

Introduction to the Special Issue on Economic Democracy

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Economic democracy is a term that stands for expanding democratic participation in the public sphere, and in the private realm as well. It refers to social and political arrangements that empower people to participate in decisions that affect their livelihoods and opportunities. Today in many Western societies it is the nominally democratic public sector that is under attack, rather than the private sector. Based on thought diametrically opposed to concepts of economic democracy, markets and privatization are put forward as solutions to almost every social ill. Voting with one's income in the market is the epitome of the individualist notion of a just economy, and paying taxes to fund collective consumption is thought to be unjust, or just plain foolish. The concept of economic democracy seeks to extend democracy of the political arena to the domain of production. This, of course, directly contradicts the logic of capitalism, while drawing on the generally accepted concept of "democracy" to do so. Advocates of economic democracy press for expanded direct and representative democracy at the national level, at work, and at home.

When *RRPE*'s editorial collective for this special issue on economic democracy wrote its call for papers, it knew it was casting a wide net. Our aim was to attract the best of current thinking on issues of workplace democracy, changing dynamics in households, democratic planning, and innovation in cooperatives. We have selected the following five articles from among the submissions we received.

As stated in the call for papers, economic democracy is a term that has been used by the left for decades, and it has served several purposes. It was used during the Cold War era to sidestep entrenched opposition in the West to the word socialism. It highlighted *democracy*, a missing component in the Soviet-style socialism that served as most peoples' exemplar for what socialism was.

Economic democracy has also focused attention on a critical limitation of capitalism: democracy is noticeably absent in this economic system as well. Within capitalist business enterprise, the primary means of producing goods and services, capital and its management rule. Employees in these firms surrender most of the rights they have as citizens when they enter the workplace. For organized labor within capitalist economies, different forms of works councils, co-determination, and rights within collective bargaining helped attenuate this limitation on the ability to participate in decisions that affect people's lives.

At the level of households, economic democracy has been used to address past and present gender imbalances in the power to make economic decisions. In many societies this imbalance has diminished because of related social changes such as dual-income households, but it remains strong in many parts of the world.

More broadly at the social and political levels, the term economic democracy represents an attempt to change the mix of the political and economic. At the level of macroeconomic activity, economic democracy assumes some degree of citizen involvement in forms of economic planning. Since planning has been in eclipse for decades, this aspect of the term has received scant attention. The idea of democratic planning invokes the need to address *how* citizens can be more involved in decisions about collectively provided goods and services, as well as how

desired outcomes will be funded. The term also implies the potential for a one-person, one-vote form of participation, in contrast to private market activity ruled by the income or wealth with which one votes.

The articles that follow address many of these concerns. Gemma Miller's "'Gender Trouble': Investigating Gender and Economic Democracy in Workers' Cooperatives in the United States" compares the ways in which women and men participate in a small sample of U.S. cooperatives, and finds improvement in the status of women in relation to conventional forms, but less than egalitarian gender status in the co-ops. One of Miller's contributions is development of a framework for analysis that could be used for extending this research.

Market ideology itself is the target of Manuel Couret Branco's contribution to this collection. He argues that it is imbedded in the mainstream economics of today, often accepted as if it was natural law, and that the use of mainstream economics erodes our ability to imagine a more substantive democracy than we have experienced to date. His concern is to deepen the meaning and practice of democracy, constraining the impact of market-based economics, and renegotiating the socially-constructed boundary between economics and politics.

In an argument that is complementary with Couret Branco's, in their "Challenging the Presumption in Favor of Markets," Colin Donnaruma and Nicholas Partyka contend that there is a ubiquitous presumption in favor of markets in the world today, and that it inhibits our ability to think of other ways to allocate goods and services. They summarize the shortcomings of market approaches to distribution, and offer a philosophical, social, and economic defense of participatory planning, contending it is more consistent with democratic values than are markets.

Convincing the world of the benefits of planning as opposed to markets will require not only good arguments, but practical examples of how democratic planning could work. The article by Adelmir Marquetti, Carlos E. Schonerwald da Silva, and Al Campbell delivers one such example. It is an empirical study of participatory budgeting in Porto Alegre, Brazil, including institutional aspects of the planning and evidence of who has been involved in it. The study highlights the strengths and limitations of this innovative approach to planning, and its significance as an example of participatory economic democracy.

For some time the term economic democracy has grappled with how to socialize capital. Should it occur through traditional ownership rights, through new structural forms of participation, or through independent cooperative firms? Philippe Morin's contribution to this issue provides insight into Quebec's Fonds de Solidarité, why it was created, and how a labor-sponsored venture capital fund brings forth another manifestation of economic democracy. Morin offers these insights as part of a process of envisioning, and creating, a post-capitalist future.

In sum, the five articles in this special issue add insight and new dimensions to the term economic democracy. The term continues to have multiple meanings, even though those meanings share the common feature of challenging the boundary of the political relative to the economic in favor of more democracy, in multiple forms.

A future issue of the Review will contain the article "Delicious Peace Coffee: Marketing Community in Uganda," by Nancy Neiman Auerbach. We think our readers with an interest in connections between economic democracy and cooperatives, community development, and economic rationality will find it of interest.

The editorial collective for this special issue of the *RRPE* includes two former members of the Editorial Board, John McDermott and Gil Skillman, who deserve our thanks for continuing with the project after their terms on the board had expired. When the project began we reached out to two experts in the field who were not on the Editorial Board. Ulla Grapard of Colgate University

and Mark Klinedinst of the University of Southern Mississippi served as excellent reviewers of submissions for this issue, and we offer them our appreciation and thanks.

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