

Nonsense on Stilts: Michael Albert's Parecon

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What are we to make of the "Parecon" phenomenon? Michael Albert's book made it to number thirteen on Amazon.com a few days after some on-line promotion.¹ Eight of the twelve Amazon.com reviewers (when I last checked) had given the book five stars. It has been, or is being, translated into Arabic, Bengali, Telugu, Croatian, Czech, Finnish, French, German, Greek, Italian, Japanese, Korean, Spanish, Swedish and Turkish.² The book has been endorsed by Noam Chomsky, who says it "merits close attention, debate and action," by Arundhati Roy, who calls it "a brave argument for a much needed alternative economic vision," by Ben Bagdikian, who finds it "a compelling book for our times," and by Howard Zinn, who sees it as "a thoughtful, profound meditation on what a good society can be like."³ Yet it is a terrible book.

To be sure, there are lots of terrible books on politics and economics being written for popular audiences these days, but these are usually right-wing harangues beating up on liberals. They are not endorsed by the likes of the above, who are all very left and very smart. Albert himself is a smart guy. He has incredible energy. Z-Net, Z Magazine and South End Press, all of which he was instrumental in bringing into being, have been important to radical activists and intellectuals over the years, now more than ever. Many of his debates and discussions are insightful. I don't always agree with him, but his arguments are often subtle, not easy to counter, well worth pondering. Parecon is a different matter altogether.

I've been reluctant to criticize this book so harshly in public, since it is written by someone who is part of the same global justice movement that commands my allegiance. I suspect I am not alone in my reticence. The Left has a bad history of destructive in-fighting.

But Parecon has developed a certain following among younger activists. It now feels to me irresponsible to ignore the book. The intellectual (and moral) integrity of the movement requires that we debate key issues openly. If something is really bad, we should say so.

Before reflecting further on the Parecon phenomenon, let me substantiate my claim that Parecon is a terrible book. It isn't "morally pernicious," (as are, say, the works of neo-con intellectuals and the print ravings of the Fox News and right-wing talk-radio crowd), but it can't be taken seriously on its own terms, intellectually. The book is an elaboration and defense of an economic model that is hopelessly, irredeemably flawed.

The Parecon Model: A Critique

Albert's book proposes and defends a non-market alternative to capitalism that is radically different from the traditional Soviet model. Parecon (a "participatory economy") has three fundamental features.

- All workplaces are non-hierarchical. Everyone, both within a given workplace and in society at large, has a "balanced job complex" that gives everyone a roughly equal mix of interesting, empowering tasks and unpleasant "disempowering" ones.
- Everyone receives roughly the same income. Income will depend solely on hours worked and effort.
- There is no market competition in Parecon, no "invisible hand" determining the allocation of

goods, services and resources. Instead consumers indicate each year what they would like to consume and in what quantities. Workers indicate what they are willing to produce. If these two patterns don't match, negotiation take place at various levels, involving consumer councils, worker councils and facilitation boards until a coherent plan is compiled. If there are several such plans, voters choose the one they prefer.

Balanced Job Complexes

Let us begin with the first feature, and ask some questions about details. How exactly are these balanced complexes to be arrived at within a given enterprise? Well, we'll make a list of the tasks to be done, ranking them, say, from 1-20, "the higher being the more empowering, the lower being the more deadening" (105). We will then create individual jobs for each worker by bundling the tasks so that everyone's weighted average is the same. (If a quarter of your work time is spent doing a 20-level task and three quarters a 4, your weighted average is 8.)

Who is going to do all this ranking and bundling? The employees themselves, since there is to be no hierarchy here. We will meet and negotiate. We'll reach an agreement as to what the tasks are, how they should be ranked, how they should be combined and, finally, who will do what. In the end, everyone will be happy. Solidarity will be enhanced. Right?

It is possible to imagine such a process at South End Press, which has five employees.⁴ But let's think about it at my place of work, a medium-sized university with about a thousand faculty members and an equal number of staff. Faculty Council (an elected body currently existing at Loyola) together with Staff Council (also an existing body) will be charged with drawing up a list of all the tasks the two thousand of us perform over the course of a year, then

ranking them in order of "empowerment". This will be, as Albert admits, "a long list . . . hundreds, perhaps even thousands of stripped down tasks" (105). We'll assign empowerment numbers to our thousand or so tasks. We'll then estimate how many hours per year each task will need to be performed. From these tasks, we'll construct two thousand bundles, each bundle representing the tasks one of us is expected to perform over the course of a year. We will construct them so that each bundle is equally empowering. Then we'll assign everybody one of these "balanced job complexes."

Okay, suppose I'm on Faculty Council. Where to begin? First of all, we'll have to have a joint meeting of the Faculty and Staff Councils to decide what tasks our colleagues perform, and how empowering they are. The tasks will include tasks typically done by faculty members--attending various departmental and university meetings, preparing for courses, classroom time, doing research, writing papers, advising and counseling students, etc.--as well as staff tasks--secretarial, housekeeping, security, mail room, buildings and grounds, food services, etc. We'll have to construct this list, which will be rather long, then assign numbers from 1-20 to each task, depending on the degree of empowerment each task involves.

Then we'll have to determine how many hours our two thousand colleagues currently spend, collectively, on each task. The only way to do this, it seems to me, is to send out a survey to everyone, and ask each person to indicate how many hours of each task they typically perform in year. (We should remind them that the total time should come out to forty hours a week, more or less, just to be sure that they fill out this survey conscientiously. We'd better give them a deadline--and think about some penalties to impose for people who don't comply.)

When the survey results have come in and have been vetted for reasonable accuracy (presumably by a subcommittee that will send back the sloppy ones to be redone), the Faculty-

Staff Council will reconvene. We'll now bundle the tasks together into equally-empowering jobs. What should the empowerment average be? That's easy enough to determine. If we had, say, three tasks, X, Y and Z that needed to be performed for x , y and z hours, respectively over the course of a year, and if they were weighted 1, 2 and 3 respectively, then each job complex should have a rating of $(x + 2y + 3z)/2000$. (Of course we have a lot more than three tasks--maybe a thousand--but the principle is the same.)

Now we must construct two thousand bundles. We have some options now--quite a few, in fact. Suppose there are only three tasks, as in our hypothetical example. We could ask everyone to perform $x/2000$ hours of X, $y/2000$ hours of Y and $z/2000$ hours of Z each year. Or we could construct bundles that have different proportions of the three tasks. Some tasks might involve more hours of X, in which case they would also have more hours of Z (to counterbalance the low empowerment of X with the high empowerment of Z), and, consequently, little or no Y. In playing around with numbers, we realize that there are, in fact, an infinite number of ways of constructing bundles having average empowerment. And if we have more than three tasks, we have even more options. An embarrassment of riches!

From the infinite number of possibilities, we'll select two thousand. This won't be so easy to do. We can't just pick any set of two thousand. All of these "balanced job complexes" are equally empowering, but whatever selection we come up with, the total number of hours devoted to X by our two thousand colleagues must be x , the total number of hours devoted to Y must be y , etc. We also have to take care that the qualitative mix is right. Suppose we need a half a million person-hours of clerical work done per year. (That's five hours per week, per person--a plausible figure.) But that clerical work is spread all over campus, and takes many different forms. We have to break up those 500,000 hours into bundles of tasks that one person

can perform conscientiously over the course of a year. (If I am assigned five hours of clerical work a week, I'd like it to be in the same office and involve the same basic tasks. I don't want to be running all over the place each day or week or month, trying to do a hundred or so different things. I need time to get comfortable with my job.) And we have to insure that we have the appropriate number of people assigned to all the tasks that need to be done at the appropriate time and place. (We don't want two people showing up in the same office at the same time to do xeroxing, leaving another office shorthanded.) This is a very big job, constructing two thousand jobs, which, when performed conscientiously, will accomplish what our faculty and staff currently accomplish in a year.

Having constructed two thousand balanced job complexes that will get all the work done that needs to be done, we move on to the next step. We now have to decide which people will do which jobs. Doubtless we'll ask people what they prefer, and try to match people to preferences as best we can. Presumably we will also pay some attention to skills people have. I'm not sure how we will do this. There are two thousand people and two thousand balanced-job-complexes. Perhaps we'll shuffle the faculty names into a random list, ranked 1-2000, then have whoever gets the number one pick the job she wants, then have number two pick from the remaining jobs, then number three, etc. I'm not sure what we will do with those who are unhappy with their assignments. We can tell them wait until next year. (There will be another drawing.) I'm not sure what we will do with people who pick jobs they can't do very well. (I thought it would be fun to run a physics lab, but I'm confused by all the equipment.) Of course we can allow people, once assigned a job, to negotiate with colleagues, trading this or that task for another. The Faculty-Staff Council will have to approve any such switch, however, to be sure that the overall empowerment averages of the resulting jobs are still equal. (We don't want anyone trading a

high empowerment task for a low empowerment one. That can lead to a concentration of empowering tasks in the hands of a few, and the emergence of a "controlling class." We don't want that to happen.)

Maybe there is some other way that all this can be done. I've been trying to follow Albert's suggested procedure, but the procedure is, as you see, rather complicated. Can we really expect an enterprise to undertake such a process? Every enterprise in the country? Albert is reassuring. In real circumstances, he says, things might be done differently:

In real circumstances the procedures of job balancing are not precisely as we describe above, but involve a steady meshing and merging of tasks into jobs, with workers grading overall combinations and bringing these into accord with each other by tweaking the combinations far more fluidly than parceling out all tasks as of from some gigantic menu.

Hmmm? How exactly is this meshing and merging and tweaking going to take place? Will it be done by a subcommittee of the Faculty and Staff Council? By all of us? How? Albert doesn't tell us, but he is supremely confident: "Short of perfection, we can easily balance job complexes in each workplace quite well" (107).

Let us give him the benefit of the doubt. We're still not done, not by a long shot. For Parecon requires not only that job complexes be balanced within enterprises, but across enterprises as well. Loyola is only one university. There are thousands of universities in the U.S. There are also coal mines, construction companies and several million other firms. These may not all have comparable levels of average job empowerment. Indeed, the average at Loyola is likely high relative to all the other enterprises in the country. It's a clean, comfortable

environment, with lots of stimulating intellectual activity. That's not fair. Something needs to be done.

Not to worry. In Parecon there is a "job complex committee for the economy as a whole" (109). This committee will take people who are working in below-average enterprises, and let them work part of the year in above-average enterprises. That sounds simple enough. To quote Albert, "If you work in a coal mine that is a 4, you get to work considerable time outside the mine in another venue, raising your average to 7."⁵

Since enterprises have different job-empowerment averages, this committee must now move people around, allowing everyone working in a lower-than-average empowerment enterprise average to work part of the year in a higher-than average empowerment firms, while compelling those in higher-than-average empowerment firms to work part of the year in lower-than-average empowerment firms. (If Loyola has an above-average empowerment average-- which is likely--all of us will likely be transferred elsewhere for part of the year, to make room for those in less empowering institutions to work at Loyola. Hopefully those firms won't be too far away. Hopefully the newcomers will master our tasks quickly.)

Sure, there will be complications. "It should be clear," says Albert, "that creating perfectly balanced job complexes is theoretically possible. But can it be done in real life situations?" "Of course not," he sensibly replies, "we are not talking about pure geometry or even the engineering of plastics. We are talking about people and social arrangements." Still, he is undaunted. "The point is, it can be done quite well" (109).

Is there an argument to back up this bold assertion? Sort of. It can be done quite well, he says, for "there is no elite that bends everyone else to their will" (109-110).

Equal Reward for Equal Effort

Let's set aside our misgivings about balanced job complexes. Assume this can be done smoothly and efficiently and that everybody is reasonably well satisfied with the result. Workers may grumble here and there, but almost everybody agrees that their job complexes are equally fulfilling. If so, it is perfectly reasonable, is it not, to reward only according to hours worked?

No, that won't do, Albert correctly notes, for then there would be no motivation to work conscientiously. You'd make as much sitting at your desk and playing computer games as you'd make by drudging through that stack of files. No, there is going to have to be monitoring, to keep track of effort levels.

There are various ways this might be done, says Albert. All involve workers receiving an annual evaluation, but these may be either tight or loose. The choice is up to the enterprise. If loose, only hours worked will be specified. It is to be assumed that, apart from exceptional cases, everyone works at average intensity. (If you think you have worked exceptionally hard, you can petition the evaluation committee for a higher rating. If you think a workmate has been lax, you can petition that he be docked.) Alternatively, the evaluation committee will adopt a more precise rating system. You might be given a rating of 1.1 or 0.8, say, indicating that your effort was 10% above average, or 20% below average. This will entitle you to consume (next year) ten percent more, or 20% less, than someone who worked the same number of hours.⁶

There are problems with each of these solutions. If almost everyone gets an average rating, there is little motivation to work hard--particularly if some of your coworkers seem to be slacking off. Of course you can turn them in--or at least petition that they be disciplined--but that's an ugly business. How will the committee know if your complaint is valid? (Maybe you

are pissed off at your colleague for having an affair with your wife.) There will have to be an investigation, witnesses called, etc. You will have to testify against your co-worker. He and his friends will not be happy with you. It won't be much fun coming to work.

What if someone claims to have worked harder than average? How will the committee evaluate that claim? If they tend to take the worker at her word, it's not hard to imagine the petitions multiplying, until we have Parecon-Wobegon: everyone is above average. (Albert recognizes this problem, says it will be dealt with in the next chapter, but, so far as I can tell, he never returns to it.)

What about tight monitoring? Isn't this the way it's done now, under capitalism? Workers are monitored closely. They get raises for doing well, and penalized if they don't.

No, says Albert, tight Parecon monitoring is not the same as capitalist monitoring. There are two major differences. First of all, you are evaluated on the basis of effort, not output, and secondly, you are evaluated by your peers, not by a boss.

It is true that in Parecon you are evaluated by your peers, and not by a supervisor answerable to the owners of the enterprise. This, in itself is not a problem. Workers are perfectly capable of monitoring their peers effectively--provided two conditions are met: a) they are motivated to do so, and b) the evaluation criteria can be readily applied. Unfortunately, neither of these conditions obtains under Parecon.

It is hard to see why workers in a Parecon enterprise would want to monitor their peers conscientiously. Suppose I've been elected to serve on the evaluation committee. Why should I exert myself conscientiously at my task as an evaluator? If I give my peers good ratings, they will be happy. If I give them bad ratings, they will be unhappy. There is nothing to be gained for myself or my co-workers by my being conscientious. Sure, if other enterprises are as

reluctant as ours is to give out bad evaluations, national productivity will suffer--but my being strict will have only a miniscule effect on national productivity, whereas it will have a major (negative) effect on many coworkers near at hand.

Even if I wanted to be conscientious, could I be? In Parecon one is evaluated according to effort, not output. But how is the evaluation committee going to distinguish effort from output? If you make a lot of mistakes in your clerical task, how can our committee determine whether you are working hard, but are just not good at the task, or are simply not paying attention? And what if you disagree with our evaluation? What do we do?

Albert doesn't say much about this vital point, other than "arguments about who is doing how much work, how well, how hard, and with what degree of sympathy for coworkers are resolved by participants, or, when necessary, through council oversight"(196). He is adamant, however, that only effort should matter. "Whereas differences in contribution to output will derive from differences in talent, training, job assignment, tools, luck and effort, . . . only effort merits compensation" (114). He seems not to realize that separating effort from output renders the evaluation committee's task impossible. (Am I daydreaming at my desk, or thinking really hard about the problem at hand?)

It should be clear that that whichever version of the monitoring scheme is initially adopted, evaluators will tend to give everyone the same evaluation--above average, if possible, average if there are higher-order constraints against Parecon-Wobegon. Monitors have no good way of measuring effort, and little reason to be strict.

But if everyone gets the same evaluation, we are confronted with a motivational problem of the first order. The material payoff to the individual for working hard is minimal (an infinitesimally small increase in national productivity), whereas the payoff for slacking is

significant (less stress, more time to be sociable with one's workmates). So we can anticipate a general reduction of effort overall. But this is a vicious circle--or rather, a vicious downward spiral. Some people slack off. All incomes fall. People become more alienated. The hard workers feel like fools. More people slack off. Incomes fall further. It is worth recalling the popular saying among Soviet workers, "They pretend to pay us. We pretend to work."

Notice, the problem here is not the depravity of human nature. Like Albert I'm relatively sanguine about human nature (although I do want some checks built into a system, just in case I'm too sanguine.) I think most people are willing to put in an honest day's work, particularly if the work is reasonably satisfying--as we are assuming it to be under Parecon. But hard work is, well, hard work. Unless one is exceptionally dedicated to a cause, one does not want to work hard when others aren't, nor does one want to harass those with whom one works. (Some people might work hard, regardless of what their fellow workers are doing, and some people may delight in harassing their colleagues, but most of us aren't like that. We are, after all, social animals.) To be sure, "moral incentives" sometimes work, the inner motivation of a revolutionary consciousness--but the history of twentieth century socialism should make us skeptical of relying on them too heavily.⁷

Non-Market Allocation.

Suppose my arguments so far are wrong. Suppose it is feasible to have a nationwide system of equally balanced job complexes for all. Suppose that trying to reward everyone strictly on the basis of effort does not lead to a marked decline in enterprise productivity. Suppose all are happy with their jobs and eager to do the best they can. We are now faced with

the problem of deciding what our happy, balanced workforce will produce. Under capitalism, "the market" makes those determinations, via its "invisible hand." Surely we can now dispense with this impersonal mechanism, and replace it with a more effective and humane procedure. Surely human planning can do better than inhuman market forces.

Such a belief seemed eminently plausible in the aftermath of the Russian Revolution, when power passed, for the first time in history, into the hands of a party committed to constructing an economic system superior to capitalism. Indeed it was not a crazy idea. It was embraced by many of the best and brightest of the Left. Why not simply ascertain what our resources are and what people need, then put people to work in the requisite industries in the requisite numbers and have them produce what is needed?

But planning without markets failed--in the Soviet Union, Eastern Europe, China, Cuba, North Korea. Everywhere it has been tried, it has failed. Of course, Albert knows this, but he has an explanation. Communist planning failed, not because planning cannot replace markets, but because Communist planning wasn't democratic; it wasn't truly participatory. A "controlling class" took over, and it was they who decided what people needed, and how it should be produced. The consumers weren't able to articulate their wants or needs. The direct producers had no control over their work.

Moreover, the Bolsheviks didn't have computers. But we do. And we are committed to participatory democracy in ways that Leninists were not. Just because one form of planning failed doesn't mean that all forms must fail.

Fair enough. The failure of one form of planning does not entail the failure of all forms. But we must then ask, "How would you do it?" How would Parecon determine what should be produced? How would it bring people's needs and wants into alignment with what the workforce

is willing and able to produce? To his credit, Albert does not sidestep this question, as do so many on the Left who remain hostile to the idea of "market socialism."⁸ He addresses it head-on.

Let's start with the first question. How would Parecon determine what people want? Albert's answer is straightforward. Ask them. Don't have people simply buy things, then hope that competitive pressures will see to it that what people want will be produced in the requisite quantities. That's a formula for exploitation, manipulation, environmental degradation and all sorts of other evils. Just ask them what they need. Let them tell us, and then let them tell us how hard they are willing to work. We'll negotiate back and forth until these two factors--demand and supply--are brought into balance.

Okay, let's try it. What do I do? Albert tells me that I must first go to my PC and access my consumption list from last year, which is stored in a central computer.⁹ I'll also be given a price list, and a figure indicating how much an hour's average labor will be worth this year. (It may be more than last year, if our economy has grown more productive, less if productivity has declined.) I then list what I want to consume next year, and how many hours I'm willing to work. The value of my consumption and the hours I'm willing to work must match. (If I've been given an above-average work rating, I multiply the national hourly average value by 1.1 or whatever has been deemed appropriate, to determine how many hours I need to work to cover my desired consumption.) I then send my list to my neighborhood consumption council, which will either approve or deny my proposal. Normally it will be approved, but, since my request will be posted publicly, "neighbors could express an opinion that a request was unwise" (152). (Isn't that a lot of scotch you've asked for? Wouldn't red wine be better for you?) Actually, I give them a bit more information. I'm also expected to write little notes--to provide "qualitative information about my reasons" for wanting various products. I will also write up a report for the

local worker council, indicating my work preferences. These notes too will be posted. Albert doesn't think this will be burdensome:

This does not entail everyone writing long essays about their work and living conditions. It does mean that people will need to generate concise accounts that substitute for the fact that not everyone can personally experience every circumstance. Of course not every worker and consumer will use all this qualitative information in every calculation. But when there are odd changes in preferences of workers or consumers that someone does not understand or wants to explore further to comprehend what is behind a particular indicative price, the qualitative information is available for a check and clarification (127).

That's the first step. Let's think about it for a moment. Forget about the notes. Let's think about the list. For some reason Parecon supporters don't have a problem with having to make a list of all the things one might want to consume during the course of a year. Albert reassures Barbara Ehrenreich, "In Parecon you have to spend some time over the course of a week or two entering your budget and interacting with the overall process. I suspect this won't take longer than people now spend doing their tax returns. . . ."10

Well, let's see. Let's start with a week. Roughly, what would I like to consume next week? I drink three cups of coffee a day, so I'll need twenty-one cups of coffee. I take a variety of vitamin pills each morning. Those are easy enough to multiply by seven. I sometimes eat cereal for breakfast. That'll require some sugar and some milk. How much sugar? How much milk? Let me think about that. Sometimes I scramble an egg. That'll require some salt, pepper,

butter. Sometimes I have some bacon . . . Hmm--I'm only in the first half-hour of the day. This is getting complicated. I often drive to school to teach and attend meetings. How many trips do I anticipate this week? How much gas will I need? Eventually I'll need an oil change and a new oil filter and, with winter coming on, new set of spark plugs, and Or maybe I'll take the bus. But how do I figure that? Bus-miles used? (I'll definitely need to attach a note to this one, because it will matter whether the route I take is well-traveled and hence has lots of passengers to defray the cost, or whether there are usually only a couple of us on it.)

"Wait, wait!!" Albert and company will respond. "Just look at last year's list. You don't have to start from scratch. Just estimate your changes."

Well, that does make matters a bit easier. (It would seem that at some point I would have had to construct an initial list--but let that reservation slide.) I look at last year's list. I see that I consumed two hundred and twelve eggs last year, eleven pounds of bacon, two pound of salt, . . . one hundred forty-seven gallons of gasoline, . . . I see I also bought two new pairs of pants, a pair of shoes, fifteen bars of soap . . . I had to replace my computer. I used twenty-four highlighters, thirty reams of computer paper, Wow! This is a pretty long list! It goes on for pages and pages. It's hard to believe I consumed all that stuff in just one year.

Okay, I have my list of last year's consumption. It took awhile to print out, listing as it did all the food, clothing, housing expenses, entertainment, travel, books, magazines, cleaning supplies, gifts, etc., etc., etc. that I purchased last year. Now I have to think about the coming year.

What would I like to consume this coming year? I've been thinking about giving up meat, so that gives me some options. I can compare what I spent on bacon with what I might spend on . . . what? Maybe soybeans. Let's see--back to the computer to get their anticipated

price per pound. Hmmm, I wonder how many pounds I'll need. . . . I just remembered, there are some birthdays coming up. What did I spend on birthday gifts last year? What did I buy anyway? I'll have to search back through the list. (Presumably I tagged as gifts when I bought them all the items purchased as gifts, so my computer's search engine can locate them quickly.) How much did I spend? What do I want to buy this year--for birthdays, Christmas, wedding anniversary?

"Please note," says Albert, "this does not mean that every individual must specify how many units of every single product they need down to size, style and color." Whew, that's a relief. But then what do I specify? Birthday gifts? A nice sweater for my wife?

We have a problem here. If I don't specify what gifts I want, including such details as size, style and color, how are the producers going to know what to produce? Ehrenreich worried about this. "Call me vain, petty, capitalist running dog, but I certainly don't want a bunch of committees deciding how long skirts will be or what lipstick colors will be available."¹¹

Albert's reply? "Applying all this to skirts, we should want the tastes and preferences of all workers and consumers and particularly of people who wear them and of those who produce skirts to interactively proportionately influence the length and color, as well as their number and composition, their method of production, and so on--instead of profit seeking determining the result."¹²

Yeah, well . . . but Albert seems to have missed a basic point. How will the producers know what kind of skirt Ehrenreich wants or the kind of sweater I'd like to give my wife if we don't specify these details on our consumption-preference list? Albert says I'll "interactively, proportionately influence" what will be produced. But how? I guess we're supposed to attach notes to the producers--but that's a lot of notes, not to mention a lot of foresight.

Maybe I'm just being picky. Maybe most people will just look at last year's list and make only a few changes. (Of course there are 100 million households in the U.S., so even "a few" will be millions, but never mind. Let's move on.) What next? Well, the various consumer and worker councils, using their computers, and helped out by facilitation boards, aggregate all this information, to see if what people want to consume matches what they propose to do, qualitatively and quantitatively, at the workplace. If, for everything that is desired, there are people willing to work long enough in the appropriate production facilities to produce it, then the process comes to an end.

If it doesn't? (Albert doesn't expect it to, nor should we.) Well--our lists will be returned to us. The prices have been changed--raised for things for which there is excess demand, lowered for those for which there is a surplus. "At this point," says Albert, "consumers reassess their requests and most often shift their requests for goods in excess demand toward those whose indicative prices have fallen because they were in excess supply" (131). That is to say, we'll have to redo our lists! All of us--for if supply and demand fail to match for any of the hundreds (thousands?) of items on a person's list, the prices will change, and so one's consumption request will no longer equal one's work offer.

So we try again. Then again. Then again. . . . After several iterations, Albert assures us, there will be convergence. Supply and demand for almost all items will come into balance.¹³ Now we can vote. In his example of "a typical planning process," the iteration process goes back and forth five times, i.e., all 100 million of us are asked to redo our calculations five times. (It's not clear what happens to people who get sick of all this. I guess they just get what the consumer council decides is best for them.) Anyway, after five iterations, five plans are set out for a vote. "What would distinguish the five plans is that each would entail slightly different total product,

work expended, average consumption and average investment. Everyone affected would then vote, as units, for one of these five feasible plans" (138).

I'm not sure what voting "as a unit" means, but so far as I can tell, the plans would look something like this: Plan A would allow for \$11 trillion worth of production, \$8 trillion of which will be consumer goods, \$3 trillion investment (roughly the U. S. figures for last year), with an average workweek of, say, 35 hours. Plan B would let us consume more, say \$8.5 trillion, invest less, say \$2.5 trillion, and work the same. Plan C would set consumption at \$8.5 trillion, keep investment at \$3 trillion, but raise the average workload to 36 hours. There will be two additional plans, but you get the picture.

What is a committed voter to do? Well, you might wonder whether the local swimming pool your village council requested is included in one or more of these plans. No problem. Get on your computer and find out. You recall some discussion in the newspaper about a solar energy project in Nevada. Did that make it into one or more of these budgets? Check and see. Play around with those \$11 trillion budgets for a few days, then make a responsible choice. Take this seriously. After all, this is an allocation determined democratically by the people, not by blind market forces. This is the brave new world for which so many have struggled for so long.

I've been quoting from Albert to assure the reader that I am not making this up. I am not caricaturing his position. I have been trying to imagine what Albert's proposals would require, concretely, if we tried to implement them. Albert is confident that all this would work, and would involve, moreover, only a week or two of one's time, about what it takes to do one's taxes. The results would be "stupendously superior" to what we now get under capitalism, or would get under market socialism.

I don't think so.

The Parecon Phenomena

I've argued that all three of the fundamental building blocks of Parecon are hopelessly flawed. It is inconceivable to me that such a system would work. It is hard for me to imagine any rational being thinking otherwise. But even if Parecon were viable, there is another question to ask: Why would anyone want to live in such a system? It is a system obsessed with comparison (Is your job complex more empowering than mine?), with monitoring (You are not working at average intensity, mate--get with the program), with the details of consumption (How many rolls of toilet paper will I need next year? Why are some of my neighbors still using the kind not made of recycled paper?). Albert thinks all this interaction promotes solidarity:

Participatory planning does have stupendous virtues compared to either markets or central planning. Participatory planning produces solidarity by creating conditions in which to get ahead actors must take into account the well being of those who produce what they consume or consume what they produce.¹⁴

Solidarity--or a climate that makes Mao's Cultural Revolution look like a picnic in the park?

Two Impolite Questions

It's an impolite question, but it has to be asked. Why have Chomsky, et al. endorsed such nonsense?

I can only speculate. I have no direct knowledge of their relationships to Albert. I know that Chomsky has been a long-time supporter of South End Press. I presume that he and Albert are friends. South End Press has published some of his works, and also those of Roy, Zinn and Bagdikian. I presume Albert asked them for endorsements. It's hard to say no to a friend, or to someone who has contributed significantly to the resurgent opposition to global capitalism. I could be wrong, but I have a hard time believing that many (any?) of the high-profiled endorsers of this book have actually read it--at least not closely.

It is not an easy read. It is very repetitious. And you have to struggle through sentences such as this one:

How much mid-term adjusting to do--rather than just waiting for the new planning period to get inputs and outputs all "perfect" again; and then how much of that mid-term adjusting to do simply by rationing, i.e. adjusting consumption only; how much to do by adjusting production of the initial item affected and/or of other items that are inputs, etc.; and which of the various options to use in any part of an adjustment, including whether or not to recalibrate prices, are all practical issues to be decided by those who work and consume in a participatory economy following general norms and procedures applicable in specific cases, though not via one single right norm or procedure that must be followed in all cases and in all parecons, we would guess (280).

I should note that Chomsky's "endorsement" is carefully worded. The book, he says, "merits close attention, debate and action." He's mostly right on that score. Left critics of

market socialism have long been pressed to offer an alternative, something other than the discredited Soviet model of central planning. Most have avoided the question or responded with vague generalities, but not Albert. It is instructive to see what a bright, committed Leftist can come up with. His answer does merit attention.

Chomsky also urges debate. That's what I'm offering here. I don't know about "action," however. It is not clear what "action" might be inspired by Albert's book. Albert devoted precisely a page and half of his three hundred and two page treatise (the last page and a half) to the question of "attainment." There exists, he says, "a broad set of strategic guidelines, aims, programs, structures, and steps, each of which can evidently be accomplished, and which together reveal a scenario that could end in a participatory economy." However, "we cannot undertake such a discussion here" (302).

Let me ask another impolite question. Why does Michael Albert believe such nonsense? Again I can only speculate.

Albert is captivated by the concept of a non-market society. Not without reason. Any smart, sensitive person who looks at the world today is bound to be appalled by what he sees. Such a person will notice quickly enough that the dominant economic system has something to do with the mess we are in. Since this system is routinely identified as a "free-market" economy, it is natural to turn one's attention to the workings of that mysterious entity, "the market," and to wonder about the possibility of a more rational, more desirable society in which cooperation replaces competition and individuals are motivated by something other than insecurity and greed. I suspect that Albert was captivated by this vision early on. I understand the appeal of this vision. I've felt it myself. Who on the Left has not?

Once one begins thinking about and discussing a society based on principles of solidarity, one immediately encounters the human-nature skeptics. Albert is no exception. He recounts his long debates with fellow students at MIT in the late sixties, and the recurring refrain, "People are greedy, violent animals, so what more can you expect? Let me go back to my classes, let me avoid all this distraction. Stop berating me with it. There's nothing I or anyone can do" (289-90). One learns how to counter their arguments. Existing patterns of injustice are not the ineluctable outcomes of a fixed and unchanging "human nature," rendering any attempt at change impossible. As any anthropologist will attest, there have been societies in the past (and some still in existence) where people are not particularly greedy, or obsessed with consumption, and the prime motivation for work is social--the exercise of one's ability for the good of the collective.

If human nature is not an insurmountable obstacle, then a non-market society is theoretically possible. This is a significant conclusion, but of course Albert needs more than that. Is a non-market economy possible for a large, technologically developed society such as our own? (The anthropological evidence derives from more "primitive" societies.) Specifically, is an economy with Parecon's basic features theoretically possible? This was the next challenge he had to face. And face it he did, with the help of his long-time friend and collaborator, economist Robin Hahnel. In their 1991 book, *The Political Economy of Participatory Economics* (Princeton University Press) they set out a formal model of Parecon, analogous to the formal models of capitalist and centrally-planned economies that have been developed by other economists, complete with the many equations (and assumptions) typical of such models. They then demonstrated its Pareto-optimality. That is to say, they did for Parecon what the

mathematical economists have done for capitalism--demonstrated that a stylized, simplified model of the system will tend toward perfect efficiency.

At this point (I conjecture) Albert had become so committed to his project that there was no turning back. What is possible in theory must be possible in practice. And, moreover, given its democratic, egalitarian foundations, it must be stupendously superior to both centrally-planned and market economies. Of course, these claims do not follow from a mathematical proof of theoretical efficiency. After all, not only laissez-faire capitalism but a Soviet-style centrally planned economy can be shown to be efficient if enough simplifying assumptions are made. It is here, I have argued, that Albert's project collapses. Parecon would not work in practice. Which is just as well, for if by some chance it did, it would not be a system under which any of us would want to live.

Why will he not recognize this? As I have shown, it doesn't take much imagination to see how impossible it would be to implement in practice any of the three basic features of the model. I can no longer offer a rationale reconstruction of Albert's thinking. But the words of a co-worker from South End Press seem significant: "Michael never gives up. He's the visionary and he's the bulldog. I don't think I know anybody more tenacious."¹⁵ Against an *idée fixe* rational argument and common sense are powerless.

Conclusion

Where does this leave us? Must we give up on the dream of a humane future beyond capitalism? I think not--but we must think hard about the viability of the alternatives we propose. We must also pay attention to the ethical foundations of our proposals.

In particular, we should reject the obsessive egalitarianism that underlies the Parecon proposal. This strict egalitarianism is morally problematic.¹⁶ It undercuts the generosity of spirit a socialist ethic should promote. Suppose, for example, that I am happy with my work and with my level of consumption. Then I learn that you got more than I did without working any harder. May I take vicarious pleasure in your good fortune? May I fantasize that I too might one day get lucky? If your greater income is a reward for your greater contribution, may I feel good that you are so honored. May I consider honing my own talents so that I too might be rewarded more? Not if I'm committed to the Parecon principle. If you got more than me without working any harder, I am a victim of injustice. Righteous indignation is the appropriate response, not pleasure or inspiration. I experience your success as my humiliation. This is not an ethic of solidarity.

Strict egalitarianism is the ethic of squabbling siblings. (Gary got a bigger piece of pie than me. That's not fair! Gary gets to stay up later than me. That's not fair! Dad likes Gary better than me. That's not fair!) It is not an ethical principle that should command our allegiance.¹⁷

If we want to construct an economically viable, ethically desirable, alternative to capitalism, we should distance ourselves not only from Albert's obsessive egalitarianism, but also from his implacable hostility to markets:

Markets aren't a little bad, or even just very bad in some contexts. Instead, in all contexts, markets instill anti-social motivations in buyers and sellers, misprice items that are exchanged, misdirect aims regarding what to produce in what quantities and by what means, mis-remunerates producers, introduces class divisions and class rule, and embody an imperial logic that spreads itself throughout economic life.¹⁸

Markets indeed have defects, but they have virtues as well. We need to think dialectically about markets. Markets are democratic (in that they respond to consumer preferences), and they are undemocratic, (since they tend to exacerbate income inequality). Markets enhance the space of individual freedom, (since consumer choices are not subject the approval of others), and they contract the space of individual freedom, (since market choices often have third-party effects). Markets provide incentives for constructive behavior (efficient use of resources, innovation) and for destructive behavior (consumer manipulation, disregard of ecological consequences). Neither market fundamentalism nor market rejectionism is an appropriate response to the reality of economic complexity.

God knows, we do not want to live in a world dominated by rapacious, unaccountable economic institutions that pit worker against worker, drive levels of inequality to almost unimaginable levels, and are in the process of devastating the ecology of the planet. We need a better way. But a life preoccupied with negotiating work complexes, forecasting one's future consumption, revising lists, scrutinizing the consumption lists of one's neighbors, posting notes on the qualitative aspects of desired purchases, voting on national plans vastly more complicated than the Federal Budget is not the answer.

This is not the place to defend an alternative proposal, one that avoids obsessive egalitarianism and allows for a regulated market, but interested readers might want to check out my *After Capitalism*.¹⁹

Notes

¹ Michael Albert, *Parecon: Life After Capitalism* (London: Verso, 2003); the Amazon.com figure was mentioned in a review of Parecon by Kevin Donegan that appeared in the Los Angeles Times, March 17, 2003. This review is posted on the Parecon website, www.zmag.org/parecon.

² Stated by Albert in his interview by Barbara Ehrenreich, April 26, 2004. Posted on the Parecon website.

³ The endorsements by Chomsky and Roy are on the amazon.com listing for Parecon. Chomsky's also appears on the book's jacket, along with those of Zinn and Bagdikian.

⁴ This figure is from the Los Angeles Times review of Parecon posted on the Parecon website.

⁵ Parecon, p. 108. There are two technical problems here that Albert overlooks. If enterprises construct their own ranking scales, there is no reason to suppose that they are comparable. A 4 in coal mine may or may not be worse than a 7 at Loyola. To overcome this problem, some sort of uniform national task list would have to be constructed. This list, moreover (the second technical problem) must employ a cardinal ranking, not simply an ordinal one. That is, the ranking must be based on some "unit of empowerment," so that we can say, for example, a 4-level task is not just more empowering than a 3-level task, but that the size of the empowerment differential is the same as that between a 40-level task and a 41 level task.

⁶ These mechanisms are discussed in Parecon, pp. 115-116. See also pp. 196-97.

⁷ Recall the disaster of China's "Great Leap Forward" in 1958-60, the economic setback attendant its Cultural Revolution a few years later, and the catastrophic failure of Cuba's attempt at a ten-million ton sugar harvest in 1970.

⁸ Not everyone avoids this issue. For a survey of the most significant models of democratic non-market socialism, see *Building Socialism Theoretically: Alternatives to Capitalism and the Invisible Hand*, "Special Issue of Science and Society (Spring 2002), which includes contributions by Al Campbell, Paul Cockshott and Allin Cottrell, Pat Devine, and David Laibman, as well as by Albert and his close associate Robin Hahnel. The various contributors set out their own models and comment on the others.

⁹ Cf. Parecon, pp. 129-130. My account here simplifies his somewhat, since it ignores collective consumption. Collective consumption adds another layer of complication to a system that is (as we shall see) already overburdened with complexity.

¹⁰ Ehrenreich interview.

¹¹ Ehrenreich interview.

¹² Ibid.

¹³ Albert asserts that there will be convergence, although it is unclear why there should be. Real world markets don't always converge. (Farmers overplant. Supply exceeds demand. Grain

prices fall. Farmers cut back production. Demand exceeds supply. Prices soar. Farmers overplant, etc.) Markets are useful, not because they bring supply and demand into alignment over time, but because provide useful information to producers as to the direction of the imbalance and effective motivation to producers to act on this information.

¹⁴ Ehrenreich interview.

¹⁵ Quote in the Los Angeles Times review of Parecon.

¹⁶ Much relatively recent philosophical writing on equality borders on obsessive egalitarianism. For a cogent critique of Ronald Dworkin, Philippe Van Parijs, Richard Arneson and G.A. Cohen, see Elizabeth Anderson, "What is the Point of Equality?" *Ethics* January 1999, pp. 287-337.

¹⁷ It is interesting to note that Marx was not an egalitarian, obsessive or otherwise. That famous slogan, "from each according to his ability, to each according to his need" is strikingly inegalitarian. People have different abilities. People have different needs. There is not even a hint in Marx that those with greater needs should work more than those with lesser needs so as to compensate for their greater consumption.

If we look at Marx's writings, particularly his early manuscripts, we find them suffused with moral concepts (unalienated labor, the human being as a "species being," human beings with "emancipated senses"), but economic equality is not one of them. On the contrary, Marx warned against the leveling impulse of a "crude and unthinking communism" which "wants to abstract from talent, etc., by force," bringing everyone down to a "preconceived minimum." This "universal envy . . . is only the disguised form in which greed reestablishes and satisfies itself in another way." ("Private Property and Communism," in his *Economic and Philosophical Manuscripts of 1844*.)

Of course citing Marx will not move Albert, who no longer considers himself a Marxist or even a socialist. (See his debate with Alix Callinicos and his "Is Socialism Still on the Agenda?" both posted on the Parecon website.) Still, the Marxian ethical framework should be taken seriously, for it seems to me much richer and more satisfactory than the obsessive egalitarianism of Parecon.

¹⁸ Ehrenreich interview.

¹⁹ (Lanham, MD: Rowman and Littlefield, 2002). An earlier version of the model which comprises the heart of this book appeared as "Economic Democracy: A Worthy Socialism that Would Really Work," *Science and Society* 56 (Spring, 1992): 9-38. This model was elaborated in more theoretical detail in my *Against Capitalism* (Cambridge: Cambridge University Press, 1993). For a comparison of my model with Albert's that finds the latter more compelling, see Adam Weiss, "A Comparison of Economic Democracy and Participatory Economics," posted on the Parecon website, May 4, 2005.