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Transforming Capitalism through Real Utopias

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Abstract

This address explores a broad framework for thinking sociologically about emancipatory alternatives to dominant institutions and social structures, especially capitalism. The framework is grounded in two foundational propositions: (1) Many forms of human suffering and many deficits in human flourishing are the result of existing institutions and social structures. (2) Transforming existing institutions and social structures in the right way has the potential to substantially reduce human suffering and expand the possibilities for human flourishing. An emancipatory social science responding to these propositions faces four broad tasks: specifying the moral principles for judging social institutions; using these moral principles as the standards for diagnosis and critique of existing institutions; developing an account of viable alternatives in response to the critique; and proposing a theory of transformation for realizing those alternatives. The idea of "real utopias" is one way of thinking about alternatives and transformation.

"*There is no alternative*" – Margaret Thatcher, early 1980s

"*Another world is possible*" – motto of the World Social Forum, 2000s

In this address I explore a broad framework for thinking sociologically about emancipatory alternatives to dominant institutions and social structures. My focus is mainly on the problem of alternatives to capitalism, but

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much of what I have to say would apply to other dominant institutions as well. My hope is to contribute to a normatively grounded sociology of the possible, not just the actual.

Developing a theory of alternatives to capitalism at the beginning of the twenty-first century is a pressing task, for to most people capitalism now seems the natural order of things. This was not always the case. Throughout the twentieth century, many people on both the left and the right saw socialism as an alternative, either as a promise of emancipation or as a threat of oppression. Today, however, even for most critics on the left, socialism as a future to capitalism no longer has much credibility. This does not mean people have universally come to view capitalism as a benign social order within which humanity will flourish. Indeed, we live in a period in which many of the traditional socialist criticisms of capitalism seem more appropriate than ever: economic instability and crisis harm the lives of masses of people; inequality, economic polarization, and job insecurity in many economically developed countries have been deepening; capital has become increasingly footloose, moving across the globe and severely undermining the democratic capacity of states and communities; giant corporations dominate the media and cultural production; the market appears like a law of nature uncontrollable by human device; and politics are ever more dominated by money and unresponsive to the concerns and worries of ordinary people.

The need for a vibrant alternative to capitalism is as great as ever. Yet the particular institutional arrangements that have come to be associated with alternatives—socialism rooted in state control of the economy—are seen as incapable of delivering on their promises. Instead of being viewed as a threat to capitalism, talk of socialism now seems more like archaic utopian dreaming, or perhaps even worse: a distraction from dealing with tractable problems in the real world.

In what follows I propose a power-centered framework for addressing these issues anchored in the idea of "real utopias." At its core, this proposal revolves around transforming power relations within the economy in ways that deepen and broaden the possibility of meaningful democracy. I will begin by briefly discussing two foundational propositions shared by all varieties of critical and emancipatory social science. The idea of real utopias is one response to the intellectual challenge posed by these propositions.

FOUNDATIONS

All varieties of social science that have critical and emancipatory aspirations, whether they are anchored in values and beliefs of the left or the right, share two foundational positions:

> *Foundational Proposition of* Critical *Social Science*: Many forms of human suffering and many deficits in human flourishing are the result of existing institutions and social structures.

> *Foundational Proposition of* Emancipatory *Social Science*: Transforming existing institutions and social structures in the right way has the potential to substantially reduce human suffering and expand the possibilities for human flourishing.

The first proposition affirms the very general idea that significant aspects of human suffering and deficits in human flourishing are not simply the result of human nature, acts of God, or variations in people's attributes, but are the result of social causes. Stated in this abstract way, this proposition is accepted by nearly all sociologists, whether or not they explicitly identify with any of the traditions of critical sociology, and is thus not controversial. The proposition becomes very controversial, of course, when concrete claims are made about the specific mechanisms that generate these harms. Writers have proposed many social sources of harms: the core structures of the capitalist economy; unintended effects of the welfare state; enduring social and cultural structures of racism and sexism; educational institutions; changes in family structures; and particular kinds of technology. A great deal of sociological research attempts to identify these sources of harm and adjudicate among rival arguments.

The second proposition should not be considered a simple corollary of the first. It could be the case that various causal processes connected to capitalism explain much human suffering, and yet any deliberate attempt at transforming the fundamental structures of capitalism would only make things worse. The cure could be worse than the disease due to unintended and uncontrollable effects of attempts at deliberate social transformation. This is essentially Hayek's (1988) argument in his attack on radical reformers. Following a long tradition of classical conservative thought, Hayek makes two central claims (although not stated in precisely these terms): first, the negative unintended consequences of deliberate social change are generally greater than the positive unintended consequences; second, the larger the attempted social transformation, the bigger the negative unintended consequences are likely to be.[1] Taken together, these arguments suggest that even if one accepts the first proposition, in general the second proposition should be rejected. The emancipatory proposition constitutes the "fatal conceit" of intellectuals, in Hayek's (1988:27) words, that "man is able to shape the world around him according to his wishes."

While I disagree with Hayek's pessimism and embrace the foundational proposition of emancipatory social science, I do not think such arguments can be dismissed out of hand. The folk aphorism "the road to hell is paved with good intentions," has too many historical examples to be ignored, many of them animated by emancipatory aspirations. The idea of real utopias is a way of thinking about alternatives and transformations that responds to these concerns.

The expression "real utopia" is meant to be a provocation, for "utopia" and "real" do not comfortably go together. Thomas Moore coined the word *utopia* in the early-sixteenth century as a kind of pun, combining the Greek for place—*topos*—with two prefixes that sound the same in English—*ou* meaning "not" and *eu* meaning "good." Utopia is thus both a nowhere place and a good place. It is the fantasy of a perfect world that fully embodies our moral ideals. When politicians want to summarily discredit a policy proposal without having to provide serious arguments, they call it utopian. Realists reject such fantasies as a distraction from the serious business of making practical improvements in existing institutions. The idea of real utopias embraces this tension between dreams and practice: *utopia* implies developing visions of alternatives to dominant institutions that embody our deepest aspirations for a world in which all people have access to the conditions to live flourishing lives; *real* means proposing alternatives attentive to problems of unintended consequences, self-destructive dynamics, and difficult dilemmas of normative trade-offs.[2] A real utopian holds on to emancipatory ideals without embarrassment or cynicism but remains fully cognizant of the deep complexities and contradictions of realizing those ideals.

The exploration of real utopias is an integral part of a broad agenda of an emancipatory social science that includes four basic tasks:

1. Specifying the *moral principles* for judging social institutions.
2. Using these moral principles as the standards for *diagnosis and critique* of existing institutions.
3. Developing an account of *viable alternatives* in response to the critique.
4. Proposing a *theory of transformation* for realizing those alternatives.

I like to think of these tasks using the metaphor of a voyage: the first two tasks tell us what is wrong with the world in which we live and why we want to leave it; the third tells us something about the destination we seek; and the fourth helps us understand how to get from here to there. The rest of this address will look at each part of this voyage.

MORAL PRINCIPLES

Many different moral principles can be used as standards with which to judge existing institutions and social structures, frame the elaboration of alternatives, and define the tasks of transformation. Different moral principles animate different voyages. Here I will focus on three principles: equality, democracy, and sustainability.

Equality

Moral issues connected to the idea of equality have broadly motivated a central preoccupation of sociology: understanding the causes and consequences of diverse forms of inequality, especially involving class, gender, and race. I define the equality principle as follows:

> *In a socially just society, all people would have broadly equal access to the social and material conditions necessary for living a flourishing life.*

Four ideas are critical in this formulation.

First, the ultimate good affirmed in the principle is *human flourishing*. A variety of interconnected terms are invoked in discussions of egalitarian ideals: welfare, well-being, happiness, as well as flourishing. In practical terms, it probably does not matter which idea is used, because social practices that facilitate any one of these are likely to facilitate the others as well. Still, human flourishing seems to me to be the one least vulnerable to a purely subjective interpretation and most systematically shaped by social conditions. It refers to the various ways people are able to develop their talents and capacities, to realize their potentials as human beings. The concept does not privilege one kind of capacity over another. These capacities are intellectual, physical, artistic, spiritual, social, and moral. A flourishing human life is one in which these talents and capacities develop.[3]

Second, the egalitarian ideal in the principle is captured by the idea of equal *access,* not equal *opportunity*. Equal opportunity is the characteristic way Americans think about fairness. I also believe equal opportunity is a good thing—a world characterized by equal opportunity is a better world than one with unequal opportunity—but I do not think it fully captures the moral intuition that drives the idea of equality. Equal opportunity has a number of limitations. It is satisfied by a world in which there is a perfect lottery at birth in which 10 percent of babies get to live a flourishing life and 90 percent live a life of deprivation. That is a version of equal opportunity, but hardly what anyone would consider just. The idea of equal opportunity also pays no attention to how unequal the outcomes are—equal opportunity to thrive or starve is still equal opportunity, but it is not equal access to the conditions necessary for human flourishing. Finally, equal opportunity is consistent with a very punitive view toward people who fail to take advantage of opportunities early in life. As long as people have "starting gate" equal opportunity, there is nothing unjust about their later deprivations if they blow their opportunities as young adults. This reflects a sociologically impoverished view of the life course, of how motivations are formed and disrupted at different stages of life, and a completely unrealistic sociological and psychological account of the degree of "responsibility" for the consequences of one's actions that can be appropriately assigned to persons.[4] Equal access implies a more compassionate view of the human condition than simple equal opportunity, but also a more demanding principle of justice: in an ongoing way throughout their lives, people should have access to the conditions to live a flourishing life.

Third, the egalitarian principle of social justice refers to material *and* social conditions necessary to flourish, not just material conditions. The idea of social conditions necessary for a flourishing life in this formulation is complex. In the case of *material conditions* it is pretty clear what we are talking about—mostly economic resources used to satisfy needs, and also things like personal physical security. *Social conditions* is a much more heterogeneous idea. It includes such things as social respect, community, solidarity, and trust. In a just world, all people would have broadly equal access to such social conditions. This means that issues of social stigma and social exclusion are also issues of social justice along with more conventional concerns of access to material resources.[5] Social exclusions based on race, gender, sexual orientation, ethnicity, physical disability, or anything else have equal moral standing with class as bases of critique of existing social institutions and social structures.[6]

Finally, the principle of equality as stated above refers to *all* persons. This means that in a fully just world, all persons regardless of

race, class, gender, sexual orientation, physical disability, ethnicity, religion, nationality, citizenship status, or geographic location would have broadly equal access to the material and social conditions necessary to live a flourishing life. This is a very strong criterion. We live in an unjust world where some people are born in poor countries, others in rich countries, and as a result people have unequal access to the material conditions to live flourishing lives. It may well be that for all sorts of reasons it is difficult—or even impossible—to fully remedy this global injustice. But a damaging inequality does not become socially just simply because of the difficulty of changing things.[7]

Democracy

There are many different ways of defining democracy. Here I want to define it in a way that highlights the central moral value that democratic institutions attempt to realize:

> *In a fully democratic society, all people would have broadly equal access to the necessary means to participate meaningfully in decisions about things that affect their lives.*

The value underlying democracy is the value of self-determination, of people being in control of their lives rather than having their lives controlled by others. This includes individuals' freedom to make choices that affect their own lives as separate persons, and their capacity to participate in collective decisions that affect their lives as members of a broader community. When the democratic value is defined this way, the ideas of individual freedom and democracy basically share the same core value. Individual freedom means people are in a position to make decisions autonomously without consulting anyone else under conditions where those decisions do not significantly affect other people. But if decisions have significant effects on other people, those other people should be co-participants in the decision. Generally, we use the term "democracy" to describe these situations of collective decision-making and "freedom" to describe situations of purely individual choice, but they share the same underlying value of self-determination. What differs is the context in which choices and decisions are made.

Of course, virtually everything of importance we do has some kind of unchosen side effect on others; in practice there is no natural boundary between the private and the public. How we draw the boundary depends on precisely what kinds of unchosen effects on others we decide should be allowed. This is fundamentally a political decision and generally reflects the relative power of different kinds of social interests. In a fully democratic society, this critical line of demarcation between the private and public realms would itself be determined through democratic deliberation among equal citizens.

With this definition of democracy, there are two main ways that a society can fail to realize democratic values. First, it can fail the "equal access" test if some people have much greater access to political power than do others. This can be due to explicit rules of exclusion, as in the early United States where women and nonwhites were denied the vote, or because various kinds of private power are allowed to give some people privileged access to political power. This does not mean that in a deeply democratic society everyone actually participates equally in the exercise of power, but everyone needs to have equal access to participation. Second, a society can fail to realize democratic values if important domains of decisions that significantly affect the lives of many people are excluded from collective decision-making.

Sustainability

> *Future generations should have access to the social and material conditions to live flourishing lives at least at the same level as the present generation.*

This way of understanding environmental sustainability is closely connected to the equality principle of social justice. Equality is a social justice principle among people in the world today. Sustainability is a justice principle for people in the future.[8]

The problem of sustainability as intertemporal justice raises a number of very difficult questions. In particular, because it is so difficult to project technological change very far into the future, it is always possible that what looks today like a bleak environmental future that undermines human flourishing because of resource depletion, global warming, and toxic waste, could end up being more than compensated by dramatic technological advances that enhance human flourishing. Many people believe there will always be a technological fix for future problems and thus there is no good reason to deprive the present generation to protect the environment for future generations. In the rich countries of the world today this seems like a rationalization for pure self-interest, but it has more plausibility in the Global South. The implication is that moral concerns raised by the issue of sustainability cannot really be disentangled from moral concerns raised by the principle of equality and social justice understood in global terms.

DIAGNOSIS AND CRITIQUE

The principles of equality, democracy, and sustainability provide criteria for a moral audit of any specific institution, social structure, or even entire society. We can determine how well schools and medical institutions or gender and racial structures realize these values. I focus here on the problem of capitalism.[9] This is not because I believe that all harms generated by existing social institutions are somehow reducible to the effects of capitalism, but because I believe that exploring real utopian alternatives to capitalism is an especially pressing matter in this historical period.

Equality

Capitalism is an engine of economic growth and technological change, as noted by both Karl Marx and Adam Smith. It has generated a productive capacity capable of providing the material conditions for all people to live a flourishing life at an unprecedented level in the economically developed regions of the world, and perhaps even in the world as a whole. But capitalism also inherently generates high levels of inequality in access to those conditions and thus perpetuates eliminable deficits in human flourishing. In the first instance this is simply due to the sheer magnitude of inequality in income and wealth generated by capitalist markets. Even if we adopt the weaker "equal opportunity" criterion for the equality principle, it is perhaps trivial to point out that in the United States, the 20 percent or so of all children growing up in families below the poverty line do not have the same opportunities to develop their talents and potentials as do children growing up in affluent families. The issue, however, is not simply unequal opportunities for children, but unequal access to the conditions to live a flourishing life throughout the life course as a result of insufficient income to live at a culturally defined dignified level and the unequal vulnerability to life-risks connected to capitalist labor markets. Furthermore, the consequences of these forms of economic inequality are intensified by systematic under-provision of critical public goods. High-income earners can substitute expensive, good quality private goods for the absence of public goods to meet various kinds of needs—education, health, public safety, and recreation. Lower income earners must rely on public goods, which are inevitably badly provided by capitalist markets.

These material injustices of capitalism are intrinsic to the ordinary functioning of capitalist economies; they are not simply the result of crises or special economic conditions. This does not imply that the only solution is to get rid of capitalism. It might be possible to significantly mitigate this form of injustice through state provision of public goods and through redistribution mechanisms that would counteract the unjust inequalities of capitalism but still leave capitalism the dominant economic structure. The experiences of a few northern European capitalist countries indicate that significant mitigation of capitalism-generated inequality is possible. Still, even in these cases it is important to recognize that this mitigation is the result of developing noncapitalist institutions capable of counteracting the effects of capitalist processes;

as a result, their economic systems have become less purely capitalist.

Democracy

Capitalism generates severe deficits in realizing democratic values for three reasons: by excluding crucial decisions from public deliberation, by allowing private wealth to affect access to political power, and by allowing workplace dictatorships.

The first of these is intrinsic to the very concept of private property in the means of production. The word "private" in private property means that owners have the right to exclude others from decisions about the use of that property. In practice, of course, there are always some restrictions on the use of private property, specifically on uses that generate significant negative externalities (e.g., pollution). But in a capitalist economy the critical power to allocate capital is held almost entirely by private owners.[10] The owner of a large factory has the right to close the factory and move it to another location in order to increase profits. This can have devastating effects not only on the lives of people who lose their jobs, but on the lives of others in the community whose homes lose value or whose livelihoods are linked to the factory in other ways. In a capitalist economy it is completely legitimate to make such decisions simply on the criterion that it is beneficial to the people who own the factory. The people whose lives are negatively affected by that decision have no right whatsoever to be co-participants in the decision. This is a violation of the principle of democracy.

Capitalism's defenders could respond that allowing owners of capital to move their capital without worrying about effects on nonowners is necessary for the dynamism of capitalism, for efficiency and economic growth. They could even say the individual freedom that private property entails is more important than democracy. Democracy, after all, is not the only thing we care about; normative trade-offs are inevitable in complex social systems. On such grounds one might conclude that the right to destroy home values and community members' livelihoods is justified by the importance of the values connected to private property even though, regrettably, it violates democratic values. One can say all of these things; but what one cannot legitimately say is that capitalism does not violate the fundamental value of democracy by giving publicly relevant decisions to private persons.

The second way capitalism contradicts the full realization of democracy is that it allows private wealth to affect access to political power. This is true everywhere; no capitalist democracy is able to insulate political decision-making from the exercise of power connected to capitalist wealth. In the United States this assault on democracy intensified after the Supreme Court's recent decision on the use of corporate funds in political campaigns. But this problem is not peculiar to the institutional design of the political game in the United States; it is inherent in capitalism's inequalities of wealth and the structural power of capital.[11]

The third way capitalism violates democracy is by allowing workplace dictatorships. When workers agree to work for a capitalist employer they also agree to subject themselves to the authority of others and to do what they are told. If they do not like what they are told to do, they can quit, but because they still must seek employment elsewhere, this is an illusory autonomy. So long as workers are not in a position to freely choose between democratically organized workplaces and authoritarian firms, the employment relation cannot really be considered "capitalism between consenting adults." Again, one might defend these arrangements on the grounds of efficiency or some other value, but this does not change the fact that authoritarian workplaces violate the democratic principle that people should be co-participants in collective decisions that significantly affect their lives.[12]

Sustainability

Capitalism inherently threatens the quality of the environment for future generations because of imperatives for consumerism and endless growth in material production. The world is finite; endless growth in material

consumption is simply not compatible with long-term sustainability of the environment. This does not mean that prosperity as such is incompatible with the environment, but simply that prosperity dependent on a dynamic of endless growth is incompatible.[13]

Consumerism and imperatives for growth within capitalism are not just cultural facts. Consumerism is a central imperative of a stable capitalist economy, for it is only through people buying things in the market that capitalist firms create jobs and only through jobs that most people can acquire income. An anti-consumerist economy is one in which productivity growth is turned into greater leisure rather than greater consumption. But if this were to happen, capitalist firms would continually face problems of inadequate demand for their products.[14] In the economic crisis that began in 2008, the continual mantra was how to stimulate growth, how to increase consumer demand. Only by curtailing profit-maximization as the driving force allocating capital would it be possible to reengineer the economy in the rich regions of the world in such a way that increases in leisure would be given priority over increases in consumption, and most people would be able to acquire an adequate standard of living without continual economic growth in material production. All of this is inconsistent with capitalism.

ALTERNATIVES

The third task of an emancipatory theory is developing an account of alternatives, both for specific institutions and for macro-structures of society. Alternatives can be evaluated in terms of their *desirability,* their *viability,* and their *achievability*. If you worry about desirability and ignore viability or achievability, then you are just a plain utopian. Exploration of real utopias requires understanding these other two dimensions. The viability problem asks: If we could create this alternative, would we be able to stay there or would it have such unintended consequences and self-destructive dynamics that it would not be sustainable? Achievability asks of a viable alternative: How do we move from here to there?

At this particular moment in history, I think it is especially important to focus on the viability problem. It might seem sensible to begin by establishing whether an alternative is really achievable and only then discuss its viability. Why waste time exploring the viability of unachievable alternatives? It turns out that the achievability problem is simply too difficult, at least if we want to understand whether something might be achievable beyond the immediate future. What public policy innovations and institutional transformations might be achievable in, say, 2040? There are too many contingencies to even begin to answer that question in an interesting way. But there is an even more fundamental reason why I think the question of viability should have priority over the question of achievability: developing credible ideas about viable alternatives is one way of enhancing their achievability. People are more likely to mobilize around alternatives they believe will work than around alternatives they think are pie in the sky. Moreover, such widely circulated discussions may enhance cultural resonance for actions in line with such viable ideas. Viability affects achievability. This reflects an interesting aspect of the notion of the "limits of possibility" in social contexts in contrast to the natural world. Before Einstein demonstrated that nothing can travel faster than the speed of light, it was still true that the speed of light was the absolute limit of possibility. The reality of those limits of possibility did not depend on their discovery. Limits of social possibility are not quite like that because beliefs about the limits of social possibility are one of the things that affect what in fact becomes possible. Evidence for the viability of alternatives has the potential to shape such beliefs.

Two other preliminary comments on the idea of alternatives are needed to set the stage for the exploration of real utopias.

First, how one thinks about alternatives depends in part on one's conceptualization of the idea of "social system." One metaphor for thinking about social systems depicts them as analogous to an organism whose parts are tightly integrated into a functioning whole.

There is some degree of freedom and variability in how the parts function, but basically they constitute a totality of functional interdependency. If you remove critical parts of the whole or try to dramatically transform them, the whole disintegrates.

An alternative metaphor is that a social system is more like an ecosystem. Think of society like a pond. A pond contains many species of fish, insects, and plants. Sometimes an alien species is introduced to an ecosystem and it thrives; sometimes it does not. Some ecosystems are quite fragile and easily disrupted; others can tolerate quite significant intrusions of invasive species without being seriously affected. If you think of society as an ecosystem, it still is the case that everything is interdependent, but interactions do not constitute a tightly functionalized totality. This opens up a different way of imagining alternatives. One way to transform an ecosystem is to introduce an alien species that initially finds a niche and then gradually displaces certain other species. The idea of real utopias as a way of transforming a society is more in line with the ecosystem view of society than with the organismic view.

The second general comment about alternatives concerns two contrasting ways of thinking about how to make the world a better place—ameliorative reforms and real utopian transformations. Ameliorative reforms look at existing institutions, identify their flaws, and propose improvements that can be enacted. These improvements matter—they reduce harms and enhance flourishing—but they are limited to proposals that directly act on existing structures and move one step beyond. Real utopias, in contrast, envision the contours of an alternative social world that embodies emancipatory ideals and then look for social innovations we can create in the world as it is that move us toward that destination. Sometimes, this turns out to be the same as an ameliorative reform, but often ameliorative reforms do not constitute building blocks of an emancipatory alternative. Consider, for example, affirmative action policies around race. Affirmative action is one of the critical policies for combating the pernicious effects of ongoing racism, not merely the legacies of racism in the past. But affirmative action is not, I would argue, a building block of a world of racial justice and emancipation. It is a necessary means to move toward such a world, but it is not itself a constituent element of the alternative that we seek.

To embrace real utopias in this way is not to reject ameliorative reforms. In the practical world of struggling to create the social conditions for human flourishing it is important to be a pragmatic idealist. Often this means muddling through with patchwork programs that do not prefigure emancipatory alternatives. Sometimes this is the best one can do. But sometimes it is possible to move struggles for equality, democracy, and sustainability beyond such narrow constraints and create institutions that are constitutive of a more profound alternative.

EXAMPLES

As a practical object of research, the study of real utopias mainly focuses on institutions that in way or another prefigure more radical emancipatory alternatives. Sometimes these are created in contexts of political struggles; other times they emerge quietly, without sharp confrontations. Sometimes they are in deep tension with dominant institutions; other times they occupy nonthreatening niches in the socioeconomic ecosystem. Before elaborating a systematic theoretical map of real utopian alternatives to capitalism, it will be useful to briefly describe a number of specific examples. Most of these are discussed in more detail in Wright (2010).

Participatory budgeting. Participatory budgeting (PB) is a transformation of the way urban budgets are created. Instead of technical experts working with politicians to create city budgets, budgets are created by ordinary citizens meeting in popular assemblies and voting on budget alternatives. In the PB model initiated in the Brazilian city of Porto Alegre in the early 1990s by the Brazilian Workers Party, neighborhood assemblies throughout the city were empowered to debate budgetary

priorities, propose specific kinds of budgetary projects, and then choose delegates to a city-wide budget council who would bring all of the proposals from the different neighborhood assemblies together and reconcile them into a coherent city budget. This basic model has spread to many other cities in Latin America and elsewhere, most recently to some city council districts in Chicago and New York. The result is a budget that much more closely reflects the democratic ideal of citizens' equal access to participate meaningfully in the exercise of power.

Wikipedia. Wikipedia is an example of something no one would have thought possible until it happened. Several hundred thousand people around the world actively cooperate without pay to write and edit the world's largest encyclopedia (more than 4 million English language entries in 2012, and some version of Wikipedia in more than 100 languages), which is made available without charge to anyone in the world who has access to the Internet.[15] The quality is uneven in places but overall quite high. Wikipedia is the best known example of a more general model of nonhierarchical cooperative economic activity: peer-to-peer distributed production with open source property rights.[16]

Public libraries. "To each according to need" is part of a familiar distributional principle associated with Karl Marx. You go into a library and check out the books you need. You go to a bookstore, go to the shelf, find the book you need, open it up, see that it is too expensive and put it back. Public libraries are fundamentally anti-capitalist institutions that allocate resources on the basis of need and ration them by waiting lists. Some libraries lend much more than books: music, videos, art work, even tools. They often provide public space for meetings. They increase equality in access to the material conditions necessary to live a flourishing life.

Solidarity finance. Unions and other organizations in civil society often manage pension funds for their members. In effect this is collectively controlled capital that can be allocated according to various principles. An interesting example is the Quebec Solidarity Fund developed by the labor movement in the 1980s. The purpose of these funds is to use investments deliberately to protect and create jobs rather than simply to maximize returns for retirement. One way the Solidarity Fund accomplishes this is by directly investing in small and medium enterprises, either through private equity investment or loans. These investments are generally directed at firms strongly rooted in the region and satisfy various criteria in a social audit. The Solidarity Fund is also involved in these firms' governance, often by having representation on the board of directors. Investments are typically made in firms with a significant union presence, because this helps solve information problems about a firm's economic viability and facilitates monitoring firm compliance with the side conditions of investment. Solidarity finance thus goes beyond ordinary socially screened investments in being much more actively and directly engaged in the project of allocating capital on the basis of social priorities.

Worker-owned cooperatives. Perhaps the oldest vision for an emancipatory alternative to capitalism is the worker-owned firm. Capitalism began by dispossessing workers of their means of production and then employing them as wage-laborers in capitalist firms. The most straightforward undoing of that dispossession is its reversal through worker-owned firms. In most times and places, however, worker cooperatives are quite marginal within market economies, occupying small niches rather than the core of an economic system. One striking exception is the Mondragon Cooperative Corporation in the Basque region of Spain, a conglomerate of more than 100 separate worker cooperatives that produce a wide range of goods and services, including high-end refrigerators, auto parts, bicycles, industrial robots, and much more. Cooperatives in the conglomerate have weathered the severe Spanish economic crisis much better than conventional capitalist firms.

The Quebec social economy council. The term "social economy" refers to a variety of economic organizations, often community-based, that produce directly to meet needs rather than for profit. Examples in Quebec include community-based daycare centers, elder-care services, job-training centers, and social housing. Quebec has a democratically elected council, the *chantier de l'économie sociale*, with representatives from all the different sectors of the social economy, that organizes initiatives to enhance the social economy, mediates its relation to the provincial government, and extends its role in the overall regional economy. The *chantier* enhances democratic-egalitarian principles by fostering economic activity organized around needs and developing new forms of democratic representation and coordination for the social economy.

Urban agriculture with community land trusts. A number of cities in the United States have community initiatives for developing urban agriculture. Some of these have the familiar character of community gardens with individual plots, but in some cities there are serious efforts to develop community-based urban farms capable of providing work for people and offering partial solutions to problems of the "food desert" in decayed central cities. A critical issue in such efforts is the nature of property rights involved in urban agriculture and how such development can be sustained in a way that is accountable to communities. The proposal for community land-trusts for urban agriculture is one approach to this problem.

Internet-based reciprocity economy in music. In a stylized way, musicians' lives are polarized between starving artists and celebrities. The Internet opens up a potential space for musicians to earn a middle-class standard of living in between these extremes. The idea is that musicians create websites that offer free downloads of their music, and then ask people to pay whatever they want. Through this mechanism, musicians establish a direct relation to fans based on norms of reciprocity and cooperation rather than ordinary commodified exchange.[17]

Randomocracy. Democratic governance is generally thought of as involving either elected representatives or direct participatory assemblies. A third form involves representation without elections through randomly selected assemblies. The jury is the classic example. In ancient Athens, legislation was done by an assembly of citizens chosen by lot. Today, policy juries adopt that procedure for various kinds of public policy in situations where nonpoliticians might have a greater capacity to weigh alternatives in a disinterested community-oriented way. One could also imagine a two-chamber legislative system in which one house is elected and the other is a citizens assembly of randomly chosen representatives. Such institutions allow for ordinary citizens' capacities and ideas to be deployed in democratic governance at geographical scales where direct democracy would not be feasible.[18]

Unconditional basic income. Unconditional basic income (UBI) is a proposal to give every legal resident of a territory an income sufficient to live above the poverty line without any work requirement or other conditions. Nearly all existing public programs of income support would be eliminated. Minimum wage laws would also be eliminated because there would no longer be any reason to prohibit low-wage voluntary contracts once a person's basic needs are not contingent on that wage. UBI opens up a wide array of new possibilities for people. It guarantees that any young person can do an unpaid internship, not just those who have affluent parents who are prepared to subsidize them. Worker cooperatives would become much more viable because worker-owners' basic needs would not depend on the income generated by the enterprise. This also means worker cooperatives would be better credit risks to banks, making it easier for cooperatives to get loans. If it could be instituted at a relatively generous level, UBI would move us decisively toward the egalitarian principle of

giving everyone equal access to the conditions to live a flourishing life.

Many other examples could be added to this list. Taken one at a time, especially in limited and incomplete forms, they do not constitute significant challenges to capitalism's dominance within an economy. But taken collectively and scaled up, they potentially constitute elements of a more comprehensive alternative. In the next section I will elaborate a general framework that embeds these kinds of partial and limited transformations in a system alternative.

A GENERAL FRAMEWORK FOR THE ANALYSIS OF REAL UTOPIAN ALTERNATIVES TO CAPITALISM

Both social democracy and socialism contain the word "social," but generally this term is invoked in a loose and ill-defined way. The suggestion is of a political program committed to the broad welfare of society rather than to the narrow interests of particular elites. Sometimes, especially in more radical versions of socialist discourse, "social ownership" of the means of production is invoked as a contrast to "private ownership," but in practice this is generally collapsed into state ownership, and the term social itself ends up doing relatively little analytical work in the elaboration of the political program. I will argue that the social in social democracy and socialism can be used to identify a cluster of principles and visions of change that differentiate socialism and social democracy from both the capitalist project of economic organization and what could be called a purely statist response to capitalism.

At the center of the analysis is a power-centered framework for understanding capitalism and its alternatives. Power is an especially elusive and contested concept in social theory, often formulated in opaque ways that make it very difficult to use in concrete discussions of institutions and their transformation. In the present context, I adopt a deliberately stripped-down concept of power: power is the capacity to do things in the world, to produce effects. This might be called an "agent-centered" notion of power: people, acting individually and collectively, use power to accomplish things.

With this broad definition of power, we can distinguish three kinds of power deployed within economic systems: *economic power,* rooted in control over the use of economic resources; *state power,* rooted in control over rule making and rule enforcing over territory; and what I term *social power,* rooted in the capacity to mobilize people for cooperative, voluntary collective actions. Expressed as a mnemonic slogan, you can get people to do things by bribing them, forcing them, or persuading them. Every economic system involves all three forms of power, connected in different ways.

Three ideal types of economic structures—capitalism, statism, and socialism—can be differentiated in terms of the dominant form of power controlling economic activity:[19]

> *Capitalism* is an economic structure within which economic activity is controlled through the exercise of economic power.
>
> *Statism* is an economic structure within which economic activity is controlled through the exercise of state power. State officials control the investment process and production through some sort of state-administrative mechanism.
>
> *Socialism* is an economic structure within which economic activity is controlled through the exercise of social power. This is equivalent to saying that the economy is democratic.

These three forms of economic structure can never exist in the world in pure form but are always combined in various complex ways. Real economic systems are always hybrids that vary according to how these different forms of power interact. To call an economy capitalist is thus shorthand for a more cumbersome expression such as "an economic hybrid combining

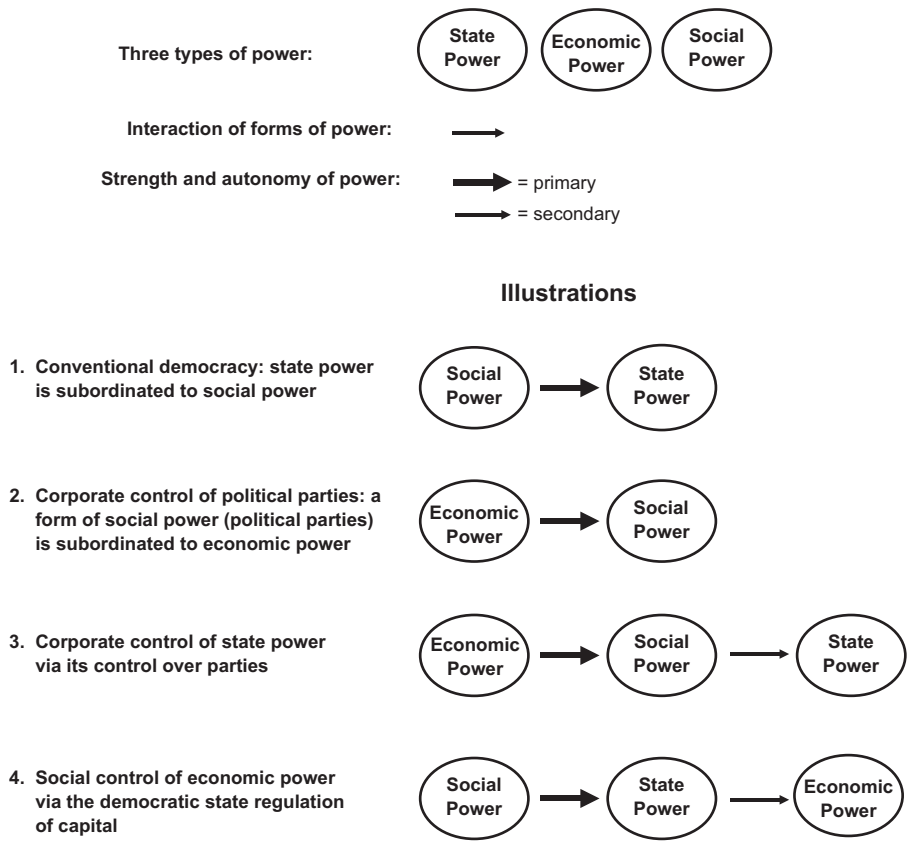

Figure 1. Visual Representation of Power Configurations

capitalist, statist, and socialist economic relations within which capitalist relations are dominant." The idea of a structural hybrid can be used to analyze any unit of analysis—firms, sectors, regional economies, national economies, even the global economy. The possibility of socialism thus depends on our ability to enlarge and deepen the socialist component of the hybrid and weaken the capitalist and statist components.

This way of thinking about economic systems means abandoning a simple binary notion of capitalism versus socialism. An economic structure can be more or less capitalist, more or less statist, more or less socialist.[20] Our task, then, is to clarify the alternative ways in which we can conceptualize the deepening of hybrids' socialist component. I refer to this as the problem of *structural configurations of social empowerment*.

A VISUAL VOCABULARY

To explore the problem of deepening the socialist component within hybrid economic systems, it will be useful to visually depict different patterns of interconnection among the three forms of power within economic systems. Figure 1 illustrates the visual vocabulary I use for this purpose.

Arrows in Figure 1 indicate the direction of influence of one form of power over the use of another; the arrows' width indicates the strength of this relationship. Thus, in the first illustration in Figure 1, state power is subordinated to social power. This is what is meant conventionally by political democracy as "rule by the people": people voluntarily form associations—most notably political parties—for the purpose of controlling the use of state power through the institutional mechanism of

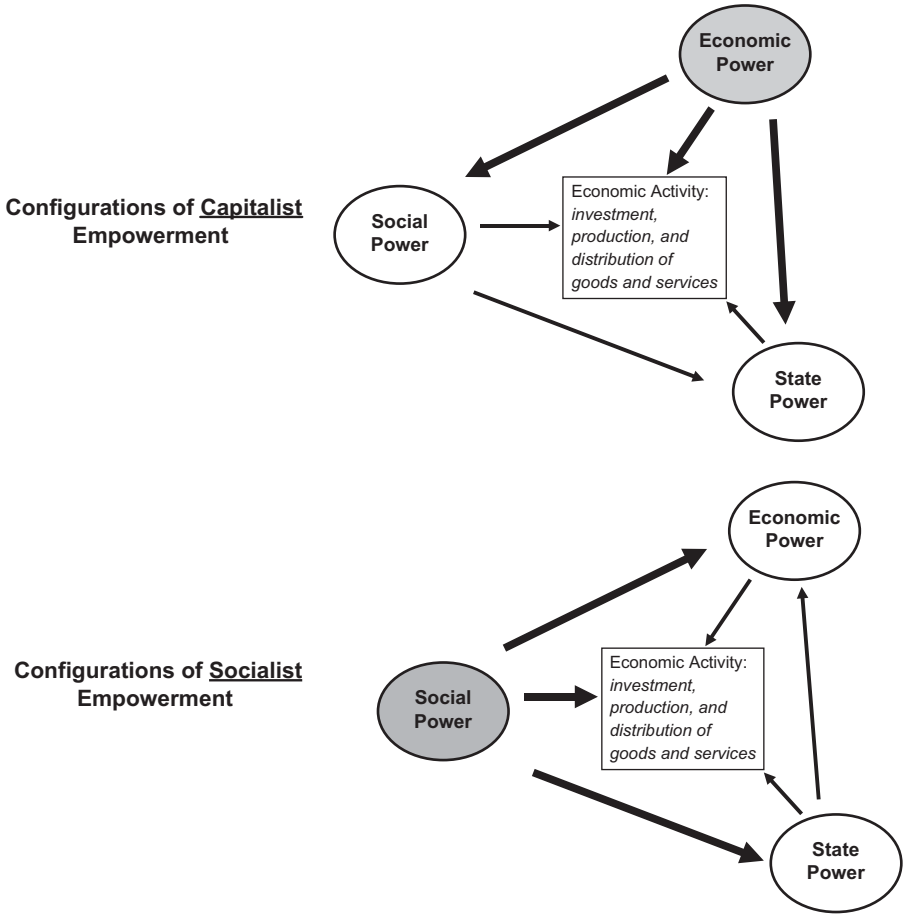

Figure 2. Aggregate Configurations of Capitalist Empowerment and Socialist Empowerment

elections. In a democracy, state power is still important—Why have a democracy if the state has no capacity to do anything?—but this power is not autonomously exercised by state officials; it is subordinated to social power.

In the second illustration, economic power subordinates social power. An example is the unrestrained use of donations by corporations and the wealthy to fund political parties in the United States. Political parties still matter—they are the vehicles for selecting state officials who directly exercise state power—but the social power mobilized by political parties is itself subordinated by the exercise of economic power.

These configurations can be connected in chains of power relations, as in the third and fourth illustrations. In the third illustration, corporate influence over state power occurs through subordination of political parties to economic power. Finally, in the fourth illustration, social power subordinates economic power through the mediation of state power. This is the ideal of social democracy: the state effectively regulates the behavior of capitalist firms but is itself democratically subordinated to social power.

Figure 2 illustrates the different aggregate configurations of forms of power within a dominant capitalist hybrid economy and within a dominant socialist hybrid economy. In these diagrams, the arrows are all directed toward explaining control over economic activity: investments, production, and distribution of goods and services. In the picture of capitalist empowerment, both social power

and state power are subordinated to economic power in control over economic activity; in the case of socialist empowerment, both economic power and state power are subordinated to social power.

CONFIGURATIONS OF SOCIALIST EMPOWERMENT: ELEMENTS FOR BUILDING A SOCIALIST HYBRID

For my purposes here, these schematic representations make it possible to differentiate salient configurations of social empowerment. Different kinds of progressive policies, institutional innovations and proposals, strategies, and reforms can be located within seven such configurations: (1) statist socialism; (2) social democratic statist regulation; (3) associational democracy; (4) social capitalism; (5) the core social economy; (6) the cooperative market economy; and (7) participatory socialism. I will discuss each of these briefly.

1. Statist Socialism

The configuration in Figure 3 corresponds to the classical definition of socialism in which social power controls economic activity via the state. The economy is directly controlled by the exercise of state power—through, for example, state ownership and control over the commanding heights of the economy—while, at the same time, state power is itself subordinated to social power by being democratically accountable to the people. This is the configuration at the core of traditional Marxist ideas of revolutionary socialism. This is not, of course, how twentieth-century revolutions that occurred in the name of socialism turned out. Once the power of revolutionary parties was consolidated in the form of the one-party state, "actually existing socialism" became a form of authoritarian statism in which, as illustrated in Figure 4, both social power within civil society and economic power were subordinated to state power.

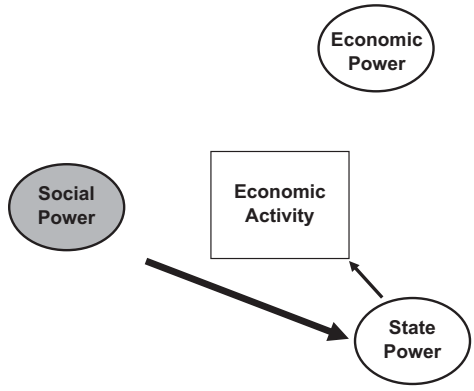

Figure 3. Statist Socialism

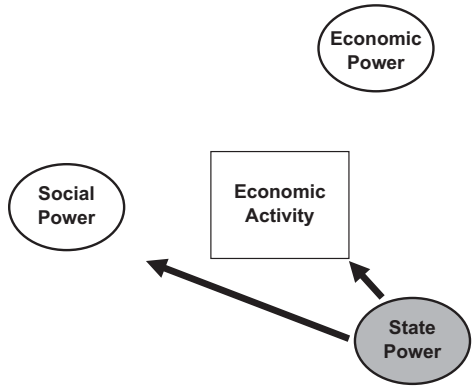

Figure 4. A Configuration of Statist Empowerment: Authoritarian Statism

The experience of authoritarian statism has justifiably led to great skepticism about the desirability of the centralized state planning model of socialism. Nevertheless, the power configuration of statist socialism remains an important component of any prospect for transcending capitalism, particularly for large infrastructure projects, various kinds of natural monopolies, and probably for at least some elements of the financial system.

2. Social Democracy I: Social Democratic Statist Regulation

In the second configuration (Figure 5), social power regulates the economy through the mediation of both state power and economic power. This is a key aspect of social

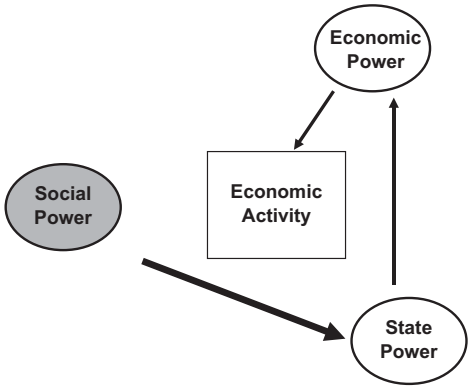

Figure 5. Social Democracy I: Social Democratic Statist Regulation

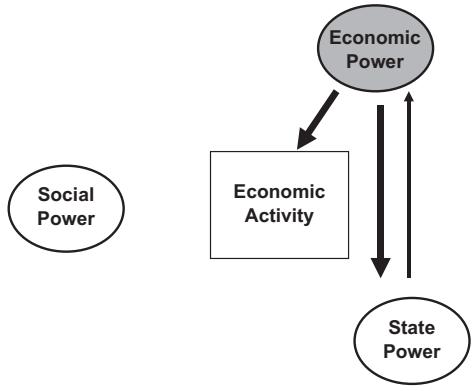

Figure 6. A Configuration of Capitalist Empowerment: Capitalist Statist Regulation

democracy. Capitalist economic power directly controls economic activity—capitalists continue to make investments, hire managers, and organize the labor process—but this power is regulated by state power, which is in turn subordinated to social power. Through a transitivity of power relations, this means that social power exerts regulative control over the exercise of economic power. Forms of the regulation of capital that improve working conditions and job security and protect the environment generally reflect this kind of democratic imposition of constraints.

Statist regulation of capitalist economic power, however, need not imply significant social empowerment. As in the case of statist socialism, the issue here is the extent and depth to which the state's power is a genuine expression of democratic empowerment of civil society. In actual capitalist societies, much statist economic regulation is in fact itself subordinated to economic power, as illustrated in Figure 6. In capitalist statist regulation, state power regulates capital but in ways that are systematically responsive to the power of capital itself. In the United States, for example, industry associations are heavily involved in shaping federal regulation of airlines, energy, agriculture, and other sectors. Perhaps even more pervasively, the state's structural dependency on the capitalist economy underwrites this configuration of power relations.[21]

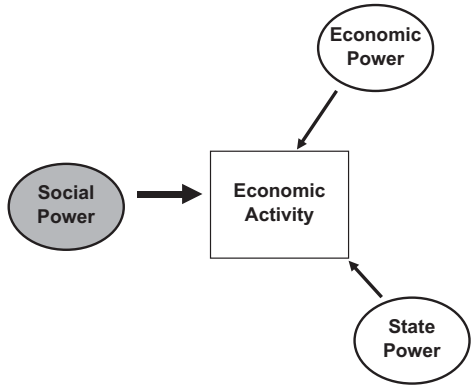

Figure 7. Social Democracy II: Associational Democracy

3. Social Democracy II: Associational Democracy

Associational democracy (Figure 7) covers a wide range of institutional devices through which collective associations in civil society directly participate in various kinds of governance activities, usually along with state agencies. The most familiar form of this is probably the tripartite neo-corporatist arrangements in some social democratic societies in which organized labor, employers' associations, and the state bargain over various kinds of economic regulations, especially concerning the labor market and employment relations. Associational democracy can extend to many other domains, such as watershed councils

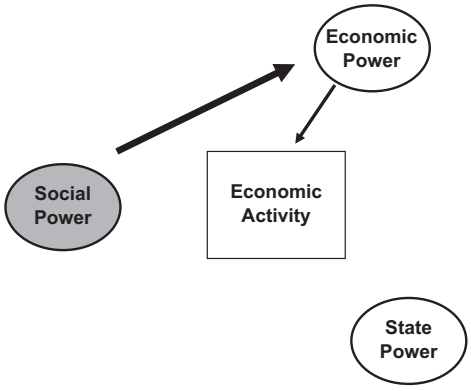

Figure 8. Social Economy I: Social Capitalism

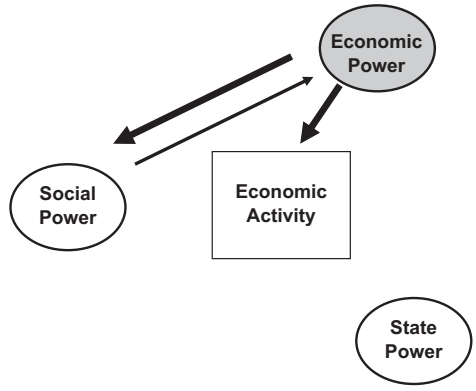

Figure 9. A Configuration of Capitalist Empowerment: Corporate Capitalist Self-regulation

that bring together civic associations, environmental groups, developers, and state agencies to regulate ecosystems, or health councils in which medical associations, community organizations, and public health officials plan various aspects of health care. To the extent that the associations involved are internally democratic and representative of interests in civil society, and the decision-making process in which they are engaged is open and deliberative, rather than heavily manipulated by elites and the state, then associational democracy can contribute to social empowerment.

4. Social Economy I: Social Capitalism

I use the term "social economy" to designate all configurations of social empowerment within an economy in which the state is not directly involved.[22] The first social economy configuration is "social capitalism." This is not a standard expression. I use it to describe a power configuration in which secondary associations of civil society, through a variety of mechanisms, directly affect the way economic power is used (Figure 8). The Solidarity Funds in Quebec are a good example. Stakeholder boards of directors of corporations, in which all stakeholders in a corporation's activities are represented, are also a form of social capitalism.

The simple fact that social power has an impact on economic power, however, does not mean that it constitutes a form of social empowerment. In Figure 9, social power affects the exercise of economic power but it does so in a way that is itself subordinated to economic power. An example would be trade associations formed by voluntary cooperation among capitalist firms for the purpose of setting industry standards. This kind of collectively organized self-regulation constitutes a configuration of capitalist empowerment, not socialist empowerment.

5. Social Economy II: The Core Social Economy

The core social economy goes beyond social capitalism by constituting an alternative way of directly organizing economic activity that is distinct from capitalist market production, state organized production, and household production (Figure 10). Its hallmark is production organized by collectivities directly to satisfy human needs, not subject to the discipline of profit-maximization or state-technocratic rationality. The state may be involved in funding these collectivities, but it does not directly organize them or their services. Quebec's system of daycare provision is a good example. In 2008, parents paid only seven Canadian dollars per day for preschool-age children for full-time daycare provided by community-based nonprofit daycare centers, but provincial government subsidies

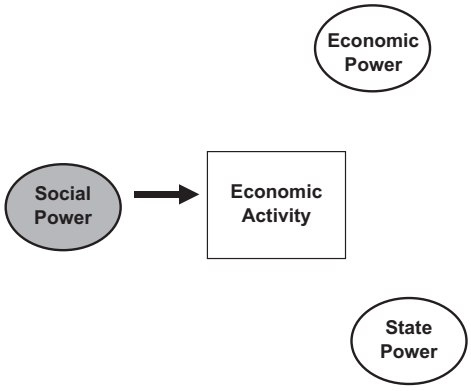

Figure 10. Social Economy II: The Core Social Economy

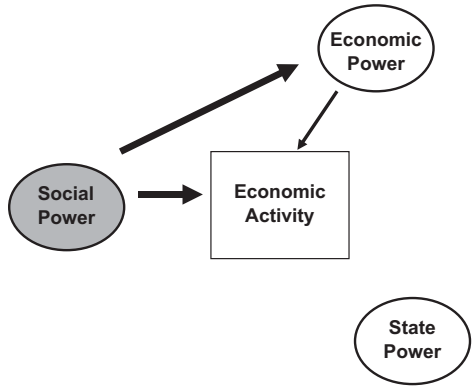

Figure 11. Social Economy III: Cooperative Market Economy

ensured that providers were paid a living wage. These daycare centers were often organized as "solidarity cooperatives," an organizational form governed by elected representatives of staff, consumers (parents in this case), and community members. Wikipedia is another striking example of the core social economy. Wikipedia produces knowledge and disseminates information outside of markets and without state support; funding comes largely from donations from participants and supporters.

6. Social Economy III: Cooperative Market Economy

In a fully worker-owned cooperative firm in a capitalist economy, the egalitarian principle of one-person one-vote means that power relations within the firm are based on voluntary cooperation and persuasion, not the relative economic power of different people. Through democratic means, all workers, or members, jointly control the economic power represented by the capital in the firm. And if individual cooperative firms join together in larger associations of cooperatives—perhaps even a cooperative-of-cooperatives, collectively providing finance, training, and other kinds of support—they begin to transcend the capitalist character of their economic environment by constituting a cooperative market economy (Figure 11). The overarching cooperative in such a market stretches the social character of ownership within individual cooperative enterprises and moves governance toward a stakeholder model, in which cooperative enterprises are governed by democratic bodies representing all categories of people whose lives are affected by the enterprises' economic activity. The Mondragon Cooperative Corporation is an example. Such firms remain a hybrid economic form, combining capitalist and socialist elements, but the socialist component has considerable weight.

7. Participatory Socialism

The final configuration of social empowerment combines the social economy and statist socialism: the state and civil society jointly organize and control various kinds of production of goods and services (Figure 12). In participatory socialism, the state's role is more pervasive than in the pure social economy. The state does not simply provide funding and set the parameters; it is also, in various ways, directly involved in the organization and production of economic activity. On the other hand, participatory socialism is also different from statist socialism, for here social power plays a role not simply through the ordinary channels of democratic control of state policies, but directly inside the productive activities themselves. A good example is the participatory budget in urban government.

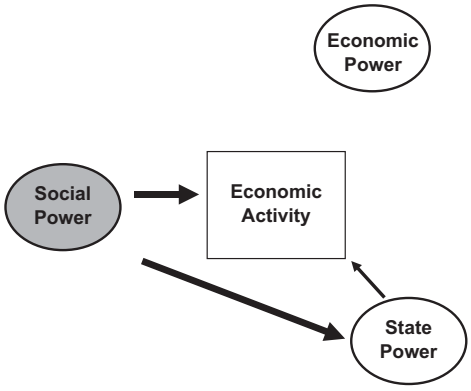

Figure 12. Participatory Socialism

Because these budgets constitute allocations of resources to produce infrastructure to meet human needs, they should be treated as an aspect of economic activity; participatory budgets are thus not simply a form of democratic participation in the state, but are part of a participatory socialist economy.

The Seven Configurations Together

As summarized in Figure 13, these different configurations of social empowerment can be clustered into three broad groups, each corresponding to different political traditions of socioeconomic transformation: a socialist cluster, a social economy cluster, and a social democratic cluster. These different clusters vary in the role they accord to the state and the extent to which they attempt to subordinate rather than bypass capitalist economic power. What all of the configurations have in common is the idea of democratization of power over economic life by subordinating economic and state power to social power—power rooted in voluntary cooperation for collective action. Of course, the ideal of socialism involves much more than this. Equality and social justice are also core traditional socialist values, to which environmental sustainability should be added today. What this model of socialism stresses, however, is that the realization of all these values depends on the transformation of power relations over economic activity, both in terms of how social power is

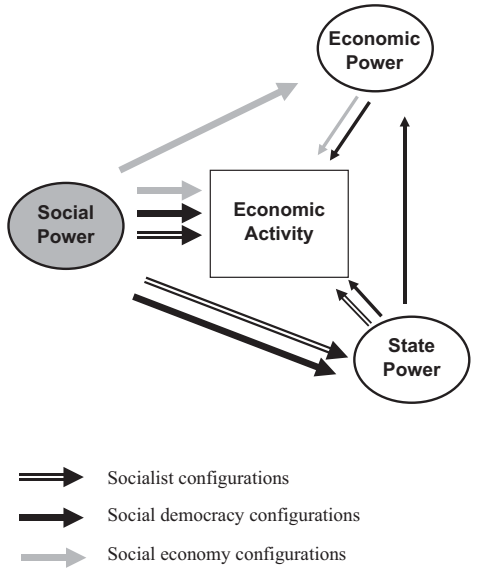

Figure 13. Combined Configurations of Social Empowerment

directly involved in shaping economic activity and how it indirectly shapes economic activity through the democratization of the state.

TRANSFORMATION

Transforming capitalism in a *social*ist direction means democratizing the economy through the seven configurations summarized in Figure 13. In this process, the economic structure remains a hybrid combining capitalist, statist, and socialist practices and relations, but the socialist dimension gains weight and centrality. Extending and deepening social power in any one of these configurations may be quite compatible with maintaining the dominance of capitalism, but *if* it is possible to increase social power within all of these configurations, the cumulative effect could be a qualitative transformation in which socialism becomes the dominant form of relations within a complex economic hybrid, subordinating both capitalism and statism within democratized power relations.

This, of course, is a very big if. Skepticism toward socialism at the beginning of the twenty-first century is at least as much about

the prospects of challenging the dominance of capitalist relations as it is about the viability of alternative institutions. The power of capital seems so massive that if ever social power seemed to threaten the dominance of capitalism, it would be relentlessly attacked and undermined. Real progress in advancing the project of democratizing the economy through these configurations seems impossible so long as capitalism is dominant. For this reason, radical anti-capitalists have often believed that decisively breaking the power of capital is a precondition for significant movement toward socialism rather than mainly a consequence of such movement.

Marx had an elegant solution to this problem. He believed that in the long run capitalism destroyed its own conditions of existence: the laws of motion and contradictions of capitalism ultimately make capitalism an increasingly fragile and vulnerable system in which the ability of the ruling class and its political allies to block transformation becomes progressively weaker. Eventually capitalism simply becomes unsustainable. This was a strong prediction, not simply a weak claim about future possibilities.[23] This does not solve the problem of how to build an emancipatory alternative to capitalism, but at least it makes the problem of overcoming the obstacles of existing power relations much less daunting in the long run.

Relatively few people today—even those who still work within the Marxist tradition—feel confident that capitalism will destroy itself. Capitalism may be crisis-ridden and cause great suffering in the world, but it also has an enormous capacity to effectively block alternatives. The problem of its transformation, at least in the developed world, therefore cannot be treated as mainly the problem of seizing the time when capitalism through its own contradictions becomes so weak and chaotic that it is vulnerable to being overthrown. Rather, the problem of transformation requires understanding how *strategies* of transformation have long-term prospects for eroding capitalist power relations and building up socialist alternatives.

Three strategic logics of transformation have characterized the history of anti-capitalist struggle. I refer to these as ruptural, interstitial, and symbiotic strategies.

Ruptural transformations envision creating new emancipatory institutions through a sharp break with existing institutions and social structures. The central image is a war in which victory ultimately depends on decisive defeat of the enemy in a direct confrontation. Victory results in a radical disjuncture in which existing institutions are destroyed and new ones are built fairly rapidly. In most versions, this revolutionary scenario involves seizing state power, rapidly transforming state structures, and then using these new apparatuses of state power to destroy the power of the dominant class within the economy.

Interstitial transformations seek to build new forms of social empowerment in capitalist society's niches and margins, often where they do not seem to pose any immediate threat to dominant classes and elites. Prodhoun's vision of building a cooperative alternative to capitalism within capitalism itself is a nineteenth-century version of this perspective. The many experiments in the social economy today are also examples. The central theoretical idea is that building alternatives on the ground in whatever spaces are possible both serves a critical ideological function by showing that alternative ways of working and living are possible, and potentially erodes constraints on the spaces themselves.[24]

Symbiotic transformations involve strategies in which extending and deepening institutional forms of social empowerment involving the state and civil society simultaneously help to solve practical problems faced by dominant classes and elites. In the 1970s, this was called "nonreformist reforms"—reforms that simultaneously make life better within the existing economic system and expand the potential for future advances of democratic power. It is also reflected in a variety of forms of civic activism in which social movements, local leaders, and city governments collaborate in ways that both enhance democracy and solve practical problems.

All three of these strategic logics have historically had a place within anti-capitalist social movements and politics. Ruptural strategies are most closely associated with revolutionary socialism and communism, interstitial strategies with some strands of anarchism, and symbiotic strategies with social democracy. It is easy to raise objections to each of them. Ruptural strategies have a grandiose, romantic appeal to critics of capitalism, but the historical record is pretty dismal. There are no cases in which socialism as defined here—a deeply democratic and egalitarian organization of power relations within an economy—has been the result of a ruptural strategy of transformation of capitalism. In practice, ruptural strategies seem more prone to result in authoritarian statism than in democratic socialism. Interstitial strategies may produce improvements in people's lives and pockets of more democratic egalitarian practices, but nowhere have they succeeded in significantly eroding capitalist power relations. As for symbiotic strategies, in the most successful instances of social democracy they have certainly resulted in a more humane capitalism, with less poverty, less inequality, and less insecurity, but they have done so in ways that stabilize capitalism and leave intact the core powers of capital. Historically, any advance of symbiotic strategies that appeared to potentially threaten those core powers was massively resisted by capital. The reaction of Swedish capitalists to proposals for serious union involvement in control over investments in the late 1970s is one of the best known examples. These are all reasonable objections. Taken together they suggest to many people that transcending capitalism through some kind of long-term coherent strategy is simply not possible.

Pessimism is intellectually easy, perhaps even intellectually lazy. It often reflects a simple extrapolation of past experience into the future. Our theories of the future, however, are far too weak to really make confident claims that we know what *cannot* happen. The appropriate orientation toward strategies of social transformation, therefore, is to do things now that put us in the best position to do more later, to work to create institutions and structures that increase, rather than decrease, the prospects of taking advantage of whatever historical opportunities emerge. Building real utopias can both prefigure more comprehensive alternatives and move us in the direction of those alternatives.

In these terms, I think the best prospect for the future is a strategic orientation organized around the interplay of interstitial and symbiotic strategies, with perhaps periodic episodes involving elements of ruptural strategy. Through interstitial strategies, activists and communities can build and strengthen real utopian economic institutions embodying democratic egalitarian principles. Symbiotic strategies through the state can help open up greater space and support for these interstitial innovations. The interplay between interstitial and symbiotic strategies could then create a trajectory of deepening socialist elements within the hybrid capitalist system.

Worker cooperatives are a good example. Under existing conditions, worker cooperatives face serious obstacles to becoming a significant component of market economies: credit markets are skeptical of worker-owned firms; risk-averse workers are reluctant to sink their savings in a venture that has low probability of success; and cooperatives face supply chains in which, because of scale, they pay higher costs than capitalist corporate rivals. Symbiotic strategies directed at public policy could address all of these issues. Given the potential for worker-owned cooperatives to help solve problems of unemployment and deteriorating tax bases, new rules of the game to support cooperatives could gain political traction. Even within the logic of market economies, the positive externalities of worker cooperatives provide a justification for public subsidies and insurance schemes to increase their viability. Such policies could, over time, expand the weight of a cooperative market economy within the broader capitalist economic hybrid.

Such a combination of symbiotic and interstitial strategies does not imply that the process of transformation could ever follow a smooth path of enlightened cooperation

between conflicting class forces. What is at stake here is a transformation of the core power relations of capitalism, and this ultimately threatens the interests of capitalists. Although elites may become resigned to a diminution of power, they are unlikely to gracefully embrace the prospect. Symbiotic transformations help solve problems within capitalism, but they often are not optimal for elites and are thus resisted.[25] This means that a key element of ruptural strategies—confrontations between opposing organized social forces in which there are winners and losers—will be a part of any plausible trajectory of sustainable social empowerment. The purpose of such confrontations, however, is not a systemic rupture with capitalist dominance, but rather creation of more space for the interplay of interstitial and symbiotic strategies.

CONCLUSIONS

The framework proposed here for a socialism rooted in social empowerment involves a commitment to institutional pluralism and heterogeneity. Instead of a unitary institutional design for transcending capitalism, the configurations of social empowerment open up space for a wide diversity of institutional forms. Worker cooperatives and local social economy projects, state-run banks and enterprises, social democratic regulation of corporations, solidarity finance, and participatory budgeting all potentially undermine the dominance of capitalism and increase the weight of social power within the economic hybrid.

The institutional pluralism of the destination suggests strategic pluralism in the practices of transformation. Within some of these configurations, strengthening social power requires state power. But other configurations can be advanced without state involvement. This is especially true for the social economy initiatives. Activists on the left, especially those on the radical left, often regard these kinds of locally oriented, community-based initiatives as not being very political, because they do not always involve direct confrontation with political power. This is a narrow view of politics. Interstitial strategies to create real utopias involve showing that another world is possible by building it in the spaces available, and then pushing against the state and public policy to expand those spaces. For many people these kinds of interstitial initiatives also have the advantage of generating immediate, tangible results in which each person's contribution clearly matters. A vision of emancipatory alternatives anchored in the multidimensional and multiscalar problem of deepening democracy can encompass this wide range of strategies and projects of transformation. Because democracy is such a core value in most developed capitalist societies—both symbolically and substantively—a broad political project for a truly democratic society may also capture the popular imagination.

Notes

1. Hayek's two propositions are rooted in a view about the difficulty in generating a coherent social equilibrium in which different kinds of social actors' expectations and behaviors mesh in ways that allow for the necessary minimum level of social stability. Social systems, in Hayek's view, can coherently tolerate only slow, evolutionary processes of change and dispersed adaptation. In this view of the inherent fragility of social integration, the inevitable unintended consequence of abrupt deliberate change is social disintegration; and in response to the resulting chaos, the inevitable consequence is state oppression as the only way of maintaining social order (thus "the road to serfdom" is the prediction of attempts at revolution). No presumption of bad faith on the part of revolutionaries is needed here, only self-deception, wishful thinking, and arrogance.
2. *Unintended consequences* refer to all side effects of a transformation that were not part of the motivations for the transformations. Some of these might be positive, but many are negative. *Self-destructive dynamics* are a particular kind of negative unintended consequence: side effects that over time destroy the conditions of possibility for sustaining the transformation itself. *Dilemmas of normative trade-offs* refer to the fact that the more values one cares about the more implausible it is that any given institutional arrangement can fully realize all of them. If our emancipatory ideals include an array of complexly interconnected values—for example, freedom, democracy, equality, sustainability, community, and individuality—then institutional transformations will inevitably confront tensions and contradictions across these values. A real utopian worries about this; a pure utopian does not.
3. The idea of flourishing proposed here is closely related to the idea of "capabilities" developed by

Sen (1999) and Nussbaum (2000). For a more extended discussion of flourishing, see Wright (2010: chapter 2).

4. How much responsibility should be accorded individuals for their choices is, of course, a profoundly difficult philosophical issue. There is always a tension between sociological explanations of behavior, which look to the causes behind the choices people make, and assignment of moral responsibility to people for their choices. In general, egalitarian theories of justice allow for inequalities to emerge that are the result of choices and effort, but not the result of forces outside a person's control for which they have no responsibility. Drawing unambiguous lines of demarcation between these sources of inequality is probably impossible.
5. Fraser (1997, 2000) emphasizes the idea of social recognition as an integral element in justice. For a discussion of the interconnection of class and recognition as moral issues, see Sayer (2005).
6. The key idea here is that all these forms of social exclusion have equal *moral standing*. This is distinct from the question of the *explanatory relevance* of any given form of exclusion for access to the conditions to live a flourishing life, either in the lives of specific people or in the social institutions of a particular society.
7. It is obviously a deeply controversial claim that principles of egalitarian social justice apply to citizenship status and geographic location. Some philosophers have argued that principles of justice fully apply only within states' jurisdictions, for it is only states that can enforce the "rules of the game" that govern distribution, opportunities, and rights. States' geographically limited jurisdictions may be a powerful fact about the world that limits our ability to move toward global social justice, but I do not think it defines the central meaning of the moral imperative itself.
8. Some environmentalists will be critical of this anthropocentric view of sustainability. I care about global warming and other environmental issues mainly because of their consequences for human flourishing. If we currently lived in an ice age and global warming would make the planet more temperate and benevolent for human beings, then it would be of much less concern. As a practical matter in the world today, it probably does not matter whether one anchors the principle of sustainability in human flourishing for future generations or some broader notion of the well-being of all living creatures. Both perspectives demand strong efforts to reduce environmental damage. An anthropocentric perspective on the environment does not license environmental destruction, because destruction is harmful to future and current generations of people; it merely specifies why such destruction is a moral issue.
9. A brief note on the definition of capitalism is needed. Many people equate capitalism with the idea of a market economy. Capitalism is not simply an economy in which markets play a central role in coordinating economic activity; it is a specific kind of market economy, one in which workers do not own and control the firms in which they work, capital is privately owned and allocated to alternative purposes on the basis of private economic returns (or, equivalently, on the basis of private profit-making), and labor is allocated to economic activities through labor markets.
10. There are obviously many complications to this simple characterization. Use of taxes to build infrastructure, for example, is a public allocation of capital. As I will argue later in this address, to the extent that capital in the economy is allocated by the state through taxes and other mechanisms, the economy becomes less fully capitalist.
11. The "structural power" of capital refers to the ways in which capitalists' interests powerfully constrain states' actions because of the state's dependency on the vitality of capital accumulation. For now classic discussions, see Block (1977), Lindbloom (1977), and Przeworski (1985).
12. For a good discussion of the problem of dictatorial workplaces as a fundamental violation of democratic principles, see Dahl (1985).
13. For a discussion of the possibility of prosperity *without* growth, see Jackson (2009).
14. See Schor (1993) for a discussion of the consumerist imperative in capitalism.
15. Unequal access to the Internet remains a significant problem, especially globally, which limits access to Wikipedia. The Wikimedia Foundations—the organization that runs the infrastructure for Wikipedia—recognizes this problem and is developing new technologies to make Wikipedia available free on flash drives to libraries and public schools in developing countries that lack Internet connections.
16. For an extended theoretical and empirical discussion of such innovative collaborative forms of production, see Benkler (2006).
17. See Belsky and colleagues (2010).
18. For a general discussion of randomized assemblies as a way of enhancing democracy, see Gastil and Richards (2012).
19. This is not meant to be a complete theoretical specification of the differences between these three types of economic structures, but only their differentiation in terms of power relations. For a fuller discussion, see Wright (2010:11–123).
20. It is an important, but unresolved, empirical question how stable different kinds of hybrids might be. One traditional Marxian view is that any capitalist hybrid with significant socialist elements would be inherently unstable. The only stable equilibria are ones in which socialism is unequivocally dominant, or capitalism is unequivocally dominant and socialist elements only fill small niches in the economic

system in ways that are functional for capitalism. An alternative view is that there may be multiple relatively stable equilibria involving all three economic forms, and that it is even possible for there to be an equilibrium involving no clear dominance among them. The extent to which any given configuration could be stable depends on a complex array of contingent historical and political factors and this makes it impossible to make any general, abstract propositions about what is really possible.

21. Much of the theory of the capitalist character of the capitalist state developed in the late 1960s and 1970s can be interpreted as an attempt to explain how, in spite of the state's democratic form, much—perhaps most—intervention by the state in the capitalist economy is subordinated to the needs of capital rather than the collective will of the people, and thus, in the present terms, is an expression of economic rather than social power. This argument is especially well formulated by Offe (1974) and Therborn (1978).
22. Of course, in a sense the state is always involved in all economic activities insofar as it enforces rules of the game and imposes taxes. The issue here is that in a social economy the state operates in a relatively passive way in the background rather than directly organizing economic activity or regulating economic power. Because the state is on the sidelines of the social economy, political conservatives and libertarians are often relatively enthusiastic about social economy initiatives, particularly when these activities are anchored in religious communities or other socially conservative organizations. When the social economy embodies ideals of economic democracy involving real mobilization of social power and efforts at subordinating economic power, the initiatives pose a bigger challenge to free market ideologies.
23. Although there is considerable debate on this matter, I think Marx was largely a determinist about the ultimate demise of capitalism, even if he was not a determinist about the process of actually constructing socialism. Capitalism could not, he believed, survive indefinitely in the face of intensification of the contradictions generated by its laws of motion. For my assessment of this argument, see Wright (2010: chapter 4).
24. The idea of interstitial transformation resonates with various strands of nonviolent activism in which people are exhorted (in words apocryphally attributed to Gandhi) to "be the change you want to see in the world." The difference is that interstitial transformation involves collectively building new institutions, not just individually behaving in a dignified, value-affirming way.
25. As I discuss in Wright (2010: chapter 11), the basic idea here is that there are multiple institutional equilibria within capitalism, all of which are functionally compatible with capitalism (i.e., they contribute to solving problems of capitalist reproduction), but some are better for capitalists than others and some involve more social empowerment than others. A symbiotic transformation is one that seeks to expand social empowerment while still achieving an institutional equilibrium that contributes to an adequately well-functioning capitalism. This often requires blocking capitalists' preferred solution. As Rogers (Wright and Rogers 2011:164) has put it, to get capitalists to accept the high road, it is necessary to close off the low road.

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