"A Message to You, *Homo-Economicus*": 2 Tone and *Humanomics*

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Abstract: This paper, utilizing Vernon Smith and Bart Wilson's *Humanomics* Framework, argues that economic theories often focus too much on wealth maximization because it downplays non-pecuniary aspects. To do this, the paper will focus on the founding of Jerry Dammers' band, the Specials, the 2 Tone record label, and subsequently the 2 Tone movement and genre. I argue that the wealth maximization model cannot adequately describe Dammers' desired social change. The standard *homo economicus* model cannot accurately capture Dammers goals. 2 Tone had important effects on politics in the UK (and more broadly) in the late 70s and early 80s, with its focus on racism and economic conditions. Standard economic theory, in focusing solely on wealth maximization, fails to explain what 2 Tone did and accomplished. Instead, moral sentiments, as expressed within Humanomics, help to fill in this gap left by stand theory.

1. (DAWNING OF A) NEW ERA[1]

> The skinhead revival was coming anyway when the Specials adopted that moddy, skinheady, Rude Boy look. The idea was to try and influence the revival, not to be racist and violent like the first time, and I think, amazingly, to a large extent it worked.
>
> —Jerry Dammers (quoted in Rachel 2016, p. 246)

> Moreover, this mechanism does not reduce simply to a form of constrained utility maximization but arises out of a relationship.
>
> —Vernon L. Smith and Bart J. Wilson (2019, pp. 100-101)

Smith and Wilson (2019), in their book *Humanomics,* aim to realign economics with its authentic Smithian roots. The book essentially argues that economics has evolved with a disproportionate focus on Adam Smith's *Wealth of Nations,* while neglecting crucial lessons from his *Theory of Moral Sentiments.* Building on their proposal to include the *Theory of Moral Sentiments* in economics, this paper discusses what this means for promoting lasting and positive social change around key issues like fighting racism. I argue that Smith and Wilson (2019) offer a framework that can better leverage economics to create a more accurate picture.

To illustrate this, I use the story of 2 Tone. 2 Tone was a music genre and record label started by Jerry Dammers, the founding member of the band The Specials, in the late 1970s in England. What makes The Specials and 2 Tone unique is Dammers' clear focus on racial equality and fairness over material gains. He aimed to become a famous pop star, but more importantly, he tried to use music and its social influence to combat racial injustice. I argue that the standard *homo economicus* model does not accurately describe or explain this motivation, and that the Humanomics approach might be a better way forward.

The remainder of the paper is laid out as follows: Section 2 will explain why *homo economicus* fails to explain certain behavior. Section 3 will explain why a *Humanomics* approach is a step in the right direction to fixing this. Section 4 provides evidence from individuals who lived through 2 Tone, including Jerry Dammers himself, and Section 5 concludes.

2. STEREOTYPE

Smith and Wilson (2019) argue that current economic theory is insufficient to explain certain human behaviors. Essentially, *homo economicus*, or Max U, models all behavior with too narrow a view of self-interest, at least in practice. Of course, individuals will make some, dare we say many, decisions based on a choice calculus that simply analyzes their "personal" wealth. Anyone could probably name countless examples of people acting this way!

The problem, however, is that many other examples contradict this, with the story of 2 Tone being one such example. As I will explain below, Jerry Dammers, the founder of 2 Tone, was not motivated in the way a *homo economicus* would be. So, why does current economics fall short?

Modern economics begins with the assumption that individuals are born into a world of scarcity; from there, they act to improve their situation. The economic problem, therefore, is how to allocate these scarce resources among competing ends (Robbins 1932). The model then describes individuals as maximizing their utility while making necessary trade-offs. This is a broad and simple model with considerable explanatory power and has even given economics a "predictive edge" over other social sciences (Vaughn 2021, p. 224).

The driving assumption of this model is "self-interest." This is not the same as the caricature of economics that has developed. In that caricature, self-interest is often equated with greed—a form of pure selfishness where one acts solely to pursue their selfish desires. This misrepresents what economists actually argue. Subjectivism is inherent in the model, especially regarding individual goals. The model views self-interest broadly, meaning that individuals have purposes and projects they want to accomplish. These "purposes and projects are not necessarily confined exclusively to those that will bring personal benefit in a narrow sense. It is perfectly within the scope of the self-interest assumption for individuals to want to improve the welfare of others rather than their own" (Vaughn 2021, p. 224).

The issue arises in practice. Our models tend to emphasize economic gains and, even, ignore non-monetary benefits. At least, economists typically downplay the importance of non-pecuniary goals. The problem is that subjectivism can be a challenge for economists who want to appear scientific, much like those in natural sciences such as physics (see Buchanan 1979). Therefore, "much of the debate between economists and those who accuse them of methodological imperialism, then, seems to revolve around the relative weights one observes people giving to pecuniary and non-pecuniary preferences and to what extent non-pecuniary preferences can be said to dominate individual choices" (Vaughn 2021, p. 225). Yet, even though economists recognize this issue, non-pecuniary gains like love, leisure, social status, and valuing the dignity of others are often missing from most models and economic theories. Economists aim for their models to predict behavior, but doing so requires understanding what people want. Usually, we simplify their desires by focusing only on monetary gains. Describing what a diverse group of individuals who value different things want, and then distilling those wants, is impossible. As a result, we default to modeling individuals as wealth maximizers.

Basically, most economists assume away non-pecuniary gains and focus on wealth maximization for simplicity. It may not be a stretch to say that wealth maximization is a fairly safe assumption in many situations, but the issue is that it isn't always true. Therefore, non-pecuniary goals can falsify predictions made by a model that emphasizes only wealth maximization.

Consider, for example, the traditional economic analysis of gift giving. The common view is that events like Christmas cause significant deadweight losses (Waldfogel 1993). The idea is that you don't know what people want and lack the incentive to maximize or economize as you would if you were buying for yourself. Consequently, gift giving leads to inefficiencies. The argument suggests we'd be better off just giving cash. However, when this story is explained in class, students often quickly point out why that's a terrible idea! Just try giving your significant other cash for your anniversary! Just make sure you have the couch ready to sleep on that night. While this advice may be efficient as described, it is ultimately unhelpful and doesn't truly explain what's going on.

Gill and Thomas (2023) demonstrate that the traditional story of gift giving in economics is incomplete, and they argue that a better economic analysis is achievable. They contend that Waldfogel's analysis is essentially a static model that overlooks long-term dynamic issues, which are not only generated by gift giving but also help explain the development of institutions and informal norms that gave rise to the human tradition of gift giving. By doing so, they present a more comprehensive picture that better captures individual motivations and show that buying your mother a Christmas gift does not harm the economy—in fact, it can be efficient over the long term.

This paper follows Gill and Thomas (2023) in arguing that 2 Tone, like gift giving, is another example of economic theory falling short of being truly predictive and descriptive of reality in situations where motivations differ from wealth maximization. The question now becomes, is Humanomics, with its focus on economic theory plus moral sentiments, sufficient to fill this gap left by modern economics?

3. DOESN'T MAKE IT ALRIGHT

Smith and Wilson (2019) argue that in the modern world, conflicts often arise between two different rule systems that guide human interactions. On the one hand, we have our intimate order, where we interact with those closest to us, such as family and friends. On the other hand, there is the extended order, where we deal with strangers. These require two different sets of rules for interaction. For example, we can't rely on benevolence in the extended order, but we can when interacting with someone close to us, like your father or mother. Likewise, it's probably not a good idea to treat your mother the same way you would someone in the extended order. Saying, "Take out the trash? What is in it for me?" is likely to cause trouble. In this section, I will explain why this distinction matters, why it is missing from the standard *homo economicus* model, and why Humanomics is an alternative that could fill that gap.

We live in different worlds simultaneously. As Hayek (1988, p. 18) noted,

> Part of our present difficulty is that we must constantly adjust our lives, our thoughts and our emotions in order to live simultaneously within different kinds of orders according to different rules. If we were to apply the unmodified, uncurbed, rules of micro-cosmos (i.e., of the small band or troop, or of, say, our families) to the macro-cosmos (our wider civilisiation), as our instints and sentimental yearnings often make us wish to do, we would destroy it. Yet if we were always to apply the rules of the extended order to our more intimate groupings, we would crush them. So we must learn to live in two sorts of worlds at once.

Hayek (1988) makes a point similar to what Smith and Wilson (2019) ultimately argue. The rules of interaction will not only differ between the intimate and the extended orders but will also involve different motivations. Some of these motivations cannot be explained solely by the assumption of wealth maximization. Essentially, our analysis of the extended order is not suitable for explaining the actions within the

intimate order (and vice versa). Consequently, a theory like the *Humanomics* framework can help provide a more nuanced and accurate representation of the various types of action.

Smith and Wilson (2019) use experimental evidence to show that the standard *homo economicus* argument significantly falls short in explaining much of the behavior we observe because this line of reasoning is often either blurred or, more likely, ignored. To achieve a more accurate and complete picture, both rule sets and their interactions are necessary. What Smith and Wilson (2019) argue is that economics needs a more comprehensive view by relying not only on Adam Smith's *Wealth of Nations* but also on his *Theory of Moral Sentiments.* Based on their experiments, *homo economicus* provides an inaccurate picture, but this Smithian approach fills in that gap.

An important implication of this theory is that these distinct rule structures are not only significant, but they also perform better when they develop from the interactions of various individuals rather than from external shocks. There are essential knowledge problems that arise in both worlds. In the Intimate order, the spontaneous order is formed through our interactions and guided by our "fellow-feeling" for others—whom we care about and care what they think. The result is a moral equilibrium where proper behavior is learned over time as our actions trigger reactions from others, whether positive or negative. We thus learn what others "can go along with" as we participate in a given society. Therefore, morality is shaped by individuals within a community as they interact with each other. To acquire this knowledge, it is necessary to be part of the community because the rules are learned through participation.

The extended order involves a different knowledge problem (see O'Driscoll 1977). Here, the necessary data to allocate resources to their highest valued use is spread out over time and place, is incomplete, tacit, and so on (see Hayek 1945). This led Hayek (1937, 1945) to argue that the market essentially functions as a coordination mechanism that brings together the relevant information.

The extended order also involves many individuals we often do not know. Since we are unfamiliar with them and operate in uncertain environments, it is impossible to treat others based on detailed rules tailored to specific circumstances, as in the intimate order. Therefore, it is necessary to establish a set of rules that treat everyone equally (Hayek 1960). This helps us form expectations about our behavior and promotes cooperation through mutual benefits.

Markets need rules to function well (Buchanan and Brennan 1985). Economists call this broad set of rules, both formal and informal, institutions (North 1991). Building and maintaining trust within these institutions is key. Trust has been seen as essential ever since Smith (1981/1776) pointed out that a well-ordered society depends on good governance. Today, discussions focus more on institutions that foster and develop trust. From the importance of constitutional contracts (Buchanan 2000/1975) to laws that lessen information gaps (Akerlof 1970; Grossman and Stiglitz 1980), economists emphasize the value of good governance by government. Other views highlight informal norms and non-governmental strategies (Brennan et al. 2013; Ellickson 1991; Leeson 2014; Ostrom 1990; 2000; and Skyrms 2014/1996). This research shows that spontaneous orders can help build and strengthen trust.

Still, spontaneous orders do not automatically lead to good outcomes (Martin and Storr 2008). In development, for example, situations can occur where the rules of the game evolve into an institutional path dependency that is less than ideal, but the institutions become "locked-in" (North 1990). How can we escape such challenging situations? Many economists suggest providing an external exogenous shock to change the institutions and guide society toward the optimal state (Boettke et al. 2008). However, Boettke et al. (2008) argue that this approach is not only fundamentally flawed but also has a poor track record in practice. Exogenous shocks are neither informed by nor capable of being informed by the essential data and knowledge that only society's participants hold. In other words, rule changes need to be endogenous to be effective and lasting, rather than exogenous.

This issue becomes even more evident when discussing social change, which is often seen as separate from market behavior. If the goal isn't traditional wealth and well-being but instead addressing social issues like racism, the usual assumption of self-interest is likely to lead to false predictions (Vaughn 2021). Bicchieri (2006, 2017) has tried to apply economics, especially a game-theoretic approach, to the question

of social change. Her work has been important and has helped improve our understanding, but she often faces the same problem as the development example. She has identified many cases where social norms have changed in ways that are not ideal, leading her to call for external shocks to change the problematic norm (see Bicchieri and McNally 2018).

Not everything needs to be endogenous; the exogenous is not irrelevant. Ideas definitely matter, and it is, of course, possible for ideas to be introduced from the outside that will spark social change, but what is more likely to make it stick? I argue that genuine social change is more likely to come from individuals who possess the necessary knowledge rather than from outsiders who lack it. Having this information is crucial for understanding how and why people will support the changes. As Denzau and North (1994, pp. 3-4) note,

> …uncertainty, not risk, characterizes choice-making. Under conditions of uncertainty, individuals interpretation of their environment will reflect their learning. Individuals with common cultural backgrounds and experiences will share reasonably convergent mental models, ideologies, and institutions; and individuals with different learning experiences (both cultural and environmental) will have different theories (models, ideologies) to interpret their environment. Moreover, the information feedback from their choices is not sufficient to lead to convergence of competing interpretations of reality.

Why does all this matter? I believe it shows why a *Humanomics* approach offers a better explanation than the standard neoclassical story. How do we exist in both worlds? Well, both worlds overlap a lot! Let's explore why the music scene and markets are important in theory.

Music scenes are communities that offer a space where like-minded people form subcultural networks made up not only of musicians but also of fans. This network, driven by market forces, helps establish what sociologists call weak ties, as opposed to strong ties like family. As Granovetter (1973, 1983) has argued, these weak ties can encourage a more productive environment for group cooperation. Large groups with relatively diverse populations, who are not related and likely wouldn't interact without this network, come together through their shared love for the music and fashion linked to the scene. They provide an instant support network on many levels. However, it should be clear why both the rule structure of the intimate order and the extended order are necessarily present.

D'Amico (2010), for example, argues that the garage rock scene in New Orleans in the early 2000s was able to recover relatively quickly after Hurricane Katrina because it relied on the social network within the scene. People with weak ties could depend on each other for places to stay, necessities, equipment, and more. Additionally, it created more work. Many New Orleans musicians, for example, left the city and quickly found gigs in other places like Memphis, TN. The social network made this possible. And the network could not have existed without the market space where the music scene operated.

D'Amico (2010) further argued that productivity in these markets results not only from physical and human capital but also from social capital. Social capital is "the productive value of social relationships" (D'Amico 2010, p. 127). Like physical and human capital, social capital helps individuals work together to reach their goals. In other words, it enables the creation of individual or group plans. This is especially clear in the music scene, where the community functions as a two-way street. The community itself is part of the "product" being sold. Shared interests in music, fashion, and other traits attract artists and fans initially, and can also serve as a source of artistic inspiration. Artists influence each other through competition (for example, how the Beatles were inspired by the Beach Boys and vice versa), and artists influence fans while fans influence each other (and maybe even the artists). This interactive exchange is key to producing the cultural and physical products created by the music scene. But it also fosters relationships and other exchanges, including non-market interactions—opportunities outside traditional market outcomes. As D'Amico (2010, p. 131) showed, the New Orleans garage scene, for example, relied on their network after Katrina to "help each other evacuate, finding temporary housing, return, rebuild, and find permanent

housing and re-employment after the disaster." The music scene, through its market-facilitated network, was able to turn strangers into friends and not only leverage commercial relationships but transform them into something more. They build a sense of belonging by connecting through their shared love for the scene. 'Them' becomes 'us,' and it is the market that helps support and develop these relationships.

We can now analyze the story of 2 Tone to explain why the motivations and behavior of the 2 Tone actors are better understood through *Humanomics* rather than the standard *homo economicus* model. It was meant to fight for social change and push back against the political entrepreneurship of the National Front (NF) and British Movement (BM). As Dammers (quoted in Rachel 2016, p. 242) himself stated, "It was obvious there was going to be a skinhead revival and I wanted us to become part of the scene and change it, so it didn't become affiliated with the far right." The mechanisms they used in this fight were music and their markets.

4. THE CONCRETE JUNGLE

2 Tone helped define a generation of young British teens. Actor Martin Freeman recently mentioned in an interview (Catchpole 2018), "2 Tone was like a religion, my whole world was black and white checks." It was truly popular, but this lively, upbeat music that mixed Jamaican ska with British punk and pop had a deeper purpose: promoting racial equality and fairness. Many people created 2 Tone, but the principal founder and driving force was Jerry Dammers. He recognized the importance of using the music scene's social network to unite people and combat racism. And this was his goal. Money and fame might have been a bonus, but they were not his primary motivation. This section argues that the standard *homo economicus* model fails to explain the emergence and behavior of the 2 Tone movement, but *Humanomics* could help fill in those gaps.

Dammers wanted to be a pop star, but what he really wanted to do was promote social change. As he (quoted in Rachel 2016, 243-244) explains,

> No one had really mixed ska and punk before. It was a political message in itself. We also wanted to have fun and be pop stars. That was a big driving force like any band. But to me the music and the politics and the visual side were all part and parcel of something people could relate to, and with a general left-wing socialist message.

He envisioned 2 Tone as a revolutionary form of art, but more importantly, as a cosmopolitan social scene brought together by music and fashion. In other words, his art was being driven by broader social concerns, not the expansion of his wealth. As Dammers (quoted in Rachel 2016, p. 240) put it,

> The French surrealist André Breton said, 'Revolutionary art has to be revolutionary in its form.' There's a lot of truth in that and finding new ways of doing something to excite people and get them interested. Hopefully music can bring people together and put a message across and inspire people to think. Punk rock and white rock music in general was always limited in what it could achieve politically because it wasn't that inclusive. It alienated as many people as it involved. I wanted to create a more mixed atmosphere.

Much of the design of 2 Tone was meant to help foster an anti-racist mentality rather than commercial success. Dammers was not the first to attempt to utilize Jamaican music; for example, the Clash had even earlier fused their punk rock with reggae and ska (see their cover of Junior Murvin's "Police and Thieves" for an illustration of this). This was even an inspiration for Dammers (quoted in Rachel 2016, p. 242), as he notes, "Some pub rock bands had done reggae but when the Clash did their punk version, although it was less like reggae, it seemed much more raw and credible because it took on board the political message of reggae. That was a musical inspiration when I formed the Specials, but I wanted black people involved."

When punk was new, reggae and ska played an important role as DJs like Don Letts and Mickey Dredd would play the older ska and reggae between the bands. This had an influence, not only on the bands such as the Clash and even the Specials, but also on the audiences.

Similarly, Rock Against Racism (RAR) was an organization that had been founded earlier.[2] They organized shows featuring both white and black bands performing on the same bill, ending with everyone jamming together (Augustyn 2010, 2013; Thompson 2017; Rachel 2024; and Renton 2019). Although RAR started earlier than the Specials and the 2 Tone movement in general, their goals were very much aligned. The Specials and other 2 Tone bands performed at RAR concerts and participated in other related efforts.

But again, in forming the Specials, Dammers took this one step further by explicitly creating a multiracial band. It was intended to evoke the Jamaican music he admired, along with the influence of British music. As Dammers (quoted in Rachel 2016, p. 237) explains,

> The first line-up of the Specials I put together was Horace Panter on bass, Neol Davies on guitar, a black drummer called Silverton Hutchinson and a singer called Tim Strickland. I soon replaced Neol, one of my best friends at the time, with Lynval Golding. I felt horrible but the music came first. I liked Lynval's authentic trebly reggae telecaster and I wanted a more multiracial band. Lynval promptly left the band! I had to beg him to come back. Then I brought in Terry Hall on vocals and Roddy Byers on guitar as the punk elements.

He made a concerted effort to blend the original Jamaican ska with a more British sound to create something new but stay true to the original. The Specials didn't have a horn section, unlike the original ska bands, but they did have Rico Rodriguez, a veteran of the original Jamaican ska scene, play on several songs. As Dammers (quoted in Rachel 2016, p. 293) notes, "Having Rico involved brought authenticity and a link to the original Jamaican ska; that mournful trombone was so central to the Specials' sound. It was beyond our wildest dreams that he would come and play with us."

Today, this doesn't sound too radical, but at the time, it was truly unique. As Juliet de Valero Wills (quoted in Rachel 2016, p. 241), the manager of the Selecter, explained,

> It was like for the first time the black and the white youth had found a language they could talk to each other in. And to see young black and white guys on stage together was like a little microcosm of what was starting to happen in society. Punk had been very white. And even though punks latterly started getting into reggae and embracing black music, there was still 'punk bands' and 'reggae bands.' 2 Tone was trying to make a statement about literally mixing black and white cultures and making music out of the two. And if you do that, can you also empower a generation who had no future? It sounds quite grand but in Jerry's mind I think that's what he wanted. All the bands totally believed in that. It was about them thinking, 'If we do this we're helping ourselves, too.'

Dammers was truly entrepreneurial in using music to achieve this goal. Everything from the music to the fashion and aesthetics was thoughtfully planned by Dammers and other members of the 2 Tone community. For example, the Specials initially played reggae but discovered that the audiences did not respond as well as they had expected. As Horace Panter (quoted in Rachel 2016, p. 244), the bassist for the Specials, explained,

> We played with Steel Pulse [a British reggae band] at the Top Rank and all of Handsworth turned up to see revolutionaries. We were five white guys and two blacks trying to play reggae and the crowd cut us dead. Arms crossed. It was really scary but we toughed it out. Then we decided to play ska – our punk songs slowed down and our reggae songs sped up—which unified all the

> songs; and everything was a lot more danceable. At first, Lynval said, "It's old man music. Music must move forward.' 2 Tone looked back to go forward.

The shift in musical style from reggae to ska was not just about chasing commercial success. Early in their career, they attracted the attention of the Clash and their manager Bernie Rhodes, who invited them to join a nationwide tour with the Clash. The tour was successful in that they began gaining significant attention, but Dammers noticed that certain elements needed to change to start achieving the social goals they aimed for; this included not only the music but also their fashion. As Dammers (quoted in Rachel 2016, p. 243) said,

> When the Clash tour ended we went back to Coventry and adopted ska and the Rude Boy look in order to get through to those kids and try to make the skinhead revival anti-racist in contrast to the first time around. One thing that Bernie said that had struck in my mind was, 'Don't ever think the audience dress like you; you dress like the audience.' I then stuck musical quotations on the songs I'd already written, like Prince Buster's 'Al Capone' into 'Gangsters'; and 'Birth Control' by Lloydie and the Lowbites into "Too Much Too Young."

Dammers had a vision, and he needed to persuade the rest of the band to support it. Terry Hall, the lead singer of the Specials, was originally a punk. He had to be convinced to join not only a reggae band but also to start wearing three-button 2 tone suits. As Dammers (quoted in Rachel 2016, p. 237) explained,

> I told Terry the Clash and the Sex Pistols were about my age, actually, and that pogoing and wearing a leather jacket didn't make him a real punk. I said, 'We should try and do something truly original like they had; that would be real punk spirit. It's about creating fashion, not following it.

He even had to convince the band members, such as guitarist Lynval Golding, who were already fans of ska and reggae, that it wasn't about simply copying and mimicking the older generation and style, but about creating something new. As Dammers (quoted in Rachel 2016, p. 238) explained,

> The idea of 2 Tone was to try and promote anti-racism hand in hand with and as an integral part of working-class unity in general. I did drawings of how I hoped it might all look and what I might be able to persuade people to wear. Lynval and Horace especially were a bit older and started off looking very old-wave. I knew it was really important that were identified with punk and the new wave and I had to persuade them to dress differently. And part of the plan was that we should keep changing and adapting, staying creative and ahead of the times.

Dammers aimed to create and promote an inclusive environment. This took many forms, from the multiracial elements of the Specials and 2 Tone in general to audience participation. Dammers' rallying cry was often "No one is special!" (Augustyn 2010). The Specials' concerts became famous not only for their energetic performances but also for what later became known as stage invasions. As Dammers (quoted in Rachel 2016, p. 267) explains,

> The stage invasions at Specials gigs started in Liverpool at Eric's when some lads came up from Coventry. There was bad vibes from some of the Scousers and they came onstage partly to feel safer, I think. They said, 'This is our band. We've got as much right to be on the stage as you because you're representing us.' That then became a statement of solidarity between the band and audience. The previous punk statement had been gobbing on the band, which we caught the end of. It wasn't particularly pleasant but it was stating that the band weren't superior to the audience by putting them in their place. To make it clear I put the line *Nobody* is *special* in 'Skinhead

> Symphony' medley. For us it was saying, 'We're all in this together.' Having the audience on the stage with us was great and at first it was restricted to the end of the set or the encore, but then it got to be disruptive when kids wanted to get on stage in the third number.

It was important to Dammers that everyone felt welcome. Initially, the audience mainly consisted of white males, but over time, the messaging began to make progress. As Dammers (quoted in Rachel 2016, p. 295) stated,

> 2 Tone's anti-racist message was aimed primarily at white people, but certainly in Birmingham and Leeds the Specials had a large black following, which was very pleasing, and in London too. Ideally, there would have been more because it would have helped create that atmosphere and solidified the idea. Some of the most loyal supporters of 2 Tone were mixed-race kids who really took it to their hearts as their music. That was really touching because those kids were being ostracized by both sides. One the front-cover photograph of 'Too Much Too Young' you can see the make-up of the audience. It was black and white: the majority of men, but there were girls too.

2 Tone, however, was not just about the Specials. As I mentioned earlier, it was a genre and a label. The genre was naturally a spontaneous order beyond the control of the creators, but many of Dammers' intended symbols and themes still made their way into those bands. For example, Bad Manners, which was never officially signed to 2 Tone, used the checkered symbol. Bad Manners were/are like Madness in that they focused more on fun than serious political messages. Still, as Bad Manners lead singer Buster Bloodvessel (quoted in Higton 2022) explains, "But with Bad Manners, we didn't have any political statements or sides to join. We were all anti-racists, but the tension was that there was a lot of people coming to our gigs that were racists."

2 Tone had a deal to release 10 singles a year. Bands could sign on just for that single without committing to more. Both Madness and the Beat, for example, released one single and then moved on to other labels. Still, there was pressure on 2 Tone to find the right bands and a demand from new bands eager to be the next act to sign. As Dammers (quoted in Rachel 2016, pp. 283-4) noted,

> What started off very idealistically ended up being completely impracticable. It was fairly obvious which bands should go on 2 Tone at first but then we probably should have just concentrated on the Selecter and the Specials. There was always this incredible pressure to find more bands. And everybody was on my case day and night to put out their record. There was an Oi! band called Criminal Class who more or less demanded it because they were from Coventry. I was sent literally hundreds and hundreds of cassettes. It was just crazy. Prefab Sprout was the only one that I was aware might have been worth signing.

2 Tone operated like a cooperative, probably due to their socialist ideas. As Dammers (quoted in Rachel 2016, p. 282) put it,

> 2 Tone was my concept, but I can't remember ever saying, 'We'll have fourteen directors,' [The seven members of the Specials and seven members of the Selecter] or even using the word 'cooperative'; it just happened how it happened. Everybody in the Specials and the Selecter had a say, but 2 Tone had no real structure. It was never even a company. There was nothing as formal as that. It was just an idea and a label that put out records through a major label once we moved to Chrysalis from Rough Trade.

In other words, the label was not run like a business. Profit maximization was not their concern. As a result, the label was run poorly. As Velero Wills (quoted in Rachel 2016, p. 282) explains,

> 2 Tone was a socialist idea, whereas the politics of Rock Against Racism and the Anti-Nazi League had been primarily motivated towards defeating the National Front at elections, but it was a platform to examine personal politics, not just within the audience, but also amongst the bands themselves. On the back of the first 2 Tone tour there was a sense of, 'What do we do now? How's it going to work?' Jerry had managed to pull off this amazing deal at Chrysalis where he had a label and a budget to record ten singles a year. Who were they going to sign and on what terms? It was going to take a small army of admin people to sustain and run it, but 2 Tone wasn't making that kind of money. None of it was cheap. But with everybody as directors; there's a recipe for disaster right away. And you couldn't hope to get the fourteen people in the Specials and Selecter physically around the same table ever because they were too busy.

And as the Specials' manager Rick Rogers (quoted in Rachel 2016, pp. 282-283) put it,

> There is no question that Jerry was the leading force behind the whole thing: the ideas, the philosophy, everything that was there started somewhere in Jerry's soul. I was an equal partner in the Specials and treated like the eighth member of the band. There was no management percentage: if they go paid £50 one week, I got paid £50. When record royalties came through they were divided equally. The way the business ran was as close to equal as we could possibly deal with. It was the way that everything was done. The songwriting credits were generous to a fault, even to the point there was a percentage of the publishing put into the pot to share equally amongst the band, whoever wrote the stuff. The whole spirit was based on principles of fairness and equality. 2 Tone was a mini socialist republic in itself but it exploded so fast it was insane.

This, of course, caused tensions within and among the bands. As Specials guitarist Lynval Golding (quoted in Rachel 2016, p. 283) explains,

> Fourteen directors was a wonderful idea but for a cooperative to work everyone's got to be willing to work together. It was difficult to find the middle ground. Jerry was a very single-minded guy. He wanted things done *that way*. The Specials, from a business point of view, was a disaster. You can't run a label and not have money coming in. Chrysalis gave us £1,000 to record each single but you needed more than that to run a business. We ended up giving half our merchandising away. Rick should have controlled that better.[3]

This tension should not be too surprising, as the commercial aspects often clashed with the more idealistic social and political messages. As Dammers (quoted in Rachel 2016, p. 303) stated, "2 Tone was a very strong expression of unity and solidarity. But it was a struggle to keep it to the original political ideals. There was always a tension between the commercial side and trying to keep the creativity and the politics involved." And as Frank Murray (quoted in Rachel 2016, p. 289) complained,

> 2 Tone was a record company that didn't want to be seen as a record company because that would be seen as playing the man. You couldn't go to Jerry and say, 'Look, can I have an album contract for the girls so we can make a record and we can get an advance?' Chyrsalis ran 2 Tone for Jerry. I had to twist his arm to get him to produce the second Bodysnatchers single and all the time the girls were going, 'When are we going in? Is Jerry doing it?' He wasn't a producer per se but he could get a sound in the same way Elvis Costello did on the Specials' first record.

Again, all of this shows that the standard *homo economicus* model is going to fail to describe the behavior and motivations of people like Jerry Dammers in this story.

Ultimately, a case can be made that the Dammers and 2 Tone, in general, were successful in their ultimate goal of fighting racism. As Dammers (quoted in Rachel 2016, p. 269) himself states,

> We weren't just a student band preaching to the converted; we took the message right out into the lion's den, so to speak, of the so called skinhead revival and I was always aware that strategy had risks and dangers and might not work 100 per cent, but I do think overall, along with other campaigns like Rock Against Racism, that 2 Tone did ultimately help make the kind of general racism I grew up with unacceptable in this country.

2 Tone certainly doesn't deserve all the credit, nor was it a cure-all for ending racism in England. But, Dammers (quoted in Rachel 2016, p. 332) believes a difference was made, at least on the margins.

> It's very hard to quantify what 2 Tone achieved. It helped alongside Rock Against Racism and a whole lot of other campaigns in making everyday racism unacceptable. Before that it was really common to use language like 'n***er' and 'wogs.' I hope 2 Tone contributed to making that situation better. It was part of an ongoing struggle; racism didn't go away.

Arguably, Dammers' biggest success came after the first iteration of the Specials had ended.[4] He wrote and recorded, with the new lineup of the Specials, known as the Specials AKA, an anti-apartheid song "(Free) Nelson Mandela." Not only was the song a hit, but it, as well as the anti-apartheid concerts it spawned, arguably helped to do exactly that: free Nelson Mandela. As the Selecter's lead singer, Pauline Black (quoted in Rachel 2016, p. 517), expressed,

> I'd been aware of apartheid all through the seventies. It just seemed like an insoluble situation and then in the wake of '(Free) Nelson Mandela' so much happened that you never thought possible. The record is the perfect embodiment of pop music achieving extraordinary things. I always remember seeing a stadium full of people at a rally in South Africa before Mandela came out, singing *Free Nelson Mandela*. I thought, 'Hats off to Jerry Dammers! He's done what no one else has been able to do.'

2 Tone showed that music can lead to essential changes. The problem is that the standard model of *homo economicus* does not perfectly explain the story. The addition of moral sentiments from a *Humanomics* framework might just be the step in the right direction that is needed to help economics explain deviations from the narrow "self-interest" assumption currently utilized by most economists.

5. YOU'RE WONDERING NOW

In this paper, I have argued that *Humanomics*, as outlined by Smith and Wilson (2019), provides a necessary improvement to economic theory by rediscovering the importance of moral sentiments as part of the model. Doing so can help to explain human action where wealth maximization is not the primary goal. The paper focused on the founding of Jerry Dammers' 2 Tone record label and movement. I argued that Dammers utilized the social networks that populated the music markets to effect social change, particularly regarding racial inequality which he found problematic. 2 Tone was a success in both a commercial respect but also, and in Jerry Dammers mind more importantly, it helped to fight racism that had become exceedingly problematic in the late 1970s and early 1980s England. *Humanomics* can help explain this phenomenon better than the standard economic story is able to.

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NOTES

1 All section titles are songs by the Specials.
2 Rock Against Racism was founded in 1976. It was formed as a response to a racist rant by Eric Clapton (see Rachel 2016 and Renton 2019).
3 This failure was echoed by Frank Murray (quoted in Rachel 2016, p. 283), manager of Thin Lizzy and the first 2 Tone Tour: "Rick [Rogers] was too soft on the band, but he had issues he was coming to terms with. I would have called the band in and said, 'Look, this is the way this thing works. I know you want it to work differently and we'll try and get that happening.' It's great Jerry had the vision, but in a way that should have been monitored. In order to achieve the dream sometimes you need guidance. If you see trouble up ahead you've got to be able to come to the dreamer and say, 'Look, wake up here for a moment, there's an obstacle ahead and I'm going to help you avoid it.' And that was never done."
4 After "Ghost Town" reached number 1, Terry Hall, Lynval Golding, and Neville Staple all quit the band to form Fun Boy Three. Dammers continued The Specials with a new lineup as The Specials AKA and released one last album, *In the Studio.*