

# What Then Must We Do? by Gar Alperovitz, 2013

In this new and useful book, Alperovitz' main thesis is that community-level organization is central, if not essential, to democracy and also to ecological sustainability. He focuses on the social, economic, political and stability aspects of society's governance and how locally-owned and run operations help right the ills of our crisis-ridden society today. In the end, he presents a vision of "community-sustaining economy" as an alternative to corporate capitalism and state socialism.

Professor Alperovitz shows how worker, worker-community or publicly owned enterprises empower people, strengthen communities and gradually displace corporate and entrenched political power. He emphasizes building institutions, such as cooperatives and land trusts, etc and gives many examples, all in the USA. He indicates how such local initiatives create new political constituencies that can span over such diverse groups as workers, local business people, church organizations and politicians. Community-based work thus provides common ground for new alliances and new ways forward that bypass the deadlock of traditional left/right politics.

Alperovitz is interested in designing a better system than today's, which he means simply doesn't work. As an economic historian, he references many of the greats: Adam Smith, J S Mill, Tocqueville, Marx etc as well as many modern economists. Interestingly, he points out how many conservative economists support what today are "liberal/leftist" positions, for example, the Chicago Plan of the 1930's, which strictly limited banking activities, and Keynesian stimulation in a recessive economy.

Alperovitz has no faith in current democratic government to right the problems, fix the economy and provide a democratic decision-making that is good for the majority. Money rules, and the balancing power of the unions, which grew strong during the first half of the century, is fast fading away (particularly in the USA).

Alperovitz has faith instead in the process he calls "democratizing wealth" which includes co-ops, worker-owned enterprises and the various forms of publicly-owned services that have grown in recent years in response to the pain of high unemployment, financial/debt crises, inequality and disenfranchisement. Alperovitz describes some of the new institutional forms and accompanying legislation that are being experimented with all over the country. Examples include employee stock ownership plans (ESOPs), B-corporations, community development corporations (CDCs), credit unions (cooperative banks), land trusts (community owned housing), L3Cs and more. Publicly owned banking and health care are also on the rise, both at municipal and state levels. At the national level, Alperovitz describes Medicare, with its single-payer publicly run health system for the elderly from 1965, as a great breakthrough, while he believes the Affordable Care Act ("Obamacare") is, unfortunately, an ineffective and unholy compromise with the big insurance companies.

Corporate growth, in conflict with both planetary resource limits and democratic control of corporations, is covered using airlines as the primary example. "Grow or die" is the corporate imperative in the globalized world. This puts corporations directly at odds with major societal goals such as long term survival, non-monopolistic markets, provision of good services, protection of individual liberties and democratic government. For example, when corporations move operations away from a city, such as occurred in

Detroit and Cleveland, that city loses not only jobs and its population, but the whole infrastructure of homes, schools, hospitals, transportation network, etc must be built up in the new factory location (perhaps in another country). This is not only a great human waste, it wastes resources and puts unnecessary carbon dioxide into the atmosphere. From a system perspective, corporations optimize for their own good, not for society's good.

Alperovitz repeatedly states his conviction, based on historical research, that corporations cannot be controlled in the long run by legislation: money is power and money makes the rules.

Instead of controlling or countering corporate power, we should side-step and displace it by taking matters into our own hands. Alperovitz sees democratizing wealth and ownership as the way forward, or at least as a strong supplement to traditional politics and movement-building. Democratizing wealth is an evolutionary process that changes the system while also preventing the authoritarian rule that often follows the violence stemming from severe economic depression and exclusion (one can think of many examples, Egypt being the most recent in the news).

Professor Alperovitz urges us to study the subject of designing a good political-economic system, asking: "If you don't like corporate capitalism and you don't like socialism, what do you want?"

In the final chapter, Alperovitz summarizes how the choice and design of a system ultimately rests on values, which for him include: equality, democracy, liberty and a sense of community. Ecological sustainability and stability are also key constraints that shape the system. He touches upon many issues affected by system structure, including inherited societal knowledge (who shares in the benefits?), regionalization (issues of scale), allocation of resources, stakeholder participation in planning, control of the money supply and foreign policy.

Alperovitz' clear logic and practical examples of local community action are inspiring. In a short 156 pages, he lays the groundwork for structured thinking about the forms a new and more democratic society might take. He asks us to not simply criticize the existing system, but to think clearly, creatively and constructively, and *to begin to build* the "next generation" system by engaging ourselves locally in community projects. Alperovitz believes the "next system" is gradually evolving today, step by step, through our own thinking, acting and learning by doing. And who doesn't want to be a part of that?

Archie Duncanson, Stockholm, August 2013. Archie Duncanson is the author of *Ecology Begins at Home* [www.alternativ.nu/ecologybeginsathome](http://www.alternativ.nu/ecologybeginsathome) and works with the Transition movement in Sigtuna, Sweden [www.omstallningsigtuna.se](http://www.omstallningsigtuna.se).

#### Citations from *What Then Must We Do?*

On growth: "At some point a society...must ask when enough is enough." (p 108)

"The New Deal did not solve the most important problem of the Depression [unemployment]. World War II solved that problem." (p 10 Chelsea Green paperback edition)

"...a boring publically owned bank...would be preferable (and far more efficient)...[to] the reckless gambling and speculation that put the entire system at risk." (p 100)