

Social common capital

provides members of society with those services and institutional arrangements that are crucial in maintaining human and cultural life. The term social common capital comprises three categories: natural capital, social infrastructure, and institutional capital. Natural capital consists of all the natural environment and natural resources, including the earth's atmosphere. Social infrastructure consists of roads, bridges, public transportation systems, electricity, and other public utilities. Institutional capital includes hospitals, educational institutions, judicial and police systems, public administrative services, financial and monetary institutions, and cultural capital. This book attempts to modify and extend the theoretical premises of orthodox economic theory to make them broad enough to analyze the economic implications of social common capital. It further aims to find the institutional arrangements and policy measures that will bring about the optimal state of affairs in which the natural and institutional components are blended together harmoniously to realize the sustainable state suggested by John Stuart Mill.