SLAYING CORPORATE VAMPIRES



A Proposal in the Age of Occupy Wall Street

By Mitchell Szczepanczyk

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Introduction

Corporations in the present day on Earth are powerful, seemingly all-powerful. They permit or impede progress that comes on many realms: the environment, war and militarism, labor rights, energy, education, media, electoral politics, food and drink, banking, finance, the list can go on. While some may believe otherwise, I believe and argue (as many have argued) that the hopes for a better future, indeed any future, ultimately require the destruction of the abstract corporate form in order to avert the destruction of the planet and humanity. And yet, even for those who may agree with this assessment, it is difficult to see how that claim can become reality. It's a quixotic cause if ever there was one, even with the recent emergence of the Occupy Wall Street movement. So let us imagine...

Imagine what would happen if a modern-day large-scale corporation (let's call it "BS&S", for "Bullshit and Services") were somehow magically deposited from our world into a distant world (let's call it "Planet P"). The planet appears to be remarkably similar to Earth -- oxygen-nitrogen atmosphere, twenty-four-hour-long days, rotating around an ordinary star -- but the economy on Planet P is a bit different. There don't seem to be any rival corporations. No problem, the executives of BS&S naively think. It's a new virgin market to conquer, and no competitors to get in our way. But it's not that simple.

One complicating factor is that all the workers on Planet P have jobs that are comparably desirable and comparably empowering to all other workers. It doesn't mean that everyone does everything. It doesn't mean that specialization doesn't or can't happen. It just means that the tasks that comprise a job are arranged differently from economies on Earth. On Earth, work tasks are arranged in such a way which lead to work hierarchy disparities, where a relative few hold all the desirable and empowering jobs and a far larger number (the 99%?) hold far less desirable and empowering jobs. It's this discovery of how Planet P works that leads to those low in the corporate totem pole at BS&S -- the janitors, the receptionists, the short-order cooks, the disempowered -- to begin to leave. And leave. And leave. After all, the outside economy on Planet P would grant them a degree of empowerment that they didn't have previously. Sure, they could organize and strike to win such empowerment within BS&S, but it would be far faster and easier to simply leave BS&S and enter into Planet P's economy where their chances for empowering and desirable work are much greater. And for many of those disempowered BS&S employees, it's not as though they had much of a choice in opting to be slaves for wages in a corporate plantation. To hell with that. As a result, after just one day, more than half of the BS&S's "employees" leave, never to return.

And that's not all, not by a long shot. BS&S when it was on Earth, like other corporations in market economies, would use its massive stores of money to buy advertising and public relations efforts in the media (which are also corporations themselves) to sway public opinion to their favor. BS&S can also influence and flat-out buy politicians and political races with massive campaign contributions and promises of high-paying executive jobs. BS&S can thereby ensure that the politicians whom they help elect will craft and pass laws and policies favorable to BS&S and other corporations. BS&S and other corporations also dispense charitable "donations" for willing non-profit organizations, as well as offer jobs to opponents who tire of fighting against such an overwhelming opponent for little compensation and would find it easier and more profitable to switch rather than fight. But none of that

holds any water on Planet P. There, the main payment norm is remuneration for effort and sacrifice, tempered by need for those relative few physically unable to work. Such a payment norm would forbid the undue accumulation of bargaining power, and what had been the corporation's lifeblood and source of strength -- money -- turns into utter poison. The money that would buy policy, advertising, non-profits and many opponents in a market economy is universally rejected in an economy whose "currency" is part of an economy-wide democratic plan.

Meanwhile, inside the BS&S corporation, the hemorrhaging of "employees" continues, now extending to white-collar workers -- the lawyers, the accountants, the engineers, the software developers -- who now realize that their empowering monopoly of technical information amounts to very little in a quickly deteriorating institution. Worse, with all of the scutworkers gone, the toilets get dirty, the garbage accumulates, the phone calls and emails get unanswered. Of course, the corporation could simply "hire" people from outside the corporation to be disempowered wage slaves, but no rational worker would want to take part in the triple-whammy of low pay, disempowering and undesirable work, and no say in work decisions or circumstances. As a result, those in BS&S lower on the totem pole but who remain and previously held positions of relative prestige and influence -- middlemanagement -- are now pressed into manual labor. Those who were "hired" to do comparatively empowering and technical work now find themselves squeezed into roles they weren't promised. Some may fight back, thinking it's now a fight worth fighting, and they may even win under these circumstances, but in the meantime all this fighting prevents the corporation from making any substantive economic contributions. The white collar workers obviously don't want to surrender their empowering work and see the outside economy as a way to keep that work, so they respond to these threats by leaving as well.

It's one relentless salvo after another. Employees depart in droves. The amount of undesirable and disempowering work to do grows and nobody is willing to do it. Efforts to bribe or coerce or convince outsiders fail. Efforts to bring in new wage slaves fail. Inefficiencies continue to snowball. And in the middle of all this, the BS&S corporation, or whatever's left of it by this point, realizes that it has a choice of its own to make: convert to the rules of the economy of Planet P, or die. And for the remaining corporate executives, who have spent a lifetime giving orders and wielding tremendous power, it's certainly not a welcome choice to say the least. But the choice must be made and whatever choice that *is* made -- either convert to an entity compatible with Planet P's economy or face permanent dissolution -- the corporate dictatorship as it had existed is no more.

This bit of science fiction is easily contrasted with the contemporary situation for corporations back on Planet Earth, particularly in the United States. Corporations are immensely powerful, tremendously destructive, potentially immortal, given all the rights and privileges of persons though they are devoid of a conscience, and singleminded in their goal of assuaging their eternal hunger for profit. And unlike the situation on Planet P, where corporations in real life can be readily and quickly destroyed, corporations here on Earth are far harder to destroy, let alone compelled to take any constructive actions. While one can starve a corporation of profit as a successful means to destroy it, corporations, particularly very large ones, can withstand attempts to starve profit with the enormous scale of their operations and the many different disparate revenue streams that many large corporations draw. (Similarly, if a corporation has a smaller number of profit streams which are hard or impossible to dislodge, the invulnerability would be the same.) Currently, the vast majority of

people who loathe corporations and their impacts are nonetheless reliant on corporations for livelihood, income, and material resources.

To be sure, there are measures like withdrawing corporate charters, structurally forcing corporations into becoming publicly-owned trusteeships, or applying local laws (as a handful of American municipalities have done) requiring corporations to abide by local laws in order to operate in those municipalities¹. These are weapons which theoretically can be leveraged against large corporations. In practice, however, such tools are enormously difficult to apply given the enormous power corporations currently wield. And given such devices like the World Trade Organization which subvert local and even national laws that could interfere with corporate profit, such anti-corporate efforts hold little heft at the present time.

The main difficulty with using laws or the state or government as a goad against corporate power is that the very people who do wield power against corporate predations in various regulatory capacities can gain greater salaries and reduced public scrutiny by joining corporations rather than fighting them. Understandably, they're loathe to actually use that power in any substantive way against corporations lest they risk their chances to cash in big later on.

And there's yet an additional problem: Even if you were to combat and perhaps bring a single corporation to heel, another corporation or corporations can rise to take the place of the defeated. So corporate power is dominant, and commentary of the influence of corporations grows rapidly, and protests against corporations do occur but on a scattered and reactive basis, seldom proactively. The literature on fighting the entirety of corporate power is woefully deficient. The most recent large-scale protests against corporate power, those aligned under the name "Occupy Wall Street," despite their recent successes and stunning growth, are nevertheless in their infancy and face constant pushback.

I would like to offer in this presentation a proposal for a path that would help stop corporations on a grand scale. The approach, and certainly its name, is inspired in part by an idea named for -- of all things -- fictional vampires. This idea, the Montesi Maneuver, is named after the Montesi Formula, known to a few who are familiar with fictional vampires. For those unfamiliar with this formula, the Montesi Formula is a magic formula for destroying all the vampires in the entire world in a single magical simultaneous blow. It comes from, and is used in, the Marvel Comics vampire milieu of the 1970s and 1980s which gave us the comic books *Blade*, *Doctor Strange*, and a comic book adaptation of *Dracula*. According to these comics, the name Montesi refers to a family of 15th century Italian clergy who had first discovered the formula for a magical spell that when enacted would completely abolish all vampires forever. Once the Montesi Formula was applied and stayed in place in this universe, not a single vampire could exist in the universe.

Much like corporations, vampires could be destroyed one by one, but their growth rate creating new vampires outstripped efforts to destroy them all, and the war against vampires increasingly became the equivalent of running on a treadmill that continued to gain speed. This problem of out-of-control vampire population growth was addressed by applying a single magic formula which forbid vampires from existing in the first place. Understandably, the vampires in the Marvel Comics universe didn't take to this threat lightly, but they failed to prevent the Montesi Formula from being enacted and once

the Montesi Formula was successfully enacted all the vampires in the Marvel universe were destroyed and new ones could not be created in their place.

In this book, I will present a proposal that I think is the political-economic equivalent of the Montesi Formula, which hopefully can be leveraged collectively against corporations, even if it may take a LONG time to do so, and hopefully offering a more positive alternative in its place. Just like the Montesi Formula solved the Vampire Problem by wiping out all vampires at once, this proposal, the Montesi Maneuver, offers the same bold, "unrealistic", hard-to-swallow-but-fully-necessary approach to wiping out all corporations at once.

The argument in question can be summarized as follows:

- 1. Corporations are monsters because they are a rational response to the economic context in which they survive -- the competitive realm of markets.
- 2. To eliminate corporations, I suggest changing that context from markets to one where corporations cannot survive, where it becomes irrational to start or maintain corporations. In a word, market abolition.
- 3. The context I would propose instead is the economic model known as <u>participatory economics</u>.

The first two sections of this book deal with the entity of a corporation in depth -- what is it, and why does it take the form it does. The third section discusses markets, participatory economics, and corporations under the rubric of the Montesi Maneuver. The fourth section offers some reasons why I think the Montesi Maneuver will work, and the final section brings together some possible suggested tactics, with some concluding and inspiring words at the end.

The what of corporations

What is it about corporations that would argue for their collective dissolution? There are a number of reasons.

Reason one: Corporations are single-minded in their goal of assuaging their eternal and growing lust for profit. The main purpose of a corporation is to increase short-term private profit for their shareholders at the expense of anyone and anything else. All actions that a corporation pursues are dedicated to this purpose.² Any corporate action that might be perceived as altruistic often has some selfish pro-corporate rationale behind it, such as to prevent corporate funds from getting taxed, or to encourage favorable support from nonprofit groups that could be utilized for public-relations purposes. If corporations were somehow to refuse this mandate of profit above all else, there are actions that could be taken in response: Shareholders can sell stock. The corporate board of directors can eliminate dissident elements within the corporation. The comparisons with monsters are evident - vampires possess immediate and overwhelming lust for blood, as do zombies for humans flesh.

Reason two: Corporations are immensely powerful. To adapt a saying from the comic *Spider-Man*, with great cash comes great influence. And corporations, as finely-honed profit-generating machines, can possess a tremendous amount of money. That money can buy the staff in considerable public relations campaigns and buy huge amounts of advertising space in radio, television, and internet, both for efforts in favor of corporations, and against efforts to block pro-corporate initiatives. The huge scale and sophistication of these corporate efforts make grassroots corporate opposition difficult and collective corporate abolition well-nigh impossible. It's easy to draw comparisons to monsters who are often depicted as possessing superhuman strength or superhuman abilities.

Reason three: Corporations are tremendously destructive. Corporations are primarily dedicated to their own profit maximization at the expense of everything and everyone else. If the choice is the preservation of the planet versus profiting from the destruction of peoples or the planet, the choice for corporations is clear. Indeed, the modern environmental movement has increasingly fought corporate predations upon the natural environment, in cases such as the climate crisis (General Motors, Ford, Exxon-Mobil), oil spills (BP), nuclear weapons (General Electric), and coal extraction (Masey Coal).

Reason four: Corporations are immortal. Corporate charters used to have a built-in time limit, but after the 19th century, due mainly because of the efforts of courts and lawyers, current corporations have no set time limit of their corporate charter. So a corporation could potentially live forever, and outlive the people who work for it. Obviously, as the vampire movie *Daybreakers* reminded us, corporations like any parasite can't outlive their host, but that doesn't mean they can't live a long, long time.

Reason five: Corporations hold tremendous influence over regulators. The draw of money and power that corporations wield is obviously a tool that corporations can leverage over regulators. If government authorities don't threaten or attack corporations, then they can later gain influential positions in those corporations at higher salaries, increased influence, and reduced public scrutiny.

The phenomenon, referred to as "regulatory capture", guarantees that corporations need not unduly worry when perceived anti-corporate malfeasance is afoot. One Congressional representative described the U.S. Congress as being a "farm team for K Street" ³ (the street in Washington DC which is home to many corporate lobbyists) -- that the state is a mere stepping stone for *real* positions of power within corporations. Curiously, the same phenomenon also occurs in vampire fiction. For example, in the original film *Blade*, an innocent person discovers the existence of vampires and suggests to Blade to call the police. Blade responds back: "They own the police."

2. The why of corporations

Why bother making a corporate monster? Wielding measures of wealth and power appeals to parts of the human psyche, and if that means becoming a monster or joining a monstrous enterprise, then so be it. The question "why bother?" seems silly or rhetorical to ask, even to those who refuse to capitulate to corporate temptations. But I ask the question because the answer, when drawn to its logical conclusion, is critical for the Montesi Maneuver, and for helping to save the planet and its peoples.

To arrive at the answer, we'll have to discuss more about the economic context in which corporations operate, and how that affects corporations, what corporations are and what they do. The context I'm referring to is that of markets. In a formal economic sense, markets are the competitive realm in which corporations operate. In markets, buyers contend against sellers for bargaining power, sellers contend against other sellers for market share, and buyers contend against other buyers for scarce goods.

All of this competition is billed as a good thing; Adam Smith's proverbial "invisible hand" is the symbol where markets translate private wants into public benefits. But what might be a better descriptor for markets and their discontents is what some economists in recent years have termed as the "invisible foot" -- the endemic problems of markets⁴. Markets are attuned to private wants and oblivious to large-scale social needs (for example, many municipal public transportation efforts are run as part of government entities). Markets overvalue material goods at the expense of those who produce and consume those goods (as the saying goes "the art advances, the artisan declines"). Markets pit participants against one another in antagonistic roles (producers compete against each other, consumers compete against each other, producers compete against consumers). Markets consistently misprice goods; they ignore those factors outside of the immediate transaction of a single buyer/seller trade which might otherwise have an impact on the transaction itself (economists term these ignored factors "externalities"). And as argued here, markets are the spawning grounds for corporate monsters. (Given these flaws, it is certainly ironic that markets are and have been touted as beneficent, even by many otherwise critical of corporations.)

It's a truism that in a competition, where you have a winner and a loser, it is far better to win than to lose. If so, then it makes sense to improve your chances to win, and it also makes sense that exhibiting nice behavior is irrational since any antagonistic effort by your opponent will improve *their* chances to win. That is, competitions encourage the creation of those who behave in a monstrous fashion, and in a political-economic context markets encourage the creation of corporations (the political-economic equivalent of monsters).

If monsters are then pitted against other monsters in this competition, then a given monster has an incentive to accrue as much strength as possible so that it can win the competitions it will face. In a political-economic context, a corporate monster can accrue more strength by growing oneself in size and influence (perhaps in doing good, but certainly in doing bad). Larger corporate monsters can also undercut or eliminate the opposition through attrition (other competitors are unable to compete and are eliminated from or leave the terrain of competition) or through buyout (claiming your opponent's resources as your own). This helps explain why unregulated markets tend to concentrate -- where more and more resources increasingly fall into fewer and fewer hands.

This also helps explain a cruel irony that can arise: markets, which have long been touted as an alternative to command-planning economies, actually support command-planning economies, except those economies are called corporations. Though corporations may deny being associated as command-planning economies, even though in effect they actually are. In the course of the corporate dominance of markets and increased concentration of markets, the corporations that result from this war of attrition are internally structured comparable to a dictatorship -- hierarchical work and power arrangements, disproportionate pay for work served, orders come from the top down, obedience comes from the bottom up, and the only options for those inside a corporation are to obey or to leave. The reason is, if the external context (competitive markets) deters altruistic behavior by corporations in external affairs, it would be a contradiction to have a corporation behave internally in an altruistic fashion.

The result, structurally speaking, amounts to a command economy.⁵ The main difference is that those economies didn't emerge from the state as command economies did in the old Communist countries, but rather from the market in contemporary capitalist countries. Lest any doubts remain as to this juxtaposition, one can take the list of theoretical complaints leveraged against command economies, like that in Robin Hahnel's book *Economic Justice and Democracy*, and leverage that exact same list of particulars against corporations: (1) There's a dictatorial down-go-orders, up-come-obedience dynamic, (2) Social effects of consumption and production are never determined, (3) "Conceptual workers" (that is, those with technical or managerial skills) monopolize technical information, and (4) Managers and workers constantly fight each other.

Some of these flaws, one might argue, can be done away with or ameliorated with the right regulations. But the problem as we have seen at the present time is that regulators can be bought off, or are often understaffed and under-resourced compared with their corporate counterparts. Some may also argue that new entrants can enter into the market to compete and improve the overall situation. But new entrants face "barriers to entry" as economists call them, that prevent them from doing so or from doing so easily, thus leaving that status quo in place. The most successful solution we've seen recently to breaking up monopolies is, ironically again, using non-economic means (for example, government antitrust measures). But such use of antitrust is comparatively rare, relatively easy for incumbent corporations to work around, and even in examples where it has been applied to break up a single huge corporation into perhaps dozens of new competing smaller firms, the resulting new market simply reconsolidates over time (one is reminded of AT&T, which was a monopoly in the U.S., broken up through antitrust action in the 1980s, and has all but reconsolidated in the subsequent thirty years).

Milton Friedman is spinning in his grave.⁶

3. The Montesi Maneuver

Let me return to monsters, more specifically vampires, and to elaborate on a point raised previously. I borrow the name "Montesi" for this maneuver/project as a metaphor in the realm of political economy. Just as the Montesi Formula created a context where vampires could no longer exist in the Marvel Comics universe, the Montesi Maneuver is a proposal to outline an economic context where corporations also could no longer exist, or at least no longer exist in the kind of scale and negative influence they currently hold. I propose this approach to attack corporations in a single grand blow rather than attacking corporations one by one because what we have been doing thus far hasn't been very effective (even with the nascent Occupy Wall Street protests). And given the time urgency with various growing and impending political and environmental catastrophes, we must consider bold new paths of thought. So what would be the political economic equivalent of the Montesi Formula?

Answering this question leads us into speculative economic theory, focusing on economic models that do not use markets nor command planning. For a long time, it was thought to be impossible, even in theory, for there to be any models of an economy that use neither command planning nor markets. The political economist Alec Nove is even quoted as follows: "In a complex industrial economy the interrelation between its parts can be based in principle either on freely chosen negotiated contracts [i.e., markets], or a system of binding instructions from planning offices [i.e., central planning.] There is no third way." But in recent decades, thanks to the efforts of heterodox (non-mainstream) economic theorists, there are now some economic models that posit such an economy and outline how they could work. In fact, in 2002 an issue of the journal Science and Society presented and critiqued seven such models of what some have come to call "democratic planning".

The model I will advocate for here is one of those models in that issue, known as "participatory economics"; it is arguably the best known of these models of democratic planning. To be sure, I don't wish to foreclose the creation of further alternative models, especially if such models prove worthy of consideration. But what has been offered has won some adherents and even seen some promising examples of real-life implementations. We approach this, like a scientist would with an explanatory theory, as the best so far of what's available or possible given the knowledge we have, with the understanding that the future and future considerations may require us to rethink matters.

Participatory economics, a model first announced in 1991, is an economic model proposed by activist Michael Albert and economist Robin Hahnel.⁸ The model, which offers a proposed economy without command planning and without markets, aims to promote the values of solidarity, equity, efficiency, diversity, and self-management (encapsulated in the acronym "SEEDS"). The main rules of a participatory economy, briefly stated, are as follows:

- 1. All jobs in a participatory economy are balanced for desirability and empowerment.
- 2. Remuneration is determined by effort and sacrifice in socially-valued labor as gauged by one's workmates.
- 3. Large-scale economic decisions are made by decision-making bodies (what the model terms "councils") which comprise those who work in a workplace or consume in a residence. These bodies operate on the "self-management principle", where those who are impacted by a decision

- have decision-making power proportional to the degree they're impacted by that decision. Also, these bodies are further structured into industries and federations on the worker side, and into nested decision-making bodies on the consumption side.
- 4. A participatory planning procedure addresses the matter of allocation, where consumption or production plans are submitted, with the help of a facilitation mechanism, to those who are impacted by those plans. Based on the qualitative and quantitative feedback received, those plans are revised if necessary by those who made those plans in a handful of rounds with the goal of eliminating all excess demand.

The model has been spelled out in great detail elsewhere, and objections to and concerns about the model have been addressed to an exhausting degree. Readers interested in a fuller exposition and defense of the model are referred to those readings. But for purposes of discussion here, participatory economics has the following advantages over the retentionist economic models of markets and command planning.

- 1. Retentionist economies have job hierarchies, but participatory economies have jobs balanced for desirability and empowerment. Some jobs in retentionist economies carry greater disproportionate desirability and empowerment than other jobs. The result is that a relatively small number of people have highly empowering and desirable jobs while a greater number have far less desirable or empowering jobs. But in a participatory economy, jobs are arranged into what the model terms "balanced job complexes" -- that is, the tasks a worker does in a participatory economy have a degree of desirability and empowerment approximately comparable to that of every other worker.
- 2. Retentionist economies pay by unfair means, whereas participatory economies pay by the fairer means of effort or sacrifice in socially-valued labor. Payment accrues within retentionist economies by unfair means such as market value of private property and by personal contribution -- the rich get richer, in other words, but not by virtue of harder work. Participatory economies pay by the far more fair metric of remuneration per effort and sacrifice as gauged by one's workmates, but with this payment norm tempered by need, for those individuals who may be physically unable to work.
- 3. Retentionist economies make collective decisions by a command planning basis. Whether by a corporate board or by a Soviet dictatorial body like GOSPLAN, retentionist economies make collective decisions by a command-planning approach, where most of those who are impacted by a decision often have little or no say in that decision. Meanwhile, in participatory economies, collective decisions are made in decision-making bodies, both at the consumer side or at the production side (this addresses a long-complained criticism of markets that markets ignore collective consumption needs). These decision-making bodies operate on a principle of self-management which connects the degree of impact of a decision with one's decision-making authority towards it.
- 4. Retentionist economies oscillate between competitive and dictatorial dynamics, but participatory economies dispense with both. Command planning economies and market economies have long been touted as diametrical opposites, and yet the irony of this claim is that,

upon further reflection, they each lead to the dynamics attributed to the other. Command-planning economies spawn competition among actors within the command-planning pecking order, and as argued previously, competitive markets lead to the command-planning economies we call corporations who trend toward monopoly. Participatory economies, however, use neither markets nor command planning but instead use an iterated feedback system called participatory planning. In this "partiplan", products bear prices that strive to reflect their impacts on labor, society, and the environment; producers and consumers produce respective production and consumption plans which are submitted to those who stand to be affected by those plans; those impacted then provide feedback to those who made those plans; and those plans are then revised and resubmitted if need be, all towards the shared goal of eliminating excess demand. Moreover, both command planning economies and market economies do share some significant traits: they both lead to top-down hierarchies of power and obedience, they both ignore social effects of production and consumption, and they both see technical information monopolized by a select few. Participatory economies strive to eliminate undue power and undue obedience, pay closer attention to external economic effects, and strive to share technical information.

We can summarize these structural differences between retentionist economics and participatory economics in a chart as follows:

	Retentionist Economies	Participatory Economics
Production	Hierarchical jobs	Balanced for desirability / empowerment
Consumption	ii Jniair naymeni norms	Effort / sacrifice in socially-valued labor, tempered by need
Group Decisions	Command planning	Self-managed decision-making bodies
MATIOCATION	Competitive and dictatorial dynamics	Participatory planning

Participatory economics also has the following points in its favor:

- 1. It's a testable model. Whatever else might be said of participatory economics, the model carries the virtue of being testable so as to know to some degree if the model holds promise and should be implemented further, or if it should be corrected or adjusted in some way, or if it should be abandoned. We'll devote more to possible tests of the model later.
- 2. It's precise but not overly precise. Participatory economics spells out in a degree of detail how its institutions can address the needs and the values of its participants (pun intended), but it accords a measure of flexibility that allows it to be tailored to different circumstances; indeed, some of the implementations we have seen thus far have some differences.
- 3. The model also addresses many of the concerns of anti-corporate efforts currently underway. These include the following:

- The environment: Corporate predations are unquestionably tied to the future of the planet. Examples are legion: Exxon-Mobil and global warming, Georgia-Pacific and rampant clear-cutting, Shell Oil and oil extraction, General Electric and the nuclear industry, and so on. So a challenge against corporate power that would succeed in halting their predations would also help preserve, protect, and defend the planet we all share. The main criticism that I have heard about the Montesi Maneuver from some environmental activists is that we're simply replacing one monster with another monster -- that the solution instead is to do away with *all* human systems. But there are at least two counter-responses: (1) the participatory economic model would hopefully be more responsive to environmental needs since it doesn't mandate growth, it would incorporate environmental impacts, and in theory at least serve as a disincentive against forming or maintaining corporations, (2) some economies may ironically prove to be more damaging to the environment than otherwise, particularly if large-scale consumption is reproduced unnecessarily on multiple local scales.
- Women's rights: Improving economic equity for women is critical to advancing the overall social standing of women. And in contemporary retentionist economies, where women frequently earn less pay than men for the same labor, fill more of the disempowering and less desirable jobs, and are disproportionately represented on the lower end of the economic totem pole, striving for economic equity for more women is an understandable response. This indeed is what participatory economics strives for.
- Media: It's critical to include media in the metric of venues for social change since, certainly in the United States and increasingly elsewhere, the success or failure of efforts for positive social change relies to great extent on whether or not the public know about those efforts. The major media are themselves corporations, among the largest corporations in the world, and in a cruel irony tend to ignore calls for media reform (since raising public awareness could strengthen such reform efforts). Thus, the corporate media have a vested interest in opposing efforts for media reform and socially positive media policy. Since 2000 in the United States, media reform efforts have been able to break through this perpetual logiam to some extent and make some tangible gains in the policy front, but those efforts are constantly on the defensive since media, as corporations, have advantages in markets as outlined previously, so they are able to respond back in the rare times that they do lose. The Montesi Manuever can help on this front by providing the theoretical lynchpin required by a full-throated challenge to corporate media.
- o Government lobbying: The most effective lobbying efforts are connected with those of corporate power, and understandably so since the costs needed to run contemporary electoral campaigns run so high that the only resource available to raise those costs are corporations, who won't make campaign donations without making clear that those donations come at a price. (Most of the money that's raised is used to purchase television advertising on commercial media, which brings another level of abject corruption.) Corporate power in government thus becomes particularly difficult to dislodge, and in the United States extends across both major political parties. It's made even worse that many who serve in government wind up leaving government to become executives or lobbyists at the very companies that they supposedly "regulated", bringing with them a level of familiarity of government process and the connectivity to officials that grassroots efforts can't match. It's commonly called a "revolving door" of government officials and corporate

- executives and lobbyists. The Montesi Maneuver ties directly to those interested in removing the influence of corporate power in governance issues.
- Labor: Many labor unions in the contemporary United States mimic their internal structure to those of the corporations they often combat. As a result, they hobble their long-term prospects from the outset against an opponent with far greater material and other advantages and with no compunctions for its own internal structural. Unions who take up the Montesi Maneuver would hopefully change this game and improve their long-term chances for victory against the corporations who want to reduce wages, repress their rights, and abolish them outright.
- **Peace**: The biggest warmongers in the world are corporations, particularly the U.S.-based military contractors who have an interest in perpetual war in order to maintain and escalate perpetual profit. Thus, the peace movement in the United States and worldwide should take interest in the Montesi Maneuver with its focus against corporate power.
- Race relations: Race has historically been used to divide the working class, and there is in many places in the world a race correlation to poverty. Corporations have interest to keep systems of inequity in place since they thrive by those systems. But the Montesi Maneuver can unify rather than divide across racial lines by uniting the shared concerns over contemporary economic inequities shared by many racial and ethnic groups.

4. The why of Montesi

Why do I think the Montesi Maneuver has a chance to succeed? Humanity has been burned time and again in following one or another economic theory without evidence to support that the theory either works or has any merit. So a reasonable question to ask is: what is it about participatory economics which will work in real life -- meaning that it would destroy corporations, just as the Montesi Formula would destroy all vampires, and that it would be a better alternative to retentionist economies?

That can be answered with three simple words: I. Don't. Know. The only way to find out for certain is to try it on a large or large "enough" scale, to actually implement a participatory economic structure. But at the very least this proposal, whatever else may be said, has some measure of completeness to it (at least in terms of economics), and isn't just a reshuffling of retentionist economies in a new form.

But just because we may not have any large-scale implementations of participatory efforts does not mean that we have no evidence at all. In the twenty years since the introduction of the participatory economic model, there have been a number of real-life tests and implementations and what we have seen so far is encouraging. The experiences of projects that implement a structure based on balanced job complexes, remuneration based on effort and sacrifice, and democratic decision-making display a remarkable degree of solidarity and effectiveness, to a level certainly unknown within markets or command-planning economies. The book publisher South End Press has been described as "pound per pound the most effective book publisher in the United States" The online news project The NewStandard, during its three-year existence, was set up in such a way that its workers not only weren't competitive they felt encouraged to help one another and did. To be sure, these and other experiments weren't perfect. They certainly had their own problems and concerns. But they show what is possible, and point to a new and promising approach that can be expanded further.

One would think that given a proposal with such potential, organizations and structures on the "left", whatever that term may be construed to mean, would relish this proposal and work on implementing it in their own work and structures, or at the very least debate and discuss the proposal on its prima facie merits and possibilities. But one would be wrong. In the twenty years since the participatory economic model was first proposed, the "left", in its various dimensions, and with rare exceptions, has almost completely ignored the proposal, rarely taking it up as a matter for debate.

This has been a curiously uniform response across the various dimensions of the "left". The ostensible reasons that have been suggested for this dismissal are that left groups, whether they be ossified Marxist sectarians, left businesses in publishing or other industries, or liberals of the large-scale corporatist model, oddly enough don't want to lose whatever business or set-up they do have. Also, curiously, most non-profit organizations, particularly of the non-profit 501c3 model in the United States, are required by law to set up a corporate structure very similar to the corporations they ostensibly are trying to combat. The result is yet another obstacle in the face of any potential opposition.

That's not to say that preaching to the choir should be abandoned or can't make tangible gains. Indeed, what progress we can note thus far has been precisely due to such preaching, however slow such

progress has been. But the obstacles that prevent the achievement of a critical mass must be recognized, particularly among otherwise reliable allies. And, as we've seen with the Occupy Wall Street movement, sometimes small efforts can grow into huge movements quickly.

The main intermediary goal in order to achieve such progress, as confirmed by recent research, is to reach a 10% threshold. That is, 10% of the population has to gain awareness or agreement on an issue or position in order for the rest of the population to follow suit. Anything less than that will literally take forever. It stands to reason that the Montesi Maneuver, and the efforts around slaying corporate monsters, will follow suit, and efforts to win gains on this front require achieving that 10% threshold. But even assuming that a participatory economy can and will work without the problems of retentionist economies, how can a 10% threshold in the entire population be achieved, never mind 10% of the "left" which has shown remarkable resistance to a proposal that can help the left improve prospects for humanity and the planet?

5. Tactics

What are some approaches for achieving the Montesi Maneuver? Perhaps the best way, and seemingly the hardest way to win adherents, is to ultimately show not only how it works but that it works -- demonstrate the effectiveness of the model with large-scale real-world experiments. After all, the history of social economy in the past century or so has been full of promises that did not bear out in reality. Understandably, many people are understandably hesitant to adopt or subscribe to any program without first seeing how it would work and that it would have more positives than negatives. If it can be shown that another world is possible, that's most of the struggle right there.

There are a number of possible tactics to pursue, some of which include the following:

Academic Research Academic economics has been more a handmaiden to power rather than a means to empower people. Mainstream economists have all but ignored the proposal for participatory economics, and have done next to nothing in the way of research of comparing participatory economics with other economies. But such research would be crucial, and increasingly common contemporary technologies -- perhaps a simulacra of a participatory economy, much like that done with Zynga's "Ville" games on Facebook (Farmville, Cityville, Frontierville, and so forth) -- make such research increasingly feasible. It's a potent possibility: Disguising a future theoretical participatory economy as a a game.

Imagined depictions of a future: One possible way to raise awareness and might be to devise imagined situations -- science fiction, fantasy, and other depictions -- around the model. It could even represent an entire new approach to writing where dramatic literature was often heretofore animated by conflict between, say, "man against nature", or "man against man", drama could instead be animated by the quest for a shared goal, where everyone wins if it's achieved and everyone loses if not. We've seen the advantages of using imagined fiction in the political sphere and other realms, as inspiration from Star Trek with its myriad communities and the political organizing inspired by the Harry Potter series of books and films. It's also possible, though not without its potential disadvantages, that such depictions could also break their way into wider awareness within the corporate media (indeed four of the top five highest-grossing films in the world as of 2011 are depictions in fantasy or science fiction). Indeed, science fiction auteur Neal Stephenson has now raised a call saying that this must be the raison d'etre of science fiction writers. In the corporate media (indeed four of the top five highest-grossing films in the world as of 2011 are

Outreach in Independent Media: In order for proposals to be considered, they need to be out there for people to know and consider and debate. And the major corporate media in the United States studiously avoid any discussion of alternative economic models for obvious reasons. It may be possible that corporate media can be "tricked" on occasion into presenting ideas disguised in another format, but one balks upon considering the limitations of corporate media to deliver an honest and forthright debate on a future society. Even so, the alternative media in the United States has also overwhelmingly avoided the question of alternative economic models, including discussing models that have been proposed. But those alternative media are where the best hope for outreach and expansion of these ideas lie, and the support of such media, as well as the crafting of policies which nurture such media (as for example in the ongoing net neutrality efforts and recent community radio

victories) is critical for building and maintaining our own media apparatus. Critical too are the efforts to defend against predations of corporate media, which have been considerable in squashing attempts to build more publicly responsive media efforts.

Forge other tools modeled on a participatory framework: The internet has provide a welter of resources, and should be utilized by proponents of the Montesi Maneuver. (I'm referring of course, to the internet least more or less as currently configured; if net neutrality isn't maintained and online freedom is squelched in large scales, corporations may grab that medium too.) Let me quote an email from one advocate of participatory economics who was also involved in some of the early development of Wikipedia, and referred to some principles of anarchism in Wikipedia's structure:

Wikipedia was a wonderful example of anarchy, but we agreed at some point that we were (1) building an encyclopedia and (2) borrowing some principles from anarchism in order to facilitate that...I bothered in Wikipedia because it was accomplishing something--the world's greatest resource of information, [free] for all to use--not because it was anarchistic. The spread of pareconish [participatory-economics-like] principles will come from people adopting them into tasks with other purposes; if Wikipedia had been about proving an anarchist model for information aggregation, it would have fallen flat on its face on the millions of arguments that arise.

Along these lines, one idea which has been suggested would be to create an app or program which would allow users in current activist efforts to quickly and easily balance their work, determine remuneration, and forge self-managed decisions.

Build alternative institutions: Related to the building of these proposed tools is the idea of building institutions that embody these values and our proposed structure. As we've seen, there have been a number of such businesses that possess balanced job complexes, pay per effort and sacrifice, and encapsulate principles of self-management. The book "Real Utopia" edited by Chris Spannos includes a number of such businesses and recounts of their experiences, including the publishers South End Press in Massachusetts and Arbeiter Ring Publishing in Manitoba, Mondragon Café also in Manitoba, and The NewStandard (an online news and journalism project based out of Syracuse, New York, which operated for three years).

Convert existing institutions: As the experiences in Real Utopia can attest, it is supremely difficult to build and sustain a participatory enterprise, and the result still stands on rocky ground and tends to be widely ignored nevertheless. Harder still, but with the potential for far greater rewards, is the proposal to convert existing institutions into a participatory framework. Eric Patton on the ZNet website, in an amazing and shockingly little-read article, outlines how this might happen and what its dramatic consequences would be.¹⁶ The essay is worth quoting at length:

From an organizational standpoint, the left has a fatal problem: it's classist. Working people are not stupid. They know. Maybe not consciously, but they know nonetheless.

Suppose now that [the large-scale antiwar activist group] United for Peace and Justice decided

to reorganize itself around principles of self-management, balanced job complexes, and remuneration according to effort and sacrifice as opposed to power and output -- the program advocated of participatory economics. Then what?

At that point, enormous and immediate pressure would be brought on the rest of the left to follow suit. Grunts in myriad left organizations would begin demanding their own rights, that is, in this hypothetical United for Peace and Justice.

...The real threat is always that of a good example. South End Press, Arbeiter Ring Publishing, Mondragon Café, The NewStandard -- these organizations may all be organized around a participatory model but they are also all small, and thus easily ignored by the broad United States left, which is not eager to incorporate their participatory economic organizational principles into what they do.

But if a large outfit like United for Peace and Justice, with its one-million-dollar per-year budget, forswore the Dark Side of the Force, going participatory instead, you would suddenly have an example too large to ignore. People all over the left would know about it. They would begin thinking about it, they would start asking uncomfortable questions about it, and very quickly they would begin *demanding* it -- unions, civil rights groups, feminist groups, environmental groups -- you name it. Dominoes would begin to fall very quickly.

Suddenly, you'd have a participatory left, emanating real pressure on the society at large. And just as suddenly, there would be, from the elite standpoint, ungodly pressure brought to bear to do something, anything, to make the problem go away. Troops home now, single payer health care, out of Haiti, seriousness about addressing global warming, out of Palestine, a move away from the oil economy, media images of women, public transportation, a less-racist legal system, more honest media coverage. Name it. What would you like to change in society today?

The power levels possessed by such a left would be immense. Suddenly, we'd be the ones setting the tone, dictating tempo, calling the shots, playing offense, writing the rules. Elites would be on the defensive, running terrified, looking for anything and everything to kill the monster, to make the movement stop.

As long as we did our jobs properly, the movement would never stop. We'd just keep winning and winning and winning.

Would it really be that easy? No. Because the hard part is getting United for Peace and Justice to organize around participatory principles. But once you do that, the hard part is done. Everything else becomes gravy.

If such participatory institutions, be they built from scratch or converted from retentionist structures, did succeed and establish a consistent flow of resources, it's possible that the surplus profits from those efforts can help forge existing political efforts in antipoverty work, labor organizing, environmental preservation, media reform, and so forth.

This list of possible approaches can be extended further, perhaps indefinitely. But the tactics for exactly enacting any or all of these approaches cannot be described in a general sense since the appropriateness of one or another tactic always hinges on the situation at hand.

A try-it-and-see approach is appropriate: implement one proposal, or an abbreviated version of it, see if it proves successful in advancing the values we deem important, and then expand and widen it further if it is successful, or revise and scrap this proposal or others in light of that feedback. An additional benefit of this method is that if, for whatever reason, this method can't work, we can know and make corrections or return to the drawing board to figure out an alternate proposal still, perhaps including details from previous attempts. But whatever else may be said, the forgoing is a *proposal* and like any proposal should be tried out, judged for its merits, and accepted or dismissed or updated as appropriate. Too often, proposals on the political left have ossified into dogma, often untested and more a merit of faith rather than experimentation, leading to something akin to religious wars rather than a scientific pursuit.

There is another consideration: Such efforts on behalf of the Montesi Maneuver, even in some test format, will not be built overnight, and in that time there will be efforts from outside by opponents who wish to destroy them and by partisans who wish to hijack such efforts for nefarious ends. Past examples of this are unfortunately common, from the political purges in the 1940s and 1950s in the United States under the rubric of "McCarthyism", to the COINTELPRO (Counter Intelligence Program) efforts to destroy incipient activist groups, to modern PR campaigns which squelch growing efforts by outspending them and smirching their name in the wider public (if such efforts grow to the point where they can influence the public), to the police crackdowns that we've seen against the Occupy Wall Street movement and other social justice movements, to other efforts subtle and not to suppress or disincentivize such political activism. Future efforts like the Montesi Maneuver must have a chance to grow and develop, so defenses against any opposition are of course critical.

Conclusion

One objections to this proposal, like that of a lot of political activism now and in the past, is that such efforts are decidedly "unrealistic" in what they shoot for and their likelihood of even a small level of success. But in political activism, what's deemed "realistic" can change, sometimes very dramatically. Ask anyone who helped bring down the Seattle WTO ministerial in 1999, or who helped stopped FCC-led media concentration in 2003, or the civil rights movement, or the efforts to abolish chattel slavery, or the efforts by a small Canadian magazine to encourage people to Occupy Wall Street, or any of a number of similar successes which were one dismissed as "unrealistic". *Of course* they were unrealistic, but that doesn't mean the efforts to widen the cause of social justice can't advance, sometimes beyond "realism". Indeed, many of the achievements of social justice in recent years and in past centuries occurred even though they were once deemed "impossible". As the historian Eric Foner wrote: "What is possible...would not have been achieved, if, in this world, people had not repeatedly reached for the impossible."

Another objection that is sometimes voiced against the pursuit of some reasonably-drawn-out plan is that, basically, we shouldn't paint our efforts into a corner. That is, we shouldn't try to determine an answer to the question "What do you want?", be it the Montesi Maneuver or anything else, since that's the kind of thing that should be determined after we win -- that is, after we overthrow the existing systems and allow people to craft from the grassroots up a new economy that won't possess these flaws. (Curiously, I have heard this same line of argument posed by both Marxists and libertarians, who usually would be hard-pressed to agree on what color the sky is, never mind any points of political philosophy.)

One can understand the desire to sidestep the question altogether -- even people who are expert in political economy have stared into space fruitlessly trying to devise brand-new alternatives. Avoiding the question of political vision is frankly passé since, as the Montesi Maneuver and other efforts show, there have been efforts to answer the question of "What do you want?".

More to the point, having some proposal is crucial, even if it's a tentative one, for the simple reason that efforts for transformative change will ultimately fail without some proposal as a beacon. When revolutionary movements actually win power, they're justifiably asked to come up with solutions and do so quickly lest people grow disillusioned (never mind hungry). Under such pressure for solutions, the temptation grows to fall back on retentionist economies, and a return to the status quo, and to circumstances in which revolutionary efforts get hijacked away from their idealism. Without a proposal and evidence that they do work or can work, those efforts will be aimless, lose their legitimacy and eventually collapse or be co-opted. Devising alternate proposals to markets and command planning, as we have seen, is a considerable task, one that should ideally be thought out and tested well in advance.

To say again, the foregoing does not mean that we should be dogmatic about a proposal in the face of evidence to the contrary. If evidence of any of the foregoing mentioned here should show that this proposal won't work or can't work, then yes, the foregoing should be modified until it can be shown to work, or replaced with some other non-retentionist proposal that *will* work. There's no clear-cut demarcation line between when a failed proposal should be tweaked and modified or when it should

be thrown out and replaced; such matters fall outside the scope of this discussion, but experimentation and reliable evidence can, should, and must serve as the governess for whether or not a proposal should be kept.

The prospects are daunting to be sure -- transforming our political economy in order to drain the shark tank in which corporate sharks swim, with the hopes that those sharks will ultimately wither and die, AND confirming that it delivers a working economy without the negative consequences which won't lead to future injustices, AND doing so quickly in the face of mounting catastrophes that threaten humanity, the planet, and its progeny. But to be sure, we are entering historically uncharted waters, and the work you and I do today will chart the course to come, whether humanity and the planet fall off the brink into irreversible calamity, or whether we rescue it. I hope the proposal here offers food for thought and can aid in efforts to save the future. I close with two quotes -- one from scholar Samir Amin, "The future is still open. It is still to be lived", and another from writer Eduardo Galleano, "Let's save pessimism for better times."

- 1. The efforts of groups like <u>POCLAD</u> (the Program on Corporations, Law & Democracy) have been critical in raising awareness in this regard.
- 2. The film <u>The Corporation</u> and the book of the same name have effectively hammered home this point in detail, and provides an excellent primer about the operational logic of the modern-day corporation.
- 3. The reference is by Representative Jim Cooper, writing in the Boston Review.
- 4. The exact source is D'Arge, Ralph C.; Hunt, E. K. (1971). Environmental pollution, externalities, and conventional economic wisdom: a critique. University of California Riverside, Dept. of Economics.
- 5. The work of David Korten has been crucial in comparing corporations to command planning economies. Korten's proposed solution, that of "real markets", unfortunately leave much to be desired, in that we're simply letting history repeat itself.
- 6. Plus, in yet another irony, many command-planning economies tend to spawn competition among actors for higher positions within the pecking order of command economies.
- 7. As quoted also in Robin Hahnel's *Economic Justice and Democracy* (London: Routledge, 2005).
- 8. The model was formally announced with the near-simultaneous publication of two books, both coauthored by Michael Albert and Robin Hahnel -- *Looking Forward: Participatory Economics in the Twenty First Century* (Boston, MA: South End Press, 1991), and *The Political Economy of Participatory Economics* (Princeton, NJ: Princeton University Press, 1991).
- 9. The best-known recent book-length expositions and defenses of the model include *Parecon: Life After Capitalism* by Michael Albert (London: Verso Books, 2004), and *Economic Justice and Democracy: From Competition to Cooperation (Pathways Through the Twenty-First Century)* by Robin Hahnel (London: Routledge, 2005).
- 10. The best known exposition of the practical successes and lessons of the participatory economic model is *Real Utopia: Participatory Society for the 21st Century* edited by Chris Spannos (Oakland, CA: AK Press, 2008). Disclosure: The author was one of the contributors of Real Utopia.
- 11. Radio interview with Michael Albert on Chicago Indymedia's radio show *From The Trenches*, originally aired on May 24, 2004. Online <u>here</u> and <u>here</u>.
- 12. See http://pre.aps.org/abstract/PRE/v84/i1/e011130.
- 13. See, for example, the Harry Potter Alliance at http://thehpalliance.org/.

- 14. The four films in question are, as of the end of 2011, Avatar, Harry Potter and the Deathly Hallows -- Part 2, Transformers: Dark of the Moon, and The Lord of the Rings: The Return of the King.
- 15. See "Science Fiction writers have a job, and it's time to do it, says Neal Stephenson" at http://io9.com/5846707/science-fiction-writers-have-a-job-and-its-time-to-do-it-says-neal-stephenson.
- 16. The essay is apparently no longer available on ZNet, but I have posted a copy of the essay on my own personal website at http://www.szcz.org/article/476.