

Humanizing the Economy



Neil Richardson recently came across this article, seen from the [www](#), and found it of some considerable interest. See what you think and perhaps respond?

Humanizing the Economy by John Restakis has just been released and was launched to celebrate Co-op Week on October 21st. The author John Restakis explains his motivation for writing the book and his hopes for the future.

In the fall of 2008, I was fortunate enough to be able to take a year-long sabbatical to research and write about the role of the co-op model in today's global era. When I left Vancouver for my outpost on the quiet mountain slopes of eastern Tuscany, things were just beginning to look bad on Wall Street. By mid November, the financial systems of the world's leading economies were on the verge of collapse. I followed the events on a tiny television from the kitchen of a small stone farmhouse surrounded by thick woods and deep snow but still able to receive the satellite signals of the BBC and Al Jazeera. It was a perfect instance of the perks and perils of our global era. Deeply affected by what I was witnessing, as were millions of others, I decided to frame the narrative of the book I was writing within the crisis of capitalism and the utter lack of any consequential discussion of an alternative. Two years on, the meltdown seems to have been stemmed. But the deeper crisis of a system in dysfunction continues to unfold. Meanwhile, opposition to the status quo has become a permanent and growing feature of any international economic gathering. Most recently, at the June meetings of the G20 and G8 in Toronto, the security measures surpassed \$1 billion in costs and turned the city's core into an armed camp.

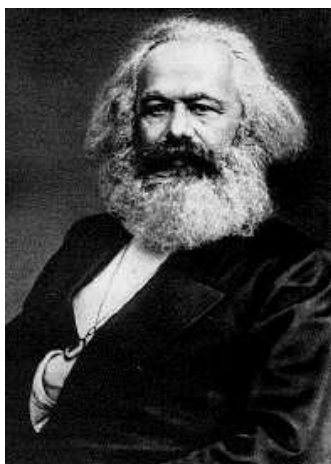
In fact, the rising crescendo of protests that commenced at the Battle of Seattle a decade ago are only the most recent outcries against a model of economic and social organization that has drawn determined opposition and resistance for the last two hundred years. But the tangible effects of this global economic order,

the marks that it scribes on the lives and livelihoods of billions of people the world over, are felt not in the realm of ideology, trade policy or politics. The effects are visible in the wages people earn if they are lucky enough to have a job, in the prices they get for their coffee beans, in the cleanliness of their drinking water, in the quality of their shelter and whether or not their children will go to school. These are the battles for survival and the prospect of life with dignity that billions of people the world over have to wage day in and day out. Today, with a global economic crisis destroying the livelihoods and pulling the foundations from under millions in developed and poor economies alike, the pitfalls of the new economic order are plain for all to see.

I wrote *Humanizing the Economy* to talk about an alternative. At its heart, it is a story about how a revolution in human society that began with the rise of democracy in politics continues to unfold as the democratic idea

struggles to find its place in the world of economics. If economic democracy is the hidden face of this ongoing revolution, then the history of the co-operative idea is its most durable expression.

Today, the global co-operative movement appears to have arrived at a crossroads. With the collapse of communism and with the capitalist system in crisis and facing unceasing demands for reform, the case for the expansion of economic democracy has never been more relevant or more urgent. There is a need for a middle path that avoids the extremes of market rejection on the one hand (as in the case of Marxism) and the unbridled power of capital as expressed in neoliberalism on the other. But will the co-operative movement provide the leadership so desperately needed to seize the moment and point a way forward? This is an open question and it is far from clear what the answer will be.



A key purpose of this book is to show that, in fact, the popular drive to democratize economies is a force that is working to transform virtually every economy in the world today. And for those who are willing to look, the evidence of a new, more humane economic and social order is there to see.

Whether or not modern capitalism will make room for the emergence of democratic economies and truly open markets may well become the defining question of our age. For despite the banner headlines that compel our attention to the atrocities of terrorism and the violence of intolerance in all its shades, this is marginal to the lived experience of the vast majority of humanity the world over. What truly conditions how people live and what societies will become is the degree to which people can exercise control over their lives. Economics is central to this. This is the question that lies at the bottom of the resentment and rage that continues to fuel the resistance to globalization generally and the corporate model of free market capitalism specifically. This is true in rich and poor countries alike and the recent global economic crisis has brought this truth home with a vengeance.

What is far less clear is how those who seek change can respond constructively and concretely to this challenge, moving beyond protest to a vision of what else is possible and how to build alternatives. Convincing answers to this question have not been abundant. For many, the search for clear alternatives has been disappointing if not downright demoralizing. Most of those protesters on the streets of Toronto would be hard pressed to propose something that could truly replace the system they were protesting. But the policy makers and politicians who understand that something has to change are also in a bind. Beyond salvaging the status quo, very little has been proposed as a way of rethinking the philosophical, social and organizational foundations that underpin the capitalist systems that are now in such peril.

My purpose in writing this book is to help bring to light both the possibilities and the problems that the movement for economic democracy is contending with today. It is a movement that has a long and rich history - one that is little known yet whose effects are felt by millions the world over. It is a history whose seeds were

sown in the great resistance that arose with the onset of capitalism at the dawn of the industrial age, and whose essential dynamics continue today both in the industrial democracies and in the societies where the rise of capitalism is still in its formative stages. And while it is certain that the co-operative idea will endure, it is far less clear whether the co-operative movement internationally will be able to meet the global demands of a world that daily grows smaller while the gulf that separates rich and poor, the powerful and the powerless, grows ever greater.

I wrote *Humanizing the Economy* with three objectives in mind. The first was to set out some of the historical and theoretical questions that surround the subject of economic democracy. My second objective was to flesh out how the ideas and aspirations of the co-op movement have been realized in the stories of people and communities that have struggled to make a more humane economics respond to the needs of their time and their place.

These stories of people and places dramatize in a very real manner fundamental questions of economic organization, human relations and social values that help to illuminate the meaning and message of the co-operative idea in our times. What I hope emerges is a glimpse of what is possible for the future if the principles and promise of co-operation are made real in the world as it is, not only in the world as we would like it to be. This was the third objective of the book.

Overall, my aim was to make this book useful to practitioners in co-operative and community development, and relevant to activists and laypersons alike. It appears to me, in North America at least, that the popular movements for economic and social reform, have been gravely weakened by a lack of contact with economics - as if anything might be gained by turning our backs on that discipline, flawed though it is, and reverting instead to arguments based solely on an appeal to values. There appears to be little serious consideration given to the practical basis on which these values might be realized. Even worse is abandoning the theoretical and intellectual contest and adopting instead a smug stance of moral superiority to those who view things in a different light. These are serious flaws and in themselves symptoms of the problem we most need to address - ceding economics to the class of vested interests that currently governs both its teaching and its practice. Rather, the underlying premise of this book is that economics is everybody's business.

From the worker co-operatives of Emilia Romagna to the recovered factories of Buenos Aires, from small tea farmers struggling to make a living in Sri Lanka to the consumer co-ops of Japan, and from the lonely nursing home rooms of small-town British Columbia to the brothels of Calcutta, the co-op idea is an enduring vision that is being rediscovered and reinvented every day and in a thousand ways by people from all walks of life the world over. In times when the course of world events seems to leave little reason for hope, these stories are worth telling for they lend a hopeful light on human affairs and hint at a future worth striving for.

