

There is No Alternative to Forging an Alternative: On Gar Alperovitz's America Beyond Capitalism

Author(s): Thad Williamson

Source: *The Good Society*, Vol. 15, No. 3 (2006), pp. 31-36

Published by: Penn State University Press

Stable URL: <https://www.jstor.org/stable/25702833>

Accessed: 03-08-2018 18:25 UTC

---

JSTOR is a not-for-profit service that helps scholars, researchers, and students discover, use, and build upon a wide range of content in a trusted digital archive. We use information technology and tools to increase productivity and facilitate new forms of scholarship. For more information about JSTOR, please contact [support@jstor.org](mailto:support@jstor.org).

Your use of the JSTOR archive indicates your acceptance of the Terms & Conditions of Use, available at <https://about.jstor.org/terms>



*Penn State University Press* is collaborating with JSTOR to digitize, preserve and extend access to *The Good Society*

## There is No Alternative to Forging an Alternative: On Gar Alperovitz's *America Beyond Capitalism*

Thad Williamson

I can make no pretense about being objective regarding this book. A disclaimer: I worked for nearly four years in the 1990s as a researcher on an earlier draft of the book, and also reviewed and commented on the manuscript of *America Beyond Capitalism* (ABC) as it approached publication several years later. In between, I co-authored a book with Gar Alperovitz (and David Imbroscio), *Making a Place for Community*, whose themes are closely connected to those of ABC.

These facts may be disadvantageous from the standpoint of impartiality, but they confer another kind of advantage which may be useful for the purposes of this essay: I have been living with the core ideas of ABC for some 15 years, long enough time to grasp not only the logic of the ideas but also to assess the usefulness of Alperovitz's analytical framework in helping to understand the dynamics of American politics.

I will begin, however, with a short (and incomplete) list of the varied contributions of ABC.

### ABC and Democratic Theory

First, and perhaps most fundamentally, ABC is a contribution to democratic theory in its own right. As a work of critique, ABC stresses the incompatibility between the norms of democratic self-rule and the large-scale private corporation, a theme which academic theorists have still yet to come to terms with. (Sheldon Wolin's expanded edition of *Politics and Vision* is an important exception.)

In terms of constructive democratic theory, Alperovitz demands that we pay attention to the oft-neglected question of scale, and to the incompatibility between continental-sized systems and meaningful participatory democracy. It is on this point, perhaps more than any other, that Alperovitz's vision conflicts with mainstream New Deal liberalism as well as more radical visions that envision a dramatically strengthened federal government. Alperovitz argues, persuasively in my view, both that a regionalized approach to dramatic social reform has a greater likelihood of winning assent from an American populace that remains skeptical of large-scale federal programs, and that regionalizing many important governmental

functions (particularly economic planning) makes more sense on its own terms than attempting to force one-size-fits-all programs on a diverse nation.

It can be fairly stated that Alperovitz does not fully answer the question of how exactly decentralization of significant govern-

ment power might take place, or what the best way to re-configure American federalism might look like. But he has put on the intellectual table an issue which almost no contemporary democratic theorist apart from Robert Dahl has accorded the fundamental importance it deserves. And, implicit in ABC is the notion that Alperovitz doesn't need to provide a detailed account of how such progressive decentralization might take place; the logic impelling

states and regions to more aggressive policy actions is so compelling, he suggests, that movement in this direction over the next quarter century is all but inevitable.

Another neglected issue Alperovitz injects into the debate about democratic theory is that of *time*—in particular, time for citizenship. Discussion of free time and its distribution has largely been the province of economists, some sociologists and others (such as Robert Putnam) concerned with the relationship between time and social capital formation, and of feminist writers concerned with continuing inequities within the household. Alperovitz pushes further to make the point that if we are serious about expanded participatory democracy, deliberative democracy, or any other form of self-governance which requires a larger number of citizens to take a more active role in political affairs, we must provide the time to make that a realistic possibility.

In this light, concerns raised by Juliet Schor and others about the failure of our economic system to convert continued economic growth into greater free time for ordinary people take on new urgency. Moreover, as Alperovitz shows, providing greater time should not be seen simply as a luxury item, or only as a vehicle for expanding personal freedom (though it is that as well), but as an intrinsic and indispensable part of not only the "Pluralist Commonwealth" model but any reform vision that contemplates a substantial increase in the scope of democratic public action. Simply put, expanding the scale of governmental responsibility without simultaneously expanding the resources

*Alperovitz pushes further to make the point that if we are serious about expanded participatory democracy, deliberative democracy, or any other form of self-governance which requires a larger number of citizens to take a more active role in political affairs, we must provide the time to make that a realistic possibility.*

(in the form of time) available to citizens to hold that government accountable for its actions is a bad idea.

### Distributive Justice, and the Primacy of Capital

There has been increasing popular attention to the fact of rapidly increasing economic inequality over the past generation, and to the emergence of what presidential candidate John Edwards calls “Two Americas.” A central tenet of Alperovitz’s critique of capitalism is the judgment that traditional liberal redistributive strategies simply do not have the capacity to stem, let alone reverse, the growing gap (large in percentage terms, absolutely enormous in real world terms) between economic elites and the working class and poor.

This analysis in turn is related to Alperovitz’s insistence on the primacy of capital in evaluating capitalism: simply put, those who control capital will also control the distribution of jobs, and hence accrue political power, political power which can in turn be used to fend off redistributive challenges. Hence, who controls capital is of fundamental importance for political life. This point seems obvious in some settings: consider the decades-long hold on political power in New York City exercised by Commissioner Robert Moses. As biographer Robert Caro persuasively shows, the root of Moses’s power in the postwar era was both the capital and income streams he controlled directly through various toll-collecting public authorities, and the access to additional capital he had via the bond market and as the city liaison on public works with the federal government. Quite obviously in this case, economic power lay at the root of Moses’s political power, which he in turn used to further bolster his public authorities empire.

When we look at a case like Moses, it appears obvious that he who holds the purse strings also holds the upper hand politically. Yet few people are willing to describe the American political system itself in such stark terms; Alperovitz is an exception. Politicians are dependent upon private corporations to provide jobs to the localities they represent, and hence are loathe to support public policies which might threaten the interests of employers or potential employers within their districts. This bias towards corporate interest is reinforced by the campaign finance system, and the necessity of elected officials to continually fundraise. It is cemented by the fact that the mainstream media outlets are themselves controlled by large corporations with a vested interest in defending their turf. Given this array of institutional forces, who can be surprised when public policies typically end up favoring the interests of corporations and those of the wealthy? To be sure, in any particular case, the story is always more complicated, and politics always involves contingencies and accidents. But the general rule of American politics is this: economic policies aimed at substantial redistribution of income and resources, or at reining in corporate power, pass only with the greatest difficulty, if they pass at all.

But Alperovitz is not simply another regime theorist. Apart from its stark analysis of the power realities of “democratic” politics in capitalist times, *ABC* also offers a novel account of distributive justice in its own right, one focusing on the idea of “community inheritance.” The basic idea is this: the vast majority of the current wealth and standard of living enjoyed by current residents of advanced wealthy countries is not attributable to the efforts of those now alive, but rather the inheritance of technology and knowledge which we receive from previous generations. It is not my superior knowledge and effort which affords me a much higher living standard than that enjoyed by Abraham Lincoln in the 1840s and 1850s, but the fact that I was born in late-twentieth century America, not early-nineteenth century America. Given this central reality—that most of what each of us has is attributable to gifts we receive from the past—Alperovitz contends that the language of “entitlement” associated with most contemporary debates about distributive justice misses the larger point. Even if we believed that we personally are entitled to *everything* we ourselves created (regardless of the contributions of the community to our personal efforts), why should such entitlement extend to the much larger set of goods we receive from the past? Effort and talent might entitle us to a disproportionate share of the fruits of *current* work, but how can it also entitle us to a disproportionate share of the goods we as a society have received from the past, by virtue of the fortune of living in a rich country?

This train of thought poses a challenge to the existing debate about distributive justice, and perhaps even might stimulate a fresh round of debate that takes us beyond the familiar Rawls vs. Nozick debate regarding whether we are entitled to claim the full rewards our personal attributes might command on the market. Equally important for Alperovitz’s project, it points the way to a new moral understanding of the relationship between accumulated wealth and community needs, one which ultimately must become widespread if there ever is to be a meaningful *politics* of moving beyond capitalism.

### Ecology and Resources

Yet another contribution *ABC* makes is being among the first serious efforts to describe an alternative political-economic system capable of meeting the requirements of ecological sustainability. The plodding ineffectiveness with which our national leaders have responded to the urgency of climate change is symptomatic of a political-economic system oriented around the need for continued growth, and averse to policy steps which even run the risk of affecting future economic prospects. Alperovitz argues that an economic system depends on continual economic expansion to maintain internal stability will—must—systematically privilege economic growth over ecological considerations.

If the goal is long-term ecological sustainability, then, what is required ultimately is an economic system that can perform the functions of creating and distributing sufficient wealth to undergird a healthy standard of living without requiring a continuous increase in the use of scarce natural resources. Achieving this clearly would require a fundamental re-orientation of how we measure and assess economic success. It also would, Alperovitz again insists, require confronting the issue of who controls capital and whether a society dominated by the profit-driven private corporation can also embrace genuine sustainability.

But Alperovitz, unlike many ecology-minded critics of capitalism, is no Luddite, and shares a Marxian appreciation for the tremendous productive capacities of capitalist economic systems. Like mainstream economists, Alperovitz is convinced the increasing productivity of labor is a very good thing, and that continued technological progress and productivity growth can help us solve many pressing ecological problems, and can allow our economy to support more and more people at a higher and higher standard of living while consuming fewer and fewer resources. Where Alperovitz departs from mainstream economics is in the assumption that future productivity must necessarily translate into increased consumption by the comfortable classes of advanced industrialized nations, rather than being enjoyed as greater free time. Alperovitz thus holds out the possibility of an economy organized such that future productivity growth does not lead to still greater consumption of scarce resources and heightened ecological pressure, but instead takes the form of greater free time (and less ecological stress)—or the form of greater subsidies and assistance to poorer countries where increasing consumption for the masses remains the overwhelming moral priority.

*If it turns out that the American people on reflection don't want (or don't want anytime soon) a Pluralist Commonwealth or some variation thereof, we can be very confident that none will be imposed against their will.*

## The Pluralist Commonwealth as a Safe Utopia

For nearly a decade, it has become fashionable among some left-wing American academics to decry the “end of utopia” and proclaim the need for a new social vision. *ABC* certainly does not shy away from attempting to fill that supposed vacuum. (In truth, there has been a vigorous debate for well over a decade regarding alternative models of market or democratic socialism, a debate which traditional progressive outlets such as *Dissent*, *The American Prospect* and *The Nation* have with rare exception ignored.) In any case, it should no longer be excusable for supposedly well-informed academics to bemoan the dearth of vision on the left.

Alperovitz certainly provides a vision—that of the Pluralist Commonwealth—which represents a genuine alternative to both

New Deal liberalism and the make-it-up-as-we-go-along centrist pragmatism that has characterized much of liberal politics in the past 15 years.

But while Alperovitz's vision has utopian elements, it is different in kind from other left-wing utopias (particularly those associated with Marxism) in ways which should be reassuring to those normally skeptical of utopian visions. What makes Alperovitz's utopianism different?

The fact that Alperovitz does not envision drastic, top-down change imposed by a heavy-handed central government, but rather a gradual bottom-up reconstruction of new economic and political institutions. The Pluralist Commonwealth idea, by its very nature—its reliance on a rich, diverse array of locally organized democratic firms, supported by actively engaged civic structures—cannot be imposed from above. No party, sect, or leader will be able to impose a Pluralist Commonwealth on an unwilling American people. Such a Commonwealth could *only* come about through the initiative of widespread, decentralized activism and creative policy-making.

To be sure, at some point an increase in regional and federal resources would be required to support and accelerate bottom-up change (just as the federal government now provides funding to many local community development activities). But Alperovitz's vision is one deeply rooted in the principle of subsidiarity and maximizing local control (although Alperovitz is clear-eyed and realistic about the limitations of pure localism). If it turns out that the American people on reflection don't want (or don't want anytime soon) a Pluralist Commonwealth or some variation thereof, we can be very confident that none will be imposed against their will. In this sense, Alperovitz presents a “safe” utopia; his vision of radical social change does not require suspending or overturning democratic norms in order to create a better society.

## There Are Plausible Alternatives

The notion of bottom-up, decentralized action being the road to large-scale social change would make little sense, of course, if Alperovitz had failed to provide any sense of how exactly this might take place in practice. But a striking feature of *ABC*, I suspect especially for readers new to these ideas, is the large array of practical examples Alperovitz has assembled of grass-roots-based, democratically structured enterprises. Since the publication of *ABC*, members of the Democracy Collaborative have co-sponsored a community summit of local leaders engaged in democratic community development in Cleveland, with more planned in other locations. Whatever else one thinks

of the Pluralist Commonwealth idea, it is simply not the case that there are no examples on the ground of relatively efficient substantial economic enterprises organized according to economic norms. There are many such enterprises which have thrived even in a context of an indifferent or hostile larger market and modest political support.

Implicit in *ABC* is the notion that such enterprises might evolve importance over time from disconnected experiments to a mutually supporting movement aimed at providing the structural basis for an alternative economy. How might this happen? On this point, *ABC* leaves room for more amplification, but I will here venture a suggestion: democratic economic alternatives must federate and support one another (a process already beginning to happen) and embark on a two-pronged, near-term agenda. The first prong involves assembling increased access to friendly capital of various kinds—whether in the form of directly held capital funds, or of relationships with labor and public pension funds—with the aim of financing the expansion of what might be termed the “democratic” sector of the economy.

The second prong involves coordinated political pressure for greater resources and assistance from the public sector (at all levels) to this part of the economy. A good model to build on here would be the Ohio Employee Ownership Center, which conducts feasibility studies of and technical support to worker buyouts of private firms (the typical case involves a retiring private owner). The OEOC has an extraordinary track record in helping save jobs for very little cost, and there is no good public policy reason why there should not be an OEOC in every state of the country. A well-organized movement might go even further, and push for state-level legislation to require companies shutting down productive facilities to offer a right of first refusal to workers.

### The End of the Liberal Road (and the Opening of Another?)

The existence of successful cooperatives, municipal enterprises, worker-owned firms, community development corporations, community development financial institutions within the context of capitalist America might represent a mere curiosity, or perhaps qualify as “nice things to do,” were conventional liberalism a more powerful force in the nation’s politics. But as Alperovitz repeatedly stresses, the social basis for an American-style social democracy—labor unions—has been eroding for half a century, and as manufacturing jobs continue to shrink so too will unions.

This fact, and the corresponding decline in liberal politics, is quite naturally, difficult for many progressives to swallow. The narrative of using the tools of government power to restrain the excesses of capitalism, and the vision of a society based on substantive equality of opportunity without altering the capitalist power structure, are the only narrative and vision most liberals have ever adhered to. It is natural that there should be some emotional

connection to such ideas, and a reluctance to acknowledge their fading power.

But as Alperovitz forcefully reminds us, the unions aren’t coming back, and the United States is not going to turn into Sweden or Denmark. A necessary step in the formation of an authentic American politics which even begins to aspire to forging a genuine alternative will require, as a necessary step, more and more liberal individuals and institutions coming to terms with the painful gap between their own stated ideals and the outcomes produced (under both Democratic and Republican rule) by the normal operations of American politics.

### Towards a Politics of Beyond Capitalism

Indeed, in my judgment the most difficult questions about *America Beyond Capitalism* have less to do with the attractiveness of the Pluralist Commonwealth vision than with the question of whether and how a politics of “beyond capitalism” might emerge in the United States.

Building on the initial observations above about the reluctance of liberals to reassess their fundamental aims, consider these five paradoxes:

1. When the “system” is functioning reasonably well—i.e. at a superficial level, there seems to be no immediate crisis of war or economic breakdown—chances for having a far-reaching discussion about the long-term future are brighter. Liberals feel freer to dream big dreams, and observers have more time and inclination to probe beneath the surface of current events to perceive the deeper underlying problems. Yet the lack of an immediate crisis in such times (such as the mid-1990s) is sufficient to persuade many smart people (including many liberals) that the system works well enough.

Conversely, in times of immediate crisis and clear and present threats to democratic norms—e.g. almost the entire Bush II presidency—liberal and left politics tends to be consumed with opposing and attempting to overturn the current administration. Attempts to look deeper at the systemic problems can be easily seen as a luxury we can’t afford given the urgencies of the present.

Put another way, efforts to start a national conversation about the broad future direction of our institutions, as opposed to simply how to throw the bastards out, would seem to find richer soil at times of relative calm. But calm times also help breed an attachment to the status quo and tend to temper more radical impulses. This might be seen as a problem: if neither “good times” nor “bad times” provide a good terrain for a deeper conversation about fundamental, long-term issues—not just in the academy but in the broader public sphere—then how can such a conversation ever get off the ground?

2. Related to this, consider that a great strength of *America Beyond Capitalism* is the way it taps into and articulates the widespread sense—across ideological boundaries—that something is



deeply wrong with our politics, and that there is a profound disconnect between our stated ideals and the actual workings of our institutions. Such a thesis amounts to a direct attack on what might be called the “Washington party,” i.e. the national political class. Consequently, such a thesis will never be popular among the Washington party, or a natural talking point on the Sunday morning talk shows or among the most influential political journalists.

This too creates a problem for generating a serious politics of “beyond capitalism”: how can we have a deeper conversation (in the broader public sphere) about the nature of our political system when the class of people who dominate most discourse of national politics are themselves deeply wedded to that system?

3. Following from point #2, another attractive aspect of the ABC vision is that it calls for decentralized, bottom-up change, starting at local and state levels. Rather than a direct frontal assault on the system of power operative in Washington, it calls for first trying to change the “facts on the ground” through serious local-level change. Yet it is natural, if not inevitable, that the first instinct of radical critics of the current state of American democracy will be to focus primary attention on Washington and efforts to reform national-level politics from the top down. Moreover, on some issues—namely challenging military adventurism—activism *must* be directed at the national centers of power. The great imaginative leap ABC asks readers and activists to make is to recognize that A) the system is indeed corrupt and nonfunctional (from the standpoint of achieving our stated values), but that B) the way to change the system is through localized actions, even though C) on some issues concerted national action is necessary to ward off or contain the worst abuses of unconstrained power.

4. The above train of thought will strike many liberals as counterintuitive. This is not an accident: indeed, points A, B, and C logically connect only if we accept the diagnosis that liberal politics at the national level is (in any constructive sense) at a dead end. That is a troubling and disconcerting thought for many liberals.

Again, it is easy to underestimate the degree to which ABC presents a profound challenge to standard narratives of liberal progress. The liberal paradigm argues that the story of American history is one of ever-growing inclusiveness and social progress. ABC tells us a much different story—one in which political liberalism has become steadily less potent over time, both as a political force and as a vehicle for realizing shared values.

Moreover, while in some ways ABC is a deeply hopeful book, the near to medium-term political prognosis Alperovitz presents is starkly pessimistic: namely, that from a liberal point of view, things are likely to get worse (probably much worse) before things get better. Alperovitz has been making this prediction since the early 1990s, a time when most liberals were swooning over Bill Clinton.

The Bush II regime has shown that Alperovitz was more perceptive about the long-term trajectory than his more optimistic liberal colleagues. Moreover, ABC essentially predicts a long period of yet more waywardness and corrosion of democratic norms—an unpleasant period of history in which the very idea of democracy will increasingly be threatened.

Obviously, that is a troubling possibility on its own terms. But it also represents a profound challenge to dominant liberal conceptualizations of social change, which tend to be rooted in narratives of optimism and progress. Liberals warm to leaders who tell happy stories of the better world to come. There is a happy story in the narrative Alperovitz offers, but it is wrapped inside a deeply disturbing prognosis of continued democratic decay and disillusion.

5. This leads to the fifth and in the end most decisive problem—regarding the political potential of the ABC vision: namely, the question of whether the result of continued democratic decay will be principled collective action on behalf of shared goals, or rather continued escapism and retreat into private pursuits. Many people experience our current politics and vast array of social problems as depressing, and hence tune out. As things get worse, the temptation to do just that will increase.

An authentic politics of beyond capitalism then, will require at some point a moral awakening—an increasingly widespread recognition that things cannot go on this way anymore, and that not only the American way of life but its underlying institutional structure need to be fundamentally re-assessed.

Where might such a moral awakening come from? The theologian and social critic Reinhold Niebuhr warned 70 years ago of the limited effectiveness of purely moral appeals in contemporary politics, even as he acknowledged their necessity in bringing whatever changes might be achievable at given moment to fruition.

In the context of Alperovitz’s vision, the question is what events or concerns might plausibly trigger the “light bulb” to go off in many people’s heads—that is, might lead to greater mass awareness of the need for fundamental change?

Here are several possibilities:

- Revulsion against the American enterprise in Iraq and the imperialistic tendencies of the existing power structure.
- A decreasing faith in democracy itself and its operations. It is possible that charismatic leaders such as Barack Obama might for a time inspire new interest and faith in politics, and perhaps might even help articulate the gap between democratic aspirations and democratic practice. But a central law about leaders is that ultimately they (almost always) disappoint. (Obama himself is already deeply tied in to the Washington, DC money game.) The sense that something in America is deeply wrong is only likely to grow

as politics grows more and more hollow, more and more divorced from the everyday reality of people's lives.

- The climate change crisis and the extraordinary gap between the obvious need to implement rational policies aimed at reducing the risk of ecological catastrophe and the half-baked half-steps entertained by national leaders.
- Growing awareness of the facts of deep economic inequality, and increasingly, of global inequality as well. The ONE campaign and other efforts to call attention to the plight of the global poor, the AIDS crisis, and related problems all have contributed to growing recognition (especially among young people) of the world's inequalities. Likewise at home the living wage movements as well as the catastrophe of New Orleans have made it more difficult to completely ignore entrenched poverty—or the fact that the federal government has (despite some noble rhetoric in the immediate aftermath of Katrina) done almost nothing in response.
- Last but not least, growing awareness of and experience with successful *alternatives*, including the various faces of the “democratic sector” of the economy noted above.

The path for social change sketched by Alperovitz seems to presume that as time passes, concerns such as these will push more and more people from different walks of life into deeper and deeper questioning of the system itself. They may even become willing to discuss those questions with their friends and neighbors, via face-to-face study groups or online communities. Ultimately, they may forge for themselves an alternative political consciousness based on recognition of the need for systemic change.

The role of intellectuals in that process—even for authors of books like *America Beyond Capitalism*—is limited but not unimportant. A particular contribution Alperovitz makes—and which others can and should echo—is simply to point out the vast, vast discrepancy between what this society is capable of doing resource-wise to address vast social problems at home and abroad, and what it actually is doing.

Here, the potential importance of Alperovitz's innovative approach to distributive justice comes back into focus. Alperovitz asks, in effect, that we regard the accumulated wealth of the United States as almost entirely part of a *common* inheritance, gifted to us from the past. It follows that the disproportionate wealth holdings of the top 0.1% of Americans is an unwarranted appropriation for private ends of that which has been created by a common, collective process of intellectual and technological development.

Seen in *this* light, the contrast between the vast wealth of the very few and the neglected needs of the many might itself help stimulate radical, committed action aimed not just at resisting existing formations of economic and political power, but at building a different kind of system that operates on different moral principles.

That, at least, is the hope, and in the end that's all Alperovitz can leave us with—a sense of hope for the future, despite its uncertainties and dangers, and with full awareness of the horrible possibility that the system may simply sputter along indefinitely generating ever more inequality and ecological damage while politics gets (if we're lucky) hollower or (if we're not) uglier.

This is the disadvantage of a deeply democratic proposal: it can only come to fruition if the people themselves pick up at least some of the basic ideas, forge some new ones themselves, and run with it. Alperovitz, for one, is still willing to believe that this is possible in a country like the United States, and that radical change may be within the grasp of the next one to two generations.

Such audacity is the stuff of which political courage and lasting moral commitment are made. More than even its specific institutional proposals, it is the outrageous insistence that fundamental systemic change is possible that represents the most important contribution of *America Beyond Capitalism*.

*Thad Williamson is Assistant Professor of Leadership Studies, University of Richmond.*