

Building an Economy for People & Nature

by Jim Tarbell

Critique of our economic system is not new. Almost 40 years ago, E. F. Schumacher, an economist for the British Coal Board, started out his seminal book *Small is Beautiful: Economics as if People Mattered* with the admonition that “One of the most fateful errors of our age is the belief that ‘the problem of production’ has been solved.” He goes on to point out that one of the big errors is “if we squander...living nature...we threaten life itself.”

Then he goes back another forty years and quotes John Maynard Keynes, the founder of modern capitalism, who wrote of this economic system that “fair is foul and foul is useful... Avarice and usury, . . . must be our gods.” Schumacher then observes that “If whole societies become infected by these vices, they become increasingly incapable of solving the most elementary problems of everyday existence. . . people find themselves oppressed by increasing frustration, alienation, insecurity and so forth.”

Eighty years later, what is new is the recognition that an economy that eschews greed, envy and competition in favor of cooperation, democracy and generosity is all around us. It is thriving in cooperatives, worker-owned businesses, listener-supported radio stations, non-profit health clinics and any number of other community benefit enterprises that abound in our cities and towns.

The new recognition is that these institutions are not isolated entities but part of a thriving, expanding Solidarity Economy. This expansion becomes geometric as these institutions recognize their affinity with each other and purposely support each other through the buying and selling of economic products and services.

This issue of *Justice Rising* explores this new world of the growing Solidarity Economy. It includes voices from around the world where Solidarity Economy networks are sharing experiences and information to vitalize this movement.

These changes are happening at all levels of the economy, from local farms that are practicing community-supported agriculture (CSA) to the Mondragón industrial co-ops that have become one of the ten largest enterprises in Spain. In the process, they are constantly dealing with the dominant economy, which as Keynes points out, is driven by “avarice and usury.” One of the main questions in this process is will participants be able to maintain their cooperation, democracy and generosity in the midst of dealing with a sys-



tem where “foul is fair and fair is foul.” In this issue, Daniel Tygel of the Brazilian Solidarity Economy Network calls working within the dominant corporate-capitalism economy “getting your hands dirty.” He sees it as an essential part of building a new economy out of the current economy.

But other serious problems exist for alternative economic institutions functioning in the capitalist economy. Where is the investment capital going to come from? These institutions are committed to not selling shares that turn the economic gain earned by the workers over to anonymous shareholders, and not giving control of their enterprise away to venture capitalists. They have to invent new financial mechanisms and twist their heads around into a whole new way of thinking about the economy. The people of Quebec have done this and generated a thriving Solidarity Economy. Can the evolving concept of “slow money” also be part of the answer to these problems?

Finally, public policy has to recognize the societal benefits of the Solidarity Economy and promote its expansion. Mechanisms like participatory budgeting (see page 12) could be used to move local governments toward supporting local Solidarity Economy enterprises. Taxation and spending policies should benefit enterprises that help people and nature, while also recouping some of the costs from businesses that are not beneficial to our lives.

All of this is in this issue of *Justice Rising*. Absorb it all and then look around your community. Find out what institutions are embracing the values of the Solidarity Economy, and how you can support them. Maybe you can help map and network them all together. That is in this issue too. As Immanuel Wallerstein says, “History is on no one's side. It all depends on what we do.”

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