

London Project for a Participatory Society

Promoting a fair and just alternative economic system

Other points:

- *In some ways, there is no money in a parecon.* People will get “credits” on computer readable cards for working, and will use these to purchase goods, but credits will not be transferable to anyone else. This makes it very hard to bribe someone or reinstate capitalism. Also, workplaces and industries will receive the inputs they need earmarked by what was agreed to by the participatory planning process. No money will be needed to get these inputs to workplaces.
- *The participatory planning process will replace much of what is done today by governments.* For example, goods hospitals need will be decided upon by the planning process, which will coordinate the building of bridges and roads as well. Major societal initiatives such as reducing the number of cars, exploring space etc. will all be a part of the planning process. The primary role of governments will be to make and enforce laws, and deal with global relations. Parecon is only one piece of vision for how we might want to organize our future society, we also need vision on how we will organize a participatory democracy, and how different cultures and genders will interact.

Participatory Economics in Action:

Parecon is a new idea, a little over ten years old. Hence there are only a few worker collectives around the world that try to maintain a balanced job complex. Unfortunately there has not yet been an opportunity to experiment with parecon's allocation scheme.

Some self conscious experiments in parecon are:

- *South End Press* - A publishing cooperative in Boston.
- *Mondragon Bookstore and Coffehouse* - A cafe and bookstore in Winnipeg.
- *Z magazine* - A Boston based political monthly.
- *G7 Welcoming Committee Records* - A record label producing and distributing music in Winnipeg.
- *Arbeiter Ring Publishing* - A book publishing house in Winnipeg.

The London Project for a Participatory Society is interested in assisting and creating similar efforts in London, Ontario.

More on Parecon:

Websites:

Check out <http://www.parecon.org>

Books:

Parecon: Life after Capitalism (2003) by Michael Albert. Available in most bookstores.

Looking Forward (1991) by Michael Albert and Robin Hahnel. Available for free at <http://www.parecon.org/lookingforward/toc.htm>, can also be ordered at most bookstores.

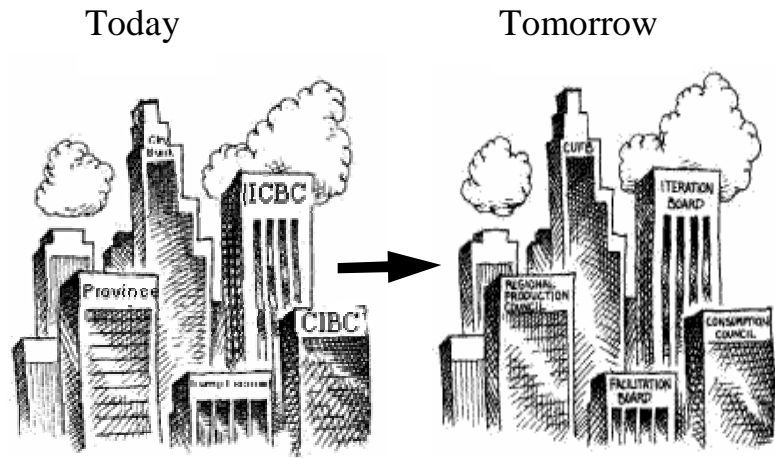
Contact Us:

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What is the LPPS?

The London Project for a Participatory Society (LPPS) is an anti-racist, pro-feminist, anti-capitalist organization, committed to promoting radical social change. We are based in London, Ontario, Canada, and participate actively in struggles for social and environmental justice, and for political and economic democracy.

The role of the LPPS is to pursue three interrelated projects:

First, to establish a more visible presence for radical politics in London, by fostering discussion, dialogue and debate about radical social analysis and strategies for achieving radical social change.

Second, to foster the development of more effective radical activism, by organized *skill-sharing*, through workshops and training sessions, and *knowledge-sharing*, through continual collective discussion about dilemmas confronting activists in their work and ongoing attempts to pool information and share insights.

Third, to serve as a catalyst for establishing new forms of collaboration on the wider London left, for example, by organizing a "right to the city" campaign that ties together several different initiatives pursued by many different groups, on the basis that they are all fighting for a city that puts people before profits, and promotes social and environmental justice, as well as political and economic democracy.

While the LPPS is concerned with all avenues of a participatory society, this pamphlet is dedicated to PARTicipatory ECONomics.

What is Participatory Economics?

Participatory Economics (parecon for short) is a unique economic system, an alternative to capitalism, centrally-planned communism, and other variants of “socialism.” Unlike other economic systems, parecon attempts to promote self-management, solidarity, diversity and equity. This is done through democracy in the workplace and allocation through a unique participatory planning process. Please read on to find out more.

Philosophy of Participatory Economics

Parecon is the culmination of historical efforts to create a truly democratic economic system. Parecon was designed by Micheal Albert and Robin Hahnel to promote :

- *self-management* - People have decision making power proportional to the extent they are affected by a decision.
- *equity* - Fair pay for fair work.
- *diversity* - There is a diverse and desirable range of not only products, but opinions and cultures.
- *solidarity* - Economic institutions should encourage people to work together and care for one another.
- *efficiency* -The economy should produce what we need in a timely fashion with minimal social sacrifice.

Parecon pays for work according to effort and sacrifice. The harder one works and the more effort and sacrifice a job entails, the more money one receives. Today people are rewarded for how much they can strong-arm out of the owners of the means of production, who are in turn rewarded for how much property they own and how little they manage to pay workers. *In a parecon, private ownership of the means of production would not be allowed.* People would own things like houses and toothbrushes, but not workplaces. Parecon is also opposed to rewarding for output, as this rewards people for winning the genetic lottery.

Work in a Participatory Economy:

Parecon promotes the *Balanced Job Complex* as the best way to organize the workplace. In a Balanced Job Complex, all workers spend part of their time doing empowering, enjoyable work, and a lesser amount of time doing less empowering and less enjoyable tasks. In this way the necessary drudgery is collectively shared, as is only fair, and there is a powerful incentive to automate all onerous work. Since everyone has a main job that is empowering, such as conceptual work and management duties, everyone is equally qualified to make collective decisions in the workplace.

For instance, a worker in a parecon publishing workplace would spend some of her/his week doing editorial or writing work, and some time sorting mail, or sweeping, etc.

Parecon eliminates oppressive hierarchies in the workplace by *rejecting a fixed hierarchy.* Since it is impossible to do some tasks without someone being in charge, all such jobs are rotated through with different workers. For instance, if on Tuesday you are coordinating baggage handlers in an airport, on Wednesday you are one of the baggage handlers. This ensures that continuing, oppressive hierarchies to not occur.

The parecon workplace is also designed to promote self-management. Workplace decisions on what the workplace or entire industry will do are made by those affected by the decision. If all involved are going to be profoundly affected by the decision (say to perform a somewhat dangerous building operation) consensus might be used, otherwise, decisions might require an all but one dissenter vote, a 90% or 60% vote, or whatever is appropriate. Since we do not want to put all our eggs in one basket, attention will be paid to minority opinions and effort will be made to reconcile differences. Workers that are not affected by the decisions of

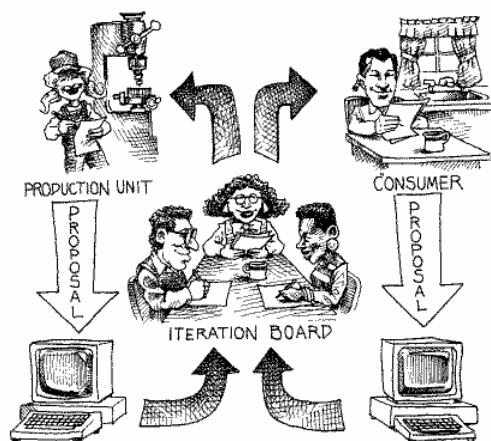
another group have no say in what another group decides.

Since all jobs will be more or less balanced not only for empowerment, but also effort and sacrifice, people will be paid more or less according to hours worked. If one wants or needs to consume more than the average, one must work harder. Naturally, there is full employment in a parecon.

Allocation of Goods and Services in a Participatory Economy:

Parecon uses a *participatory planning process* for allocation of goods and services that is very different than the so called “markets” of capitalism or the central planning of communism.

Every year, citizens of a parecon will enter (by computer) their planned consumption for the upcoming year on an individual, neighbourhood, community, provincial and country-wide level. Individuals will enter how much food, clothing, entertainment, and other goods and services they will want to purchase in the coming year. This will be as detailed as needed, and will not be designed to be a time consuming process. Further, *everyone will have the right to submit proposals for collective consumption* (such as swimming pools, power plants, more street cleaning, new parks, etc.) to facilitation boards. These facilitation boards will collect these proposals and work them into integrated proposals to be voted on in the appropriate level.



Workplaces and industries will also submit proposals regarding how much they wish to work and which things workers want to produce in the coming year. The individual consumption proposal of each person will be somewhat commensurate with how much they propose to work.

All these proposals will be summed up, giving a sort of “supply and demand” for the coming year. Environmental and social costs will be considered, and *prices for goods and services that truly reflect the social opportunity cost will be generated.*

Consumers and workers will review the new prices. Any group that proposes to consume much more than the average will have to justify this proposal to peer groups. If it is not justifiable, they will be asked to redo their proposal.

Then a second round of proposals are entered, based on reactions to the new prices. The new prices are reviewed, and a third round then begins, except groups will not be allowed to deviate from their previous proposals by very much. In the fourth and fifth round the deviation allowed is less and less. This ensures that the prices and plans converge to a creative compromise beneficial to all. Facilitation boards help this process, and produce a set of plans that incorporate the data from the previous rounds into packages for everyone to vote on. Whichever one is voted for becomes the participatory plan for the following year, and sets the prices of all goods and services.

This process will not be as time consuming and bureaucracy laden as it first may seem. People will get time off work to participate, and entering consumer proposals or discussing a community project in a meeting will be done in proportion to how much interest there is. Yes there will be bureaucracy, but probably less than there is today. Yes there will be meetings, but the time spent will contribute to a decision that reflects the needs and wants of all.