

Participatory Socialism: There is an Alternative!

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Thank you for inviting me. I am honored to be with you in Greece at the festival in Thessaloniki put on by the anti-authoritarians. Although you are suffering severe economic hardship, you are providing hope for those around the world fighting back against unemployment, against cutbacks in social programs and poverty and who are committed to creating a better world where the dignity of all people is its organizing principle. I hope my talk will provide some useful insights into alternatives.

Capitalism is a failing and destructive system as can be so clearly seen from the global crisis in general and the crisis in Greece in particular. However, it will not collapse on its own and if does, the alternative is unlikely to be liberatory unless we have developed in theory and practice some real alternatives to it, and movements powerful enough to transform and revolutionize society.

To criticize and resist capitalism and the many problems it causes is necessary but without an alternative is insufficient. We, radicals, have spent too much time on developing excellent analyses of its exploitative and oppressive nature, of the limits in reforming it but not enough on what we want and how to get there. Developing alternatives are necessary for revolutionary change as of course are strategies to connect our critique of capitalism to our vision of an alternative. I will focus mainly on what we want and need although I will include some comments on strategy.

There is An Alternative!

Since the late 1970's, the dominant mainstream ideology is that There is No Alternative (TINA), or that no qualitatively different way of organizing society is possible. Without an alternative, we can't answer how to solve major economic and social problem such as alienated labor, unemployment, poverty, global warming, discrimination, imperialism and poverty or we often are limited to bad or insufficient choices, which are even more restricted by global capitalism. For example, if we demand a living wage for all and a work week of 20 hours, we face the likelihood that employers will move their capital to another country, and that imports will rise and exports fall worsening the balance of payments. This would cause this major reform to be undone.

TINA or There is No Alternative is used in three different senses. The first and the most common was the way it was used by British Prime Minister, Margaret Thatcher, in 1979 when she said "there is no alternative to globalization" that meant there is no alternative to neoliberalism or neoliberal capitalism. This is the most restrictive sense of TINA. That there is no worthwhile and workable alternative to free market fundamentalism is the position of the European Commission, of international financial institutions such as the IMF, World Bank and the World Trade Organization, and seemingly of Prime Minister George Papandreou and my President, Barack Obama.

As a response to the financial crisis and the high rate of unemployment around the world, many are calling, instead for a regulated form of capitalism, a Keynesian or social democratic variant, e.g. Joe Stiglitz and George Soros. In this perspective, there should be strong regulations on financial institutions, environmental regulations, and government spending sufficient for there to be high employment. There is a significant social safety net and some level of progressive taxes to make after tax income more equal than before tax income. Production is primarily organized for profit, by private corporations and through the market. In this social democratic perspective, there are no alternatives to capitalism but there is a desirable variant to neoliberal capitalism. I consider social democracy to be a form of capitalism because it is a society dominated by capital and most people

who produce goods and services are wage laborers. So this is the second variant of TINA—there is an alternative to neoliberalism but not to capitalism.

Within the socialist tradition, there is a third variant of TINA. Yes, there are alternatives to capitalism, but there are only two possible socialist variants for an entire society: central planning or market socialism. Both of these alternatives are severely flawed but there is a feasible and desirable socialist or liberatory alternative, which I call participatory socialism. One reason for the belief in TINA is that no alternate society exists that we can point to and say this is what we want to create. I will make comments about Venezuela as a society that although still capitalist is moving in some ways towards a participatory socialism and direct democracy.

Both within the Marxist and anarchist tradition, there has been a hesitance to develop visions of a different society. There are many reasons why activists and social movements do not usually propose alternatives to capitalism—from not wanting to be called utopian to fears that projecting an alternative will be seen as social engineering or vanguardism.

I urge us to be utopian—to be willing to go beyond what has existed, to go beyond what we have been told is impossible, to dream and to act on it. Be utopian, not in the sense of an idea without a feasible strategy but rather utopian in going beyond what exists, to struggle for another world that is necessary and possible, to think big and creatively! Otherwise we don't have a chance to create the world we want and need.

We do not need blueprints but rather ideas of the how an economy and society could meet human needs and be feasible; how its institutions and organization of society would further the values we consider most important. To avoid the danger of social engineering by an intellectual or technocratic elite, this evolving vision needs to be experimented with concrete examples within the existing society, and interact with and be continually altered by social movements and organizations struggling for fundamental change. Our vision must be culturally and historically specific; one size does not fit all.

Socialisms

I will sketch key elements of a participatory socialist society. The name is not important, the essence is. Other names besides participatory socialist are decentralized socialist, libertarian socialist, participatory economy, participatory society, socialism for the 21st century, council communism, democratic socialism, and many forms of anarchism. Occasionally it goes by the name of economic democracy although that also covers many versions of reformed capitalism. The ideas are most developed in the writings of Michael Albert and Robin Hahnel. I am indebted to them for the following although I differ in a few aspects.

I use the word socialism because it represents a tradition worth maintaining although critically. I hold on to this term because in so many places around the world, socialism has represented and represents the aspirations of oppressed people and workers for liberation and human dignity. It carries a lot of baggage from its association with the repressive nature of the Soviet Union, particularly after the rise of Stalin, to the history of socialist parties when in power supporting imperialism and being reformist; to socialist groups and parties not making central the oppression of women, or the oppression of indigenous people and sexual minorities, or being bureaucratic not making democracy and popular power central, or prioritizing economic growth over all other goals. So I suggest considering ourselves part of this tradition while not defending many of the parties, groups, and societies who have called themselves socialist.

Also, unlike a capitalist economy, a socialist economy has the possibility of being environmentally sustainable, of making central as the Iroquois or Haudenasaunee indigenous people say, considering the impact of decisions, seven generations into the future. If this is made a central goal of a socialist or participatory planned society, and operationalizing the long term is part of all decision-making, sustainability can be a reality and not just a

marketing tool. On the other hand if socialism focuses on economic growth as the primary goal, the results may be no better, environmentally, than a capitalist society.

It is time to overcome the division and divides between Marxists and anarchists. Their coming together with insights from other frameworks such as more indigenous centered ones can help forge richer critiques, strategies and visions of where we want to go. Non-Leninist Marxists and non-individualist and movement building anarchists and the related groups have enough in common to work together in unity with the totality being greater than the sum of the individual groups and perspectives. We can build stronger and more insightful organizations this way.

By socialism, I mean the popular control of the production and use of the societal surplus of society or a clear movement in this direction. The surplus is that part of output left over after socially necessary consumption and the replacement of the wear and tear of equipment and buildings and the depreciation of the environment is subtracted from production. Key to the development of any society is how this surplus is used and who decides, and which class produces the surplus. Ending private ownership and control of the surplus is necessary but not sufficient for socialism. It is much more than nationalization. Hierarchically managed nationalized enterprises are not socialist enterprises. This concept of socialism requires the following interrelated parts:

- 1) Self-management, worker control at the level of the workplace.
- 2) Democratic and popular control of the society as a whole. .
- 3) Production organized to meet human needs, needs not for profit
- 4) Democratic planning

So socialism when fully developed means democracy, both at micro level of the workplace and also at the society or political level. Similarly, democracy in the sense of popular control over the major economic and political decisions if fully developed also means socialism. Socialism and democracy may have different starting points but one implies the other, they are intertwined. Central to socialism is equality and substantive and direct democracy.

Also central to this understanding is that capitalism cannot be reformed but must be totally ended and transformed. The power of capital to exploit workers, to hire and fire, to determine our livelihoods, to shape the state, to hold our communities hostage for tax breaks and low wages must be ended. The concept revolution as both a process but also a fundamental transformation of society, that of the majority of the population rising up and taking power from those who have monopolized it, revolution is still a relevant concept. My focus is on liberation and qualitative change from the bottom up. It is not necessarily violent.

Before I outline a participatory socialist society, I will briefly criticize some other possible variants of socialism.

1. Centrally Planned Societies, e.g., the former Soviet Union, sometimes called Communist because a Communist Party controls the state. Economic enterprises are nationalized, the means of production are publicly owned and the economic decisions of what is produced, how and by whom and income distribution and prices are decided by central planners. There are few examples today as Cuba is moving towards greater use of markets and small privately owned production, e.g., in agriculture, services, light industry. In these societies, which inspire few people today, there is a dominant political party, a vanguard party that consists of those with the highest political consciousness. This party supposedly represents the interests of the working class. There are central planners whose overall objectives are set by the state or political party who are often indistinct from each other. Based on information the planners get from enterprises about labor requirements, necessary inputs, machinery they need for different levels of production, they develop detailed instructions on what firms should produce and how they should produce it. Central planners in consultation with the state also set five and ten year plans. There may be input from consumers and enterprises but not decision-making power. This model, with important variations between countries led by Communist Parties often had high growth rates of production in its early stages, particularly in the industrial sector and high rates of investment. This model has worked very poorly

in agriculture as it tended not to use the knowledge of those directly involved in agricultural production and provided inadequate incentives to induce sufficient amounts of needed and desired agricultural produce. In the former Soviet Union and Eastern Europe, this model failed in producing high quality goods and services, and in producing substantial and desirable technical changes and innovations. Although workers usually could not get laid off and there was usually, full employment, there was no self-management or worker control, and enterprises had little power in deciding what and how to produce. There was not democracy in the economic and other spheres of life although repression has varied greatly between these societies.

In Cuba, the availability of health care for all is truly impressive and should not be minimized as is Cuba's sending of doctors all over the world, true international solidarity. Also very positive is the access to education by much of the population and that almost all Cubans have at least a secondary degree. There is no hunger in Cuba, unlike many of the neighboring countries, and Cuba should be fully supported against the war the U.S. has waged against it for 50 years. Cuba's growing production of vegetable and fruits in urban gardens and their organic agriculture is also positive and worth studying. However, Cuba does not fit the definition of socialism I have laid out nor is it a model that we should copy although it has many important and worthwhile and inspiring aspects.

2) Market Socialism—think the former Yugoslavia. In a market socialist society, like the centrally planned model above, there is public ownership of the means of production, the resources, minerals, machines, factories, offices, stores, and agricultural land. Unlike capitalist societies, income comes from work not from ownership of wealth or capital. This is the non-capitalist model supported by most left or radical economists in the United States because they believe it combines the efficiency and individual choice that markets provide with the equity from socialism because of the absence of property income. In a market socialist society, each enterprise is trying to minimize costs in order to maximize profits which means society paying the social costs, e.g., pollution, although some of them can be regulated. Although most profits do not remain inside the firm, if none of the profits were kept by the firm, there would be little incentive for firms to minimize costs which is a desirable aspect of market socialism. Firms because of a good location may make higher profits than others although the workers there are no more deserving. In Yugoslavia, vast inequalities remained by region. Moreover, there may be vast disparities in wages because they are set by demand and supply. Progressive taxes can reduce some of the inequality in income but not all of it. Wages should not be determined by markets for labor. Also in a market socialist model, competitiveness and individualism will be fostered and encouraged. In the Yugoslav model, workers could supposedly elect and recall their managers but often the managers were constrained by the firms having to compete in national and global markets. There is market pressure on managers to speed up production and not prioritize worker safety and health, to externalize costs of production. Maybe some consumer markets are not a problem but we can do better than market socialism although it is far desirable to capitalism.

3) Social democracy, e.g. Greek's PASOK with Andreas Papandreu as leader, the Scandinavian countries in the post World War II period. The social democratic vision has been reduced to one of regulated capitalism and Keynesianism, high government spending and a social safety net financed by progressive taxes with somewhat of a focus on a more equal distribution of income but not on who controls production and the labor process. In the context of contemporary global capitalism, global neoliberalism and the real threats of capital flight and capital going on strike, social democratic parties have moved further to the right, and less concerned with challenging the inequality of wealth and income—the so-called third way. For the most part, social democrats have not questioned hierarchical structures at the work place and the limits of representative democracy. Also, similar to the centrally planned models, there has usually been little emphasis by them on the environment. A somewhat different version from the labor-led social democratic parties are the Green Parties who emphasize sustainability but do not question capitalism.

For all of the above models, although they may not be capitalist—the centrally planned and market socialist models are not—they are class societies. Albert and Hahnel use the term coordinator class to describe the ruling class in centrally planned and market socialist society. The working class is still alienated and not in power in

these economies. In social democracies, there is a coordinator class and a capitalist class who dominate. This hierarchical division of labor will not only affect the workplace but all aspects of society as the class that dominates at work will tend to dominate other parts of society and the class dominated at work will usually feel less capable and less likely to exercise decision making and power in their community and broader society.

Many of my anarchist friends, particularly younger people, focus on some form of small is beautiful or community based economics. In these visions, the focus is on small communities being as self-sufficient as possible with the emphasis on voluntary trading within and between communities, sometimes called a gift economy. While the motivations are anti-bureaucratic and strong environmental concerns, there are many problems that have not been thought through. If equality of income and wealth is a value, wouldn't areas or regions richer in resources or with more and better equipment, be richer than poorer regions? What about economies of scale meaning that sometimes producing on a larger scale is more efficient, worthwhile than small scale production? Isn't there too high a cost in terms of necessary labor, quality of output, use of equipment, duplicating buildings for a community or even a midsized region of a few million people to produce locally most of what they need? If communities are not primarily self-sufficient but trade goods between them, how will trade between communities be organized? What will be the prices or terms of trade between regions? If a community or region is large enough so it can produce the majority of what it needs, how will trade, production, incomes be organized within this fairly sizable region? In this case, the participatory model is relevant.

Criterion and Values of a Good Society

In developing a vision, we need criteria and values to examine whether the institutions and organization of this possible liberatory society are advanced and fostered, or subverted.

1) **Equity** is a major value and goal. Income should be received according to need and effort. The starting point would be equal incomes for all members of that society but this can be adjusted upwards or downwards depending on effort and need. For example if the standard work week is 20 hours a week and someone wants to work more, they could get some extra compensation. Because someone has a skill or talent that is highly valued by society, e.g. being a great musician or scientist does not as in the case of capitalism or market socialism lead to higher income unless there was some major sacrifice to attain it.

2) **Democracy meaning self-management.** People make decisions in proportion to how much the decision affects them. One should have a lot of say how ones work is organized but little or none about decisions made by others that are purely private. Democracy should be as direct as possible.

3) **Solidarity**—Does the society foster consideration for the well-being of others, empathy? In a capitalist society, unhealthy competition is fostered. If my firm succeeds, yours may fail and all workers in your plant will lose their jobs and may not be able to find another one.

4) **Variety or diversity.** Is there respect and encouragement for individual and group differences? Are different types of communities, living arrangements, sexual orientation valued? Is privacy also supported?

5) **Efficiency.** By efficiency, maybe a different word should be used, I mean that society should not waste labor or scarce resources and materials—e.g., that it should not waste water and non-renewable resources. People's talents should be used where they do the most societal good and labor should be organized so people work at a pace consistent with human development but human labor should not be unnecessarily used.

6) **Sustainable development**—This means living in harmony with the natural environment and considering fully, future generations in today's economic decisions. It means not ripping off the rest of the world by using a disproportionate share of resources or by larger per capita carbon dioxide emissions. I would add that other species and nature, e.g., trees, have a value in and of themselves, not only because they improve the quality of the life of humans.

Principles of a Participatory Socialist Society

In moving towards a participatory society, we need to transform institutions and not just political consciousness. Moreover although experiments and aspects of participatory socialism can exist within a larger capitalist society,

and it is very important that we build these institutions, they will be compromised and limited within the broader society. For example, firms will have to compete against other firms who may not pay a living wage, who pollute, who do not make worker safety a priority and do not provide adequate child care benefits, or who buy goods made with sweatshop labor. People who need the goods or services this participatory enterprise produces may not be able to afford them and the firm cannot afford to give them away.

Planning, although it has negative connotations of a huge and powerful bureaucracy, of centralism, is necessary for a non-market based society to organize production of the many goods and services, inputs and outputs, what goods are produced and how, how many of each, coordination of production and consumption, planning for the future, what kind of work do people do, where? In a participatory socialist society, economic planning must be democratic and participatory. Participatory planning is a feasible and desirable alternative to central planning and to the market and price mechanism. There is an alternative to the market.

There is popular decision making and popular power with regards to economic decisions, and public ownership of the means of production. I use the word socialization or public ownership rather than nationalization. In any case, one can't make money or income or wealth by owning property. One could own one's house but not sell it for a profit. One could not rent out housing or make money by loaning money. No one will own an enterprise although people who work at a place will manage and run it.

In a participatory socialist society,

1) Production will be organized to meet needs not for profit. Moreover, the basic needs for all members of that society will be prioritized and guaranteed for quality health care, housing, day care, education, food, clothing, clean water, transportation, etc. As a strategy, we should organize for the decommodification of these goods and services—for free public transportation, free education, access to water as a basic human right. This is a start towards building the new society in the bosom of the old. By decommodification, I mean that the prices are not determined by supply and demand and goods and services are distributed to those who need them.

2) Social and public consumption are prioritized over private consumption. For example, there will be an emphasis on public transportation rather than private cars for each individual. Community cars could be available for use by community members for an excursion.

3). Hierarchy will be eliminated or minimized. There will not be one class of managers and another of people managed although there may be managers for a specific task. Self-management will be emphasized. Worker and community councils will play a central role. Moreover to overcome class differences, there will be balanced job complexes, where workers will do a combination of jobs and tasks so that empowerment, responsibility, rote work, conceptual work, safety, desirability is similar for each person. This does not mean that people do identical tasks but rather there is not one group who does all the conceptual work and another group who does the same simple operation hour after hour.

4) Technology will be designed so that rote, repetitive labor such as the assembly line is reduced to an absolute minimum. In production, human beings are created not just workers and rote work does not develop human beings to their fullest even if they receive the same income as everyone else.

5) Reduce work week and full employment for all. There will be a societal decision on the average work week. Everyone who can will be expected to work, and will be employed. This will include young and old with an adjustment downwards of their expected work week. Without all of the unproductive labor—supervisory, guard, advertising and marketing, military, in banking and finance—and without useless products and planned obsolescence, with everyone working, the work week for the United States or Greece could be cut in half or maybe by 2/3. One of the many insanities of capitalism is the existence of long work hours for some and no work for others.

6. Ending sexual and racial (ethnic) division of labor in the household and the workplace. Household work will be shared and reduced.

7. Equality (equity), nationally and globally. Trade and international relations will be organized to promote

equality of income and wealth between nations, societies. Most of the benefits of international trade will go to poorer countries. There should be respect and cooperation between nations and open borders, and the sharing of technology and information.

8. Participatory planning—to be further explained.

9. Direct democracy—the emphasis will be on participatory and direct rather than representative democracy.

10. All social costs are considered in production and consumption decisions.

These ten points are not only guidelines for a participatory socialist society but should also be incorporated into and advocated for in our current movements and organizations for the complete transformation of society. We need partial victories and concrete examples and experiments such as the town of Marinaleda in Spain, the Zapatistas in Chiapas, the recuperated factories in Argentina that point to the society we want to create. We are transformed as we transform the world. Revolution is a process that does not end. It is also a rupture with the existing structure. There is a need for revolutionary change, qualitative change to make this vision a possibility. As long as we are inside a capitalist society, it will strongly influence all aspects of life. However, overthrowing an oppressive system, taking power is only one aspect of creating a new society. We need to build the new society and social relations and institutions inside the old society, and then continue to transform ourselves and our society after capitalism is no longer the dominant economic system.

Its Economic Institutions

Here is a sketch of some major institutions of a participatory socialist society. It is not a blueprint I have thought mainly about its applicability to the United States although. I believe its general features have relevance in many other places including Greece.

A. Workplace and production. The guiding notion is that work is a means and an end. Useful goods are produced but so are people's capacities, personalities and needs. The workplace should be non-hierarchical and cooperative with elements of play and with the aim of using and developing human creativity. This implies:

1. Worker's councils for the work group and at the enterprise level. Worker councils will organize production and the labor process. They will hire and if necessary fire. They will self-manage.

2. **Balanced job complexes**--People will do a combination of jobs that mix responsibilities and desirability—there will be job rotation.

a. At the workplace. e.g., In a hospital a doctor may also work in the kitchen.

b. Between workplaces. If a workplace is less desirable than the average, its members will also work at a more desirable workplace.

Balanced job complexes are necessary for there to be self-management of the economy and society—Equal pay is not enough for people to be able to self-manage in all aspects of life, for power to be equal and shared.

3. Workplaces put forward their proposed plan on desired production, on needed inputs, on desired technical changes and equipment needed. They begin with what they did the year before and build from there. They are added up for each industry. They are then be modified after they are compared with the requests of consumer councils.

4. Remuneration (Pay) by effort decided by coworkers.

B. Consumption and consumer councils--A general principle is to minimize wasteful and unnecessary consumption. I am influenced by living in the United States where there is overconsumption by many. Advertising will be eliminated as will marketing and the sales effort. There will be some production differentiation but much less—maybe 20 rather than 200 breakfast cereals.

1. Social Consumption will be prioritized. For many consumer durables, there will be libraries where, for example, you could borrow a lawn mower or car rather than have one for each household. There will be respect for individual consumption desires and for different tastes. For the great majority of people in the world and even in the United States there will not be sacrifices in consumption. Consumption will be more social and less

destructive of the planet, e.g., making music or art rather than driving an SUV; and less emphasis on individual homes.

2. Consumer Councils – Local consumer councils will be nested or part of larger group of councils, We would begin with regional consumer councils that would make requests for social consumption for the region, e.g., building a university. Then the next level down would decide on social consumption for a group of consumer councils, e.g., a city park. Finally, the local consumer council would decide with their remaining revenue, how much of what is left goes for local social consumption and how much would be divided up among the consumer council members for individual consumption.

3. Health care and education will be free and not charged to one's consumption.

4. Individuals who put in average social effort at work consume the social average

5. There will be adjustments up or down for special consumption needs--family size, inability to work, costs connected to inhospitable climates, other.

6. Household labor will be considered as part of one's labor effort so single parents would be expected to work less hours than the average in non-household labor and still consume the social average because of their high household labor requirements. Household labor will be shared among its members with the goal of ending the sexual division of labor

C. Participatory Planning

1. Macro or societal wide decision such as the length of the workweek, amount of investment will be decided through a participatory democratic process. As I already mentioned, we could have an adequate standard of living while choosing a 15 to 20 hour work week given all of the unnecessary labor. Society will also make decisions on dividing production between consumption and investment goods.

2. Iterative planning and convergence of plans- The proposals for individual and social consumption coming from the various levels of consumer councils will be added up as will proposals by various enterprises who are also aggregated into industry-wide proposals. If more was requested than enterprises were offering to produce, these proposals will be adjusted and redone until one or more feasible plans emerged. By feasible, I mean demand and supply match. The main mechanism to move towards a feasible plan are indicative prices.

3. Indicative Prices but **not markets.**

a. There are indicative prices that measure the social costs of production and the social benefits of good. If demand for a good, e.g., a pair of jeans, was greater than proposed production, the indicative price of these jeans, i.e., their social benefit, would rise leading to less demand for them as consumers adjusted to their higher prices and enterprises increased their production in response to the higher prices. This will be the key mechanism to move towards a feasible plan. Workers wages will not be determined by the revenues of the firm they work for.

b. Firms aim for high social benefit to cost ratios. In other words, firms will try to reduce their costs by not wasting resources, by being productive, and by producing those goods and services where indicative prices are high. Firms who had high costs compared to the indicative price of the goods or services they made could be asked by higher level councils to change their methods of production or their product or even close although full-employment is guaranteed.

c. Social costs of production include all environmental costs. Communities can decide whether to veto production or be compensated if they are affected negatively, e.g. air contamination caused by the production process.

d. Individuals use their income to purchase goods at their indicative prices. Their income available for purchasing individual goods is reduced by the costs of the communities' social consumption

4. The planners' power is limited. They will receive the same income as other members of the society. They will rotate in and out and not be permanent positions. Their task is primarily adding up supply and demand estimates and then following a societal agreed upon formula to adjust the indicative prices. After a few rounds of this process, they will propose but not decide among a few different feasible possibilities.

5. There will be money and prices but they will play a different role from our society. They will be used for

accounting, to add up consumption and social costs but there will be no way to make money from having money. For individual consumption, you might think of a debit card with a number, representing your income or purchasing power that can be used to buy goods and services whose indicative price is subtracted from the amount you have. So if those jeans had an indicative price of 20 that would be subtracted from your debit card.

A few more points!

1. Innovation and work. With lifetime education for all, there will be a large pool of potential inventors, researchers, etc., particularly if the society makes this a priority. The incentive would not be monetary, the chance to get rich. Rather the incentive will be to help your community, for social recognition, for the chance to do something creative, new and important. Similarly, if work was interesting, most people will put in a decent effort. Their effort and resulting pay will be evaluated and decided by their coworkers. Information, technology, new ideas, research, products and innovations will be shared within and between societies furthering the spread of new products, e.g., medicines to cure disease.

2. For the most part, particularly food, there will be an emphasis on and favoring of local production; the full social cost of transportation will be added to production costs in considering imports. There will be some importing even food as economies of scale, climate and resources will also be considered.

3 The individual and the collective will be a continuing contradiction in a participatory socialist society. We should consider both, and promote individuality but fight against individualism. By individuality I mean we are all unique and this should be valued and supported but individualism is a capitalist disease where one has no concern about the interests and needs of others.

4. The aim is to abolish class differences not only in income but also in power and information.

5. Socialism is **necessary** but not **sufficient** to end racism and patriarchy. There will be a need for caucuses in the workplace and community and at all levels of society to further racial and gender equality. The aim is not homogeneity and assimilation but diversity and equality with respect for cultural autonomy

Venezuela: Socialism for the 21st Century

One difficulty for the radical, anti-hierarchical left, or in talking about participatory socialism, is responding to the accusation that we have no concrete examples of a society that is a desirable alternative to capitalism on a societal level, a society that is socialist and democratic. We can point to examples from the Spanish Civil War in Catalonia in the 1930's or going back further, the Paris Commune in the 1871, but both were short-lived.

In terms of hopeful alternatives to capitalism, I urge people here to look at, visit and learn from Venezuela and provide critical support for the exciting and important developments there. I spent 10 weeks in Venezuela in spring, 2009 and heard almost every day someone saying that Venezuela is building, "Socialism for the 21st Century". Its path and goals are imprecise and ambiguous and being experimented with and there is no road map. Nonetheless, Venezuela's "Socialism for the 21st Century" is moving slowly and unevenly and in a novel and different trajectory from any other revolution towards a society that meets human needs and possibly, a participatory socialist society. Poverty in Venezuela is less than 1/2 of what it was when Hugo Chávez was elected President in 1998. The increased access to health care and education by the popular classes is a major achievement. Even more significant in the long-run is the growing voice and power of poor people, those formerly who didn't speak for themselves and now have a voice which they are increasingly exercising through various parallel institutions, such as the communal councils that are alternatives to the representative and traditional government structures.

Although the United States consistently attacks Venezuela as socialist, Venezuela is still a capitalist country with

most production for profit and a very unequal, although improving distribution of income and wealth. It's a contradictory situation as the economy is dominated by capital but the government is increasingly anti-capitalist. There is a significant state sector, primarily oil. Most state enterprises are run in a bureaucratic and top down manner although there is discussion and some movement towards worker run enterprises, particularly in heavy industry.. There is a third sector, although still a very small part of the overall economy, of social or socialist enterprises that are run by their workers and the surrounding community, usually with equal pay for all of the producers. A new form that has been growing since 2008, is the comuna or commune. To understand the commune, I will first explain communal councils. Beginning in 2005, there has been an explosive growth of communal councils, They are groupings of 200-400 families in cities, mainly but not exclusively in the barrios. In rural areas and indigenous communities, they comprise 10-40 families. They are a parallel form of government practicing direct democracy. They get a budget from the federal government and then decide how to spend it, usually using consensus, and with horizontal forms of organization. The communal councils have built housing, community and cultural centers, roads and socialist enterprises. A substantial proportion of the low income population are active members. In some areas, e.g., in the State of Lara, a group of communal councils have joined together to form a comuna or commune, which permits larger economic enterprises than ones formed by communal councils. In these enterprises, incomes are usually equal; they are self-managed and some of the surplus goes to fund community projects. There a growing number of comunas that are forming.

Parallel to the old system, a new system is growing and developing in Venezuela—a new and free health care system, Barrio Adentro, which stresses preventive medicine; the Bolivarian Universities, which are for older students previously excluded from the main universities and which stress socialist values and service to the community; an adult educational system based on similar values to the Bolivarian Universities; organization of women in the barrios, independent campesinos organizations, and the socialist enterprises. My hope, which many in Venezuela share, is that these new institutions will grow and eventually replace the old political and economic structures, that Venezuela will become a participatory and direct democracy and a participatory socialist society built from the bottom up. In Venezuela, the terms “direct democracy” and socialism for the 21st century are often used interchangeably.

Central to understanding the Bolivarian revolution, another term used to describe this ongoing process, is social change from above and from below. The election of the government led by Hugo Chávez in 1998 enabled ongoing transformation in Venezuelan society but by itself was not a revolutionary change. This idea is expressed in Greg Wilpert's excellent book, “*Changing Venezuela by Taking Power*”.

In the last 11 years, social change from above has caused social change from below which has further moved the government led by Chávez to the left which has furthered popular power and direct democracy at the grass roots level. What is exciting about Venezuela is the mutually reinforcing process where the Chávez led government is committed to meeting people's needs and supports activities by the popular classes in transforming their communities, local governance and workplaces. Their demands spur the government to further support grass roots power. The popular classes are becoming subjects of their history, protagonists. It is equally a mistake to only focus on the building power from below as some people do who believe the state always supports the capitalist class or is inherently oppressive. Chávez and some of the federal government, for the most part, are supporting the building of power from below. This process of transformation from above and from below is certainly contradictory and not rapid and not without serious problems, such as dependence on Hugo Chávez, but so far the direction is towards a direct democracy and participatory socialist society.

Also positive is the conscious attempt to change the values of the population towards a less individualistic and consumerist consciousness and towards one based on solidarity, cooperation and promoting the common good, socialist women and men. It is an unstable and constantly changing situation in Venezuela, with the danger of a more direct and possible military attack by national and international capital if the

transformation of Venezuela continues. There are similar changes going on although the direction is less clearly anti-capitalist in Bolivia and Ecuador.

So people are resisting and creating alternatives in Venezuela, in Latin America, in Greece and where I live in Olympia, Washington. Let us deepen and broaden and connect our struggles. Another World is Possible and Necessary and Happening, Thank You!