

Arguments for Well-Regulated Capitalism, and Implications for Global Ethics, Food, Environment, Climate Change, and Beyond

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Discourse on food ethics often advocates the anti-capitalist idea that we need less capitalism, less growth, and less globalization if we want to make the world a better and more equitable place, with arguments focused on applications to food, globalization, and a just society. For example, arguments for this anti-capitalist view are at the core of some chapters in nearly every handbook and edited volume in the rapidly expanding subdiscipline of food ethics. None of these volumes (or any article published in this subdiscipline broadly construed) focuses on a defense of globalized capitalism.¹

More generally, discourse on global ethics, environment, and political theory in much of academia—and in society—increasingly features this anti-capitalist idea as well.² The idea is especially prominent in discourse surrounding the environment, climate, and global poverty, where we face a nexus of problems of which capitalism is a key driver, including climate change, air and water pollution, the challenge of feeding the world, ensuring sustainable development for the world's poorest, and other interrelated challenges.

It is therefore important to ask whether this anti-capitalist idea is justified by reason and evidence that is as strong as the degree of confidence placed in it by activists and many commentators on food ethics, global ethics, and political theory, more generally.

In fact, many experts argue that this anti-capitalist idea is not supported by reason and argument and is actually wrong. The main contribution of this essay is to

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explain the structure of the leading arguments against the anti-capitalist idea, and in favor of the opposite conclusion. I begin by focusing on the general argument in favor of well-regulated globalized capitalism as the key to a just, flourishing, and environmentally healthy world. This is the most important of all of the arguments in terms of its consequences for health, wellbeing, and justice, and it is endorsed by experts in the empirically minded disciplines best placed to analyze the issue, including experts in long-run global development, human health, wellbeing, economics, law, public policy, and other related disciplines. On the basis of the arguments outlined below, well-regulated capitalism has been endorsed by recent Democratic presidents of the United States such as Barack Obama, and by progressive Nobel laureates who have devoted their lives to human development and more equitable societies, as well as by a wide range of experts in government and leading nongovernmental organizations.

The goal of this essay is to make the structure and importance of these arguments clear, and thereby highlight that discourse on global ethics and political theory should engage carefully with them. The goal is not to endorse them as necessarily sound and correct. The essay will begin by examining general arguments for and against capitalism, and then turn to implications for food, the environment, climate change, and beyond.

ARGUMENTS FOR AND AGAINST FORMS OF CAPITALISM

The Argument against Capitalism

Capitalism is often argued to be a key driver of many of society's ills: inequalities, pollution, land use changes, and incentives that cause people to live differently than in their ideal dreams. Capitalism can sometimes deepen injustices. These negative consequences are easy to see—resting, as they do, at the center of many of society's greatest challenges.³

And at the same time, it is often difficult to see the positive consequences of capitalism.⁴ What are the positive consequences of allowing private interests to clear-cut forests and plant crops, especially if those private interests are rich multinational corporations and the forests are in poor, developing countries whose citizens do not receive the profits from deforestation? Why give private companies the right to exploit resources at all, since exploitation almost always has some negative consequences such as those listed above? These are the right questions to ask, and they highlight genuine challenges to capitalism. And in light of these

challenges, it is reasonable to consider the possibility that perhaps a different economic system altogether would be more equitable and beneficial to the global population.

The Argument for Well-Regulated Capitalism

However, things are more complicated than the arguments above would suggest, and the benefits of capitalism, especially for the world's poorest and most vulnerable people, are in fact myriad and significant. In addition, as we will see in this section, many experts argue that capitalism is not the fundamental cause of the previously described problems but rather an essential component of the best solutions to them and of the best methods for promoting our goals of health, well-being, and justice.

To see where the defenders of capitalism are coming from, consider an analogy involving a response to a pandemic: if a country administered a rushed and untested vaccine to its population that ended up killing people, we would not say that vaccines were the problem. Instead, the problem would be the flawed and sloppy policies of vaccine implementation. Vaccines might easily remain absolutely essential to the correct response to such a pandemic and could also be essential to promoting health and flourishing, more generally.

The argument is similar with capitalism according to the leading mainstream arguments in favor of it: Capitalism is an essential part of the best society we could have, just like vaccines are an essential part of the best response to a pandemic such as COVID-19. But of course both capitalism and vaccines can be implemented poorly, and can even do harm, especially when combined with other incorrect policy decisions. But that does not mean that we should turn against them—quite the opposite. Instead, we should embrace them as essential to the best and most just outcomes for society, and educate ourselves and others on their importance and on how they must be properly designed and implemented with other policies in order to best help us all. In fact, the argument in favor of capitalism is even more dramatic because it claims that much more is at stake than even what is at stake in response to a global pandemic—what is at stake with capitalism is nothing less than whether the world's poorest and most vulnerable billion people will remain in conditions of poverty and oppression, or if they will instead finally gain access to what is minimally necessary for basic health and wellbeing and become increasingly affluent and empowered. The argument in favor of capitalism proceeds as follows:

Premise 1. Development and the past. Over the course of recorded human history, the majority of historical increases in health, wellbeing, and justice have occurred in the last two centuries, largely as a result of societies adopting or moving toward capitalism. Capitalism is a relevant cause of these improvements, in the sense that they could not have happened to such a degree if it were not for capitalism and would not have happened to the same degree under any alternative noncapitalist approach to structuring society. The argument in support of this premise relies on observed relationships across societies and centuries between indicators of degree of capitalism, wealth, investments in public goods, and outcomes for health, wellbeing, and justice, together with econometric analysis in support of the conclusion that the best explanation of these correlations and the underlying mechanism is that large increases in health, wellbeing, and justice are largely driven by increasing investments in public goods. The scale of increased wealth necessary to maximize these investments requires capitalism. Thus, as capitalist societies have become dramatically wealthier over the past hundred years (and wealthier than societies with alternative systems), this has allowed larger investments in public goods, which simply has not been possible in a sustained way in societies without the greater wealth that capitalism makes possible. Important investments in public goods include investments in basic medical knowledge, in health and nutrition programs, and in the institutional capacity and know-how to regulate society and capitalism itself. As a result, capitalism is a primary driver of positive outcomes in health and wellbeing (such as increased life expectancy, lowered child and maternal mortality, adequate calories per day, minimized infectious disease rates, a lower percentage and number of people in poverty, and more reported happiness);⁵ and in justice (such as reduced deaths from war and homicide; higher rankings in human rights indices; the reduced prevalence of racist, sexist, homophobic opinions in surveys; and higher literacy rates).⁶ These quantifiable positive consequences of global capitalism dramatically outweigh the negative consequences (such as deaths from pollution in the course of development), with the result that the net benefits from capitalism in terms of health, wellbeing, and justice have been greater than they would have been under any known noncapitalist approach to structuring society.⁷

Premise 2. Economics, ethics, and policy. Although capitalism has often been ill-regulated and therefore failed to maximize net benefits for health, wellbeing, and justice, it *can* become well-regulated so that it maximizes these societal

goals, by including mechanisms identified by economists and other policy experts that do the following:

- optimally⁸ regulate negative effects such as pollution and monopoly power, and invest in public goods such as education, basic healthcare, and fundamental research including biomedical knowledge (more generally, policies that correct the failures of free markets that economists have long recognized will arise from “externalities” in the absence of regulation);⁹
- ensure equity and distributive justice (for example, via wealth redistribution);¹⁰
- ensure basic rights, justice, and the rule of law independent of the market (for example, by an independent judiciary, bill of rights, property rights, and redistribution and other legislation to correct historical injustices due to colonialism, racism, and correct current and historical distortions that have prevented markets from being fair);¹¹ and
- ensure that there is no alternative way of structuring society that is more efficient or better promotes the equity, justice, and fairness goals outlined above (by allowing free exchange given the regulations mentioned).¹²

To summarize the implication of the first two premises, well-regulated capitalism is essential to best achieving our ethical goals—which is true even though capitalism has certainly not always been well regulated historically. Society can still do much better and remove the large deficits in terms of health, wellbeing, and justice that exist under the current inferior and imperfect versions of capitalism.

Premise 3. Development and the future. If the global spread of capitalism is allowed to continue, desperate poverty can be essentially eliminated in our lifetimes. Furthermore, this can be accomplished faster and in a more just way via well-regulated global capitalism than by any alternatives. If we instead opt for less capitalism, less growth, and less globalization, then desperate poverty will continue to exist for a significant portion of the world’s population into the further future, and the world will be a worse and less equitable place than it would have been with more capitalism. For example, in a world with less capitalism, there would be more overpopulation, food insecurity, air pollution, ill health, injustice, and other problems. In part, this is because of the factors identified by premise 1, which connect a turn away from capitalism with a turn away from continuing improvements in health, wellbeing, and justice, especially for the developing world. In addition, fertility declines are also a consequence of increased wealth,

and the size of the population is a primary determinant of food demand and other environmental stressors.¹³ Finally, as discussed at length in the next section of the essay, capitalism can be naturally combined with optimal environmental regulations.¹⁴ Even bracketing anything like optimal regulation, it remains true that sufficiently wealthy nations reduce environmental degradation as they become wealthier, whereas developing nations that are nearing peak degradation will remain stuck at the worst levels of degradation if we stall growth, rather than allowing them to transition to less and less degradation in the future via capitalism and economic growth.¹⁵ In contrast, well-regulated capitalism is a key part of the best way of coping with these problems, as well as a key part of dealing with climate change, global food production, and other specific challenges, as argued at length in the next section. Here it is important to stress that we should favor well-regulated capitalism that includes correct investments in public goods over other capitalist systems such as the neoliberalism of the recent past that promoted inadequately regulated capitalism with inadequate concern for externalities, equity, and background distortions and injustices.¹⁶

Conclusion. Therefore, we should be in favor of capitalism over noncapitalism, and we should especially favor well-regulated capitalism, which is the ethically optimal economic system and is essential to any just basic structure for society.

This argument is impressive because, as stated earlier in the essay, it is based on evidence that is so striking that it leads a bipartisan range of open-minded thinkers and activists to endorse well-regulated capitalism, including many of those who were not initially attracted to the view because of a reasonable concern for the societal ills with which we began. To better understand why such a range of thinkers could agree that well-regulated capitalism is best, it may help to clarify some things that are not assumed or implied by the argument for it, which could be invoked by other bad arguments for capitalism.

One thing the argument above does not assume is that health, wellbeing, or justice are the same thing as wealth, because, in fact, they are not. Instead, the argument above relies on well-accepted, measurable indicators of health and wellbeing, such as increased lifespan; decreased early childhood mortality; adequate nutrition; and other empirically measurable leading indicators of health, wellbeing, and justice.¹⁷ Similarly, the argument that capitalism promotes justice, peace, freedom, human rights, and tolerance relies on empirical metrics for each of these.¹⁸

Furthermore, the argument does not assume that because these indicators of health, wellbeing, and justice are highly correlated with high degrees of capitalism, that therefore capitalism is the direct cause of these good outcomes. Rather, the analyses suggest instead that something other than capitalism is the direct cause of societal improvements (such as improvements in knowledge and technology, public infrastructure, and good governance), and that capitalism is simply a necessary condition for these improvements to happen.¹⁹ In other words, the richer a society is, the more it is able to invest in all of these and other things that are the direct causes of health, wellbeing, and justice. But, to *maximize* investment in these things societies need *well-regulated* capitalism.

As part of these analyses, it is often stressed that current forms of capitalism around the world are highly defective and must be reformed in the direction of well-regulated capitalism because they lack investments in public goods, such as basic knowledge, healthcare, nutrition, other safety nets, and good governance.²⁰ In this way, an argument for a particular kind of progressive reformism is an essential part of the analyses that lead many to endorse the more general argument for well-regulated capitalism.

Although these analyses are nuanced, and appropriately so, it remains the case that the things that directly lead to health, wellbeing, and justice require resources, and the best path toward generating those resources is well-regulated capitalism. And on the flip side, according to the analyses behind premise 1 described above, an anti-capitalist system would not produce the resources that are needed, and would thus be a disaster, especially for the poorest billion people who are most desperately in need of the resources that capitalism can create and direct, to escape from extreme poverty.²¹

APPLICATIONS TO FOOD, ENVIRONMENT, AND CLIMATE CHANGE

Let us turn to a concrete example. It is often claimed that we need less capitalism, less growth, and less globalization if we are to successfully address such challenges as climate change, population growth, air and water pollution, feeding the world, ensuring sustainable development for the world's poorest people, and other inter-related challenges at the environmental nexus.²²

However, if the argument for well-regulated capitalism is sound, then these claims are wrong. Just because the aforementioned challenges may require pervasive changes throughout the economy does not mean that they require large

changes to the basic structure of the economy such as a move away from capitalism.

Climate change—like many large-scale environmental harms—is the perfect example to illustrate why large environmental challenges that require pervasive changes to the economy need not require large changes to the economy’s basic structure. The key point is that in that an unregulated marketplace polluters do not pay the true cost to society of their pollution, which incentivizes too much pollution; the best solution for society in the case of climate change and many other large environmental challenges is simply to use markets to regulate the relevant pollution by putting an appropriate price on emissions (reflecting the cost to society), so that people and firms have to pay the true cost of their emissions. This could be accomplished by putting a simple tax on emissions, or by instituting a more complicated market-based system.²³

In more detail, the problem of climate change arises because humans do not have to pay the cost of the harms from greenhouse gas (GHG) emissions when they engage in emitting activities. As a result of not having to pay the true cost of these activities, we make decisions that lead to too many emissions, and a worse outcome than we could achieve if we behaved differently, which would require pervasive changes throughout the economy. But according to mainstream economics, the best solution to this problem is a textbook example of well-regulated capitalism that applies the theory of externalities to achieve pervasive changes across the economy at the least cost to society: We should tax²⁴ GHG emissions at a rate equal to the harm they inflict if emitted, because this will (to a first approximation) create the right incentives to cause all of the pervasive changes throughout every aspect of the economy in the way that best achieves the optimal level of GHG emissions for society.²⁵ And because one ton of GHG emissions does the same harm regardless of where it is emitted on the earth, there is just a single price that we should use as a tax on all emissions regardless of where they occur.

Many economists, including Nobel laureate William Nordhaus, argue that pricing the externality in this simple way is not only necessary to solving climate change but also essentially sufficient.²⁶ Other economists argue that investments in public goods like basic knowledge and infrastructure might also be necessary, as well as measures to address equity and justice (such as investing the revenues from a carbon tax in a progressive way, having different carbon prices in different regions that collectively lead to the same globally optimal reductions that could be

achieved with a single uniform global price, or even putting additional weight on co-benefits from air pollution reductions via climate policy in places where minorities have historically been unjustly saddled with disproportionately high exposure to pollutants). These additional measures would be taken on the grounds that climate policy will be enacted in a “nonideal”/“second-best” context in which background distortions, inequity, and injustice make them necessary to achieve the best outcome.²⁷ But these measures are all part and parcel to well-regulated capitalism.

Furthermore, getting rid of capitalism would involve harm to the world’s poorest and most vulnerable people that could exceed the harm that is at stake for the world in connection with climate change and other environmental harms. Evidence for this claim is provided by taking the quantitative magnitude of health, wellbeing, and justice gains due to capitalism, according to the argument for premise 1 above, projecting trends into the future, and comparing these gains to the quantitative magnitude of health, wellbeing, and justice losses at issue in connection with climate change and other environmental harms, as provided by leading estimates.²⁸ Again, according to the argument for well-regulated capitalism, the essence of our situation is that humanity is better off with our current flawed forms of capitalism than we would be without capitalism; however, we are not as well off as we could be if we properly regulated the externalities that are causing environmental harms, so there is no argument in favor of the status quo. Instead, we should properly regulate externalities, and thus move toward well-regulated capitalism, which would yield the optimal trade-off for humanity between the benefits of capitalism and the costs of pollution and other ills.

Viewed through the lens of the argument for well-regulated capitalism, other environmental challenges have a similar structure, such as food-systems challenges (including feeding the world without destroying the environment), air and water pollution, ensuring sustainable development for the world’s poorest, and other interrelated challenges at the environmental nexus. These problems are more complicated than climate change because they each involve multiple externalities and multiple background distortions, where the magnitude of those is sometimes highly location dependent, and issues of equity and justice are exceedingly complex. But the basic mechanisms for the best solutions are the same according to proponents of the argument for well-regulated capitalism, and indeed the best responses all require capitalism in order to work well and avoid a cure that is worse than the disease.

As a point of optimism in connection with these often-discouraging challenges, the relationship between the wealth of a society and environmental degradation often has an inverted *U* shape: As society initially gets wealthier, environmental degradation increases, until a point of peak degradation, after which the environment improves as society becomes rich enough to invest more and more in environmental quality rather than in basic needs. In the richest nations of the world, the peak of degradation arguably happened in the mid- to late twentieth century, and can be seen in measures of, for example, air and water pollution.²⁹ In some emerging economies like China, there is hope that the peak has been reached and environmental degradation will now decline as society becomes richer and richer. For other developing nations, the peak has not been reached yet. Moreover, different forms of degradation (such as industrial air pollution and agricultural water pollution) might peak at different points within a nation. Putting this together, there is reason to hope that environmental challenges will reach a peak in our lifetime, and if we can meet them with well-regulated capitalism, they will begin to progressively improve over time in line with the end of extreme poverty for the entire world. Capitalism has brought these problems to a head because it has caused the world to get richer so quickly. But according to the argument for well-regulated capitalism, this is a good problem to have, as it is a symptom of a global society that is on the cusp of growing its way out of poverty and out of widespread environmental degradation. According to this argument, we should want to grow our way out of both of these problems as quickly as possible, rather than keep both problems around indefinitely by moving away from capitalism.³⁰

USING THE ARGUMENT FOR WELL-REGULATED CAPITALISM TO DIAGNOSE THE PROBLEMS WITH NEOLIBERALISM

The literature on political theory, ethics, and society generally, and on food ethics specifically, often includes critiques of *neoliberalism* as the alleged root of many problems, often as a synonym for the root of problems with capitalism.³¹ However, the argument previously made for well-regulated capitalism can help focus our attention on what the important problems are with neoliberalism (as well as with crony capitalism and other suboptimal forms of capitalism), and thus on what reforms and progress are genuinely needed. Recall that premise 2 defines well-regulated capitalism in terms of the conditions that are necessary

(as well as sufficient, given assumptions like perfect information and complete markets),³² according to mainstream public and welfare economics, to generate ethically optimal outcomes; summarizing premise 2, these conditions are the following:

1. *Regulation of externalities and public goods*: optimal regulation of positive and negative externalities, including investments in public goods;
2. *Distributive justice*: redistribution to achieve equity and distributive justice;
3. *Rule of law*: rule of law, clearly defined property rights, basic rights as side constraints, and equitable redistribution for historical rights violations;
4. *Free exchange*: free exchange subject to the constraints of conditions 1, 2, and 3.

With this definition in hand, we can make a number of observations relevant to evaluating neoliberalism.

First, well-regulated capitalism need not ignore equity and justice. It is consistent with disagreement about what redistribution should happen for purposes of equity; some proponents favor large-scale redistribution, while others endorse a conception of equity that favors only minimal redistribution. What all proponents agree on is that whatever form of redistribution we need, it should happen within the structural framework of well-regulated capitalism. Similarly, proponents might disagree about the empirical reasons for how big the externality is associated with GHG emissions, but they agree on the basic framework of how they should be addressed within the theory of externalities and within this structure of well-regulated capitalism, more generally. Neither a concern for equity nor a concern for externalities such as environmental pollution provides a reason to reject capitalism per se, as we saw above.

Indeed, well-regulated capitalism is consistent with radical redistribution. If, for example, large reparations are required due to the historical injustices of colonialism, slavery, and resulting inequities, then well-regulated capitalism implies that large redistributions and corrections should happen as a matter of distributive justice (condition 2) and rule of law (condition 3). The argument for well-regulated capitalism does not itself take a stand on such specific issues, but rather argues that insofar as a correction of inequity and injustice is required, it should happen within this structural framework of well-regulated capitalism.

Second, the word “neoliberalism” is often used to refer to a particular undesirable form of capitalism that falls far short of well-regulated capitalism. Note that in ordinary language, economic systems that depart from the ideal of well-regulated capitalism are still regarded as forms of capitalism, insofar as they involve free exchange, the rule of law, and clearly defined property rights (in other words, the nonnormative parts of free exchange (condition 4) and the procedural justice components of the rule of law (condition 3)).³³ Neoliberalism is often used to refer to forms of capitalism that incorporate only these limited features and none of the others. This brings into clear focus why such a form of capitalism is undesirable—because ignoring pollution, inequity, injustice, and failing to provide public goods in such a way leads to much worse outcomes for society than are possible, and outcomes that are highly unjust. However, proponents of capitalism would insist that the best solution is to adopt a better form of capitalism closer to the ideal that includes concerns for the regulation of externalities and public goods (condition 1), distributive justice (condition 2), and all aspects of the rule of law (condition 3).

Third, economists and economic-minded advisers have historically often taken their job to involve, by definition, focusing only on promoting free exchange, the rule of law, clearly defined property rights, and the regulation of externalities and public goods. They draw this conclusion on the grounds that further questions of equity and justice involved in conditions 2 and 3 should be up to society to decide, even though they are essential to well-regulated capitalism. As this line of thought goes, it would be wrong for economists to dictate to society how equity and justice should be manifest in policy—that would be like a dictatorship by economists—so, those things must be left up to society.³⁴ The consequence of this view of professional duty is that economic-minded policy advice often intentionally brackets equity and background injustices. In addition, given that developing countries often lack various administrative capacities to implement the regulation of externalities and public goods (condition 1), in practice this often leads to a focus on promoting only free exchange, the rule of law, and clearly defined property rights. This is especially true when policies are informed by classic results about global trade or other areas of economics, because these results often involve proofs of what would be best in a “first best” context. Here it is assumed that there are not uncorrected externalities; there is rule of law and clear property rights, and equity and justice can be safely ignored because they are dealt with by some other policy that is assumed to exist in the background—which leaves a focus

only on free exchange. Thus, for a variety of reasons, policies based on the advice of economic-minded advisers, especially in the international realm, have historically tended to focus only on the neoliberal agenda of promoting only free exchange, the rule of law, and clearly defined property rights. From the previous paragraphs, we can see why neoliberalism in this sense is defective—why it is defective according to mainstream economics and also why there has been a tendency in economic-minded policy advice, especially in the international realm, to promote this suboptimal set of policies.

In defense of neoliberal policies, it could be argued that constraints of state capacity or international political feasibility have made this the best feasible set of policies up to this point. This claim goes well beyond the previous argument for well-regulated capitalism, and involves claims about feasibility that are ethically important but beyond the scope of our focus here. For our purposes, we can note that even if this were true, it would not imply that we should continue to accept neoliberalism over well-regulated global capitalism, since over time development will improve state capacity, and presumably improve the feasibility of a more equitable and just international order. Yet there is one consequence of the previous argument that may provide at least a partial defense of neoliberalism over noncapitalist alternatives: according to the argument above, the outcome for the world would have been much worse with a noncapitalist economic system.

In sum, if the argument for well-regulated capitalism is correct, then the rise of capitalism and neoliberalism can be viewed as the most successful intervention for health and wellbeing of all time—the greatest vaccine against poverty ever found, and more generally the greatest intervention in favor of health, wellbeing, and justice. Nonetheless, although the world might be a much better place because of capitalism, it is not nearly as good as it could be because of the way our actual forms of capitalism (such as neoliberalism) fall short of the ideal of well-regulated capitalism. To move in the direction of well-regulated capitalism, regulations should correctly address externalities, equity, justice, and other distortions in the background. Insofar as it is infeasible to correct all of these things immediately, policies should be designed to be optimal in the actual “nonideal”/“second-best” context in which they will be implemented. This upshot highlights what is arguably the important kernel of truth in the critique of neoliberalism familiar from food ethics, political theory, and beyond—as well as the limitations of that critique.

NOTES

- ¹ See, for example, Eric Holt-Giménez, ed., *Food Movements Unite! Strategies to Transform Our Food Systems* (New York: Food First Books, 2011); Alison Hope Alkon and Julian Agyeman, eds., *Cultivating Food Justice: Race, Class, and Sustainability* (Cambridge, Mass.: MIT Press, 2011); Marion Nestle, *Food Politics: How the Food Industry Influences Nutrition and Health* (Berkeley: University of California Press, 2013); Vandana Shiva, *Stolen Harvest: The Hijacking of the Global Food Supply* (Louisville: University of Kentucky Press, 2015); Ronald J. Herring, ed., *The Oxford Handbook of Food, Politics, and Society* (New York: Oxford University Press, 2015); Paul B. Thompson, *From Field to Fork: Food Ethics for Everyone* (New York: Oxford University Press, 2015); Anne Barnhill, Mark Budolfson, and Tyler Doggett, eds., *Food, Ethics, and Society: An Introductory Text with Readings* (New York: Oxford University Press, 2016); Anne Barnhill, Mark Budolfson, and Tyler Doggett, eds., *The Oxford Handbook of Food Ethics* (New York: Oxford University Press, 2018); Erinn Gilson and Sarah Kenahan, *Food, Environment, and Climate Change: Justice at the Intersections* (New York: Rowman & Littlefield, 2018); and many others. A separate issue that is not my focus here is whether we should be in favor of intensive agriculture. Although those in food ethics who oppose intensive agriculture often also oppose capitalism, it should be noted that these are separate issues. For example, someone could consistently argue in favor of intensive agriculture on such grounds as it being necessary to feed the world (see, for example, Ronald Sandler, *Food Ethics: The Basics* [New York: Routledge, 2014]; and Mark Budolfson, “Food, the Environment, and Global Justice,” in Barnhill et al., *Oxford Handbook of Food Ethics*, for discussion of this argument), but also argue that we should not have a capitalist economic order. Thus, arguments in favor of intensive agriculture do not translate into arguments for capitalism.
- ² See, for example, Noam Chomsky, *Profit over People: Neoliberalism and the Global Order* (New York: Seven Stories Press, 1999); G. A. Cohen, *Why Not Socialism?* (Princeton, N.J.: Princeton University Press, 2009); Bill McKibben, *Deep Economy: The Wealth of Economies and the Durable Future* (New York: St. Martin’s Griffin, 2008); and Naomi Klein, *This Changes Everything: Capitalism vs. the Climate* (New York: Simon & Schuster, 2014). Surveys from Gallup and other sources indicate declining support for capitalism in society; see, for example, Lydia Saad, “Socialism as Popular as Capitalism among Young Adults in the United States,” “News,” Gallup, November 25, 2019, news.gallup.com/poll/268766/socialism-popular-capitalism-among-young-adults.aspx.
- ³ Noam Chomsky, *Profit over People: Neoliberalism and the Global Order*; Bill McKibben, *Deep Economy: The Wealth of Economies and the Durable Future*; Naomi Klein, *This Changes Everything: Capitalism vs. the Climate*.
- ⁴ See, for example, Frédéric Bastiat, *What Is Seen and What Is Not Seen, or Political Economy in One Lesson* (July 1850), Online Library of Liberty, last updated November 17, 2015, oll.libertyfund.org/page/wsws.
- ⁵ Steven Pinker, *Enlightenment Now: The Case for Reason, Science, Humanism, and Progress* (New York: Penguin Books, 2018); Organisation for Economic Cooperation and Development, *How Was Life? Global Well-Being since 1820* (Paris: OECD Publishing, 2014); Charles Kenny, *Getting Better: Why Global Development Is Succeeding—and How We Can Improve the World Even More* (New York: Basic Books, 2011); Kenneth C. Land, Alex C. Michalos, and M. Joseph Sirgy, eds., *Handbook of Social Indicators and Quality of Life Research* (New York: Springer, 2012); Leandro Prados de la Escosura, “World Human Development: 1870–2007,” *Review of Income and Wealth* 61, no. 2 (June 2015), pp. 220–47; Angus Deaton, *The Great Escape: Health, Wealth, and the Origins of Inequality* (Princeton, N.J.: Princeton University Press, 2013); Dean T. Jamison, Lawrence H. Summers, George Alleyne, Kenneth J. Arrow, Seth Berkley, Agnes Binagwaho, Flavia Bustreo, et al., “Global Health 2035: A World Converging within a Generation,” *Lancet* 382, no. 9908 (2013), pp. 1898–955; Betsey Stevenson and Justin Wolfers, “Economic Growth and Subjective Well-Being: Reassessing the Easterlin Paradox” (working paper 14282, National Bureau of Economic Research, August 2008); Ruut Veenhoven, “Life Is Getting Better: Societal Evolution and Fit with Human Nature,” *Social Indicators Research* 97, no. 1 (May 2010), pp. 105–22; and Jakob Pietschnig and Martin Voracek, “One Century of Global IQ Gains: A Formal Meta-Analysis of the Flynn Effect (1909–2013),” *Perspectives on Psychological Science* 10, no. 3 (May 2015), pp. 282–306.
- ⁶ Pinker, *Enlightenment Now*; Christa Brunnschweiler and Paivi Lujala, “Economic Backwardness and Social Tension” (University of East Anglia Applied and Financial Economics Working Paper Series 072, School of Economics, University of East Anglia, 2015); Håvard Hegre, Joakim Karlsen, Håvard Mokleiv Nygård, Håvard Strand and Henrik Urdalk, “Predicting Armed Conflict, 2010–2050,” *International Studies Quarterly* 57, no. 2 (June 2013); Prados de la Escosura, “World Human

- Development”; OECD, *How Was Life?*; and Christian Welzel, *Freedom Rising: Human Empowerment and the Quest for Emancipation* (New York: Cambridge University Press, 2013).
- ⁷ Pinker, *Enlightenment Now*; Deaton, *Great Escape*; OECD, *How Was Life?*; Kenny, *Getting Better*; Land et al., *Handbook of Social Indicators and Quality of Life Research*; Prados de la Escosura, “World Human Development”; Jamison et al., “Global Health 2035”; Stevenson and Wolfers, “Economic Growth and Subjective Well-Being”; Veenhoven, “Life Is Getting Better”; Pietschnig and Voracek, “One Century of Global IQ Gains”; Brunnschweiler and Lujala, “Economic Backwardness and Social Tension”; Hegre et al., “Predicting Armed Conflict”; David Dollar and Aart Kraay, “Growth Is Good for the Poor,” *Journal of Economic Growth* 7, no. 3 (September 2002), pp. 195–225; David Dollar and Aart Kraay, “Trade, Growth, and Poverty,” *Economic Journal* 114, no. 493 (February 2004), pp. F22–F49; Andrei Shleifer, “The Age of Milton Friedman,” *Journal of Economic Literature* 47, no. 1 (March 2009), pp. 123–45; Andreas Bergh and Therese Nilsson, “Is Globalization Reducing Absolute Poverty?,” *World Development* 62 (October 2014), pp. 42–61; William Easterly, *The Tyranny of Experts: Economists, Dictators, and the Forgotten Rights of the Poor* (New York: Basic Books, 2014); Tyler Cowen, *Stubborn Attachments: A Vision for a Society of Free, Prosperous, and Responsible Individuals* (New York: Stripe, 2018); and Bas Van der Vossen and Jason Brennan, *In Defense of Openness: Why Global Freedom Is the Humane Solution to Global Poverty* (New York: Oxford University Press, 2018).
- ⁸ We need to keep in mind that zero is not the optimal level of pollution, as the costs of reducing pollution to zero in terms of foregone wellbeing from productive activity would outweigh the benefits—and more generally, to keep in mind that costs of policy can outweigh the benefits in other less obvious ways, such as in government failure. See Joseph E. Stiglitz and Jay K. Rosengard, *Economics of the Public Sector*, 4th ed. (New York: Norton, 2015); and Mark Budolfson, “Market Failure, the Tragedy of the Commons, and Default Libertarianism in Contemporary Economics and Policy,” in David Schmidtz and Carmen E. Pavel, eds., *The Oxford Handbook of Freedom* (New York: Oxford University Press, 2017).
- ⁹ Consider the theory of externalities, for example in Stiglitz and Rosengard, *Economics of the Public Sector*.
- ¹⁰ Consider the second welfare theorem, for example in *ibid.*
- ¹¹ Consider the second welfare theorem, for example in *ibid.*, and the literature on economics and institutions, for example Daron Acemoglu and James A. Robinson, *Why Nations Fail: The Origins of Power, Prosperity, and Poverty* (New York: Crown, 2012).
- ¹² Consider the first welfare theorem, for example in Stiglitz and Rosengard, *Economics of the Public Sector*.
- ¹³ Wolfgang Lutz, William P. Butz, and Samir K.C., *World Population and Human Capital in the Twenty-First Century: An Overview* (Oxford: Oxford University Press, 2014). A complication on the other side is that increased wealth per capita is correlated with increased meat consumption, but even here there is evidence of an inverted U relationship, with meat demand eventually peaking and declining once individuals are sufficiently wealthy, as in the current highest income deciles in developed nations.
- ¹⁴ Nathaniel O. Keohane and Sheila M. Olmstead, *Markets and the Environment* (New York: Island, 2016).
- ¹⁵ Simon Kuznets, “Economic Growth and Income Inequality,” *American Economic Review* 45, no. 1 (March 1955); Gene M. Grossman and Alan B. Krueger, “Economic Growth and the Environment,” *Quarterly Journal of Economics* 110, no. 2 (May 1995), pp. 353–77; and David Tilman, **Kenneth G. Cassman, Pamela A. Matson, Rosamond Naylor, and Stephen Polasky**, “Agricultural Sustainability and Intensive Production Practices,” *Nature* 418 (August 2002), pp. 671–77.
- ¹⁶ Jamison et al., “Global Health 2035”; Pinker, *Enlightenment Now*; and Deaton, *Great Escape*.
- ¹⁷ See references in n. 5.
- ¹⁸ See references in n. 6.
- ¹⁹ Deaton, *Great Escape*.
- ²⁰ See, for example, Joseph E. Stiglitz, *Progressive Capitalism for an Age of Discontent* (New York: Norton, 2020).
- ²¹ See, for example, Dollar and Kraay, “Growth Is Good for the Poor”; Dollar and Kraay, “Trade, Growth, and Poverty”; Shleifer, “The Age of Milton Friedman”; Bergh and Nilsson, “Is Globalization Reducing Absolute Poverty?”; Easterly, *Tyranny of Experts*; Cowen, *Stubborn Attachments*; and Van der Vossen and Brennan, *In Defense of Openness*.
- ²² See, for example, McKibben, *Deep Economy*; and Klein, *This Changes Everything*.
- ²³ Keohane and Olmstead, *Markets and the Environment*.
- ²⁴ Or create such a price via some other nontax mechanism, such as via a cap-and-trade system that would yield the same price for a unit of GHG emissions; in the main text, I use the example of a tax because it is the easiest to conceptualize.

- ²⁵ Keohane and Olmstead, *Markets and the Environment*.
- ²⁶ William D. Nordhaus, *A Question of Balance: Weighing the Options on Global Warming Policies* (New Haven, Conn.: Yale University Press, 2008).
- ²⁷ Nicholas H. Stern, *Why Are We Waiting?: The Logic, Urgency, and Promise of Tackling Climate Change* (Cambridge, Mass.: MIT Press, 2015); Stiglitz, *People, Power, and Profits*; Graciela Chichilinsky and Geoffrey Heal, eds., *Environmental Markets: Equity and Efficiency* (New York: Columbia University Press, 2000); Mark Budolfson and Francis Dennig, “Optimum Global Climate Policy and Regional Carbon Prices,” in Graciela Chichilinsky and Armon Rezai, eds., *Handbook on the Economics of Climate Change* (New York: Edward Elgar, 2020); and Nicky Sheats, “Achieving Emissions Reductions for Environmental Justice Communities through Climate Change Mitigation Policy,” *William & Mary Environmental Law & Policy Review* 41, no. 2 (2017), scholarship.law.wm.edu/wmelpr/vol41/iss2/3.
- ²⁸ See nn. 5–7 related to premise 1, together with Nordhaus, *A Question of Balance*, which provides a model that represents many of both kinds of harm, where the key trade-off is between reducing climate harm and increasing harm from foregone economic development. See, for example, Robert W Hahn and Alistair Ulph, *Climate Change and Common Sense: Essays in Honour of Tom Schelling* (New York: Oxford University Press, 2012) and the references to literature therein for more on climate and development trade-offs.
- ²⁹ Hannah Ritchie and Max Roser, “Outdoor Air Pollution,” Our World in Data, November 2019, ourworldindata.org/outdoor-air-pollution; “Air Quality—National Summary,” United States Environmental Protection Agency, n.d., www.epa.gov/air-trends/air-quality-national-summary; and Grossman and Krueger, “Economic Growth and the Environment.”
- ³⁰ Kuznets, “Economic Growth and Income Inequality”; Grossman and Krueger, “Economic Growth and the Environment”; Tilman et al., “Agricultural Sustainability and Intensive Production Practices”; and Pinker, *Enlightenment Now*. The idea behind the last point is that because the relationship between economic output and environmental degradation has a U shape, and given that developing nations are nearing peak degradation now, if we move away from capitalism we will stall growth and thus stall them at peak degradation, rather than allowing them to transition into less and less degradation in the future via capitalism and economic growth.
- ³¹ See, for example, Holt-Giménez, *Food Movements Unite!*; Alkon and Agyeman, *Cultivating Food Justice*; Nestle, *Food Politics*; Shiva, *Stolen Harvest*; Herring, *Oxford Handbook of Food, Politics, and Society*; Thompson, *From Field to Fork*; Barnhill et al., *Food, Ethics, and Society*; Barnhill et al., *Oxford Handbook of Food Ethics*; Gilson and Kenenhan, *Food, Environment, and Climate Change*; and many others.
- ³² See, for example, Stiglitz and Rosengard, *Economics of the Public Sector*.
- ³³ This definition is extensionally similar to the richer and more detailed definition provided in Daniel Halliday and John Thrasher, *The Ethics of Capitalism: An Introduction* (New York: Oxford University Press, 2020). The essential point is that capitalism refers to the familiar system of markets, money, banking, property rights, and the rule of law favored by most of the free world by the beginning of the twenty-first century.
- ³⁴ As just one example in the context of climate change, see Nordhaus, *A Question of Balance*.

Abstract: Discourse on food ethics often advocates the anti-capitalist idea that we need less capitalism, less growth, and less globalization if we want to make the world a better and more equitable place. This idea is also familiar from much discourse in global ethics, environment, and political theory, more generally. However, many experts argue that this anti-capitalist idea is not supported by reason and argument, and is actually wrong. As part of the roundtable, “Ethics and the Future of the Global Food System,” the main contribution of this essay is to explain the structure of the leading arguments against this anti-capitalist idea, and in favor of well-regulated capitalism. I initially focus on general arguments for and against globalized capitalism. I then turn to implications for the food, environment, climate change, and beyond. Finally, I clarify the important kernel of truth in the critique of neoliberalism familiar from food ethics, political theory, and beyond—as well as the limitations of that critique.

Keywords: capitalism, ethics, food ethics, neoliberalism, globalization, global justice, environment, regulation, markets, climate change