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## CONCLUSION: MAKING UTOPIAS REAL

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At the end of the first decade of the twenty-first century, capitalism is once again in a period of serious crisis. The self-satisfied triumphalism of the last two decades of the twentieth century has largely disappeared; a new period of uncertainty about the future of capitalism has begun. Institutions designed to steer capitalism forward and preserve the conditions for stable capital accumulation seem at a loss about what to do. In the press there are facile discussions about whether or not capitalism can survive the current turmoil.

Capitalism will survive, for the foreseeable future anyway. The disruptions following the economic crisis which began in 2008 may cause great suffering to many people, and the disastrous effects of the mania for deregulating markets may reveal the irrationalities of capitalism, but suffering and irrationality are never enough to generate fundamental social transformations. As in previous periods of financial collapse in the aftermath of speculative frenzies, so long as a viable alternative to capitalism is not actively on the historical agenda—and with broad popular support linked to a political movement able to translate that support into political power—capitalism will remain the dominant structure of economic organization.

This book has tried to contribute to the task of placing alternatives on the historical agenda. This has involved clarifying the diagnosis and critique of capitalism as an economic structure, elaborating a conceptual framework for thinking about emancipatory alternatives, and specifying the central elements of a theory of social transformation. Here are the key lessons:

*1. Capitalism obstructs the realization of both social justice and political justice* This is the fundamental starting point in the search for alternatives: the critique of capitalism as a structure of power and inequality. The argument here is that the central mechanisms and processes that make capitalism a distinctive way of organizing economic activity inherently create obstacles to

universalizing the conditions for human flourishing and deepening democracy. This does not imply all social injustices are attributable to capitalism, nor does it imply that the complete elimination of capitalism is a necessary condition for significant advances in social and political justice. But it does imply that the struggle for human emancipation requires a struggle against capitalism, not simply a struggle within capitalism.

*2. Economic structures are always hybrids* While it is useful for analytical purposes to define “capitalism,” “statism,” and “socialism” as three qualitatively distinct types of economic structure, differentiated by the form of power that organizes economic activity, no concrete economic system is ever purely one or another of these forms. All actually existing contemporary economic systems are complex configurations of capitalist, statist, and socialist forms. This idea applies not just to national economies, but to all units of analysis within economic systems including firms: a capitalist firm with a strong works council combines capitalist and socialist elements, as does a worker-owned cooperative that hires some employees.

Within such hybrid configurations, to call an economic structure “capitalist” is to identify the dominant form of power within this configuration. A firm is capitalist if it is the case that the allocation and use of economic resources within the firm is primarily the result of the exercise of economic power. An economy is capitalist when capitalist power is the dominant form of power over economic activities within that economy. This has critical implications for our understanding of the problem of transformation: emancipatory transformation should not be viewed mainly as a binary shift from one system to another, but rather as a shift in the configuration of the power relations that constitute a hybrid.

*3. The socialist hybrid* The pivotal thesis of this book is that transcending capitalism in a way that robustly expands the possibilities for realizing radical democratic egalitarian conceptions of social and political justice requires social empowerment over the economy. This means taking democracy very seriously. A broad and deep social empowerment means, first, subordinating state power to social power rooted in civil society. This is the ordinary meaning of the idea of “democracy.” Rule by the people means that power derived from voluntary association in civil society controls power rooted in the state. Social empowerment, however,

is not restricted to meaningful democratic control of the state; it also means the subordination of economic power to social power. Fundamentally this means that private ownership of the means of production ceases to govern the allocation and use of productive resources. Finally, and perhaps most elusively, social empowerment means democratizing civil society itself: creating an associationally thick civil society populated by both narrow and encompassing associations organized on democratic egalitarian principles. Taken together, these processes of democratization would constitute a fundamental transformation of the class structure, for the core of the class relations of capitalism involves economic power linked to private ownership of the means of production. The full subordination of that power to social power means the end of the subordination of the working class to the capitalist class.

*4. Institutional pluralism and heterogeneity: multiple pathways of social empowerment* The long-term project of social empowerment over the economy involves enhancing social power through a variety of distinct kinds of institutional and structural transformations. Socialism should not be thought of as a unitary institutional model of how an economy should be organized, but rather as a pluralistic model with many different kinds of institutional pathways for realizing a common underlying principle. In chapter 5 I identified seven such pathways: statist socialism, social democratic economic regulation, associational democracy, social capitalism, social economy, cooperative market economy, and participatory socialism. These pathways are embodied in different ways in the specific real utopian innovations and proposals we explored in chapters 6 and 7: urban participatory budgeting, Wikipedia, the Quebec social economy for childcare and eldercare, unconditional basic income, solidarity funds, share-levy wage-earner funds, Mondragón, market socialism, and "parecon." No one of these pathways and specific proposals by itself is likely to constitute a viable framework for a socialist economy, but taken in combination they have the potential to shift the underlying configuration of power that controls economic activity.

*5. There are no guarantees: Socialism is a terrain for working for social and political justice, not a guarantee for realizing those ideals* Social justice, as I defined it in chapter 2, requires that all people have equal access to the necessary social and material means to live flourishing lives; political justice entails that all people

have equal access to the political means to participate in decisions that affect their lives. The dominance of social power over the economy does not guarantee the realization of these radical democratic egalitarian ideals. Civil society is an arena not only for the formation of democratic egalitarian associations, but also for exclusionary associations rooted in particularistic identities opposed to universalizing the conditions for human flourishing. Enhancing the role and power of associations within an economic structure could have the effect of reproducing oppressions within civil society rather than eroding them.

The argument for socialism defined as democratic power over the allocation and use of productive resources is thus not that socialism guarantees social and political justice, but rather that it creates the most favorable socioeconomic terrain on which to struggle for justice. This, basically, rests on what might be termed "faith in democracy": the belief that the more democratic the distribution of power is in a system the more likely it is that humane and egalitarian values will prevail. This presupposes not a belief in the innate goodness of people, but rather the belief that under conditions of a wide and deep democracy people will interact in ways in which the more humane impulses of our nature are more likely to prevail. But democracy can be hijacked. Exclusionary solidarities can be fostered as well as universalistic ones. There are no guarantees.

Philosophers and political activists share a common fantasy: If only we can design institutions in the perfect manner we can relax. If we had the best possible institutional form of democracy it would generate self-reinforcing dynamics which would continually strengthen democracy. Economists have fantasized the self-reproducing market: if only we designed the institutions of property rights just right, then markets would be self-reproducing, perpetually generating precisely the kinds of incentives and motivations needed for markets to function well. And at least some socialists have hoped that if capitalist power were destroyed and the new economic institutions run by workers were designed in just the right way then socialism would be self-reinforcing; the kinds of people needed to make socialism work smoothly would be engendered by those institutions, and the conflicts in society which might undermine those institutions would gradually disappear. This kind of aspiration underlay Marx's famous prediction of the "withering away of the state" as socialism evolved into communism.

All of these visions imagine that institutions can be designed in such a way as to produce precisely the kinds of people needed for those institutions to run smoothly and to marginalize any social processes which might undermine or disrupt the institutions. In short, they imagine a social system without contradictions, without destructive unintended consequences of individual and collective action, a system in a self-sustaining emancipatory equilibrium.

I do not believe that any complex social system, including certainly any socialist system, could ever conform to this ideal. Of course the design of institutions matters. The whole point of envisioning real utopias and thinking about the relationship between institutional designs and emancipatory ideals is to improve the chances of realizing certain values. But in the end the realization of those ideals will depend on human agency, on the creative willingness of people to participate in making a better world, learning from the inevitable mistakes, and vigorously defending the advances that are made. A fully realized socialism in which the arenas of power in society—the state, the economy, civil society—have been radically democratized may foster such willingness and increase the learning capacity of people to cope with unanticipated problems, but no institutional design can ever be perfectly self-correcting. We can never relax.

6. *Strategic indeterminacy: there is no one way* Movement towards radical democratic egalitarian ideals of social and political justice will not happen simply as an accidental by-product of unintended social change; if this is to be our future, it will be brought about by the conscious actions of people acting collectively to bring it about. This implies that a theory of transformation needs to include a theory of conscious agency and strategy.

Just as there are multiple institutional forms through which social power can be increased, there are multiple strategic logics through which these institutions can be constructed and advanced. We have examined three strategic logics of transformation: ruptural, interstitial, and symbiotic. No one of these strategic logics of transformation is likely to be adequate for the task of enhancing social power. Any plausible long-term trajectory of transformation needs to draw elements from all three. I argued in chapter 8 that at least within developed liberal democratic capitalist societies, systemic ruptures are implausible strategies for democratic egalitarianism. This does not imply, however, a rejection of all aspects of the ruptural logic of transformation. Partial ruptures,

institutional breaks, and decisive innovations in specific spheres may be possible, particularly in periods of severe economic crisis. Above all, the conception of struggle within ruptural visions—struggle as challenge and confrontation, involving victories and defeats, rather than just collaborative problem-solving—remains essential for a realistic project of social empowerment.

These aspects of the ruptural logic must be combined with interstitial and symbiotic strategies. Interstitial strategies make possible the creation and deepening of socially empowered institutions from the bottom up. These new relations both function as practical demonstrations that another world is possible, and can potentially expand in ways which erode economic power. When this happens they are likely eventually to hit limits and confront organized opposition from capitalist forces, in which case the kind of political mobilizations and confrontations characteristic of ruptural strategies may be required in order to enlarge the spaces within which interstitial transformations can occur. Symbiotic strategies and transformations link ruling class interests to enlarged social power, thus stabilizing the institutional basis for social empowerment. This creates contexts for “positive class compromises” involving positive-sum games and active forms of problem-solving collaboration between opposing interests. Such contexts, however, are themselves embedded within rules of the game that make defections by powerful groups costly, and these rules are often the result of victories and defeats within more confrontational struggles.

How these strategic elements are best combined within a political project of social empowerment is highly dependent on specific historical settings and the real possibilities for (and limits on) “making history” that those settings create. What is more, given both the complexity of even the most favorable historical settings and the Pandora’s box of unintended consequences, it is unlikely that even the most astute people in any setting will really know precisely how best to configure these strategic visions. Flexible strategic pluralism is the best we can do.

7. *Opacity of the future limits of possibility: We cannot know in advance how far we can go in this trajectory of social empowerment* The seven pathways of social empowerment provide a rough map of the direction of transformation needed to enhance the socialist component of the economic system. The logics of transformation tell us something about the strategies that

might move us along those pathways. But we cannot specify in advance the full array of institutional forms which will enable us to consolidate particular ways of deepening and enlarging social power on these pathways. Nor can we really know how far it is possible to move along them.

Earlier generations of socialists had greater confidence that a radically democratic economy in which capitalism had been overcome was actually possible. In the terms we have been using in this book, they were confident that social power, especially when it worked through the state, could become the dominant form of power over economic activity. Marx put forward the most forceful argument for such a view. He believed that he had discovered the laws of motion of capitalism with sufficient rigor to be able to predict that, in the long run, capitalism itself would destroy its own conditions of existence. As a result, capitalist economic power would eventually become a fragile and ineffective basis for organizing economic activity. The predicted long-term erosion of capitalist power, then, provided a fairly strong basis for the complementary prediction of the rise of social power organized by the working class to the dominant position within a radically transformed economic order. This thesis was based less on a systematic theory about how a deeply democratic and egalitarian structure of economic relations would function, and why it would be sustainable, and more on the claim that capitalism in the long term itself becomes impossible.

Once this strong theory of the demise of capitalism is dropped, as I argued in chapter 4, it becomes much more pressing to demonstrate that socialism itself is viable. It could be the case, however, that, contrary to aspirations for social emancipation, it is impossible in a complex economic system to construct a sustainable institutional and structural configuration within which social power would be the dominant form of power. A radical, democratic egalitarian economic system simply might not be viable under the conditions of scale and complexity of the contemporary world. Attempts to create such a socialist configuration might always prove unstable and degenerate into some form of either a statist or a capitalist economy. The best we can do might be to try to neutralize some of the most harmful effects of capitalism. In spite of the will there might be no way. That could be true.

But it could also be the case that the apparent limits to the expansion of social power are much weaker than we might suppose. And it could certainly be the case that, under future conditions which

we cannot anticipate, those limits will be radically different from what they are today and that dramatic advances in social power would become possible. The world might then look something like this: Unconditional basic income frees up time for social economy participation. Share-levy wage-earner funds and solidarity funds enhance the capacity of unions and other associations to control firms and investments. Worker-owned cooperatives are revitalized by new information technologies which make cooperation among cooperatives easier, and new cooperative market infrastructures are developed which buffer producer cooperatives from destructive market pressures. Direct state involvement in the economy is combined with new forms of associational participation which improve the efficiency and accountability of state enterprises. Participatory budgeting diffuses across a wide range of cities and extends to new domains of government spending. And entirely new institutions as yet unforeseen are invented to push forward social empowerment in new ways. This too could be true.

I do not believe that my lack of confidence about the limits of possibility simply reflects a failure of theoretical imagination (although, of course, I could be wrong about this as well). Rather, I think it reflects the inherent problems involved in understanding the ramifications of unintended consequences within complex systems. But it is crucial, really crucial, not to slide from this frank admission of ignorance about the future limits of possibility to a belief that socialism is impossible. We simply do not know what the ultimate limits to the expansion of democratic egalitarian social empowerment might be. The best we can do, then, is treat the struggle to move forward on the pathways of social empowerment as an experimental process in which we continually test and retest the limits of possibility and try, as best we can, to create new institutions which will expand those limits themselves. In doing so we not only envision real utopias, but contribute to making utopias real.