

The result is that most apartments in the Bundle Matrix have four external facades. (Manhattanites, eat your hearts out.)

Wang Shu took a different approach in his six 26-story towers, the Vertical Courtyard Apartments, that his firm, Amateur Architecture Studio, built in Hangzhou, China. These towers were designed to house two-story apartments, where every inhabitant would enjoy “the illusion of living on the second floor,” accomplished by folding concrete floor planes (like “bamboo mats,” claims the firm), so that every third story opens into a private courtyard. In the larger towers, the two-story units are stacked slightly askew, adding to the visual interest of the variegated façades. Steven Holl, in his Linked Hybrid in Beijing, takes a more urbanistic approach to the problem of the tower complex, connecting eight towers with bridges and ground-level public spaces housing retail, a swimming pool, indoor and outdoor gardens, a kindergarten, and a movie theater. Although Linked Hybrid is the least skillfully composed of these projects, its presence is impressively muscular, and Holl’s site

planning creates a sense of urbanity that is at once unified within itself and porous to the surrounding environs.

None of these buildings would be designated affordable housing, but with the exception of Holl’s, none of them serve only the upper 0.01 percent. All offer innovative, well-conceived solutions to the problems that have dogged the high-rise residential tower for years and prompted previous generations to abandon it in disgust. For the many people who live with but not in these prominent contributions to the cityscape, these buildings are handsome and elegant and fun. They escape standardization’s deficits by offering many different kinds of living possibilities and experiences. They offer on- and off-the-ground opportunities to partake in nature’s pleasure. And most impressively, they make good on the high-rise residential complex’s promise, which generations of architects have sought and largely failed to realize, of offering a variety of good public as well as a variety of good private spaces—vertical cities in the sky. Living high need no longer mean living low. ♦

By prizing only the value of liberty and hence of private property, Sandel has argued, liberalism disarmed itself in the battle against the power of money. The liberal state has allowed market principles to shape public debate and mold private consciousness, leaving a public world in which (as Oscar Wilde said) too many of us know the price of everything and the value of nothing. So Sandel is trying to force open a space for a discourse on civic virtue that he believes has been abandoned by both left and right.

In his view, American progressivism has given up arguing that money is sometimes corrupting, and contents itself with believing that a fairer redistribution of wealth is the sum and substance of political justice. And if the progressive left ignores the corruption of wealth, the conservative right moralizes riches as a validation of personal effort and a sign of personal virtue. But as Sandel wrote in 2009, “Justice is not only about the right way to distribute things. It is also about the right way to value things.” Certain things of value—love, loyalty, friendship, honor—are corrupted when we try to put a price on them. Restoring the value of what is beyond price should go hand in hand, he argues, with a politics of the public good, a good in common that is more than the maximized economic utility of solitary individuals.

This style of civic moralism certainly deserves a place between the hectoring discourses of left and right; and as the popularity of Sandel’s lectures suggests, he has attracted a large audience with it. The problem is that it is not at all obvious what kind of politics it is. Sandel is too committed to liberty to legislate virtue and too committed to the public good to let the market rip. Where this leaves him is less than clear. He believes that the civic virtues are like muscles, strengthened by exercise and atrophied with disuse, so he wants Americans to exercise their public virtues in order to weaken the influence of money on their private motives. He thinks they can do this in a public conversation about virtue, rather like his Harvard classes. These are estimable sentiments. But once the conversation is over and we have all had our say, it is unclear what public policy we should support. The question that hovers over what Sandel is trying to do is whether it is a politics at all, or just an elegiac jeremiad to lost virtues.

JEREMIADS ABOUT THE corrupting effect of money and greed on republican virtue go back a long way—all the way to the Stoic critics of the late Roman

Michael Ignatieff

THE PRICE OF EVERYTHING

WHAT MONEY CAN'T BUY: THE MORAL LIMITS OF MARKETS

By Michael J. Sandel
(Farrar, Strauss and Giroux,
256 pp., \$27)

I.
FOR OVER THIRTY years, Harvard undergraduates have packed Sanders Theater for Michael Sandel’s course on justice. PBS has broadcast the lectures and more than three and a half million people have clicked to watch them on YouTube. Thanks to all this exposure, Sandel has become the most famous teacher of philosophy in the world, and his classes—sober, good-humored, serious—have shown that it is possible to take philosophy into the public square without insulting the public’s intelligence.

The doctrine that Sandel wants to take into the square is a sustained critique—from something like the center—of liberalism as a public philosophy. Since his

first book, *Liberalism and the Limits of Justice*, which appeared thirty years ago, he has been the most prominent critic of John Rawls’s idea that the liberal state must be neutral in relation to the public good. He thinks that the liberal state cannot be neutral because it must protect the lives and the interests of individuals, and its laws, taken as a whole, enact a particular vision not merely of the right but also of the good.

The ultimate good in a liberal state is liberty. But Sandel thinks that liberty is not enough for life in a liberal order. A liberal political order should be more ambitious. It should aim at “soulcraft,” or the shaping of a citizen’s character. It should promote the virtues of honor, respect, and sacrifice, and wean people away from private selfishness, and make them more devoted to the public good. Without these civic virtues, the liberal republic will lack the community spirit to maintain a healthy democracy. As he once observed, “The public philosophy by which we live cannot secure the liberty it promises because it cannot inspire the sense of community and civic engagement that liberty requires.”

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republic. This language of virtue and corruption has shaped the Western debate about what money does to our souls and our public life. After the fall of Rome, Christianity took charge of the struggle to roll back money's empire. Christ driving the money changers from the temple inspired two thousand years of righteous anger at money's profanation of the sacred. When capitalist societies emerged in early modern Europe, Christianity focused on the private realm, the corrosive effect of money on people's souls, while the republican language of virtue and corruption focused on the public realm, capturing moral unease about what money was doing to politics. Moralists from Machiavelli to Mandeville asked how market societies, driven by greed and avarice, could generate the public virtues necessary to maintain free government.

One of the most interesting moments in the encounter between the classical language of virtue and the emerging discourse of capitalist modernity occurred in 1756, when a young law professor in Scotland wrote a review of a new discourse on the origins of inequality among mankind recently published in Geneva. The young law professor was Adam Smith and the new essay was by Jean Jacques Rousseau. Rousseau's discourse passionately denounced the avarice and greed of modern market economies and their corrupting impact on republican virtue. The young Scottish professor replied that egalitarian republics might be virtuous, but their poorest members were also miserably poor. He argued that avarice and self-interest were the engines of economic progress. The new wealth made possible by the division of labor raised up the lower orders of society and assured that modern "commercial society" would grow beyond the narrow confines of an authoritarian republic of virtue.

The classical economics that emerged after 1750 was a root and branch attack on the economic assumptions that underlay classical republicanism. Rousseau's politics, the economists pointed out, required autarchy—with taxes on luxury, limits on the size of the republic, bans on foreigners, and tariffs on foreign trade, all enforced by the majoritarian tyranny of the general will. If this was where a politics of virtue led, the classical political economists argued, who would want it? Instead of the tyranny of enforced virtue, the political economists preached the vision of a "natural system of liberty" in which the invisible hand would transmute the avarice and greed of individuals into the public good of wealth for all.

As the saga of capitalism played out in the nineteenth century, however, no one—neither the poor below nor the rich above—trusted to the invisible hand to produce public good. Intense political struggles ensued over the question of what money should and should not buy. In Adam Smith's day, human beings were bought and sold. The Atlantic slave trade was in its heyday. Police, fire and health services, and prisons were businesses run for profit. In many European states, the collection of taxes was farmed out to private hands. Public offices and seats in legislative assemblies traded for cash. The rich bought themselves out of conscription as late as the American Civil War.

Thanks to titanic social struggles waged by the emerging working classes and the campaigns of conscience by the philanthropic middle class, new limits were placed on what money could buy. By the 1860s, you could no longer buy and sell human beings: both American slavery and Russian serfdom had been abolished. Wage slavery, as it had been called, was regulated by factory acts and the emerging power of unions. Across Europe and North America, services such as police, fire, ambulance, libraries, and hospitals were taken into public ownership and delivered to citizens free at the point of service. Taxes were no longer farmed and offices were no longer put up for sale.

Sandel's *Democracy's Discontent*, which appeared in 1996, traced this history as it played out in America, from Jefferson's vision of a republic saved from mercantile and industrial corruption by virtuous agriculture, right through to the Progressive era's faith that government regulation could save the republic from the despotism of big money. He told the story of how American democracy battled to put money in its place and it's worth remembering that Andrew Jackson's campaign against the banks, Theodore Roosevelt's war on the trusts, and Franklin Roosevelt's regulation of Wall Street were all battles won.

Thanks to those victories, history did not lead where Marx, following Rousseau, thought it would lead: to the steady contamination of public virtue by private selfishness. The actual history of capitalist society turned out to be more hopeful and ambiguous—a constant struggle between market forces seeking to penetrate consciousness and democratic politics pushing back and seeking to keep money from taking over our souls and our politics.

Michael Walzer's *Spheres of Justice*, published in 1982, offered a brilliant

summary of the precarious balance that these social struggles achieved. We allow exchanges for some goods and block exchanges for others. We do not buy and sell persons; votes; public offices; criminal justice; freedoms of speech, press, religion, or assembly; marriage or procreation rights; or exemption from military service. Police, fire, and ambulance services are provided through general taxation. Prizes and honors cannot be purchased. If the politics of capitalist society so far has been a struggle to define what money can and cannot buy, politics has won some victories over the power of the market and the battle is not over.

SO AFTER forty years of market fundamentalism and free-market ascendancy, where are we in this perennial struggle? This is the subject of Sandel's new book. While the book is called *What Money Can't Buy*, most of it is taken up by examples to show that these days money can buy almost everything.

Scientific and medical advances have opened the door to unimagined forms of commercialization. Globalization has made it possible for us to spend our money wherever we wish. We can rent the wombs of poor Indian women and have our children incubated there; we can buy or sell organs for transplantation and blood for transfusions. Pharmaceutical companies will pay us well for the privilege of turning our bodies into guinea pigs to test their drugs.

Commerce has changed the ethics of citizenship and the incentives for national service. America now buys private contractors—we used to call them mercenaries—to do the country's fighting. American citizens still cannot buy their way out of jury service or other civic responsibilities, but thanks to *Citizens United*, the rich now have essentially unlimited opportunity to bombard their fellow citizens with political advertising.

Sandel's book is a bemused and occasionally incredulous inventory of how far money values have penetrated into American life. Instead of lining up to get into a congressional hearing in Washington, you can pay people to line up for you; you can pay for the privilege of a fast-track through airport security; teachers who want kids to learn bribe them to read; governments pay people to lose weight and to stop smoking. Market incentives—bribes—are replacing regulation as the chief instrument of public policy. Some things still remain priceless, but for everything else there's Master Card.

When markets rule and everything has a price, Sandel argues, it makes in-

equality worse. A public realm where money buys everything is even harder on the poor than a world where the rich are simply richer. A society that maintains a decent public transit system, public libraries, and parks and recreation will close fewer doors of opportunity for the poor than a society where these goods are available at a price. Moreover, inequality also compromises freedom. Liberal societies pose only two questions about any economic transaction: is it free and is it fair? But when the very poor are offered money for their organs or for sex, and financial incentives to read a book or lose weight, who can say the transaction is either free or fair?

Sandel believes that we should ask a third question: does the transaction corrupt the good? We corrupt a public office if we use it for financial gain. Women corrupt their bodies, Sandel would argue, if they rent their wombs as baby factories for wealthy couples. "Putting a price on the good things in life can corrupt them. That's because markets don't only allocate goods; they also express and promote certain attitudes towards the goods being exchanged." Paying for an autograph from a sports hero feels cheap compared with the thrill when your hero signs it for you for free. Paying a kid to read corrupts his intrinsic motivation, as it does when you pay an obese person to lose weight. Monetary incentives, as Ruth Grant has argued in *Strings Attached*, crowd out moral motive. Pecuniary incentives also have perverse effects: Sandel tells the story of the Israeli kindergarten that tried to get parents to pick their kids up on time by introducing fines if they were late. Parents treated them as a fee and the lateness problem got worse.

When money becomes the price of everything, Sandel argues, it corrupts motivations, degrades pleasures, and makes inequality more painful for the poor. Baseball provides him with nostalgic evidence of his theme. He recalls how in his childhood in Minneapolis, the best seats to see the Minnesota Twins cost \$3.00 and the bleacher seats cost \$1.50. Middle-class and working-class people sat next to each other to watch Harmon Killebrew, the Twins' star. At the peak of his career Killebrew made \$120,000 a year. Now the corporate types sit by themselves up in the skyboxes, and even average baseball players sell their autographs to fans, and the star of the Minnesota team makes \$23 million a year. "At a time of rising inequality," Sandel writes, "the marketization of everything means that people of affluence and people of modest means lead increasingly sep-

arate lives. We live and work and shop and play in different places. Our children go to separate schools. You might call it the skyboxification of American life. It is not good for democracy, nor is it a satisfying way to live."

SANDEL OFFERS a powerful cry of protest at these developments, but he provides no real explanation of why they are happening. He says that we have "drifted" from "having a market economy" to "being a market society." But drifting does not feel like what actually happened. What happened was that a politics of money beat a politics of public goods. From the mid-1960s onward, anyone with eyes to see has noticed that conservative parties everywhere, but especially in the United States, have waged relentless attack on the public goods created by the liberal state. Americans were sold the idea that the liberal state was a coercive, rent-seeking parasite. Economists such as Gary Becker provided the intellectual firepower for this attack, and while Sandel criticizes Becker's work, he does not connect the imperial ascendancy of free-market economics with the disintegration of the liberal state and the penetration of money power into domains of American life once provisioned and protected by that state.

The story of how public goods were starved over the past sixty years seems obvious in retrospect. The new post-industrial American economy stripped out old industrial and managerial jobs and left middle-class wages stagnating while a high-flying minority in the new financial services and high-tech sectors surged ahead. The middle class clung to their standard of living by getting ever further into debt. Families squeezed between rising debt and stagnating wages welcomed any politician that would freeze or lower taxes. In the face of fiscal starvation and ideological hostility, public goods were privatized, public employment was deunionized, and the market stepped in to provide the services that public revenue could no longer support. But it provided these only to those who could afford them. This is the rough outline of a story that would explain why money bought more and more in the two generations after 1960, why the common life made possible by public goods retreated, and why the monetization of life coincided with rising inequality.

Sandel laments the way that public space has been re-decorated by advertising and every public building from football stadiums to libraries bears the name of a corporate donor. But he is missing

an explanatory narrative. As middle-class incomes stagnated and resistance to taxation grew, the republic came to depend more heavily on corporations and wealthy individuals to provide public goods. These corporations and individuals secure "naming rights" for their bequests, and so our public spaces—nowhere more so than in universities—become billboards to their munificence.

Sandel's denunciation of these aspects of money power is forceful, but he passes over more egregious examples, especially the relentless ideological justification of economic inequality. He has a lot to say about money, but curiously little to say about income inequality. Wealth has always moralized itself as virtue, as a just reward for individual effort, intelligence, and acumen; but as the gap between middle-class incomes and high-flyer incomes has grown, the moral justifications of great wealth have become especially shameless. It is as if every well-paid CEO believes that he is Steve Jobs, with an entitlement to wealth grounded in innovation and leadership. In reality, most highly paid Americans would be hard-pressed to name the innovations that justify their salaries, and after the bailouts, it is not at all obvious why they deserve huge salaries for leadership. While no American will ever begrudge rewards for hard work and long hours, so much more of the off-the-charts returns to high-flyers have to do with luck, birth, inheritance, chance, regulatory capture, and more than a little help from their friends.

SANDEL HAS next to nothing to say about the way in which the new inequality has spawned a new culture of moral entitlement that equates wealth with virtue. He also has next to nothing to say about the corruption of politics by big money. The *Citizens United* judgment enabled money power to cloak itself in the rhetoric of free speech and avail itself of the protection of the First Amendment. But money is not speech. Classical republicans such as Rousseau always understood that money is power, plain and simple, and must be kept under control lest it contaminate republican freedom.

What Money Can't Buy raises important issues, in a pleasing, accessible, non-dogmatic style, but the omissions—of the way wealth has been moralized as virtue, and of the way money has been moralized as speech—are consistent with a failure to identify who is responsible for what money has done to America in the last fifty years. The book is altogether too affable. If you cannot identify who is responsible—the wealthy and their allies in

politics—you haven't got a politics. And Sandel needs a politics. He is a political philosopher, so well-versed in the history of moral jeremiads about corruption as to know that when jeremiads are not connected to a realistic politics, they end, as they did with Rousseau, in empty declamation.

Since Sandel wants to promote the common life and public virtues, he needs a serviceable theory of public goods, an account of what markets can safely provide and what items must be provided by the public purse. A theory of public goods is an account of how to regulate markets without killing freedom and innovation. It is a story about creating the right incentives to generate public amenities. If, to take a humble example, private developers are going to make a fortune building new condos, city bylaws can oblige them to provide public parks on some of the land. If governments license bandwidth or channel frequencies, they can require the carriers to serve remote communities; they can even require them to carry free political advertising during campaign periods, which democratize speech and bring down the cost of politics. Any project to promote the common life has to have a politics and an economics of public goods. This is nowhere to be found in Sandel's work.

Sandel denounces inequality, but in order to do something about it, he needs a politically persuasive rationale for progressive taxation on upper incomes and the elimination of tax breaks that favor

the rich. He would have to make the case that wealth is not an entitlement but an achievement dependent on public goods—education, public safety, infrastructure—for which the wealthy should pay their fair share.

A liberal theory of public goods, backed up by a morally persuasive rationale for progressive taxation, also needs a story about generating growth through public and private investment in the skills and the capabilities of citizens. Without a theory of growth, a politics of virtue runs into the objections that Adam Smith leveled against Rousseau two hundred years ago. Virtue without growth equals stagnation and autarchy. All told, this looks like the minimum program for Sandel's politics of virtue, but none of it is remotely practical as long as there are no effective limits on money in politics. As long as money is moralized as speech, and not understood as power, there is little chance that the republic can put money in its proper place.

Without a politics—of redistributive taxation, public goods investment for growth, and rules controlling money in politics—any critique of what money has done to American life is just moralizing. We did not drift into this new world of money or arrive here by accident. Powerful interests have carried us here, and it is up to the people acting together to take their republic back. A society is not a market. It is a political community. Restoring the virtue of its citizens demands a politics equal to the challenge of virtue's enemies. ♦

genuine power of Christianity “subsists” in the Catholic Church alone while allowing for a truth that can also be found “outside its visible confines.”

But among the most radical innovations of doctrine that sprang from Vatican II was the “Declaration on the Relation of the Church with Non-Christian Religions,” typically known by its Latin title *Nostra Aetate*, or “In Our Age.” Included in the declaration was a forthright condemnation of anti-Semitism and a revised official teaching on the Jews. The Church descried “hatred, persecutions, displays of anti-Semitism, directed against Jews at any time and by anyone.” While it allowed for the historical claim that a portion of the Jews in the time of Christ had called for his death, it warned that the crucifixion could not be blamed on all Jews without distinction and across all time. No longer accursed by God, and absolved of any collective responsibility for the death of Christ, the Jewish people were now embraced as the “stock of Abraham” (*stirps Abrahae*). Most astonishing of all, the Church also affirmed that “God holds the Jews most dear for the sake of their Fathers” and that “He does not repent of the gifts He makes”—a phrase that seems to allow for the continued validity of Judaism alongside Christianity.

To understand how this transformation came about, an inquiry into pure theology is necessary but not sufficient. The story is too thick with ironies and politics, and it demands a patient and open-minded reconstruction of ideological quarrels that embroiled the Roman Catholic Church during its darkest and most shameful years of compromise. This is a task undertaken with admirable equipoise by John Connelly, a historian of Central and East-Central European history, in his remarkable new book. It is not a pleasant tale. Connelly resists the temptation of Whiggish self-congratulation that would make Vatican II appear as a foreordained conclusion, driven forward by nothing else than the Church's soul-searching and the its turn to the higher light of its own universalist ideals.

The truth is that Church did not reform itself without struggle. Even today many Church officials still lapse into modes of Christian triumphalism and implicit anti-Judaism that were supposed to have been corrected decades ago. Indeed, it is one of the central lessons of Connelly's book that the bonds of empathy that made *Nostra Aetate* a historical possibil-

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THE BORDER CROSSERS

FROM ENEMY TO BROTHER: THE REVOLUTION IN CATHOLIC TEACHING ON THE JEWS, 1933-1965

By John Connelly
(Harvard University Press, 376 pp., \$35)

ACROSS THE violent years of the twentieth century, the Roman Catholic Church underwent a trial of conscience that ultimately brought about a radical transformation in its official doctrine regarding the Jews. Church tradition had long held that the Jewish people were abandoned by God and condemned to wander the earth, their religion nullified by the new covenant with Christ. But the Second Vatican Council marked the culmination of a protracted debate among

Catholic theologians that brought this teaching gently to an end. The debate was not without controversy, and it is even today not universally accepted.

Vatican II, the conciliar commission that opened under John XXIII in 1962 and concluded under Pope Paul VI in 1965, is rightly seen as a watershed in the history of modern religion. Some praise its spirit of worldly accommodation. Others condemn it as a demystification of the mysterious and an abdication of ecclesiastical authority. It relaxed the Latin-only stricture on the Catholic Mass and allowed for much of it to be conducted in the vernacular, permitting the laity a more immediate access to the highest ritual of the Church. It permitted the even more controversial idea that the