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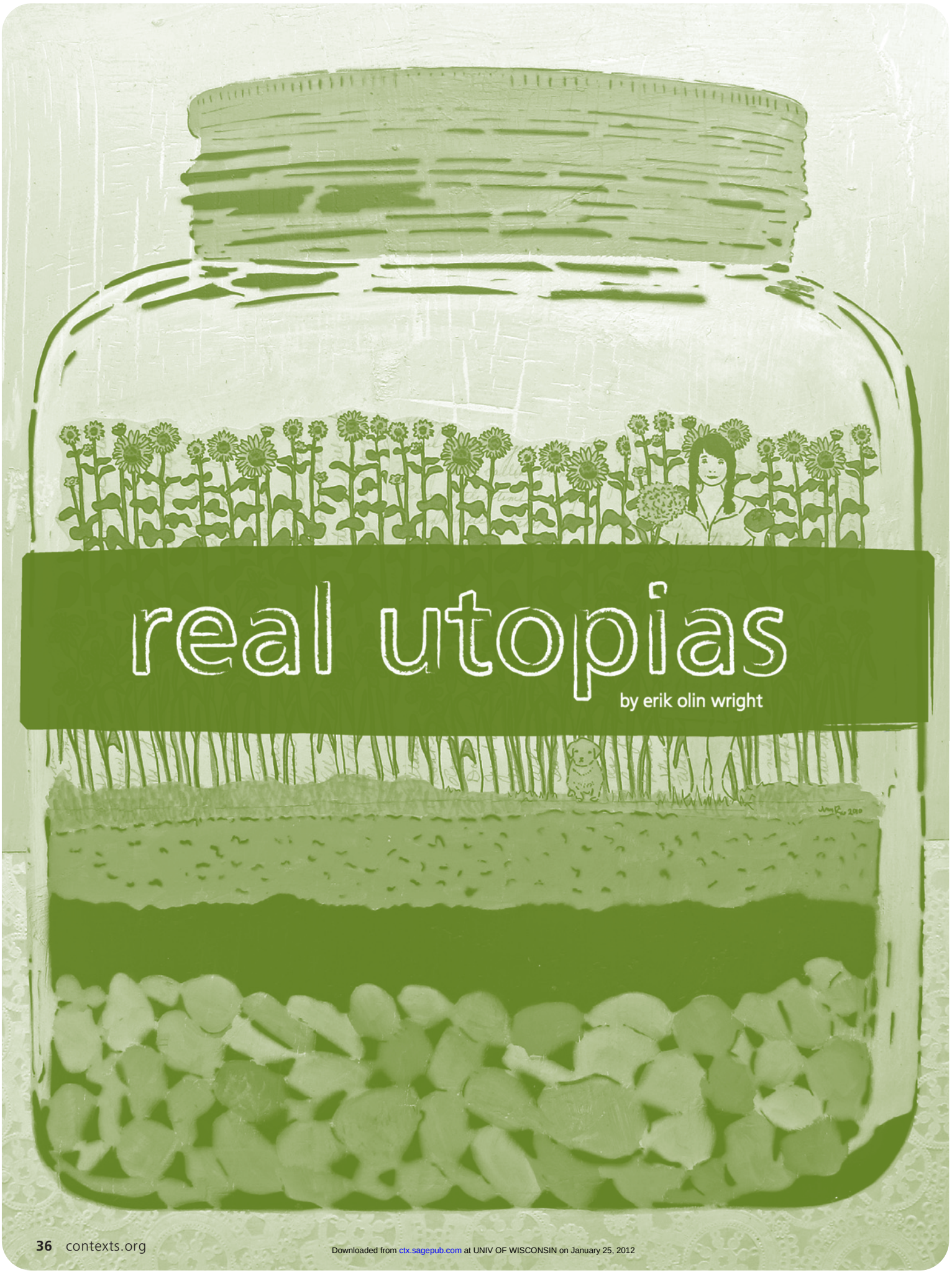

real utopias

by erik olin wright

The idea of *utopia* is rooted in two fundamental facts of the human condition. The first might be thought of as a foundational claim of sociology: we live in a world in which much human suffering is the result of the organization of our social structures and institutions.

Poverty in the midst of plenty doesn't reflect some unalterable law of nature; it reflects the existing social organization of power. The second fact concerns human cognitive capacity: while we live in a social world that generates harms, we also have the capacity to imagine alternative worlds where such harms are absent. Utopia literally means "no-where." It is a place in the imagination of peace and harmony, of flourishing lives and happiness; it is a fantasy world where our ideals of a just and good society are fully realized. Utopia reflects the human longing for escape from the oppressions, disappointments, and harsh realities of the real social world.

Utopian visions, however, are more than just passive individual dreams. In the right circumstances, they can also become powerful collective ideas in political movements. Communist utopias of a classless society, without markets or a coercive state, organized around the principle of "to each according to need, from each according to ability," have animated the commitments of many activists on the left. Libertarian utopias of a minimalist night watchman state protecting private property, self-reliant individualism, and unregulated free markets have given direction to movements on the right. Still, though these utopian ideas can have powerful effects in the world by shoring up motivations for collective action, they remain fantasies. This is why, in pragmatic political contexts, to describe a proposal for social transformation as "utopian" is to dismiss it as impractical, impossible, and irrelevant. This dismissal is too quick. It may be that utopian visions are simplified sketches, but the ideals embodied in those dreams might still figure into the design of real-world institutions and social transformations.

The challenge of envisioning *real* utopias is to elaborate clear-headed, rigorous, and viable alternatives to existing social institutions that both embody our deepest aspirations for human flourishing and take seriously the problem of practical design. Real utopias capture the spirit of utopia but remain attentive to what it takes to bring those aspirations to life. What we want are utopian destinations which, even if they are themselves unreachable, nevertheless have accessible waystations that help move us in the right direction.

Exploring real utopias implies developing a sociology of the *possible,* not just the *actual.* This is a tricky research problem, for while we can directly observe variation in what exists in the world, discussions of possibilities (and impossibilities) always involve more speculative and contentious claims. The task of a sociology of real utopias, then, is to develop strategies that enable us to make empirically and theoretically sound arguments about emancipatory possibilities.

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But why should we even want to explore real utopias? Some think the task of sociology is simply to describe and explain the social world as it is. Talking about the harms generated by social institutions, the institutional conditions for realizing social justice, and the prospects of human emancipation all necessarily bring moral concerns into the heart of sociology. For some, mixing normative commitments and sociological investigation threatens the scientific integrity of sociology itself, potentially making it subservient to political ideologies. But others feel that anchoring sociology in moral concerns is precisely what makes the discipline worthwhile. After all, we're not troubled that medical science is committed to investigating biological processes that generate bodily harms for people and specifying conditions for flourishing human health. It should be no more controversial that sociology seeks to understand the social processes that help and hinder human flourishing. The study of real utopias—viable, emancipatory alternatives to dominant institutions and social structures—is one way to pursue this goal.

Two primary kinds of research animate the sociological agenda of exploring real utopias. The first involves studying

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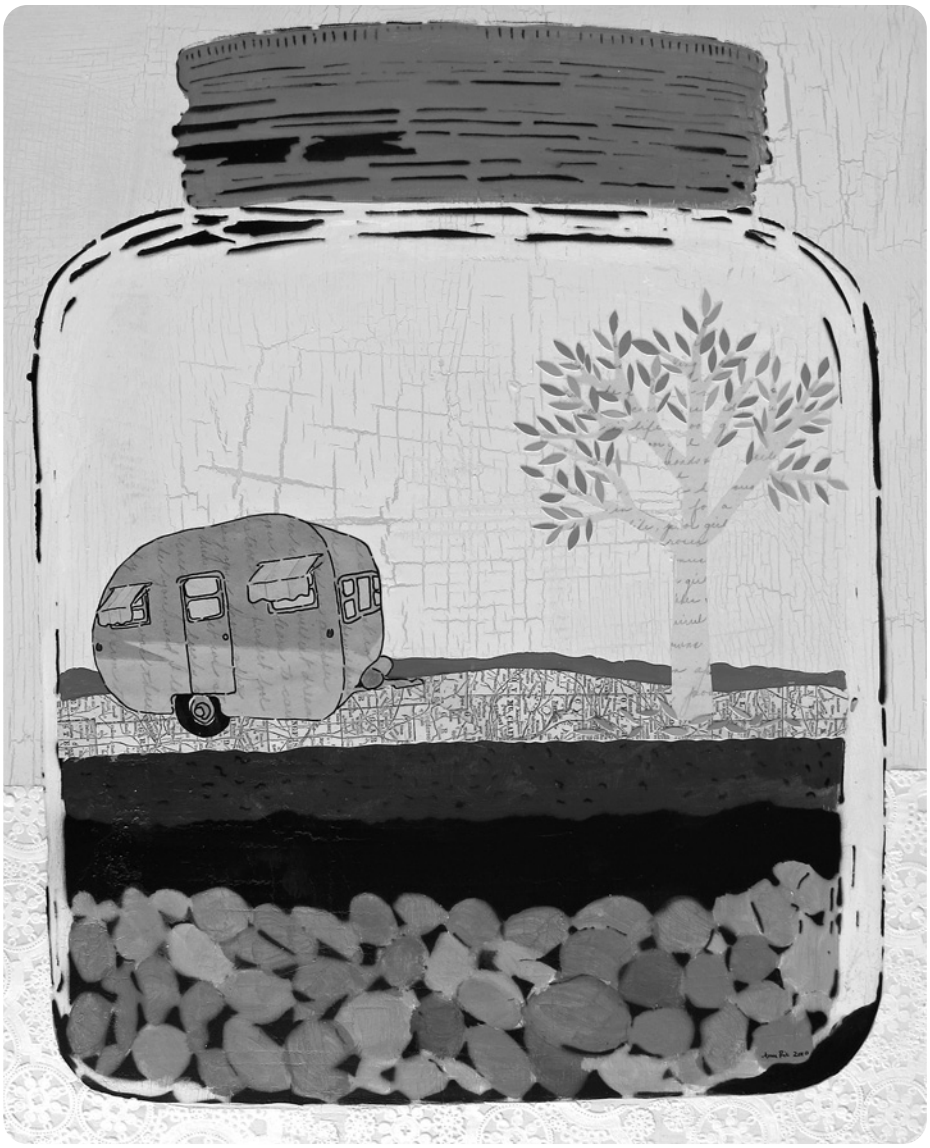
empirical cases that seem to embody emancipatory aspirations and prefigure broader utopian alternatives. The task of research is to see how these cases work and identify how they facilitate human flourishing; to diagnose their limitations, dilemmas, and unintended consequences; and to understand ways of developing their potentials and enlarging their reach. The temptation is to be a cheerleader, uncritically extolling the virtues of promising experiments. The danger is to be a cynic, seeing the flaws as the only reality and the potential as an illusion.

A fully developed sociology of real utopias also needs research based in theoretical investigations integrating philosophical understandings of core normative problems with theoretical models of institutional design. These models can vary in their degree of formalization, from systematic mathematical models that try to specify institutional equilibria to more informal, discursive models that lay out the core logic of alternative institutional principles.



To put some flesh on these bare bones, it will be helpful to briefly discuss a number of concrete examples. Each of these cases embodies, if still in partial and incomplete ways, the utopian vision of radical, democratic, egalitarian alternatives to existing institutions. The background assumption—which I will not defend here—is that movements in the direction of greater equality and democracy expand the possibilities of human flourishing.

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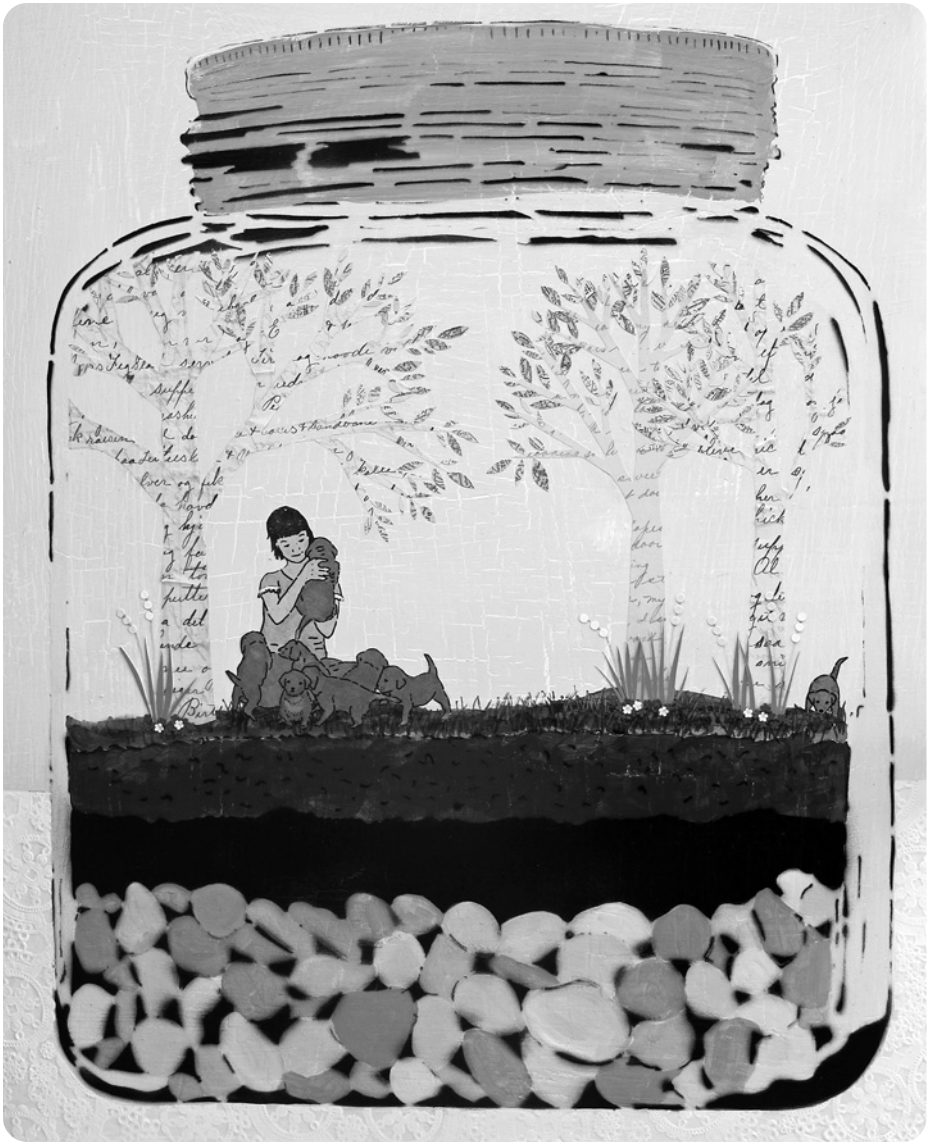
urban participatory budgeting

The idea of a "direct democracy" in which citizens personally participate in making decisions within a political assembly seems, to most people, hopelessly impractical for a complex modern society. Even though the core value of democracy is expressed as "rule by the people," for practical reasons, the argument goes, this really means rule by freely chosen representatives of the people. The conventional wisdom says competitive elections for political office is viable for organizing democracy, while direct citizen involvement in political decisions is not.

So, the development of what's known as "participatory budgeting" is a sharp, real utopian challenge to that conventional wisdom. Here is the basic story: participatory budgeting was invented almost by accident in the southeastern Brazilian city of Porto Alegre (population: about 1.5 million) in 1989. In late 1988, after long years of military dictatorship and a period of transition to democracy, a leftwing candidate from the Workers Party (PT) unexpectedly won the city's mayoral election. More conservative, traditional parties had split the vote, leaving the PT's candidate with a plurality. The party did not control the city council, however, and so the new mayor faced the



prospect of four years in office without being able to do much to advance a progressive political program.

PT activists asked the classic question, what is to be done? Their answer was a remarkable institutional innovation: the participatory budget. The party essentially created a kind of parallel city government around the city budget so that they could effectively neutralize the power of the city council. As in most cities with an elected mayor and city council, the mayor's office is responsible for developing a budget and presenting it to the council for ratification. The charter of Porto Alegre, however, did not specify how the mayor was to produce the numbers in the budget. The standard procedure, of course, is for technocrats in the Mayor's office—economists, city planners, and engineers—to come up with the budget in consultation with politicians and various elites, but the official "rules of the game" didn't mandate this procedure. What the Mayor and the activists in the PT did instead was create a novel budget-making system anchored in the direct participation of ordinary citizens. Initially the process was chaotic, but in a spirit of democratic experimentalism, the procedures were refined over time until eventually a coherent institutional model was achieved.

Porto Alegre's city budget is not formulated from the top down; the city is divided into regions, and each region has a participatory budget assembly. There are also a number of city-wide budget assemblies on various themes of interest to the entire municipality—culture and public transportation, for example. Each participatory budget assembly is tasked with formulating concrete budget proposals, particularly for infrastructure projects. Any resident can participate in these assemblies and vote on the proposals. After ratifying the regional and thematic budgets, the assemblies choose delegates to participate in a city-wide budget council for a few months until a coherent, consolidated city budget is adopted.

The participatory budget has now been functioning effectively in Porto Alegre since the early 1990s. In some years, the budget process is vibrant, actively involving thousands of residents in city budget deliberations; in others, especially when discretionary spending is limited, participation declines. But by all accounts, the budget process has helped invigorate public involvement in city affairs. City spending has been dramatically reoriented toward the needs of the poor and disadvantaged and local corruption has largely disappeared because the budget is so transparent. Participatory budgeting has opened a space for an expansion and deepening of democracy, beyond the limits of what had been thought possible.

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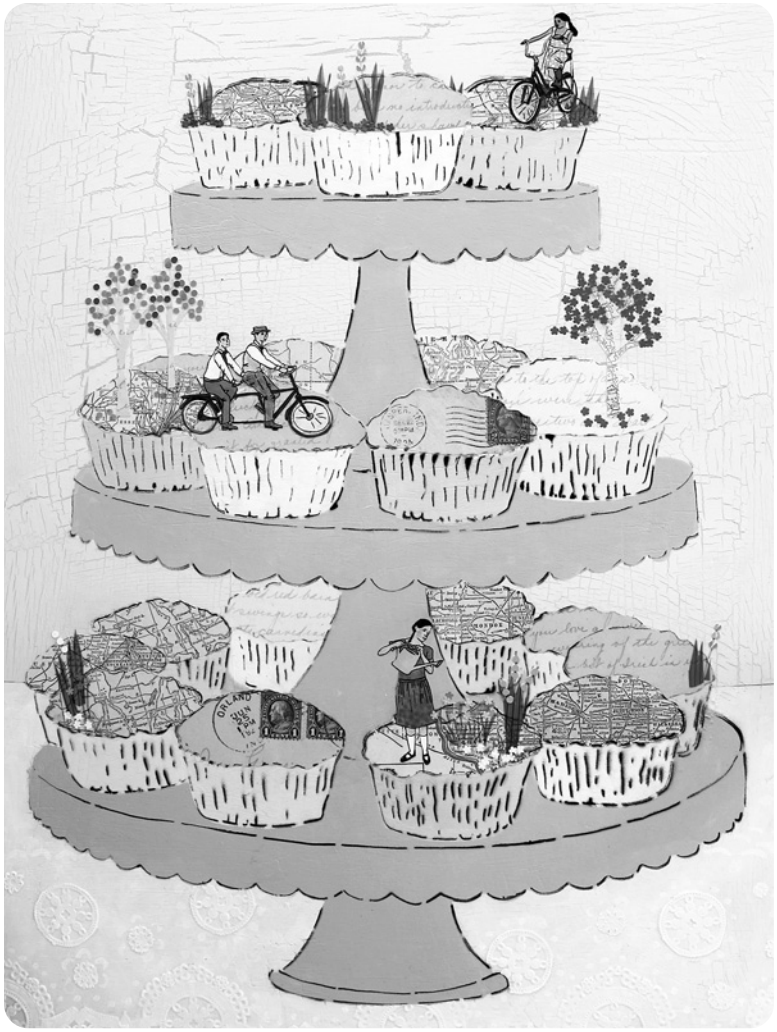
Since Porto Alegre created this process, several hundred



cities around the world have tried some form of participatory budgeting. In 2009, the Rogers Park aldermanic district in Chicago undertook its own budget experiment. City council members in Chicago are each allocated a discretionary budget for projects in their district, and so Rogers Park's alderman decided to let a participatory budget determine the use of this district's funds. Through an energetic process of neighborhood meetings and deliberations, over $1 million were allocated.

wikipedia

Before Wikipedia existed, imagine that someone proposed to produce an encyclopedia of about 3.5 million entries which would be of sufficient quality to become the primary destination for basic information for millions of people worldwide, and to do it all within a decade. Now suppose this person proposed the following institutional design for creating and distributing the encyclopedia: the entries will be written and edited by hundreds of thousands of unpaid contributors around the world; anyone will be able to edit any entry in the encyclopedia; and access to the encyclopedia will be free to anyone in the world. Utterly impossible! To imagine hundreds of thousands of people cooperating to produce a fairly high quality encyclopedia without pay and then distribute it at no charge flies in the face of economic theory. Wikipedia is a profoundly egalitarian, anti-capitalist way of producing and sharing knowledge. It is based on the distributive principle "to each according to need, from each according to ability" and organized around horizontal reciprocities rather than hierarchical control. And, in less than ten years, it's basically destroyed the commercial encyclopedia market that had existed since the 18th century.

Wikipedia is the most familiar example of a new form of noncapitalist, nonmarket production that has emerged in the digital age; it is peer-to-peer, collaborative, and noncommercial. These new forms of production are closely connected to a number of other real utopian dimensions of the information economy, such as the creative commons, "copyleft" licensing, and open-source software. What remains to be seen, of course, is the extent to which these new forms will be corrosive of conventional capitalist forms of intellectual property rights. They may simply increase the diversity of economic forms within a dominant capitalist economy.

worker-owned cooperatives

In conventional capitalist firms, there is a sharp distinction between owners and employees, and corresponding to this distinction in ownership is a distinction in power: owners command, employees obey. In principle, a fully democratic capitalist firm, in which all decisions are made by an assembly of employees on a one person, one vote basis, is possible—the owners could, if they wanted, abdicate their decision-making monopoly. But in practice, the only firms organized on deeply democratic principles are those in which the employees are the owners.

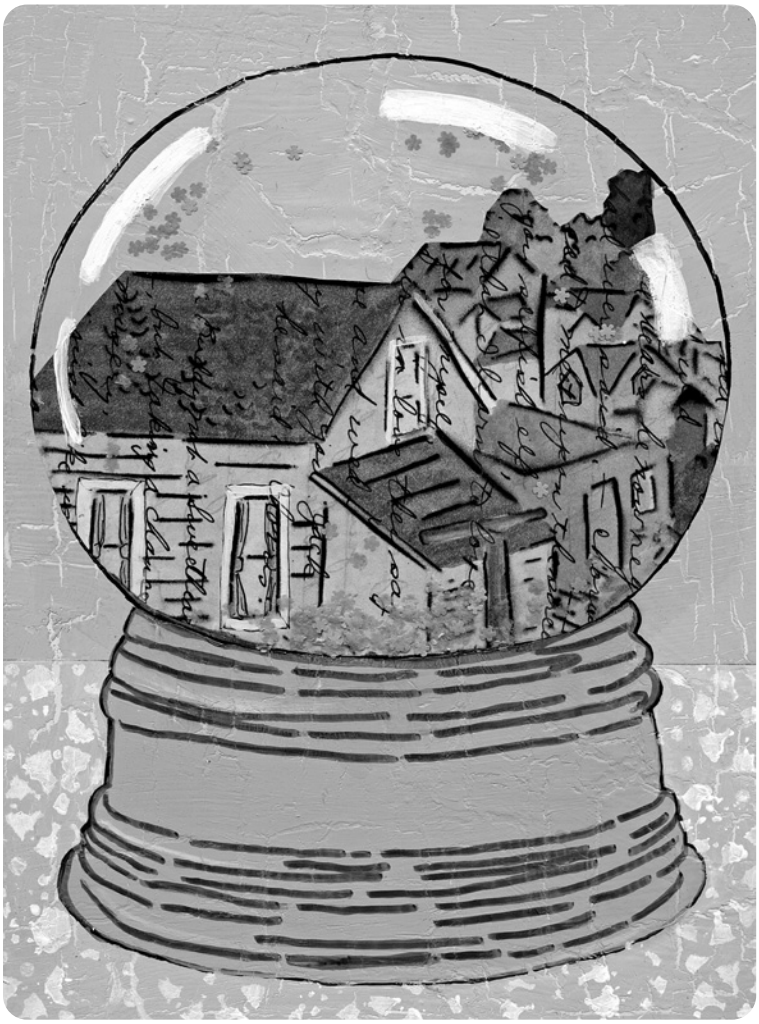
Worker-owned firms, therefore, potentially constitute an alternative to capitalist firms by extending the value of democratic self-governance into the workplace. The general opinion among economists, however, is that in a market economy employee-owned and managed firms are only viable under special conditions. They need to be small companies with fairly homogenous labor forces. They may be able to fill niches in a capitalist economy, but they will not be able to produce sophisticated products with capital-intensive technologies involving complex divisions of labor. That kind of complexity, most economists believe, requires hierarchical power relations and capitalist property relations.

The real utopia study of worker-cooperatives looks at cases that *violate* these conventional expectations. Perhaps the most famous case is the Mondragon Cooperative Corporation, a conglomerate of worker-owned cooperatives in the Basque region of Spain. Mondragon was founded in the 1950s (during the Franco dictatorship). Now, with more than 40,000 worker-owners, it's the single largest business group in the Basque region and the 7th largest in all of Spain. The conglomerate is made up of approximately 250 separate cooperative enterprises, each of which is 100 percent employee-owned—there are no outside investors. Mondragon produces and owns a wide range of goods and services: high-end washing machines and refrigerators, auto-parts, banking, insurance, and grocery stores. What's more, in general these cooperatives are highly successful and stable on the market, even under poor economic conditions. In the economic crisis which began in 2008, only one of these cooperatives went bankrupt, and the worker-owners of that firm all found positions in other Mondragon cooperatives. As one might imagine, the conglomerate faces considerable challenges in today's globalized market. Nevertheless, the top management continues to be elected by the workers, and major corporate decisions are made either by a general assembly of worker-owners or by a board of directors representing them.

unconditional basic income

For a final example of the idea of real utopia, we can turn to a theoretical model, rather than an empirical case. The notion of an unconditional basic income (UBI) is simple: every legal resident in a country receives a monthly living stipend sufficient to live above the "poverty line." This could be called the "no-frills, culturally-respectable standard of living." The grant is *unconditional* (it doesn't hinge on performance of any labor or other form of contribution) and *universal* (everyone receives the grant, rich and poor alike). Grants go to individuals, not families, and parents are the custodians of underage children's grants (which may be smaller than the grants for adults).

The point of studying real utopias is to be prepared when opportunities for social innovation occur.



While most state programs that provide services rather than cash to individuals (like public education and healthcare) would continue even with a solid basic income in place, most of the state's organized income transfers (like general welfare, family allowances, unemployment insurance, and tax-based pensions) would be eliminated. Because such traditional income transfer programs would be unnecessary, the net increase in costs represented by the UBI would be quite small in welfare systems that currently provide generous antipoverty income support through a patchwork of specialized programs. Special needs subsidies of various sorts would continue—for example, for people with disabilities—but be reduced, since the basic cost of living would be covered by the UBI. Minimum wage rules could be relaxed or eliminated (there'd be little need to legally prohibit below-subsistence wages if all earnings generated discretionary income). And, while everyone would receive the grant as an unconditional right, most working-age adults would be net contributors whose taxes will rise by more than the basic income. Over time, most people will spend some part of their lives as net beneficiaries and some part as net contributors.

Unconditional basic income is a fundamental redesign of the income distribution system, and it has potentially profound ramifications for the realization of democratic egalitarian values. Poverty would be eliminated. The labor contract would

become more voluntary since everyone, not just wealthy people, would have the option of exit from paid employment. Real freedom would increase, as people gained real choices over how to live their lives.

Interestingly, worker-owned cooperatives would also likely multiply. One of the major difficulties worker-owned cooperatives face is providing a flow of income sufficient for their members to live on. This means a cooperative has to become successful very quickly or it will fail. With an unconditional basic income, there would be much more room to maneuver. For similar reasons, it would be much easier for people to form associations to produce goods and services directly to satisfy human needs outside of ordinary market relations. This would expand opportunities, for example, for a wide range of performing arts groups.

Of course, all of these hypothetical effects depend upon an economy that can sustain an unconditional basic income. There are reasons to be skeptical. Perhaps the tax rate would be so high that it would destroy incentives for investment and thus the economy might collapse. Or maybe most people would be happy to live exclusively on the UBI, so the economy would not generate sufficient paid employment to sustain its basic income. If these predictions are accurate, then a UBI is utopian fantasy, not a possible real utopia. But if proponents of such a plan are right, and most people would still want to earn significant amounts of discretionary income (and so taxes would only need to rise modestly), then a workable UBI is, after all, possible.

Examples like these illustrate the basic idea of social alternatives that run counter to the dominant ways of organizing power and inequality in contemporary institutions. Participatory budgeting is a more deeply democratic alternative to hierarchical, technocratic, and bureaucratic ways of running city government; peer-to-peer, collaborative forms of production, such as Wikipedia, constitute an alternative to competitive, market-driven economic activity; democratically-run, worker-owned firms are an alternative to authoritarian capitalist corporations; and unconditional basic income is an alternative to a system of income distribution based primarily on private earnings and targeted government transfers. Each of these alternatives opens up new spaces for egalitarian, democratic social interaction. They reflect utopian aspirations for transformed conditions for human flourishing, yet they also seek ways to embody those aspirations in real institutions. Understanding such *possibilities* is the point of the real utopias agenda.

A skeptic might say: "Most ordinary people in the United States today are not deeply dissatisfied with the world as it is, and they certainly aren't longing for more egalitarian and democratic forms of social interaction. Besides, equality and democracy are just slogans; in practice, efforts to create more equality just mean increased government coercion. More democracy is likely to lead to a tyranny of the majority." I have three basic responses to such skepticism: First, the degree to which people are deeply dissatisfied with the existing conditions of life depends in part on whether they believe viable alternatives are possible. What psychologists call "adaptive preference formation" means that, in many situations, people adjust their aspirations to what they perceive to be unalterable reality. This is one of the reasons why it is important to expand our understanding of alternatives. Second, it is always possible that democracy will get hijacked for oppressive purposes and that increasing equality is accompanied by reductions in freedom. There are no guarantees. That's precisely why we need serious sociological study of real utopias rather than fantasy utopias. And finally, history is filled with surprises. A few years before the collapse of the Soviet Union, no one would have predicted the end of the authoritarian state socialist regimes. But here we are. The point of studying real utopias is to expand our menu of alternatives so that when historical opportunities for serious social innovations occur, we are in a better position to transform institutions and, hopefully, enhance the conditions of human flourishing.

recommended readings

Real Utopias series (Verso, 1995-2009). These volumes each address a specific problem of institutional redesign in ways that promote human flourishing and social justice.

- Joshua Cohen and Joel Rogers, *Associations and Democracy*
- John Roemer, *Equal Shares: Making Market Socialism Work*
- Samuel Bowles and Herbert Gintis, *Recasting Egalitarianism: New Rules for Equity and Accountability in Markets*
- Archon Fung and Erik Olin Wright, *Deepening Democracy: Innovations in Empowered Participatory Governance*
- Bruce Ackerman, Ann Alstott, and Philippe van Parijs, *Redesigning Distribution: Basic Income and Stakeholder Grants as Cornerstones of a More Egalitarian Capitalism*
- Janet Gornick and Marcia Meyers, *Gender Equality: Transforming Family Divisions of Labor*

Gar Alperovitz, *America Beyond Capitalism: Reclaiming Our Wealth, Our Liberty, and Our Democracy* (Wiley & Sons, 2005). A broad look at American society, including its ills and proposals for fundamental remedies.

Marvin T. Brown, *Civilizing the Economy: A New Economics of Provision* (Cambridge University Press, 2010). An effort at rethinking the basic institutions of capitalism in a way that more effectively meets human needs.

Hilary Wainwright, *Reclaim the State: Experiments in Popular Democracy* (Seagull Books, 2009). A global survey of innovations in democratic institutions that point in the direction of popular democracy.

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