while capturing the same concept yet with some refinements (Desmarais-Tremblay 2017, 79).

characteristically goods that satisfy public wants, not all goods that satisfy public wants must be public goods in this sense" (Musgrave 1959, 44)¹⁴.

By the inherent quality of a good or service, to which Musgrave refers to in the upper quote, he states that those goods' and services' "inherent quality is such that they cannot be left to private suppliers" (Musgrave 1959, 43) although they could technically be provided private suppliers. To illustrate this, he uses the examples of the military and the justice system. In such cases, private production "would be repugnant to democratic society" (Musgrave 1959, 44). "While civil servants and [navy] sailors need to be in government employ, pencils and battleships can be purchased from private firms" (Musgrave 1959, 44). Moreover, in cases in which goods and services with such inherent qualities are indeed provided by private suppliers, the supervision of provision must be intensive to not violate democratic standards, so that after all the situation is comparable to direct public provision. Here it becomes apparent that for Musgrave, not only the a priori qualities of a good or service can inform the decision over public or private provision. It is also about the "qualitative nature of the (...) services desired", "that should be satisfied through a publicly controlled system" (Musgrave 1959, 44).

¹⁴ Public wants, as mentioned here by Musgrave, include all those situations in which the state secures "necessary adjustment in the allocation of resources by the market" (Musgrave 1959, 6). This includes reactions to situations in which the market fails in part: monopolies, dealing with externalities created by producers, risk pooling. It also includes the case of social wants where the market does not provide certain socially preferred goods at all, thus fails entirely. Lastly, next to social wants there is a second major type of public wants, namely merit and demerit goods. Here the state intervenes with individual consumer preferences and aims at a correction of behaviour via incentives in cases of merit goods (e.g., education) or penalties in the case of demerit goods (e.g., smoking). Thus, the standard economics conception of public goods corresponds best to Musgrave's social wants, while public goods in his terms are provided not only in the case of social wants but also in cases of market failures of lower degrees, such as merit goods or externalities.

To sum up, having gone through the major pieces of Samuelson and Musgrave regarding public goods, we see how the mutual interaction between the authors led to the now dominant definition of public goods demarcated by non-rivalry and non-excludability. Moreover, both authors highlight that the market will fail to deliver goods with those inherent qualities, in a socially desirable amount -- if at all. Yet in their explanations of the market failure the two authors put different weights on the qualities which explain why public goods (in their slightly distinct conceptions) lead to a market failure¹⁵. Moreover, the two classic authors seem to disagree on how capable the government and consumers' preference revelation is to solve this issue. Furthermore, both authors admit that their accounts are only able to capture a specific part of public expenditure, namely those cases in which public provision of a good or service -- characterised by some sort of an external economy -- is clearly superior in efficiency. Otherwise "political, social and cultural aspects enter" (Musgrave 1959, 46) and these issues of public expenditure fall then into the "domain of "sociology" and "welfare politics"" (Samuelson 1954, 389). However, this limitation which both authors pose to their classic accounts of public goods is barely found in standard economic textbooks which use the standard version of public goods theory¹⁶.

ii. Goods on a continuum along axes of excludability and rivalry

Most public economics textbooks agree, however, that the definition of public goods discussed above describes an ideal type which does not correspond to empirical cases of

¹⁵ For Musgrave it is foremostly due the impossibility of exclusion and for Samuelson it is the jointness of demand and the external economy which account for the market failure in the form of a socially intolerable under-provision of specific goods or services (Desmarais-Tremblay 2017, 75-77).

¹⁶ see for example Cullis and Jones (2009); Hindriks and Myles (2013); Nicholson und Synder (2017).

goods and services. Most commonly instances of goods are located at a spectrum of rivalry and feasibility of exclusion (Cullis and Jones 2009, Hindriks and Myles 2013, Nicholson and Synder 2017).

This rests, on the one hand, on the insight that price exclusion is never impossible however sometimes exclusion would be so costly that it is not feasible or economical for a private provider to do so and in turn the good or service is not provided privately at all (Head 1962, 74-76). Another argument in a similar vein is that if the jointness of consumption or non-rivalry holds, then it is simply not economical to exclude (e.g., via charging a fee) consumers as the additional marginal costs per consumer is zero, which would in the private sector again result in under-provision due to the uncovered fixed cost (Buchanan 1951). Both resemble an argument for state provision despite the deviation from the rigid condition of non-excludability.

On the other hand, the idea of a spectrum rests on the insight that every good or service is subjected to some threshold of congestion (Goldin 1977, 57). This will turn an effectively non-rival good or service into a rival good at the point at which the threshold of beneficiaries is reached. When this threshold is past (may in fact appear like a fluent process however a specific threshold theoretically exists), the benefit a public good or service provides to the beneficiaries/consumers is reduced and the non-rivalry condition is not met anymore (Buchanan 1965). Classic examples of public goods which are subjected to the process of congestion include public roads or parks. If they are too crowded, at some point, the benefit

of using them decreases¹⁷. Here a need for some form of coordination (other than the spontaneous market outcome) seems to be needed despite the deviation from the rigid condition of non-rivalry.

If either of the two conditions is not fully met, the literature usually refers to such goods as impure goods. If a good satisfies a high degree of exclusion feasibility but a low degree rivalry, such goods are commonly referred to as club goods. If a good conveys a high degree rivalry but low exclusion feasibility, such goods are usually referred to as the commons (Hindriks and Myles 2013, Nicholson and Synder 2017). These two types of goods complete the widely used typology of goods. The commons and club goods will be discussed in the next chapter in more detail. Before that, it is discussed how perspectives vary in regard to appropriateness to understand goods as being located on a spectrum on axes of rivalry and exclusion feasibility.

The two classic authors, Musgrave and Samuelson disagree on this matter. Musgrave seems to be in favour of making use of a spectrum:

"The preceding discussion has dealt with the case of a pure social good, i.e. a good the benefits of which are wholly non-rival. This approach has been subject to the criticism that this case does not exist, or, if at all, applies to defense only; and in fact most goods which give rise to private benefits also involve externalities in varying degrees and hence combine both social and private good characteristics" (Musgrave 1969, 134–35 in Pickhardt 2006, 447).

¹⁷ Even the most typical example of national defence shakes under this challenge. If a country (of fixed size) attracts more and more beneficiaries due to its high security provision, at some point the security it can provide to each citizen will decrease (Hindriks and Myles 2013, 148). For a more differentiated analysis of how national security, including the different goods and services it entails, can be conceptualised along the terms of the good typology, see Kahmann (2008).

In contrast to that, Samuelson is taking back his initial consideration of a spectrum of goods with poles at public and private goods:

"What are we left with? Two poles and a continuum in between? No. With a knife-edge pole of the private-good case, and with all the rest of the world in the public-good domain by virtue of involving some "consumption externality"" (Samuelson 1969, 107–108 in Pickhardt 2006, 444).

To sum up, it is contested whether it is appropriate to understand goods as being located on continuum of degrees of rivalry and exclusion feasibility. Yet one can say that in economic textbooks the understanding of different goods, as being located on spectrum of rivalry and exclusion feasibility, is fairly established (Cullis and Jones 2009, Hindriks and Myles 2013, Nicholson and Synder 2017). Either way, which position one takes, the discussion highlights that empirical instance of goods barely correspond to the definition of 'public goods' when understood as goods which are indeed both non-rival and non-excludable. The next section is concerned with the discussion of two conceptions of goods which are located somewhere on the spectrum of rivalry and excludability: club goods and the commons.

iii. Public goods' relatives: club goods and the commons

After having laid out that goods and services can be seen on a spectrum of rivalry and exclusion feasibility, this section will discuss two classifications of impure goods. Both classifications satisfy one 'public good condition' to a relatively high degree and the other condition less so. First, we will turn to Buchanan's (1965) theory of clubs. Club goods are characterised by high exclusion feasibility and by some degree of rivalry due to congestion. Second, we will discuss the commons, famously introduced by Hardin (1968). The

commons¹⁸ are characterised by a high degree of rivalry and a low degree of exclusion. In response to the 'Tragedy of the Commons' (Hardin 1968), Ostrom's (1990) alternative approach of cooperative institutions will be discussed. With those concepts, the widely used typology of goods (Ostrom und Ostrom 1977, 12) is complete. The detailed review of these concepts will then lay the basis for the next section's discussion of the classifications regarding explanatory and justificatory value as well as their empirical applicability.

Let us first turn to club goods. With his theory of club goods, Buchanan (1965) aims to fill the gap between the polar cases of collective consumption goods (pure public goods) and purely private goods. There are two axes between private and public goods which one could explain in greater detail, the spectrum of rivalry and the spectrum of exclusion feasibility. For the one axis he presumes cases, "where "exclusion" is possible" and no cost of preventing free riding of those included in the club are assumed (Buchanan 1965, 13). Buchanan (1965) focuses on the spectrum of rivalry. The degree of rivalry, he discusses, arises as a consequence of congestion which decreases each individuals' benefit from the goods or service at a certain point when another individual joins the "sharing arrangement". The idea is that each member in this sharing arrangement pays a fee. Thus, the total cost for the club good or service are borne by all member evenly. This means that a higher number of members decreases the cost for the "ownership-consumption rights" (Buchanan 1965, 1-7). Yet, this is one dimension of allocating a club optimally.

¹⁸ Also referred to as common pool resources, yet I stick to the term commons as the processes the concept captures, can apply more widely than just to 'resources'.

The second dimension to be optimised is the size of the club (or the number of goods provided per time unit within the sharing arrangement). For each club size, total cost and total benefit are evaluated assuming a fixed amount of members. Considering the non-rival nature of the club good with the limitation of congestion, the club will face a linear cost curve (due to fixed cost spread evenly among members) capturing each additional unit of size. The benefit curve, in light of the size of the club, is convex and will decrease after an optimum. Apparent is also that there can only be an optimal allocation of club size when a certain number of members is presupposed. This is owed to high entry/fixed cost which club goods most often characterise (Buchanan 1965, 7-9). Yet, "there remain economies to scale in club size" and an "all-inclusive group" corresponding to the situation of a pure public good with the restriction of being accessible to identifiable group of people¹⁹. This remains in Buchanan's eyes the "most favourable attainable position" (Buchanan 1965, 11). One of key implication of Buchanan's theory is that "public goods may, under key circumstances, be provided privately, so that public goods need not imply government provision" (Sandler 2013, 266). This view is quite established in economic textbooks²⁰.

Let us now turn to the commons. Hardin (1968) prominently used the example of commonly owned and used grazing lands for sheep to illustrate the issue of the commons, leading to a

¹⁹ Musgrave (1959) already makes this limitation in his original account in which non-rivalry and non-excludability apply. In his words: "The benefits resulting from such services will accrue to all who live in a particular place or society where the services are rendered" (Musgrave 1959, 10). The key difference to Buchanan's (1965) account is that in Musgrave's account, "consumption must apply to all, whether they pay or not" (Musgrave 1959, 10). For Buchanan free riding is assumed to be prevented in a club at no cost (Buchanan 1965, 13). The question then is where the factual difference is between a coercive tax scheme funding a shared good, as suggested in Musgrave's account and a Buchanan club institution which ensures contribution of each member to the 'all-inclusive group'-club good at all times? For a review of literature and discussion along those lines see Sandler (2013).

²⁰ See for example Cullis and Jones (2009); Hindriks and Myles (2013); Nicholson und Synder (2017).

tragedy. The story goes as follows: each herder tries to maximise their own advantage; each herder considers how many sheep to put on the commonly owned grazing lands. Since their personal advantage (of having another sheep) outweighs the cost, this action has on the quality/usability of the grazing lands, the result is his result that

"the rational herdsman concludes that the only sensible course for him to pursue is to add another animal to his herd. And another; and another. . . . But this is the conclusion reached by each and every rational herdsman sharing a commons. Therein is the tragedy. Each man is locked into a system that compels him to increase his herd without limit—in a world that is limited" (Hardin 1968, 1244).

Which features of the commonly owned and used grazing land account for the tragedy? First, "pasture [is] open to all" (Hardin 1968, 1244). This corresponds to which has been so far discussed as non-excludability. In this case, property rights are either not defined or defined as being common property, which both lead to the feature of non-excludability. The second feature which is to be identified in Hardin's (1968, 1245) account is that the goods at stake are exhaustible (even though they are often wrongly believed to be inexhaustible, e.g., resources of the sea). This corresponds to the feature of rivalry, as the consumption or appropriation of one individual means less for other individuals less to consume or appropriate²¹. Moreover, Hardin (1968, 1245) notes that, in "a reverse way, the tragedy of the commons reappears in problems of pollution". Here an undesirable unit is added to the common which will eventually affect the character of the common and its long-term

²¹ When talking about instances of commons, which are natural resources with undefined or common property rights, they often inhibit a certain reproductive capacity (resources of the sea, grazing lands, etc.). Yet this reproductive capacity will only be given to a certain degree of consumption/appropriation intensity (Hardin 1968). Thus, even under the premise of reproductive capacity, the rivalry condition holds for most natural resources.

usability. The incentive structure for an individual stays the same as discussed above, which accounts for the same process leading to the tragedy in this case too.

In response to the Tragedy of the commons, Hardin list the following possibilities:

"We might sell them off as private property. We might keep them as public property, but allocate the right to enter them. The allocation might be on the basis of wealth, by the use of an auction system. It might be on the basis of merit, as defined by some agreed-upon standards. It might be by lottery. Or it might be on a first-come, first-served basis, administered to long queues. These, I think, are all the reasonable possibilities. They are all objectionable. But we must choose" (Hardin 1968, 1245).

Hardin favours clarification of private property rights, in cases in which it is possible²².

Infeasible cases, such as "the air and waters surrounding us cannot readily be fenced, and so the tragedy of the commons as a cesspool must be prevented by different means, by coercive laws or taxing devices" (Hardin 1968, 1245). It is to note though that in Hardin's account (1968, 1246) coercion would be mutually agreed upon as it is in the common interest to preserve commons (Hardin 1968, 1246). In other words, if exclusion is indeed infeasible the state must intervene by centralising control over the commons. This would be then a situation which the users of a commons would agree to, as it is in their own interest.

In response to Hardin's account of commons, Ostrom (1990) famously showed how an alternative approach, other than state intervention or privatisation (clarification of property rights), can solve the issue of the commons: cooperative institutions set up and managed by

²² Hardin's perspective is similar to Ostrom's in this regard. She claims that commons are in general more efficiently managed and organised via privatisation rather than governmental organisation. However, if it is indeed not feasible to exclude beneficiaries the question of efficiency remains ambiguous (Ostrom 1990, 22).

the users/consumers of the common²³. This goes beyond Olson's (1971) collective action approach in so far as Olson has argued that collective action in the interest of a common good/goal will only take place in small groups in which individual efforts are detectable/distinguishable, while Ostrom (1990) examines collective coordination efforts in groups of size between 50-15,00 individuals (Ostrom 1990, 26). Both accounts share that they examine ways to circumvent free riding of individuals on collective efforts and the incentive structures which account for that. Ostrom has a more optimistic perspective on how joint activities can overcome the free rider problem -- even in larger groups (Ostrom 1990, 6-7).

Let us now turn to Ostrom's account for circumventing the tragedy of the commons without either a pure state intervention or privatisation approach. In this approach the users/appropriators of the common "make a binding contract to commit themselves to a cooperative strategy that they themselves will work out" (Ostrom 1990, 15). Binding contract means here that an external actor enforces the contract without exception, which includes sanctions in cases of deviation from unanimously agreed rules of conduct. In this sense the enforcer simply solves disputes but does not influence the rules per se. This external mediator/enforcer comes at a cost. Yet the enforcer will still be a rational choice as the gains from cooperative action outweigh those cost (Ostrom 1990, 15-18). In some cases, Ostrom also observes that the users/appropriators monitor and enforce the rules among each other without an external actor. Yet only specific cases with a specific favourable incentive structure allow for this scenario (Ostrom 1990, 18-19). The empirical cases which Ostrom

²³ Please note that Ostrom (1990, 26) explicitly excludes examples of pollution which Hardin has included in his account of the tragedy of the commons.

uses to substantiate her claim, are limited to the following conditions: the resources are renewable, they are scarce, and only those individuals internal to the sharing arrangement are affected by the use and organisation of the common (Ostrom 1990, 26). In sum, the main implication of Ostrom's (1990) account is that the capacity of communities (joint users of a common) to self-organise in some cases, is often underestimated in the literature which propagates -- in the form of policy prescriptions -- either forms of privatisation or government intervention to circumvent the tragedy of the commons. In this sense, the cooperative institutions laid out by Ostrom are not a formula of success for any case. Their success varies from situation to situation but their success exists (Ostrom 1990, 14).

iv. Typology of goods: Explanatory value of the public household and practical applicability

Having discussed public goods as distinct from private goods, as well as club goods (in the graph below termed as toll good) and commons, the typology of goods which is widely used in economics²⁴ is complete.

	JOINTNESS OF USE OR CONSUMPTION	
	ALTERNATIVE USE	JOINT USE
FEASIBLE EXCLUSION	Private good: bread, shoes, automobiles, haircuts, books, etc.	Toll good: Theatre, night club, telephone service, toll road, cable TV, electric power

²⁴ See for example Cullis and Jones (2009); Hindriks and Myles (2013); Nicholson und Synder (2017).

INFEASIBLE	Common pool resource: water	Public good: peace and security,
EXCLUSION	pumped from a ground water basin, fish taken from an ocean, crude oil extracted from an oil field	national defense, mosquito abatement, fire protection, weather forecasts, “public” TV

Table 1. Typology of Goods (Ostrom und Ostrom 1977, 12); for an discussion on why toll goods are cases of Buchanan (1965) club goods see Sandler (2013, 278-281).

After having laid out the theoretical foundation of each of the typology's category, the following questions arise: How applicable are the prescriptive implications the categorisations convey in practice? How insightful are those categories' implications for making sense of arguments to fund/provide some goods and services publicly and others not²⁵?

Even all four categories taken together cannot by their very nature explain the wide range of goods and services which are funded/provided publicly (Kallhoff 2014, 637-638). It is to say though that some activities of the state as a good and service provider are well captured by the economics concepts included in the goods typology. Topics on the contemporary agenda can be informed by the explanatory value of, say, the commons which capture current issues of environmental pollution and sustainable resource management well. The observations one can make correspond strongly to the theoretical messages in those cases. One illustrative example is the tragedy of the commons to be observed with the resources of international seas, and the collective action attempt to solve overconsumption by a transnational legal

²⁵ Again, here I am not referring to the political legitimisation of states' provision of goods and services (for such a discussion see Claassen (2013)). Rather, I am referring to normative justifications which serve as political motivations to fund/provide such goods and services publicly.

framework to ensure a sustainable use of those resources²⁶. However, one also observes in this and other cases that although the prescriptive implications of economics theory quite clearly suggest state intervention, the prescriptive implication has not been translated into action yet given a lack of political will power.

This chapter intended to show that the economic theory has explanatory value, yet with a limited scope of empirical applicability: may it be that goods and services are funded/provided publicly even if economists would struggle to find a technical basis for doing so (e.g., a public park) or may it be that the economists' prescriptive implications are rather clear (e.g., in the cases of environmental pollution and sustainable resource management) but in reality there is only slow progress in 'fixing these market failures'. Therefore, this thesis wants to suggest a boarder perspective on public goods, which will be laid out in the following chapter.

II. A broad understanding of public goods with primary attention to degrees of access

As this thesis traces the question, how analytical attention on different degrees of access to public goods can help understand the public household by shedding light on the reasons why to fund/provide goods publicly, it is up to this chapter to justify why this thesis makes use of a public goods approach. It will be argued that (i) the public goods conception is a superior starting point when trying to analytically decompose a large share of the empirical public household. Yet, as it has been argued at the end chapter I, the traditional

²⁶ For elaboration on the UN Negotiations for the First Conservation Treaty for the High Seas and background on the topic, see <https://www.iass-potsdam.de/en/output/dossiers/ocean-treaty>.

economics conception of public goods needs some refinement to reflect the empirical public household to a satisfactory degree.

Therefore, this chapter will argue that (ii) it is appropriate to understand publicly funded/provided goods and services as matter of political choice and not as the result of a technical evaluation. This will be followed by (iii) my suggestion to view the non-rivalry condition as being -- at least attempted to be -- imitated by the state when funding/providing goods and services publicly. The argument in short; once the choice is made to fund/provide a good or service publicly -- for the sake of some purpose -- the state cannot actively accept that budget or other limitations create rivalry among citizen/users for the referring good or service persistently on the long term. An overburdened public hospital which cannot offer the health care at those standards, it was initially intended to, is one example which will be discussed later²⁷.

This perspective, in combination with the perception that public goods are the result of political choice (not a purely technical evaluation) paves the path for (iv) the argument why different degrees of accessibility deserve primary attention from a conceptual point of view. Degrees of access are then to be understood as one way to manage funds effectively and in a targeted manner so that more purposes can be pursued, without intentionally violating the non-rivalry condition in the eyes of citizen/users. The purpose of this conceptual shift of

²⁷ Think of a public hospital that was funded/provided publicly with the purpose in mind, say, to offer health care of high standards (ensured by the state) and do so such way that the citizens of the referring community have access to it independent of their abilities-to-pay. However, if the capacity of the public household does not correspond to the demand for health care in the community, congestion occurs. If congestion occurs, the high standards intended, cannot be met anymore due to the overburdened system and personnel. Furthermore, it is likely that now those with higher abilities-to-pay will have better access to health care (either by using private providers or by traveling to less congested public hospitals). The rivalry created then among citizens sabotages the purposes, the state intended, when providing/funding such a hospital. It is the intention to prevent this.

attention is owed to the idea that paying attention to the political choice of granting different degrees of access, may give room to reflect the diverse reasons there are to provide goods and services publicly. Such an approach could accommodate motivations such as efficiency but also other normative justifications such as pre-/re-distributive justice, solidarity, and others.

i. Superiority of the public goods approach when examining the public household

This section is concerned with justifying why despite the criticism raised towards the standard economic conception -- discussed in Chapter I -- the public goods approach is still a good starting point when one tries to understand and explain the public household. The following argument will be structured as follows; first, the arguments by Heath (2011) will be reviewed who claims that the public goods approach is superior to the redistributive and communitarian approach as a normative model for the welfare state²⁸. Secondly, I will give voice to criticism which contests the empirical applicability of economic assumptions behind the concept of efficiency in this context. After, I will review Ramazotti (2018), who lays that a framework for public goods should focus a community's ends which serve as justification to fund/provide goods and services publicly. Lastly, I argue that the analytical tools of non-excludability and non-rivalry are to be preserved, even if those two and efficiency considerations in more general terms, do not serve as satisfactory explanations and/or justification to provide a good or service publicly.

²⁸ Heath's (2011, 18) broad understanding of the welfare state gives me the reason to utilise his analysis of welfare state models for my discussion on the public household, as his understanding of the welfare state is not limited to distributive functions but covers a wide range of publicly funded goods and services.

Let us now turn first to Heath (2011). Heath starts by claiming that a normative standard for the public household needs to be more than purely prescriptive to be credible. It also needs to capture what the public household is actually doing and why (Heath 2011, 13-14). His argument why the public goods approach is the better normative model -- in his sense --, than the redistributive or communitarian model is twofold. First, "it provide[s] a superior account of the existing configuration of (...) state activities" and secondly, "it alone is able to explain why, in all Western democracies, state spending rose almost continuously over the course of the 20th century as a fraction of GDP" (Heath 2011, 13).

Thus, for Heath, the public goods framework explains existing public household configurations better, because it captures most empirical activities. It is to note that the public goods framework is not to be understood in the narrow Samuelson terms (non-rivalry and non-excludability) here, but more general in the sense that the state intervenes in market failures²⁹ to archive a pareto improvement (efficiency gain) in comparison to the market-only situation. With this model the following major aspects of the public household are covered; firstly, the social safety net (including various distributive activities) in form of a public

²⁹ More precisely in Heath's (2011, 25) words: "There are a variety of causes of market failure, but the four most important are incompleteness in the system of property rights (and hence the presence of externalities, both positive and negative), information asymmetries (and hence principal-agent, moral hazard and adverse selection problems), economies of scale (and hence varying degrees of imperfect competition), and finally difficulties in drawing up and enforcing contracts".

Although one could make another argument how the effect of welfare growth is caused: "In the 20th century, universal franchise and the golden age of Keynesianism initially led to an exceptional growth in their[/public goods]provision. With the inception of inflation and of the fiscal crisis of the state, however, voters chose governments that curbed public expenditure. Desai [2013] points out how economic and social change eventually led to a more differentiated demand for public goods: "As countries prospered and citizens became richer, their preferences became more sophisticated. They were also able to express their multiple identities in a political way. So instead of a homogeneous electorate with single peaked preferences, there are citizens groups organized. (p.72)" (Ramazzotti 2018, 13-14).

insurance schemes and secondly, it solves free-rider problems utilising the state's coercive capacity. Both are driven by gains in efficiency (Heath 2011, 33). Efficiency in Heath account is considered as a "moral principle", which according to him is often wrongly confused as being contradictive to promoting equality (Heath 2011, 23-24). Moreover, according to Heath, the public goods framework is the only among the three which can explain the public household is continuously growing with the economy: "As people become wealthier, they want to spend an increasing fraction of their income gain on public goods, and so, to the extent that the state is responsive to public preferences, growth in per capita GDP will lead to an increase in state spending as a fraction of GDP" (Heath 2011, 38)³⁰.

To sum up, a normative model of the public household which is unconcerned with efficiency but only regards either redistribution or the issue of unethical commodification of goods and services (as propagated by the communitarian model), cannot capture the wide range of publicly funded goods and services. Here it is important to note that for this conclusion, Heath extends the coverage of the public goods framework beyond the narrow Samuelson conditions, non-rivalry and non-excludability, "because there are almost no public goods in the sense in which Samuelson used the term, and providing such goods constitutes an almost imperceptibly slight component of the actual activities of the welfare state" (Heath 2011, 24). The public goods framework here is to be understood as a model in which the state, with the intention to increase efficiency, resolves collective action problems and pools risk in the form

³⁰ Increased demand of public goods can occur in the form of increased demand for leisure or in increased demand for horizontal redistribution (over an individual's lifetime, including pension but also higher education which pays of later and others) (Heath 2011, 39).

of insurance schemes -- both which the market would fail to do in this way (Heath 2011, 26-27).

Yet Heath (2011, 41) admits that there "are of course *features* of the welfare state that are best explained in terms of promoting equality, or resisting commodification". This shows that although the public goods framework -- in Heath's broad understanding -- seems to be quite a suitable tool to understand the public household to a wide extent, there are still some aspects of the welfare state which cannot be explained and justified in terms of efficiency. So, the key take-away-message is that first, the narrow public goods conception does not get far as a model for the public household and secondly, even if the framework is extended to the state's role as efficiency generator³¹ some state activities remain unexplained and unjustified with this methodological tool. Before discussing how this framework can be further extended, I intend to reflect on the empirical applicability of the efficiency model of the public household. Let me give voice to some problems which arise with the efficiency explanation (and its inferred justification) for the public household.

Important problems with an efficiency evaluation as basis for public household decisions are raised by Anomaly (2013). First, assumptions about preferences in economics are deterred in the real world and second, the pareto principle is inapplicable to public household matters as

³¹ Here it is important again to note the normative connotation which Heath ascribes to the moral value of efficiency: "The Pareto principle states that the transition from one social state to another constitutes an improvement if it does not make anyone worse off and makes at least one person better off. There are a variety of more "moralizing" ways of redescribing this. For example, violations of the Pareto principle create outcomes in which at least one person is made worse off, without anyone else receiving any sort of benefit. We might refer to this as "gratuitous suffering." One way of formulating the Pareto principle would therefore be to say that it recommends the elimination of gratuitous suffering. From this perspective, inefficiency seems much worse than "mere inequality." With redistributive transfers, even regressive ones, the loss to one individual is at least offset by the gain to some other. It is a win-lose transformation. Inefficient outcomes, on the other hand, are lose-lose. Thus inequality has a silver lining; inefficiency has none" (Heath 2011, 24).

it is impossible to make no one worse off with almost any decision. The former challenges the economic assumptions concerning preferences which are underlying the concept of efficiency³². Without a price mechanism to translate preferences into prices, preferences are even more crucial if the market appears to function imperfectly or fails even. Here it is to evaluate whether preferences, economically understood in terms of willingness-to-pay, reflect how direly and how much of a public good people want. It cannot be simply assumed that preferences for public goods depend and should depend on willingness/ability-to-pay, which "depends precariously on budget constraints" (Anomaly 2013, 6). It is rather reasonable to think that preferences for public goods are epistemically different than preferences for private goods, as it is not the consumer of a good's unit who pays for the consumption but the collective funding scheme of taxation. Conceptualising preferences for public goods differently, deters an efficiency evaluation in an economist's style significantly.

Furthermore, there are more causes why it is problematic to rely on individual preferences for a technical efficiency evaluation. Sometimes people have welfare decreasing "first order desires" (e.g., being a drug addict) which outweigh "second order desires" (e.g., being clean). The "second order desire seems to have normative authority" and capture that "some desires are rooted in impulses we would prefer not to have. It is hard to argue that satisfying such desires makes our lives go better" (Anomaly 2013, 7). Again, this complicates a standard welfare evaluation in terms of efficiency based on personal preferences. Another cause, the more significant one, is that preferences are not always perfectly informed. An example is vaccination, which is characterised by positive spill-over effects on society once taken by an

³² This criticism is not concerned with the topic of true preference revelation, which most mainstream economist are concerned with when it comes to public goods.

individual or even more so by a collective. Yet "many people in the US and UK declined to vaccinate their children because they believed the measles, mumps and rubella (MMR) vaccine causes autism" (Anomaly 2013, 7). Although the correlation between the vaccine and autism was not epistemically sound. In turn the preferences of parents to vaccinate their children were deterred by poor information. Thus, only "reasonably well-informed preferences" can serve as tool to evaluate effectively what improves people's welfare, on a personal and on a social level (Anomaly 2013, 7). So, it must be evaluated whether this is the case before an efficiency evaluation can serve as a guidance for public household decisions.

The second line of criticism challenges the applicability of the economic principle of pareto efficiency when one considers efficiency gains through public goods. One side of this coin is that state activity to improve efficiency can lead to new externalities and new public goods problems, which are hard to contrast in terms of efficiency with the initial situation (Anomaly 2013, 12-13). The other side of the coin is that barley any publicly funded goods or service generates an improvement without making someone worse off, which would be required by standard of pareto improvement. One example are taxpayers who do not value certain public goods, such as a public park or a national memorial; those are made worse off (paying for it) without gaining any benefit from it (Anomaly 2013, 9-10). Compensations for such welfare losses in the sense of Hicks-Kaldor efficiency³³ as a means to increase overall net welfare are

³³ For clarification, an "alteration in the allocation of resources is said to be Kaldor-Hicks efficient when it produces more benefits than costs. A Pareto efficiency arises when at least one person is made better off and no one is made worse off. In practice, however, it is extremely difficult to make any change without making at least one person worse off. Under the Kaldor-Hicks efficiency test, an outcome is efficient if those who are made better off could *in theory* compensate those who are made worse off and so produce a Pareto efficient outcome. Although all Kaldor-Hicks efficient situations are Pareto optimal, in that no further Pareto improvements can be made, the reverse is not true. Conversely, although every Pareto improvement is a Kaldor-Hicks improvement, most Kaldor-Hicks improvements are not Pareto improvements" (Law und Smullen 2008).

theocratically possible, but realistically unfeasible. However, one can suggest a more realistic alternative:

"carefully crafted constitutional rules for policy making could lead to Pareto improvements in the ex ante sense. Not everybody will be happy with any particular policy, but everyone can expect to be better off with whatever set of policies emerges from the decision procedure specified by the constitution" (Anomaly 2013, 9).

As such constitutional rules would need to be "general, impartial, and universally applicable" (Anomaly 2013, 9), it is hard to explain the scope of welfare activities, which for example Heath (2011) had in mind with his efficiency model for the welfare state.

Let me now turn to which aspects of the public household remain uncovered by the efficiency explanation (and its inferred justification) as Heath (2011) also admitted. Ramazzotti (2018) rightly points out:

"The problem is that the demand for these [public] goods is most often associated with the pursuit of ethical goals whereas the dominant economic approach—the New Welfare Economics—considers ethical and technical issues as conceptually independent of one another. This is precisely where the problem lies" (Ramazzotti 2018, 1-2).

This problem arises because "what public goods are does not depend on their technical characteristics alone but on the ends that a society pursues" (Ramazzotti 2018, 2)³⁴.

³⁴ For support of this perspective and the argument that public goods cannot be the result of a purely technical economics evaluation but must be the result of society's choice to provide certain good publicly, see Malkin and Wildavsky (1991).

Efficiency as a normative value, as laid out by Heath (2011), could then potentially be one among 'the ends that a society pursues', however, efficiency cannot be a purely technical basis for decisions (due to its epistemological and methodological issues regarding preferences) (Anomaly 2013). To the problems Anomaly (2013) has raised, Ramazzotti (2018) adds further issues: one, preferences can be intertemporal and thus can deter a technical efficiency evaluation and second, two choice criteria interfere with each other; one, individual preferences and two, community values which are more than the sum of individual preferences (Ramazzotti 2018, 8-10, Anomaly 2013). Therefore, there is no "a priori technical criterion, choosing a course of action and deciding what goods to provide" (Ramazzotti 2018, 19). Therefore,

"what goods to provide depends on a community's ultimate ends [which might include efficiency in a normative, non-technical sense]. This, in turn, begs the question of how to assess these ends. In so far as democratic— and possibly participatory—decision-making is important (...) politicians can identify a public interest that takes account of the ultimate ends. (...) Whether they care to do so or not is a matter of political choice, not the implication of economic premises. Whether they succeed in doing so is a matter of political sensitivity " (Ramazzotti 2018, 19-20).

To sum up, this section has shown the following: (a) the public goods framework in its narrow sense does not suffice as a model for the public household (Heath 2011), (b) even if the public goods model is extended to the role of the state as an efficiency generator (via solving free-rider problems and coercive risk pooling activity) some aspects of the public household remain uncovered (Heath 2011), (c) efficiency based on peoples' preferences has its epistemic and methodological issues which problematise to use efficiency as single compass for explaining and justifying the public household (Anomaly 2013), (d) pareto efficiency is an unsatisfactory tool to judge empirical public household decisions (which also

sometimes come along with own externalities) (Anomaly 2013), (e) efficiency considerations need to be complemented with other value considerations, captured by the ends a community pursues, (d) finding out about those other values, which are should guide whether goods are to be provided publicly, ought to be a democratic process -- less so a technical evaluation (Ramazzotti 2018, Malkin and Wildavsky 1991).

In the end this thesis will stick to the concept of public goods primarily because the connotated conditions of non-rivalry and non-excludability are useful analytical tools, when thinking about activities of the public household. It is not meant that those conditions need to be satisfied by the good per se but that those conditions can come about or can be imitated by providing goods publicly. With these tools at hand considerations of publicly funded goods and services can be scrutinized even beyond efficiency considerations. How this understanding plays out and what advantages it promises, will be laid out in the next section.

ii. Publicly funded/provided goods and services as matter of political choice

Chapter I of this thesis discussed the standard public goods conception prevalent in economic theory. Yet, this thesis intends to put forward a broader understanding of public goods which can be beneficial for an alternative understanding of the public household, which is characterised -- so argues this thesis -- by publicly funded goods and services with different degrees of access.

Bieber (2021) captures well how both the standard economic conception as well as a broader conception is present in recent political philosophy literature. The former he terms "*inherently public goods*", which refers to the understanding of goods as non-excludable and non-rival in principle and thus being goods which "cohere to the economist's definition"

(Bieber 2021, 2). The latter he terms "*contingently public goods*", which are non-rivalrous and, though in principle excludable, provided in a non-exclusionary form" (Bieber 2021, 2). Bieber argues that this distinction is important as it separates a "deliberate choice about the *mode of provision* of goods and a market failure resulting from the inability to exclude others" (Bieber 2021, 5).

However, I disagree with Bieber when he suggests that both conceptions of public goods highlight essential elements and that it is thus valuable to keep both (Bieber 2021, 5). I think, there are no goods that in principle satisfy the conditions of the economic definition of public goods -- as I have argued in Chapter I³⁵. Bieber (2021, 1) mentions the example of national defence as an inherently public good which is in principle non-rival and non-excludable. Even this standard example -- which is strong compared to most others -- does not satisfy the condition of non-excludability *in principle*. As a matter of the fact only those within the referring national territory (and those citizens protected abroad by the referring national security) benefit from this good, while all others can be and are effectively excluded from it. Thus, it does not come as a surprise that "security that is the result of deterrence" can be well considered as "a club good" (Krahmann 2008, 386). Its provision can be limited to a specific group of people, e.g., a nation, even though additional beneficiaries would not affect the benefit to be derived from the good -- until congestion effects appear which, however, might not be the reason to exclude others (Krahmann 2008, 386-387).

Even within one nation, the non-excludability condition of national defence is not given in principle. It "may not be possible to exclude every non-payer [within a state's territory] from

³⁵ For support of this claim see also Malkin and Wildavsky (1991).

every form of attack (i.e. a massive nuclear strike), but some exclusion, at least at a regional level, is possible for all defense services" (Malkin and Wildavsky 1991, 364)³⁶. An example of this, is the varying protection among US cities being protected by the national missile defence system (Goldin 1977, 60). Here it becomes evident that national defence is not inherently non-excludable.

Another argument -- also admitted by Bieber (2021, 5)³⁷ -- which applies more generally to the critique that there are no *inherently public goods* is that a good does not inhibit the feature of non-excludability in a static, unchangeable manner. The technological development of exclusion devices is a factor which can make exclusion feasible (to begin with) and then at a certain point also worthwhile from a supplier's efficiency point of view³⁸. A prominent example of this process is how the character of television changed: earlier transmitted via radio waves and received via antenna (difficult to exclude beneficiaries), later an excludable good brought to consumers via cable TV. Given this fact, one can hardly speak of an *inherent feature* of a good, nor of *inherently public goods*. Taking the changeable character of a good's characteristics into account, it remains unclear why the state should fund/provide the good directly on basis of a changeable non-excludability condition, while it, let say, could also fund R&D of exclusion devices for the applicable goods. This would then make them

³⁶ See also Goldin (1977, 60-61) for a similar argument regarding the regional variation on defence and the implications this has on the non-excludability of national defence.

³⁷ In his words: "Most goods do not fit neatly with one of its four categories and in particular few are inherently non-excludable; instead, exclusion may be more or less costly and thus feasible. It may even be possible to exclude some people from access to clean air, namely if smog is concentrated in specific areas and people can be geographically restricted to them. Second, whether some good is inherently public depends on the state of technology and may change. If, in a dystopian future, people need to pay for access to biodomes, then clean air will have turned into a contingently public good" (Bieber 2021, 5).

³⁸ For the perspective that the non-excludability condition of a good depends on the development stage of technological exclusion mechanisms, see also Anomaly (2013, 15), Goldin (1977, 58), Malkin and Wildavsky (1991, 362) and Navabi (2017, 2).

excludable and in turn make a market allocation more feasible. Here the justification for public provision entailed in the category of *inherently public goods* emerges to be inconsistent.

In this sense, I struggle to see an empirical example of an *inherently public good*, which is non-excludable and non-rival in principle. The argument to preserve this category, which Bieber (2021, 3) gives, is that the economic conception reflected in the category of *inherently public goods* captures empirical processes and a reasonable explanation for a market failure concerning certain goods. Firstly, I agree with Malkin and Wildavsky (1991, 365) that the current characteristics of a good influence the efficiency of a market allocation, as costs of exclusion vary, however, this fact is neither a sufficient (could still be provided privately -- perhaps at non-optimal levels but still) nor a necessary reason for state intervention (could still be not provided publicly if efficiency argument is perceived as too weak or no other motivations apply). Secondly, is the market failure argument not part of the story of *contingently public goods*? Where arguments, such as the market failure argument, lead the state to provide goods "as a matter of choice (...) in a non-exclusionary form" (Bieber 2021, 5).

In this sense I agree with Ramazotti (2018), who argues that the provision of public goods is purely a matter of collective/political choice³⁹, in which efficiency (with its own issues of determination) may play a role but does not exclusively so, since other normative motivations play a role too. In this sense, non-rivalry and non-excludability -- in the limited degrees, they

³⁹ For support of this perspective and the argument that public goods cannot be the result of a purely technical economics evaluation but must be the result of society's choice to provide certain good publicly, see Malkin and Wildavsky (1991).

are to be fund in the empirical world -- are neither necessary nor sufficient condition for a good to be public; it is just one reasons which feeds into the efficiency argument which a society may have to decide to fund/provide a good publicly. This is one among other reasons (e.g., justice, solidarity, etc.), which a society or community can have, to make this choice.

Therefore, I agree that the definition of contingently public goods seem to "better capture the ordinary use of the term 'public good'" and that only the conception of contingently public goods "can sensibly ask whether it [the state] should provide *certain goods as public goods*" (Bieber 2021, 4). Here it is important to note that "'non-exclusionary' form" is to be understood more encompassing as both providing a good "to everyone free of charge" and a toll/"token charge (...) that every person can easily afford", as the latter does not "effectively excludes some people" (Bieber 2021, 5).

To sum up, I would like to use Bieber's (2021) conception of *contingently public goods* as a starting point for the development of this thesis' conception of public goods. The following elements of Bieber's (2021) conception of *contingently public goods* are in particular relevant for this thesis' conception of public goods: (a) goods are provided by the state in a non-rival and non-excludable form as a matter of choice; (b) the good is non-excludable in so far that it is either free of charge or that the charge which is asked is affordable to every person (thus it is not a mean to exclude beneficiaries from the good.) It is to note here that Bieber (2021, 6) acknowledges that non-rivalry in its pure sense is not an inherent feature of a good either as virtually every good and service will suffer from congestion at some point⁴⁰.

⁴⁰ See also Goldin (1977, 57) for the point of view that every good or service will reach a point of users/consumers at which congestion will unfold.

iii. Imitated non-rival condition of publicly funded/provided goods

Bieber's (2021) concept of *contingently public goods* already covers a large share of the public good conception which this thesis intends to suggest. However, I go further and argue that it is up to the state to make a deliberate choice and if so chosen, the state will at least try to imitate the characteristic of non-rivalry when providing a good or service publicly.

One argument which feeds into this perspective is that "[a]bility to pay is almost never a criterion for the receipt of government services" (Heath 2011, 18). To lead the discussion on the impact this empirical fact has on the rivalry of a publicly provided good or service, let us first recap how rivalry theoretically plays out: a good is rival when the consumption/approbation of the good leaves less of the good to consume for others. In other words, the good is effectively scarce and consumers compete to get a piece of it. The allocation of scarce goods and services is allocated efficiently in the market via the price mechanism. Only those with the willingness-/ability-to-pay in line or above the intersection of supply and demand will -- in theory -- get access to the good. The scarcer the good (because of lower supply or higher demand or both) the higher the price will be, as determined by the intersection of supply and demand. So if "[a]bility to pay is almost never a criterion for the receipt of government services" (Heath 2011, 18), the referring good is effectively not rival in the eyes of the user/consumer (although it the good's feature of rivalry remains from the perspective from the provider and has to be countered by the applicable supply).

Another argument which supports the claim that the state imitates non-rivalry when funding/providing a good publicly is that "social welfare programs typically cover people's costs regardless of the choices they make" (Anomaly 2013, 13). This means that the people's

choices (e.g., consumption of one good (e.g., a beer) leaves less budget to spend on another good (e.g., food)), which in turn affects the consumer's willingness-/ ability-to-pay on a usual market. However, such choices do not affect how rival a publicly provided/provided good is in the eyes of the users/consumers, as the consumer does not pay per unit consumption and if so -- e.g., in the form of a toll -- such a payment per unit consumption has not to be understood as reflecting or managing the good's consumption rivalry.

The claim of imitated non-rivalry of publicly provided goods can also be phrased in terms of preventing congestion to occur and if it does occur, the state will have the objective to fix it. To recall, congestion is the point at which added consumers cause a decrease in benefit from consumption for other consumers. In other words, it is the point in which a non-rival good starts to become rival. Think of a public hospital with a fixed size and a fixed number of public employees, including doctors, nurses, etc. The hospital runs in a non-rivalrous manner, say, up to treating and caring for five hundred patients. Yet when this number is surpassed the quality of the treatment and care decreases because there are not enough beds, the doctors and nurses are working over hours which means they are less focused and so forth. When the government decides to run this hospital (and maybe all other hospitals) publicly, the goal is to provide the goods and its services in a way, so that additional users do not decrease the benefit. This might occur occasionally, say, when there is a fire in town.

However, if the demand for this hospital is beyond on average five hundred patients, the government must extend the hospital's capacities. Whatever the reason, the government had to run the hospital publicly in the first place (may it have been efficiency or fair access or another reason), those standards cannot be met if the good turns rivalrous due to congestion. The state will have to resolve this congestion issue by extending the goods and its services.

As such measures might take time in the meantime the issue of congestion might prevail. Yet the state's intention is -- in most cases at least -- to provide a good publicly in non-rivalrous manner. In a democratic society the support for such public endeavours would become shaky if only a part of the population could derive the full benefit from a public good while another part of society must refrain from it because the benefit per user would decrease if they would use the good too. To refrain from a surgery to not overburden the local hospital -- with all the adverse effects this has on oneself and others -- is one illustrative example. The whole issue illustrated in this paragraph is captured concisely by Mazzucato (2021):

“The wrong question is: how much money is there and what can we do with it? The right question is: what needs doing and how can we structure budgets to meet those goals?” (Mazzucato 2021, Part I, I).

Here it becomes evident that the purpose the state pursues play a more significant role than it is the case in the private sector; cost reduction and budget constraints are of a different nature⁴¹. It is not the intention to imply that government funds are unlimited. Clearly choices must be made -- ideally on a (participatory) democratic foundation -- however, the point is that once choices are made, funds play and ought to play a secondary role.

This leaves the question what choices are to be made then when a government funds/provides public goods? The following section will approach this question by discussing why different degrees of access are of particular interest as consequence of what has been argued so far, since it is the criterium which the state can modify in its provision of public goods.

⁴¹ The link of monetary and fiscal policy would be one complex and contested aspect, which would feed into this perspective. Moreover, the state is in itself a non-profit organisation.

iv. *Why accessibility of public goods and services deserves primary attention*

This section will pursue two goals: (a) show that when looking at a public household from an empirical point of view, one recognises that public goods and services come with different degrees of access and (b) discuss how this empirical observation may be theoretically underpinned. Those two considerations, in combination with the argument that the state -- at least attempts -- to provide goods and services in a non-rivalrous manner, will then in turn motivate to pay particular attention to public goods with different degrees of access from a conceptual point of view.

Let us start off then by considering what kind of goods are to be found when one looks at the public household. As discussed in the previous section, non-rivalry is a condition the state cannot purposely allow to be violated persistently over time without attempting to make the public good non-rival again in the eyes of the citizens/users. When it comes to the excludability criterion one can observe that, in fact, the state provides goods and services with different degrees of access. Let me discuss three empirical cases of publicly funded/provided goods and services which illustrate this: (a) the market economy and its enforced institutions, (b) public child day care and (c) unemployment benefits.

It is to note that different degrees of access apply within one state. A transnational perspective on this would change the picture of access conditions and spill over effects. For the sake of clarity, the following discussion is concerned with the processes within one state, disregarding the existence of and interaction with other states.

The market economy is here understood as the playing field on which economic interaction and transactions take place. This is a public good as the system itself and its enforced

institutions are set up and sustained by the state. The preservation of the system and enforcement of institutions come with a monetary cost, which is covered by public funds and based on decisions in the public sphere. This is also laid out by Ostrom and Ostrom (1977):

"all market systems depend on nonmarket decision-making arrangements to establish and maintain property rights, to authorize and enforce contracts, and to provide other joint facilities including a common medium of exchange, common weights and measures, roads, etc., which are used by all market participants" (Ostrom und Ostrom 1977, 9).

As the quote above also highlight, once the system of a market economy is put in place and is sustained by the state, everyone has access to the benefits of this public good. It is reasonable to believe that everyone (at latest those who have reached adulthood) participate in the market in some way or another. Therefore, such goods which correspond to this logic of access can be called *universally accessible public goods*. Here, it is to note that the transactions taking place on that field are not universally and equally accessible (e.g., due to asymmetrical starting positions of consumers or producers), however the market economy as playing field is still to be considered universally accessible. This applies to the justice system as universally accessible public good too. Here the judicial playing field is the public good, which is universally accessible, but clearly there are some who have better access to means which allow them to gain more favourable positions and outcomes (e.g., being able to afford a high-profile lawyer). In this sense the outcomes which can be produced within such public goods should not be considered universally accessible, but the goods per se should.

When we consider public child day care, the situation looks different. This good or service is only of benefit to those who have children which are in the applicable age to be sent to day care or those who are directly affected by this service. In this sense public child day care is

only effectively accessible to a limited part of the population, although all citizens collectively contributed to this good via taxation. Thus, goods which are not effectively accessible to all citizen and not so as a matter of preference or taste (such as the popular example of subsidized opera, see for example Kohn (2020, 2)). The good is not effectively accessible to all citizen due to some circumstance in one's life -- may it be a permanent circumstance (such as one's sex, e.g., to receive gender specific treatment, such as breast cancer checks within the public health care system) or a temporal circumstance (such as having children at applicable age to be sent to day care, or being of a certain age to receive payments from the public pension scheme). Thus, I would call goods which correspond to this logic *non-universally accessible goods*.

Looking at unemployment benefits, one observes that the benefit from this publicly funded good or service, are accessible to all adult citizen but conditioned not one's circumstances as described above but on one's means. Even if the temporal circumstance (in the manner as described in the paragraph above) of being unemployed at the referring moment applies, this does not suffice to benefit from the public good of unemployment benefits. A means test will be conducted which considers not only the absence of income (due to unemployment) but also existing wealth constellations. Therefore, such public goods are different from non-universally accessible public goods as not only a certain circumstance (such as being unemployed) need to apply, but also a proof of necessity to receive the good, needs to be provided in the form of a means test. On this basis it is meaningful to distinguish these two. Moreover, means-tested public goods are often especially contested among the population which makes it worthwhile to ascribe an own distinction to those from that point of view. Therefore, goods which correspond to this logic, I would term, *means-tested accessible goods*.

The three categories⁴² which crystallised in the previous paragraphs are not claimed to be mutually exclusive and exhaustive. These categories foremostly serve the purpose to highlight that there are different degrees of access to publicly funded goods and that thinking about those degrees of access analytically (e.g., via categories) can structure an inquiry how these different degrees of access come about and what choices they reflect. Let me in the following discuss how different degrees of access are theoretically underpinned.

To recall, so far this thesis has suggested to see publicly fund/provided goods as non-rival in the eyes of the consumer. If this would apply to those goods without limitation one would observe a situation similar to Hardin's (1968) tragedy of the commons: a good which is in effect rival (e.g. natural resource) but in the eyes of the consumer/user believed to be unlimited (e.g., clean air in the atmosphere). The result is overconsumption. As stated, the state does not have unlimited resources and has a wide range of wants to satisfy. Although efficiency may not be always the main concerns, it is surely on the list of values a state considers. Wasted state funds (inefficiencies) are to be prevented, not because efficiency is an end in itself for the public household but because those funds could be used in a more meaningful manner to pursue other end the community pursues.

Ostrom's (1990) cooperative institutions, which provide one solution to solve the issue of the commons, are concerned with coordinating access within the referring community to prevent overconsumption. A similar process can be observed with the issue in which the state runs

⁴² See for a similar categorisation, Heath (2011, 18), with a presupposed non-rivalry condition, as laid out before: "The benefits that are then provided using this tax revenue are either available to all citizens equally (roads, postal service, national broadcasting, policing and fire services, public education, national defense, etc.), available in a way that is progressive with respect to income (welfare, unemployment and workers' compensation), or else targeted at those who are subject to some disadvantage (health care, pensions, etc.). Ability to pay is almost never a criterion for the receipt of government services".

when public goods are provided in a non-rivalrous manner; it coordinates access to the goods and services which are in the eyes of the citizens/users without cost, thus non-rival.

Therefore, setting different degrees of access becomes the crucial choice for the state to prevent overconsumption. Considering the assumption that state activity is or ought to be purpose driven, as laid out by Mazzucato (2021, Part I, I):

“The wrong question is: how much money is there and what can we do with it? The right question is: what needs doing and how can we structure budgets to meet those goals?” (Mazzucato 2021, Part I, I).

Then structuring the budget with different degrees of access, to prevent public resources to go elsewhere than targeted for the referring purpose, is critical to allow other purposes to be fulfilled effectively too. In this sense, degrees of access are and must be linked to purpose to provide a good or service publicly.

This leads to the next question of how paying conceptual attention to different degrees of access and doing analytically (e.g., via categories) so, can structure an inquiry what choices different degrees of access reflect. As this is a discussion would be one which would mainly fall under the scope of political philosophy, I agree with Kallhoff's (2014) path of exploration:

"In interpreting these features [non-rivalry and non-excludability] as a specific type of access conditions, the discussion of public goods in the context of political philosophy will be prepared."
(Kallhoff 2014, 636).

In other words, acknowledging different access conditions of public goods opens the discussion of publicly funded goods to normative considerations (also others than efficiency), which may explain and justify state involvement in the provision of specific goods and

services. I thus agree with Ramazzotti (2018) that the community's ultimate ends stand in close relation to the choice to fund/provide specific goods and services publicly. I suggest that it might be a promising path to search for this relation in the manifestation of chosen degrees of access which characterise different publicly funded/provided goods and services. It is not up to this thesis to validate this suggestion, nor does the scope of this thesis allow to build a sound connection between different degrees of access and specific values which translate the community's ends.

This chapter has argued that access degrees of access to publicly funded goods deserve primary attention because they are (a) a means to manage public funds in a targeted (thus also more efficient) manner, which in turn allows more purposes to be aspired within the public budget. Moreover, I argued that (b) different degrees of access may reflect -- to a certain degree -- the end of a community which lead the state to fund and provide certain goods and series publicly.

Concluding remarks and discussion

This thesis has traced the question; *How can analytical attention on different degrees of access to public goods help understand the public household?* It has argued that economics -- its conventional public goods theory and efficiency argument -- has explanatory value in some cases of empirical activities, the public household engages in, however the coverage of this explanatory value is limited. Thus, this thesis has suggested to treat the conventional public goods conditions, non-excludability and non-rivalry, not as sufficient nor necessary conditions for a good to be considered a public goods. Instead, I proposed to consider non-rivalry as being a feature of provision the state at least intends to imitate when funding/providing a public good. The state has this intention, as allowing rivalry to arise

(e.g., as a means to solve congestion issue) would be conflicting with expected democratic conduct of treating citizen equally and not in an arbitrary manner. Having established that it is not an option for the state to intentionally accept rivalry among citizen/public-goods-users to occur persistently on the long term, the state must still find a way to manage its limited funds effectively -- so that a wide range of purposes can be pursued in an intention-effective manner. I suggested that the public household does so by setting different degrees of access for different public goods.

Paying analytical attention to degrees of access is promising for the following reasons. First, the conception of public goods with different degrees of access corresponds well with a wide range of the public household. Secondly, if the degree of access is the major choice, the state -- in representation for its citizen -- makes alongside the decision to provide a good in a public mode, the degrees of access are likely to reflect the reasons to provide the good publicly in the first place, since those two choices are inseparable given limited public funds for a wide range of publicly demanded purposes.

Whether the good is universally, non-universally, or means-tested accessible, can inform the analysis why a specific good was (collectively via voting) decided to be provided publicly and if so under which limitations of access. Redistributive activities of the household, for example, have a purpose to redistribute fund from those who are not in dire need of them to people who are in dire need of them. Means-tested accessibility appears to be a suitable way to ensure only those within the scope of purpose receive the public good, so that intention and outcome align.

Universally accessible public goods, on the other hand, seem to serve -- in the most cases -- the function to establish the foundation on which citizen can then engage with each other

(usually in line with a set of principles, which often correspond to fundamental/constitutional rights in the referring society). In this sense the state sets and enforces the boundaries of a 'playing field' -- may it be the market economy and its institutions, may it be the justice system, may it be protection from outside threats via national defense. What could be a compelling argument for granting universal access to such public goods which constitute societal 'playing fields'? The lively debates concerning a universal basic income⁴³ suggest a strong link between the universality of public provision and the normative value of pre-distributive justice.

Non-universally accessible public goods, the category of degree of access encompassing the largest share of public household, seems to have no direct reason for non-profiters to support such non-universally accessible public good. However, as non-profiters may be profiteers in the case of another non-universally accessible public good and vice versa, it seems that solidarity could be an effective way to explain the support which exists for such public goods⁴⁴. Without this support non-universally accessible public good would not be collectively chosen to be provided publicly.

The connection between the three categories of access levels and concrete normative values does not intend to confer such a connection to be exclusive and rigid, quite the opposite. The intention is just to highlight that each of the categories seems to be particularly compatible with a particular justification for public provision. Fluid transitions between the categories,

⁴³ See for a discussion of the universal basic income Van Parijs (2013) and O'Neil (2020) for a discussion on how pre-distribution is different from re-distribution.

⁴⁴ For a discussion how solidarity can serve as a justification for public goods, see Kallhoff (2014), and as justification for non-universal public goods, see Ferdman (2017).

exceptions of cases within the categories and other relevant justifications for public provision are very well acknowledged and should have room to unfold in the suggested loose framework. Whether paying particular attention to degrees of access to public goods and building connections to concrete normative justifications proves itself to be valid and useful has to be examined in further research.

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