would unite municipal democratic decision-making with trans-
municipal administration. Most significantly, the confederation of municipalities could fulfill the longstanding dream of revolu-
tionary movements past, to achieve "the Commune of com-

munes."

**Notes**

1. For a fine account of this history, see Benjamin Barber, *The Death of Communal Liberty: A History of Freedom in a Swiss Mountain Canton* (Princeton University Press, 1974).


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**Chapter 12**

**A Municipalized Economy**

The movement to create a libertarian municipalist society will face many social adversaries as it grows and spreads over ever wider areas. One of these adversaries, of course, is the Nation-
State, that coercive power structure that substitutes a system of elites and masses for direct democracy yet has the insolence to label itself democratic. Another foe is urbanization, that warping of the city that further lays waste to the political realm by replac-
ing the city and the community with the megalopolis. Still another foe is hierarchy, the various institutionalized divisions of humanity according to gender, ethnicity, race, age, and status, in which one group is endowed with the right to dominate others, often by invoking a mythic biological superiority as justification.

But perhaps the most pernicious and intractable enemy that the movement for fundamental change will face is another order altogether. That enemy is capitalism itself, and the social devastation that it has wrought on human societies around the world.

To many people today, it seems incongruous to speak of capitalism as inimical to a good life, let alone as wreaking devast-
ation. After all, at the end of the cold war, the demise of the Soviet Union supposedly proved that any quest for a socialistic or communist alternative to capitalism is dangerously misguided, that it will inevitably lead to totalitarianism and environmental blight. Out of the historic struggle between the "free" market and its enemies, capitalism emerged triumphant, in this view; therefore, capitalism is morally right.
This attitude is in itself an indication of the scope of the problem that a libertarian municipalist movement faces. Today capitalism is increasingly perceived, as Marx once feared it would be, as synonymous with “the economy”—that is, as the economic order that best suits human nature, that comes as naturally to human activity as eating and breathing because it expresses an allegedly “natural” human drive to grow, compete, and win. So decisive, in many minds, was the victory of capitalism over all alternatives that defenders of the market no longer feel compelled to devise apologies for it as, say, social Darwinists did in an earlier generation. Capitalism is self-evidently the “natural” economic order, and by this logic, its moral rightness is also self-evident.

Yet a system is hardly moral when it allows a scant few to live in exquisite privilege and comfort by exploiting the labour of others. It is hardly moral if it requires those others, together with their spouses, to work ever longer hours for ever shrinking recompense. It is hardly moral if it demands that they labour for their livelihood, then fails to make work available—or makes it available primarily to those who are willing to perform it for inadequate wages. (Social ecologists would argue that the wage system itself, not to speak of the reduction of human beings to mere labourers, is immoral.) Further, a society is hardly moral if it makes nutrition, housing, and health care the privileges of wealth rather than the prerogatives of membership in the community. It is hardly moral if it reduces the aims of life to mere survival rather than encouraging individual sense and sensibility and the attainment of positive social freedom. Yet these immoral conditions are the sequelae of capitalism even in many of the wealthiest countries today, let alone the poorest.

The market existed, to be sure, in earlier periods of Western history, but in those days it was disparate and marginal, consisting of pockets of commerce scattered in the interstices of a society whose values and traditions were otherwise largely noneconomic in any modern sense. Labour was exploited in precapitalist societies, to be sure; as we have seen, before the advent of more sophisticated productive technologies, till not only existed but was usually backbreaking. Feudal and ecclesiastical tyrannies, too, could crush the human spirit.

Yet integral even to ancient and feudal lifeways was a base of village traditions and communal customs that were life-enhancing and that could provide individuals with a measure of emotional and physical sustenance. Even if people engaged in arduous labour, their work was not reduced to a commodity, or to a capacity that had merely exchange value; nor were their surroundings structured in terms of buying and selling. Rather, the market and its values were sequestered into limited areas of social life. Precapitalist mores of mutual aid and moral responsibility offered refuge from truck and barter and, where necessary, a degree of resistance to it. Even as recently as the mid-twentieth century, capitalism was still merely one component—albeit a basic one—of many social relations in Europe and North America; it was still possible to find a refuge from it in precapitalist social and political formations, including a community life that vitally sustained nonmarket pursuits and mores.

But today capitalism is permeating and colonizing even those once commerce-free domains of society. Today it is primarily for their participation in the capitalist system—that is, for their economic productivity and their purchasing power—that people are valued, rather than for their contributions to civilization, or for their public or community service, or even for their moral decency. Commodity relationships, competition, and the values of gain are infiltrating into every pore of society, into familial, educational, personal, and even spiritual relationships, resulting not merely in a capitalist economy but in a capitalist society. Where the commodity is so ubiquitous, capitalism might well be perceived as “natural.”
It is not by accident, it should be understood, that commodification is becoming so deep-seated, so ubiquitous. The capitalist system has expanded because it is organized around a law of “grow or die,” an imperative of rivalry and expansion that compels businesses to compete in pursuit of ever greater profits. The commodification of ever more aspects of life, which today has reached extraordinary proportions, is merely one outcome of this competitive process. The market economy is interlocking economic life ever more tightly on a global basis, seeking cheap labour and friendly authoritarian governments willing to discipline the labour process, for the purpose of generating ever more profits for the owners of capital. Far from restraining capitalist expansion, Nation-States facilitate its operations, doing its bidding and catering to its imperatives. Driven by this “grow or die” dynamic, capitalism is tearing apart both human societies and the natural world, turning people into wretched drudges and soil into sand, rendering the planet less and less hospitable to complex life-forms.

Cooperatives

Horrified by the rapacity of these developments, many left-libertarian and ecologically concerned people today argue for breaking up the large corporations and replacing them with smaller, alternative economic units. Their aim is, understandably, to reduce the scale of economic life and to lessen the toll that predatory corporations take on people and on the environment.

The type of alternative unit they advocate varies, but it is usually a collectively owned and operated enterprise of some sort. It may be a producers’ cooperative or some other worker-controlled enterprise, such as the collectivized and self-managed enterprises advocated by anarcho-syndicalists. Or it may be a purchasers’ cooperative, such as a food coop, as advocated by many environmentalists. But whatever specific form it takes, those who advance it do so with the intention of creating a cooperative alternative society, of restoring economic life to a human scale, putting it directly into the hands of the men and women who are vitally involved with it.

Unfortunately, the competitive marketplace makes it difficult for any such alternative economic units to remain alternatives for long. For a hundred and seventy-odd years now, ever since the first socialistic cooperatives were essayed in Europe, cooperative enterprises have in the end been obliged to conform to marketplace dictates, regardless of the intentions of their advocates and founders.

This conforming process has followed a fairly standard pattern. First, a cooperative becomes entangled in the web of exchanges and contracts typical of all enterprises. Then it finds that its strictly commercial rivals are offering the same goods it offers, but at lower prices. Like any enterprise, the cooperative finds that if it is to stay in business, it must compete by lowering its prices in order to win customers. One way to lower prices is to grow in size, in order to benefit from economies of scale. Thus, growth becomes necessary for the cooperative—that is, it too must “grow or die.”

In short, even the most idealistically motivated cooperative finds that it must absorb or undersell its competitors or close down. Ultimately, if it is to survive, it will have to seek profits at the expense of humane values (although making outward professions of humane values can be an effective marketing strategy). Little by little, the imperatives of competition will refashion the cooperative into a capitalistic enterprise, albeit a collectively owned and managed one. This development took place even under revolutionary circumstances in Spain in 1936, when enterprises that had been taken over by syndicalist workers for idealistic purposes ended up competing with one anoth-
er for raw materials and resources, leading to takeovers by union bureaucracies or the State."

In this fashion even the best-intentioned cooperative experiments are, lamentably, driven into the acquisitive embrace of capitalism. Of those that have lasted more than two or three years, the great majority have simply metamorphosed, under the pressure of competition, into ordinary businesses, or else perished, casualties of market-driven competitive forces. What they decidedly have not done is become more democratic; least of all have they posed a threat to the capitalist system. Even the celebrated Mondragon cooperative experiment, in the Basque country of Spain, is coming into conformity with the imperatives of the market.

Despite their poor record as a force for social change, cooperatives still hold an appeal for many well-intentioned people, who continue to look to them as a viable alternative to capitalism. Although cooperation is unquestionably a necessary part of the solution, cooperatives by themselves are insufficient to challenge the capitalist system.

**Public Ownership**

Any privately owned economic unit, then, whether it is managed cooperatively or by executives, whether it is owned by workers or by shareholders, is not only susceptible to assimilation by the capitalist system but will definitely be assimilated eventually, whether its members like it or not. As long as capitalism exists, competition will always require the enterprises within it to look for lower costs (including the cost of labour), greater markets, and advantages over their rivals, in order to maximize their profits. They will tend ever more to value human beings by their levels of productivity and consumption rather than by any other criteria.

If we are to create an alternative, cooperative society, profit seeking must be restrained or, better, eliminated. Since economic units are incapable of restraining their own profit seeking from within, they must be subjected to restraint from without. Thus an alternative economic unit that is to avoid assimilation must exist in a social context that curtails its profit seeking externally. It must be embedded in a larger community that has the power to bridge not only to bridge a specific enterprise’s pursuit of profit but to control economic life generally.

No social context in which capitalism is permitted to exist will ever successfully curtail profit seeking. The expansionist imperatives of capitalism will always try to overturn external controls, will always compete, will always press for expansion. The simple fact, in the last analysis, is that capitalism itself must be eliminated. The present system must be replaced with a system that has both the desire and the ability to curtail or eliminate profit seeking in favour of humanistic values, practices, and institutions.

Such a society must be one that “owns” the economic units itself. That is, it must be one in which socially significant property—the means of production—is placed under public control or, insofar as ownership still exists, public ownership.

The notion of public ownership is not popular today. Its recent history has been nothing if not dismal, most notably in the case of the former Soviet Union. But in that and similar instances in which property has been nationalized, “public ownership” is something of a misnomer. “Public ownership” through nationalization means ownership by the Nation-State. Although the phrase “public ownership” implies ownership by the people, State ownership is not public ownership because the State, as we have seen, is an elite structure set over the people; it is not the people itself. “Public ownership” in the sense of the nationalization of property does not give the people control over economic life; it merely reinforces State power with

*This Spanish history is explained more fully by Murray Bookchin in the interview at the end of this book.*
economic power.

The Soviet State, for example, took over the means of production and used it to enhance its power, but it left the hierarchical structures of authority intact. The greater part of the public had little or nothing to do with making decisions about their economic life. Calling such nationalization "public ownership" is as obfuscatory, indeed as fraudulent, as calling Statecraft "politics" or calling a bourgeois republic a "democracy." Real public ownership would be ownership by the people themselves, in their communities not by the State.

**The Municipalization of the Economy**

Libertarian municipalism advances a form of public ownership that is truly public. The political economy it proposes is one that is neither privately owned, nor broken up into small collectives, nor nationalized. Rather, it is one that is municipalized—placed under community "ownership" and control.

This municipalization of the economy means the "ownership" and management of the economy by the citizens of the community. Property—including both land and factories—would no longer be privately owned but would be put under the overall control of citizens in their assemblies. The citizens would become the collective "owners" of their community's economic resources and would formulate and approve economic policy for the community. It is they, and not bureaucrats or capitalists, who would make decisions about economic life.

Citizens would make those decisions regardless of their occupation or their workplace. Indeed, they would ultimately make decisions for the entire economic life of their community. Those who worked in a factory would participate in formulating policies not only for that factory but for all other factories—and for farms as well. They would participate in this decision-making not as workers, farmers, technicians, engineers, or professionals, but as citizens. The decisions they made would be guided by the needs of their community as a whole, not by those of a specific enterprise or occupation or trade; they would serve the best interests of the community.

It has long been understood, in the history of political thought, that neither democracy nor political freedom can exist in a society where there are vast inequalities of wealth and income. Aristotle knew, as did Thomas Jefferson, that popular rule could not be sustained where resources were distributed very unevenly. Without a rough economic egalitarianism, democracy of any sort would most likely be ephemeral, giving way sooner rather than later to oligarchy or despotism.

Jefferson foresaw that a general and pervasive equality of condition would be necessary if even the American republic were to endure. Not long after his death, however, the relative economic equality of his day had already begun to yield to concentrations of private economic power. Today the disparities of wealth and income in the United States are so wide that the future even of the "democratic" masquerade at the national level is cast in doubt, let alone the potential reality of democracy at the municipal level. Economic inequality threatens to render a mockery of the Athenian ideal of the politically sovereign citizen who can make a rational judgment in public affairs because he or she is materially free from need or clientage.

In a rational anarchist society, economic inequality would be eliminated by turning wealth, private property, and the means of production over to the municipality. Through the municipalization of the economy, the riches of the possessing classes would be expropriated by ordinary people and placed in the hands of the community, to be used for the benefit of all.

Economic life as such would be absorbed by the community and brought under the control of the political realm, which would absorb economic decision-making as part of public business, the responsibility of the assembly. Neither factory nor land could ever again become a separate, competitive unit with its own interests.
The assembly’s decisions, it is to be hoped, would be guided by rational and ecological standards. Indeed, the economy would become a moral economy. Classical notions of limit and balance would replace the capitalist imperative to expand and compete in the pursuit of profit. The community would value people for their positive contributions to community life, not for their level of production and consumption. Acting through their assemblies, the citizens would consciously and deliberately prevent economic entities from obeying capitalist imperatives of profit seeking rather than ethical strictures of cooperation and sharing.

The assembly would make decisions not only about production but about the distribution of the material means of life, fulfilling the promise of post-scarcity. “From each according to ability and to each according to needs”—the demand of all nineteenth-century communist movements—would become a living practice, an institutionalized responsibility of the political realm. Everyone in the community would have access to the means of life, regardless the work he or she was capable of performing; the community would see that a rough economic equality, based on morally and rationally formulated criteria of needs, would exist among all its citizens.

Over the wider geographical range, economic life would be controlled by the confederation of municipalities. The wealth expropriated from the property-owning classes would be redistributed not only within a municipality but among all the municipalities in a region. At the confederal level individual municipalities would share resources with one another and make decisions about production and distribution. If one municipality tried to engross itself at the expense of others, its fellow confederates would have the right to prevent it. A thorough politicization of the economy would take place, extending the moral economy to a broad regional scale.

Chapter 13

Dual Power

The “feeling of empowerment” is a sensation that is much sought—after in many religious, psychotherapeutic, and sometimes even political groups today. After participating in a certain activity, members of a group may remark enthusiastically that it made them “feel empowered.” Members of a spiritual group, for example, may say that they “feel empowered” after participating in a religious ritual. People in twelve-step groups come away from talking about their addictions “feeling empowered.” Members of an affinity group may “feel empowered” after expressing their rage in a protest action of one kind or another. Even individuals who use spiritual self-help nostrums will “feel empowered” after chanting “affirmations” to themselves, or after lying down, closing their eyes, and daydreaming through exercises in “guided imagery.”

Power, however, cannot be obtained through daydreaming, or through rituals, or even through direct actions whose purpose is limited merely to protest. One may gain a pleasant sensation from such exercises, or even an illusory “feeling” of empowerment, but one will gain no actual social or political power whatsoever.

Power is not merely a spiritual or psychological feeling. It is a solid and tangible social fact and must be understood as such; the force and violence exerted by Nation-States and by corporations are today precisely matters of institutional power, backed up by police, courts, and armies. To ignore power’s factuality is to bid farewell to reality and drift into an ethereal or psychological nirvana.