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Workers' Liberation and Institutions of Self-management

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2006

Retrieved on April 10, 2016 from web.archive.org
This is a reply to the article "We Are More than We Eat" by
Odessa Steps in *The Northeastern Anarchist* #10. Published in *The
Northeastern Anarchist* Issue #11, Spring 2006.

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2006

There will inevitably be disputes that will need to be adjudicated. An egalitarian society, without poverty, with heightened social solidarity and with self-management replacing the various structures of domination, is likely to have much less crime but I think it unlikely that criminal actions such as rape and murder will entirely disappear. Courts and some sort of social self-defense organization will be needed. Job balancing would apply to police work as in other areas. If a person spends their days focusing only on anti-social criminal elements, this is likely to lead to a rather distorted perception of humanity. This could be balanced by work in other areas – for example, work in an athletic training program for young people.

The working class gaining control over the “means of destruction” – that is, the military forces in society – is just as important to its ability to defend itself against domination by another class as is its control over the means of production. It is unwise to allow a professional military to control the ultimate means of violence. The alternative is mass participation in a democratically controlled people’s militia. Training in military technology can be balanced with a militia member’s job tasks in the civilian economy.

I believe the sort of polity I have described is not a state but a structure of self-governance. But Odessa is opposed to governance and anything akin to laws, opposed to the existence of “controlling institutions” or “power relations.” But power can’t be “abolished” any more than gravity can be. Rather, building a self-managing society means a shift from hierarchical structures that concentrate power at the top to new structures through which the mass of the people collectively exercise the power to control their work and the society as a whole.

society needs institutions through which the people are able to govern themselves, setting and enforcing the rules.

A participatory economy would provide building blocks for a polity, such as the community and workplace assemblies, and congresses of delegates from the local assemblies. The principle of balanced jobs needs to apply to those elected as representatives. Delegates who continue to do work alongside other workers in industry as part of their balanced job are not as likely to become isolated in their outlook as professional politicians. Electing delegates from neighborhood assemblies or workplace assemblies means electing a workmate or neighbor, someone you are more likely to know. Proposals for large metropolitan areas or the entire nation could be developed through the give and take of face-to-face debate and discussion at federal congresses of delegates, with the proposals sent back to the local assemblies for ratification (at least in regard to major or controversial issues).

The geographic bodies — neighborhood assemblies, a city-wide congress of neighborhood assembly delegates, and so on — would probably need to have certain kinds of worker groups to assist them in their work. For example, a regional federation of resident assemblies will need to have a research and development association to help in developing the regional federation's proposals in areas such as ecosystem defense and long-term planning for things like public utilities and transportation. These staff associations would have balanced jobs and self-manage their work, like other production groups.

Media of information and culture that are accountable to the people and reflect the actual diversity of the population are an essential institution for democratic self-governance. There could be regular votes, perhaps as part of the participatory planning process, that enables each person to allocate their share of the society's total media budget among self-managing print and broadcast production groups of their choice. Resources of a media group would reflect the size of its popular support.

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on the more predatory behavior of the corporations to various collective benefits, such as Medicare, welfare benefits, transit fare subsidies, affordable housing subsidies, and so on. During the past quarter century the American plutocracy and its technical allies have waged a persistent struggle to shrink the social wage, peel back the restrictions on corporate behavior, and shift the tax burden from the elite to the working class. This elite offensive makes it clear that their concessions in the period from the '30s to the '60s were not permanent but a reflection of the balance of forces in a particular era.

Voting is an avenue for influencing the state that is not available to us in the case of the private corporations. However, the domination of elections by money and P.R. spin, and the lack of any real institutional means for the mass of ordinary people to control what their “elected leaders” do in office limit the potential of electoral politics. Plus, a social change strategy focused on electoral politics tends to favor statist solutions that empower the cadres of the coordinator class in the state hierarchies and tends to skew movement priorities to emphasize the skills and role of leaders elected to government positions, not activity and decision-making by ordinary people. I’m not here arguing against voting, but against voting as a strategy or path towards a post-capitalist future. In the context of an ongoing struggle over what the state will do, voting can sometimes make a difference in terms of the impact on people’s lives. And surely it is rational to vote if it can prevent our worst enemies from gaining control of the state. But this doesn’t get us beyond lesser-evilism.

Given the class nature of the state, I don’t believe that there is any path to workers’ liberation through “capture” of the state. But a state is not the only possible type of polity. Just as workers’ liberation presupposes direct workers’ self-management of industry — discarding the hierarchical corporate structures, workers’ liberation also presupposes the construction of a different kind of polity, discarding the hierarchical structures of the state. A self-managing

bourgeoisie, and finally, after every other class has been exhausted, the bureaucratic class.”

The U.S. state, for example, provides no way for ordinary folks to effectively control the politicians between the periodic elections, which are dominated by big money and the corporate media. Politicians do not have to answer to assemblies of residents on a daily basis. Judges, as on the Supreme Court, are sometimes appointed for life. And if the politicians threaten elite interests, the apparatus of the state can get rid of them — as happened in Chile in '73 and in other situations.

But defense of the class system is not all there is to the state. Why are there so few women in top executive posts in government, as governors, judges, legislators, generals, heads of major departments? If women ran the state, this would undermine the pervasive gender inequality that exists throughout society. The state is linked to the entire structure of power in society.

The state also needs to be able to maintain its capacity to govern. If the state and the structures and institutions of the society lose their legitimacy in the eyes of the population, this threatens the ability of the state to govern, and it threatens the survival of the existing social power structure. In periods of major social upheaval and conflict, the state sometimes becomes the means through which concessions are made to popular demands, to maintain legitimacy and social peace. This means that the capitalist elite may be forced to concede some degree of autonomy to the state.

The period between World War I and the end of World War II saw vast upheaval and conflict — revolutions, factory seizures, general strikes, and war. This led to concessions by the capitalist elite in Europe and the USA. Again, the civil rights movement that broke the back of Jim Crow in the South in the '50s and '60s, and the ghetto rebellions in various cities in the '60s, led to other concessions. Concessions have taken a variety of forms, from restrictions

We live under a system with a series of oppressions woven together: domination and exploitation of workers by elite classes of owners, managers and professionals; a system of gender inequality that disadvantages women; a racial hierarchy that places people of color at the bottom; oppression of gay people by a rigid heterosexist culture. And over it all, protecting elite interests, is a top-down state apparatus, not really controllable by the people even in so-called “democratic countries.”

It doesn't have to be this way. Humans have the capacity to control their own lives. We can think ahead and develop plans of action, to self-manage our own activity. This is the human potential for self-management. In the plans that we might develop, inspired by our own aspirations, many of the activities would inevitably require the help of others or involve common work for common benefit. Through communication and the back-and-forth process of giving each other reasons for proposed courses of action, we have the ability to coordinate and cooperate with each other, to self-manage together. In fact humans have not only the potential but the need to self-manage their own activities, to fulfill their goals through activities they plan out and control themselves.

But in both the capitalist and Communist countries, working people are forced to work to fulfill the plans of others, exploited for the benefit of elites. This is the denial of our human need for self-management. As class struggle anti-authoritarians, we propose to replace the existing systems of domination by a new arrangement that gives people free scope to develop their potential for self-management, to control their lives. Not only in social production but in all spheres of life. In what follows I focus mainly on eliminating the class system. We need to keep in mind that class is not the whole story about oppression.

What Creates Class Oppression?

What creates the division into classes? The property system within capitalism is one source. A small investor class owns buildings, land, equipment, etc. This class has a monopoly over the means of producing the things we all require to live our lives. The rest of us are forced to sell the use of our working capacities to their firms, to work under structures of domination that profit the owners. Marx views capitalist society as mainly a dynamic opposition based on ownership, a conflict between labor and capital. But in reality there is a second structural basis for class division that emerged in mature capitalism, generating a third major class.

At the beginning of the 20th century large corporations coalesced. These firms had sufficient resources to attempt a systematic redesign of jobs and production processes, attacking the autonomy and job control exercised by workers under traditional craft methods. “Efficiency experts” like Frederick Taylor advocated concentration of conceptualization and detailed control over decision-making in the hands of a hierarchy that would take control off the shop floor.

The period between the 1890s and the 1920s saw the growth of a new class of professional managers, engineers and other expert advisors to management. I call this the coordinator class. The expansion of the state in the 20th century also contributed to the growth of this class. Ventures had grown too large, and the political economy too complex, for the investor class to run everything itself. It was forced to concede a realm of power to the coordinator class.

The social power of the coordinator class is not based on ownership of productive assets but on a relative monopolization of empowering conditions — control over their own work and over the work of others. Engineers participate in the control of workers when they design software or physical plant in ways that enhance management control. Lawyers help to maintain labor subordina-

sumers, making proposals and then revising them in light of what everyone else proposes.

State or Self-governance?

A polity is a set of institutions for setting the basic rules for a society as a whole and of enforcing these rules. The polity holds the ultimate responsibility for social self-defense and a monopoly on the legitimate resort to force. I believe that there will be a polity in any social arrangement that we could create.

A self-managed society, in which workers directly manage industry, and in which the means of production are socially owned, is only likely to come about as the culmination of a period of widespread and intense class conflict. Ultimately the working class must take over control of the various industries and dismantle the state apparatus, and create new institutions through which it controls the whole society. To counter forces that will try to destroy the movement for fundamental change, and to consolidate self-management in society, a new polity will be needed. But I believe that this polity cannot be a state because the working class cannot be empowered through a state.

A state is a type of polity that has a hierarchical chain-of-command structure, and top-down armed bodies — police, prison guards, army, etc. The various components of the state have corporate-style hierarchies that are dominated by cadres of the coordinator class. The hierarchical structure of the state apparatus separates it from effective control by the mass of the people. This makes it easier for the state to back up elite interests. This role explains why the state continues to exist through the many changes in class-divided society. As Bakunin wrote:

“The State has always been the patrimony of some privileged class: the priesthood, the nobility, the

In the 1930s, Gaston Leval — an anarcho-syndicalist advocate of social planning — wrote that local self-sufficiency

“is completely impossible, and as soon as one observes the multiplicity of articles necessary for civilized life, and the productive possibilities of each region, province or corner of whatever part of the world, the imposition of exchange and general cooperation is obvious...”

There is certainly a significant realm of local decision-making control in parecon, as the system is rooted in the direct democracy of local workplace and neighborhood assemblies. Some decisions would mainly affect people working in a particular workplace or living in a particular community. But a plausible proposal needs to “scale up” to an entire economy of millions of people.

Parecon’s solution to this conundrum is to look at how decisions affect people, and give people a say in proportion to how much they are affected. In parecon, a local community wouldn’t be frozen out of decisions by distant production organizations if those decisions affect them. Workers would still have control over the decisions that affect only their workplace, but residents would have input into decisions about product quality or production methods that affect them in other ways.

Parecon presupposes federal congresses of delegates of the self-managing industrial federations, to deal with issues that affect the entire workforce, and federal congresses of all the geographic resident assemblies, to deal with issues that affect the entire society — for example, defense against external threats. But these congresses would only need to make a few decisions. Few components of the social plan equally affect the entire society. It would be a violation of self-management to decide everything at the level of a national congress. In parecon, the great majority of the elements of the social plan would derive from interaction between workers and con-

tion when they help to break unions or defend the legal interests of the corporation. Managers track and direct our work.

Thus, the ability of the capitalists to appropriate wealth through their ownership of means of production is not the only systematic rip-off of the working class under capitalism. Capitalism systematically under-develops the potential of workers to develop skills, to learn from controlling our work, and to run the economy ourselves. Decision-making, expertise and control over the conditions of work of others is appropriated as the possession of the coordinator class.

Moreover, the coordinator class has the potential to be a ruling class. This is the historic meaning of the Leninist revolutions. These revolutions eliminated the capitalist class but created a new class system, based on public ownership of the means of production, corporate-style divisions of labor, and the preservation of income inequality. The working class continued to be a subjugated and exploited class.

Coordinator class rule flows from the strategic and programmatic commitments of Leninism. The idea of a “vanguard party” is that it concentrates expertise and manages popular movements, eventually capturing control of a state apparatus and then implementing its program top-down through the state.

Odessa’s organization, the British Anarchist Federation (AF), doesn’t “see” the coordinator class; they have no theory of this class. Odessa and the AF lack a program aimed at dissolving its class power.

Participatory economics (parecon) includes a number of structural elements to ensure liberation of workers:

- Institutions for the self-management of industry are based on the direct democracy of assemblies in the workplaces.
- To avoid market competition, social production is governed by a social plan that is crafted directly by workers and residents of communities, through individual, workgroup and

community proposals, articulated through a federative system of workplace and neighborhood assemblies.

- The buildings, land, equipment, and so on of the entire system of social production are owned in common by the entire society. Production resources are allocated only to self-managing worker production groups through a socially controlled planning process.
- Workers would be empowered to design their jobs to ensure that there wouldn't be a concentration of empowering tasks and responsibilities into the hands of an elite. All jobs involve both some of the physical work of production and some of the conceptual or control or skilled work. This is called job balancing. Job balancing would be controlled by the mass democratic worker organizations and its purpose is to protect workers against the emergence of a coordinator elite.
- Income would not be based on ownership of assets or power in a corporate-style hierarchy. Able-bodied adults would earn a share of the social product for private consumption based on their effort in socially useful work.

Odessa rejects the job-balancing proposal:

“Suppose instead of trying to create equal jobs we start from the assumption that people are (socially) equal.”

But how do people become socially equal? And what structures do we need in society to secure this social equality?

Syndicalism and Parecon

Human beings are, as Marx said, “beings of practice.” This means that the types of activities that we do tend to shape the tastes and

planning staff to assist them in putting together the plan. De Santillan's proposal is a democratic, syndicalist form of central planning. How would this avoid the authoritarian dynamics of central planning? And if there weren't a dynamic process of revision of proposals in light of information about trade-offs, how would information about people's preferences be generated?

Local Self-sufficiency?

To get around the problems of central planning, some libertarian communists have proposed that local communities be “self-sufficient” — a gambit endorsed by Odessa Steps. This is how Odessa can imagine that all economic relations will be “immediate and personal.” Unilateral construction of a plan by the local One Big Meeting doesn't violate self-management of others outside that community if the community doesn't depend on those others, or so the thinking goes.

Just how far do they wish to push this? Would the local community have to make all its tools? If the climate or soil doesn't allow wine making, would nobody drink wine? What about metal for the local bicycle plant? Is every town going to have a steel mill? The duplication and waste that self-sufficiency would require, if taken seriously, is horrible to contemplate.

Advocates of local self-sufficiency respond by saying they have in mind only a partial self-sufficiency. But this means that some things consumed in your town would be produced in other towns. How exactly would this be planned or arranged? How would communities decide how much of a geographic division of labor they would partake of? According to Murray Bookchin's variant of this approach, no community would be required to agree to a greater geographic division of labor than it wanted. This means that the community that wants the least exchange with other communities could impose its wishes on everyone.

“Working people are people as well as workers. They live in communities, experience problems of pollution, education, the logistics of city life and the like. They are not creatures of the workplace — they are also civic or municipal beings, with all the concerns that such people have outside the workplace.”

This would be a valid objection to a narrow form of syndicalism that proposed that all decision-making in society be rooted in workplace assemblies, and federal congresses representing only workplace assemblies. But if people are also workers, they have concerns specific to that situation. Workers cannot be liberated from a subordinated position in society if they do not become masters of production, and ensure their self-development and control as producers. If we recognize both the workplace and community dimensions of life, as Bookchin urges us to do, this suggests that a society needs both workplace and community assemblies as basic building blocks of a self-managing society.

There is a third way that the One Big Meeting idea would trample self-management: People in other communities will be affected by decisions about production and consumption in the local economy. Your bicycles may be sent to towns hundreds of miles away. If you make decisions about your bicycle production unilaterally, this fails to accord any say to those people in other towns who will be affected by these decisions.

One solution is to invoke a federal congress of delegates to develop a social plan for the national economy. Abad Diego de Santillan — an influential theorist in the Spanish FAI and CNT in the ‘30s — proposed the coalescence of a social plan through a federal congress of delegates representing industrial federations through which workers would self-manage the various industries. But this congress could only effectively deal with some of the major issues. To deal with the vast complexity of a society with millions of people and tens of thousands of products, they would need a research and

capacities of people. Systems of oppression reproduce themselves over time by shaping the psyches of people, to “fit” into various roles.

A society with class subordination and other structures of oppression forces people into certain patterns of behavior, shaping their consciousness in certain ways. Managers and professionals who control the design of jobs and the activities of others acquire specific skills, as well as a sense of their entitlement to run things. Facing powerful control structures as individuals, subordinated workers often develop a sense of not having any power to change this, a fatalistic acquiescence. Our potential to design and control our own work, and to attain mastery over the production process, is under-developed by a system that doesn’t call upon us to make the decisions.

If the working class is to liberate itself, we must overcome fatalism and internal divisions (such as along lines of race and gender) and acquire the unity, organizational strength, self-confidence, self-discipline, personal skills, and high levels of active involvement in struggle needed to mount a fundamental challenge to the elites. This is why a revolution that can overcome the existing structures of oppression requires a protracted process of change in the working class itself.

The structures of subordination never have total control. People resist. One way we learn about the system is by fighting it. When we become committed to struggle, we gain the motivation to acquire skills to make our struggle more effective. How much collective action and solidarity we see around us will affect our beliefs about our power to change things. If a person faces the corporations and the state as a lone individual, they may believe “you’re on your own.” If people standing up for each other begins to become more common, and we see an increase in collective action against those who have power, we will be more likely to start thinking in terms of collective action as a solution to the problems that affect us instead of looking only to individual solutions.

If we are to create a society in which the people can directly control their lives, where workers run the industries where they work, the process of self-management must emerge in self-management of mass organizations of working people. The self-managed mass organizations prefigure self-management of social production by workers and the direct self-governance of society by the mass of the people.

Mass organizations directly controlled by their participants give people a means of collectively self-managing struggles within capitalist society, and help to develop in people a sense of their power to run things. Through a more or less protracted process, the working class can break longstanding habits of acceptance of the various structures of class, race and gender domination, create power through growing horizontal solidarity, and gain the self-confidence needed to run society. The working class thus develops the actual capacity to challenge the elite classes for control of the society.

What I've just described is my understanding of libertarian syndicalism. In the early 20th century, syndicalism in the USA was understood in terms of mass organizations in workplace struggles, but we can extend the concept to apply to struggles that develop in other spheres.

The importance of self-management of struggles, and of organizations, follows from participatory economics. If we are to avoid a process of social change simply empowering a coordinator elite, then we need to work to avoid practices and forms of organization that concentrate expertise and decision-making into the hands of a few. The equivalent of job balancing can be practiced in mass organizations. We can work to consciously share knowledge and develop skills broadly in the rank and file, to avoid dependency on particular people and to grow the ability of the rank and file to be effective agents of social change. Worker organizations can attack capitalist wage differentials by demanding bigger wage increases for those who do the hardest work or endure the most sacrifices.

One Big Meeting?

The local assemblies of residents in communities are an important institution in parecon. Some libertarian communists, however, seem to think that the direct democracy of the community assemblies is sufficient for the unilateral creation of an entire social plan, at least for a local economy. This One Big Meeting idea violates self-management in at least three ways:

First, this leaves out individuals' input of their preferences for private consumption goods. This violates the individuals' self-management of their personal lives. If I have earned a certain share of the social product through my efforts in socially useful work, why shouldn't I be able to distribute this entitlement among possible goods or services any way I want? Parecon solves this problem by creating a separate channel for individual input of preferences to the planning process, apart from preferences for public goods decided through the resident assemblies and federations of these.

Second, many decisions do not have the same degree of impact on everyone. The decision whether work starts at 9 AM or 10 AM at the local bicycle plant is not likely to have an impact on the people who don't work there, but will impact the people who do work there. To have all the decisions that govern the local economy controlled by One Big Meeting violates the self-management of the people who work in that workplace. Assemblies of residents, and federations of these in a city or region, are appropriate for deciding on proposals concerning requests for public goods. But there needs to be a separate structure of workplace assemblies to empower workers.

Murray Bookchin has argued for the concentration of decision-making in geographic assemblies, without a separate structure of workplace assemblies, as follows:

for heterosexual couples to decide to have the woman interrupt her wage work to care for children since parents are required to provide for the needs of their children. This disadvantages women in the labor market. Specialization of women into caring for children, men, and elderly parents sustains the gender division of labor — a basis of gender inequality. Social support for the raising of children is needed to overcome this.

People would also be supported while they are out of work. There would be no structural unemployment in parecon, as there is in capitalism. We simply work fewer hours if there is less overall need for work.

However, there is the possibility that a production group could be disbanded, and in that case, the people working there would need to look for new jobs. This could happen if a production group were not effective in its use of our socially owned production facilities. Parecon proposes to measure the social effectiveness of production groups by looking at the ratio between costs and benefits, as revealed by the evaluations of inputs and outputs in the participatory planning process. If a production group falls below the social average by some threshold, a case needs to be made why it shouldn't be disbanded and its resources allocated elsewhere.

Faced with an under-performing group, we would probably want to investigate: Why is this production group doing so poorly? Have we failed to provide them with adequate education? Are they using obsolete equipment? One way that a production group can get a bad score is if it is using highly polluting equipment. In that case, investment in equipment that is less polluting might be the best course of action. But in some cases, the society might decide that it would be better to put the people and facilities to use doing something else.

Market or Social Plan?

Pro-capitalist and Marxist economists typically agree that markets and central planning are the only alternatives for allocating worker time and other resources in social production. The libertarian Left in the past — anarcho-communists, syndicalists, guild socialists, councilist Marxists — vaguely suggested that there must be some alternative to the market and central planning but failed to specify clearly how this would work. Since the 1970s a number of radical economists have developed a third alternative for allocation: participatory planning. In parecon's version of participatory planning, the entire society would "self-manage" planning, "from below," through individuals, production groups and neighborhood assemblies, and federations of these, putting forward their proposals and then revising them in light of what everyone else has proposed.

But Odessa confuses the mere existence of a social plan with central planning:

"I argued that the parecon system could not prevent people working harder or longer, earning more consumption shares, delaying consumption in order to build up 'capital' and then using this capital to subvert the parecon system in their own interests. All the texts on parecon suggest there would be laws and regulations to prevent it, that the system would simply not provide inputs (money, machinery and supplies) to proto-capitalists. But isn't this a centrally planned and controlled economy?"

Since any social plan would require rules and a means to enforce those rules, it follows that Odessa is opposed to governance of social production by a social plan. The absence of social planning would make a market system inevitable. If some anarchists favor

an economy of truly autonomous local units, not governed by a social plan, they are committed to a market economy whether they realize it or not.

Central planning is one special type of social planning. A central planning agency acquires information about the capacity of the various production facilities and information about consumer demand. The planners craft the plan and then issue marching orders to the production groups. This tends to generate a managerial hierarchy in production, because the planning elite will want to have their own managers in the various production facilities to ensure that their plans are carried out. Central planning thus generates a class system.

Parecon proposes a different process for creating a social plan. There would be no elite central planning agency. The plan would be crafted by individuals and neighborhood groups articulating requests, and by production groups making proposals for what they would do. These elements make up the plan, and to ensure a “fit” between the consumer requests and production group proposals, people at the base of society revise their proposals in a series of “rounds” — a horizontal, interactive process of negotiation.

Odessa’s essays never tell us how society can ensure effective use of production facilities and human work. At one point Odessa writes:

“What is to stop people simply turning up at your factory and taking what they want; there is no property. And if the workers decided to ‘collectivize’ the factory and get rid of the boss (you), you couldn’t stop them, either by moral or physical force.”

Is Odessa here suggesting that anyone could just waltz in and take effective possession of any production facility? What if a gang comes along and happens to have more guns than the workers who “collectivized” that factory? Doesn’t accountability presuppose that the people in society have the power to determine who

to pollute or destroy habitat. Production groups would be forced to internalize their ecological costs, as the resident federations could force entry of these costs onto the balance sheets of the production groups during the participatory planning process.

Required to Work?

Odessa believes that people should be allowed to consume what others have labored to produce without any requirement that they do socially necessary work. This is particularly unlikely during the period where society has just emerged from capitalism. If the working class has just fought to take away the ability of the capitalist elite to live off our labor, how likely is it that we will look favorably on the emergence of a new group of social parasites?

This is what Isaac Puente says about this in his pamphlet *Libertarian Communism*:

“Libertarian communism is...the most rational of all solutions to the economic question in that it corresponds to an equitable sharing out of production and labor required to achieve a solution. No one must shirk this necessity to join in the cooperative effort of production...We recognize the right to be lazy provided that those who seek to exercise that right agree to get along without help from others.”

In parecon, able-bodied adults would earn their share of private consumption goods through socially useful work. However, pareconists do propose significant scope for the principle “To each according to need”. Medical care, education at any time in one’s life, and the needs of the retired, children, and the disabled would all be carried at social expense.

Children are not the private property of their parents. Given the advantages of men in the labor market at present, it is rational

Private and Public Goods

Suppose I wanted to have vegetarian lasagna for lunch. Since this is my own business, I should be able to manage this decision myself. This is an example of a private consumption good. A libertarian economy needs to be able to allow individuals the freedom to decide the particular private consumption goods that will make up their share of the social product.

Not all of the benefits we derive from the system of social production are items of private consumption. We all benefit from the existence of sidewalks, fire-fighting services, availability of books in libraries, prevention of water pollution. When the provision of something is a shared or common benefit, it's a public good.

Capitalism tends to systematically under-develop production of public goods. Forcing people to purchase essential goods and services in the private market makes the working class more dependent on securing pay from an employer.

When a power plant pollutes the air, the power company saves money by not buying equipment to prevent the pollution. The cost is then externalized onto the residents in the surrounding region: the damage to our lungs is a cost to us. Corporations are externalization machines, profiting by systematically shifting costs off onto others. What is missing is an association through which people can effectively prevent the systematic plunder of the ecosystem. The benefits provided to us by the health of the ecosystem are public goods.

Parecon's structures encourage production and protection of public goods. A key institution for this is the neighborhood assembly and the linking of these into federations over broader scope — throughout the city, region, etc. Collective decision-making in the resident assemblies would be the vehicle for input of proposals for public goods in the planning process. The federations of the neighborhood assemblies would have the power to exert guardianship over the ecosystem. They could deny production groups the right

controls production facilities? And wouldn't that be a "power relation"?

Let's suppose that a group of people have taken control of a coal mine and power plant that provide the electricity for the surrounding region. What is to stop them from using their effective possession of this facility to demand a larger share of the social product? If the power plant group uses its unilateral power over that plant to demand more of society's product in exchange for electric power, we see the re-emergence of market relations.

What if the group running the power plant were to decide that generating enough electricity to power a certain town 50 miles away is too much trouble? So they cut off power to Alicia's house. If she is denied a say in this decision, her self-management is being trampled.

A market is a system of allocation by bargaining power. Unilateral control of any production facility, even facilities that do not have a natural monopoly like a public utility, sets up a bargaining power relationship to the customers. Unilateral control also freezes out the surrounding community from an effective say over side effects such as pollution.

To protect the self-management of Alicia and others, and prevent the re-emergence of market relations, there needs to be an overall social plan governing the use of the power plant. In a libertarian society, people have freedom of action only to the point that the freedom of others is not undermined. This means that the freedom of action of the power plant group must be restricted to protect the freedom of Alicia and others served by the power plant or impacted by its pollution. The social plan is, in this sense, an instrument of social self-management.

Odessa claims that the re-emergence of market relations would be prevented by the "abolition of money." But if unilateral control (effective possession) of production facilities leads to the formation of market exchange, money would emerge to facilitate those exchanges. Calling for the "abolition of money" is mere rhetoric

unless Odessa can show how the underlying social relations will not tend to re-create a market system.

We want to avoid a society based on the power of money as capital. Money exists as capital when it can command labor and resources to produce things to make more money. Capital is a social relationship. Although prices as a form of social accounting would exist in parecon, money wouldn't exist as money-capital, because the capitalist social framework would be missing. Labor time and other resources would be allocated in production only through the social plan, and only to self-managing production groups where job balancing is in force. I know that many Left-libertarians do not like the idea of prices because it reminds them of the roles that money plays in capitalism. But this is akin to the argument of people who want to throw out all technology because of the oppressive ways that capitalism uses technology.

Prices are needed in order to have an economy that is effective in producing what people most desire. To see this, it is helpful to look at the concept that economists call social opportunity cost. If groups of construction workers are building health clinics, their work time, and the materials they are using, cannot also be used to build other things we might want, such as houses. All the things that we've lost because we've committed worker time and resources to build the health clinics is the social opportunity cost of the clinics. How do we know that the clinics are more important to people now than those other things? To know where we should be allocating our work time and resources, we need to know what people regard as the most important, the things they desire most strongly. The only way to know this is for people to make a choice in a situation where they have only a finite, quantitative entitlement to consume, and they choose what they want produced only up to the limit of their budget. This forces people to make their priorities clear.

This principle applies to choices of community assemblies about public goods as well as choices of individuals about private con-

sumption goods. The choices that people make provide us with relative evaluations of the different things we could produce. Without this information, we have no way of knowing whether the overall allocation of worker time and resources in production will be effective in producing what people most desire.

For allocation, Odessa proposes a simple request/response system. People who want housing would send in requests to construction groups, and the construction groups would respond by building houses. Thus far, this is in agreement with parecon, which also envisions consumers making requests and producers responding with proposals for production.

But there is no assurance that an initial set of requests for production would add up to a do-able and effective total plan. What if the community really needs health clinics and schools, but so many requests for bigger houses come in that the construction groups couldn't build the houses and also build the clinics and schools? What if people demand more than could be produced without working 14-hour days? If the issue of having to make a choice were put to them, maybe they'd agree that the schools and clinics were a higher priority right now.

What is missing in the world Odessa describes is a way for people to revise their proposals in light of information about production capacity and what everyone else has requested. Some group(s) needs to collect everyone's proposals, and then summarize and publish what the consequences would be, so that everyone can then revise our requests accordingly. A production group that does this is called an iteration facilitation board (IFB) in parecon lingo. In fact, Odessa's request/response system would require additional rounds of requests and publishing of information about what everyone has requested. Odessa's "coordination groups" would inevitably be IFBs!