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COOPERATION

*A Political, Economic, and
Social Theory*

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CHAPTER 1

The Urgency of Cooperation

Around the world, we face an unprecedented constellation of crises: extreme climate events and the menace of global climate change; COVID-19, monkeypox, and a new plague of pandemics; threats to fair elections and democracy; the increased polarization and radicalization of politics. We are familiar with the litany. Many of us share a sense of dread; many, a feeling of hopelessness. Today, there is no need nor time to dwell on the crises. We know them all too well. What we need instead is a way forward. What we need is constructive thinking and action—before it is too late.

STUCK IN A RUT

But we are stuck with wheels spinning because people are headed in two radically different directions. There is a tug-of-war pulling us apart, with no possible victor. As a result, conflict and tensions are mounting, further eroding our trust in one another and dramatically increasing the divide in many liberal democracies. Often things are becoming so polarized that they are causing the collapse of stable political structures and party oppositions, and new, more radical factions are emerging in many countries. More democracies are failing, even sliding into autocracy, than at any time in the past century.¹ As the polarization increases, many people are beginning to wonder whether it will lead to civil strife at home—where it hasn't already.

On one side, many people are turning increasingly to an ideal of individualism and self-sufficiency that is accompanied by a deep distrust of government. “Get the government out of our hair,” some say, “and we’ll be stronger, more resilient,

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and better able to deal with the problems, whether it is an extreme climate event or a virus.” On this view, if everyone just minded their own business, focused on themselves and their families, on their own lives, we would all be better off. Individual strength is what will save us. So we should just hunker down and tend to our own affairs, not those of others. As for the government, it needs to be shrunk: lower taxes, less regulation, fewer mandates, no more redistribution of wealth. The government needs to get out of our way. All we need the state to do is police those who break the rules and, at the international level, fend off those who are attacking our way of life. All we need is local police and an army at the border—that’s about it. Other than that, we need to be left alone.

On the other side, many people are turning increasingly to government to implement the kind of regulations they believe are necessary to address the global crises we face and resolve collective action problems. This is accompanied by greater faith in the ability of the state to assess, coordinate, and impose the kinds of public policies that will make us all better off. “We need to act together, through our elected representatives,” many say, “to pass legislation and enact public policies that will lessen the spread of pandemics and reduce carbon emissions.” According to this view, we need reliable, neutral experts to figure out what is best practice and legislators to enact them. After all, a mask mandate from a competent health agency is no more problematic than wearing seatbelts in an automobile. The path forward is a well-regulated state that relies on experts and science to look out for our best interests—and for the people to both respect those mandates and keep a watchful eye on our representatives so that they do their job properly.

Both sides accuse the other of inconsistencies and hypocrisy, which makes matters only more hostile and polarized and fuels conspiracy theories. The “individualists,” let’s call them, accuse their opponents of lining their pockets with pork-belly legislation and redistributing their well-earned money to those who don’t work. For individualists, all the talk of “general welfare” just translates into the enrichment of liberal urban elites, the empowerment of the political class, and handouts to the poor; nothing good comes of it for the hardworking folks in between. Plus, when it comes to topics like reproduction or sexuality, then all of a sudden the other side is for individual choice and self-determination. And vice versa, of course. Those who favor government regulation, let’s call them “statists” for now, accuse the individualists of relying on all kinds of government services to entrench their privileges. For the statists, all the talk of hard work, self-sufficiency, and well-earned merit hides forms of privilege that have been

acquired over decades or centuries through conquest, colonization, slavery, and apartheid. The individualists, they say, want to have reliable utilities, high-speed communications, first responders, and good roads to drive on, all of which require a functioning government. It's not really that they want "no government" or "small government"; they just fail to recognize how much organization it takes to have a functioning society. Plus, the talk of individualism masks racial prejudice and in the end only serves the superwealthy. Of course, the accusations of racism go both ways—with the individualists claiming they are being discriminated against whenever the statist take race into account, implicitly or explicitly, in policy making.

As the accusations grow—and as the global crises mount—the tension is getting worse and worse because both sides need a supermajority to realize their vision of the just society. The individualists need a solid majority in government in order to dismantle the state. So long as the state is imposing mandates on them, they cannot just mind their own business. They need a supermajority across all the branches of government in order to tear it down—or an armed revolution and civil war. On the other hand, the statist also need a supermajority to pass their legislation and get their regulations upheld in court. If the individualists get control of any one of the branches of government, they can obstruct the policies and create gridlock. Neither side can achieve their ultimate objective—scaling the state up or down—unless they have control of all the branches of government. So each side needs to convince or coerce their fellow citizens.

As the tensions rise, so does the volume. With everything from supersized flags flying off the back of giant four-by-four pickup trucks and on highway overpasses, to convoys of tractors and eighteen-wheelers blocking borders and cities, to massive die-ins and occupations, the two opposing sides are getting louder and louder. They control the leading media outlets—with giants on one side like Fox News, the *Wall Street Journal*, the *Times of London*, the Murdoch media empire in Australia, England, and the United States; CNews TV, Vivendi, Hachette and the media empire of Vincent Bolloré in France; and the *Estadão* and *O Globo* news outlets in Brazil, for instance. On the other side there are stations and newspapers like MSNBC, the *Washington Post*, the *New York Times*, the *Guardian* in the UK, and *Libération* in France.² The two sides dominate the party structure in most liberal democracies, alternating and mostly sharing power. And they both depend on wealthy elites from either side of the political spectrum to gain a supermajority and enact their political vision. One need only mention here

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Donald Trump or the Koch brothers in the United States or Silvio Berlusconi in Italy or again Vincent Bolloré in France—these are vast financial empires that fund politics, control media, and influence culture. The discourse of individualism may be widespread in the popular classes now, but it is fueled—financially and politically—by superwealthy elites who have a real stake in lower taxes and less government redistribution. And they are not alone: the statist as well are funded by wealthy elites and corporate contributions, with party elites raking in contributions. This means that the government's regulatory efforts are often captured by those wealthy contributors and their investments in multinational corporations so that the public policies often end up resulting in bonanzas for the liberal elite, investors, managers, and big business.

Today, the polarization and conflict consume all our attention. But they are not likely to address the constellation of crises we face, because both sides ultimately need large-scale collective action to prevail. The individualists, paradoxically, cannot just mind their own business. They must convince a supermajority of their peers and win electoral victories to achieve their objective of dismantling the state, which explains why they are becoming more vocal, loud, and aggressive—and so nationalistic. They have to claim the nation and the people. On the other side, the statist also need to convince a supermajority in order to gain control of all the branches of government and implement their public policies. Otherwise, they cannot get anything done. Both sides face deep collective-action problems: neither side can accomplish its goal unless it dominates the political sphere. Assuming for the sake of argument that either one of them could actually resolve the crises we face—global climate change, pandemics, democratic threats—neither one has the supermajority necessary to get it done. The result is a stalemate in many countries and gridlock in the face of crises, which is pushing many liberal democracies to the brink of civil discord.

The conflict between these two dominant worldviews—and the resulting paralysis—takes on a different character in different democracies around the world. Each country has its own unique history, customs, and traditions that structure the opposition. The clash may take the shape of competition between centrists and socialists in France, conservatives and the Labour Party in the United Kingdom, the BJP and the center-left Congress in India, the nationalist conservative Jubilee Party and the Orange Democratic Movement in Kenya, or the Law and Justice versus the New Left in Poland. The labels and the rhetoric differ somewhat, but the conflict is similar and often plays out in parallel ways.

The United States: A Case Study

In the United States, the growing polarization aggravates a decades-long struggle over the economic organization of American society. Since the turn of the twentieth century at least, two main paradigms have emerged and now prevail, represented today by the two largest political parties: a “deregulatory” model that effectively delegates to nongovernmental entities the power to set the terms of economic exchange; and an “administrative state” model that relies on policy makers in Washington, DC (or Sacramento, Albany, and other state capitals), to regulate our economic and social organization. The first presents itself as championing individualism and freedom; the second presents itself as more reasonable, inclusive, and protective of the disadvantaged members of society. They are now each closely tied to the two major political parties—Republican and Democratic—and easily identified on the American political spectrum.

On the political right, Republicans have fought against governmental regulation of business and commerce for decades, with the stated intention of liberating the entrepreneurial and productive ambition of individuals. Republicans favor small government in economic affairs, and they have used governmental institutions to achieve that goal. In the early twentieth century, many industrialists used the federal courts to oppose social movements intended to improve the conditions of working men and women. They relied primarily on the Supreme Court’s *Lochner* line of decisions, which used the device of a federal constitutional right to “freedom of contract” as a way to strike down state and federal regulations. Later, President Ronald Reagan brought about a wave of “deregulation,”³ this time operating directly through executive departments and agencies. In the twenty-first century, President Donald Trump similarly tried to reduce the size of the federal government, primarily by failing to appoint people to key positions of authority or appointing others who promised to dismantle the federal agencies of which they were in charge.

On the political left, Democrats have predominantly relied on federal governmental regulation to organize economic exchange, with the stated intention of spreading wealth and providing a social safety net for the least advantaged.⁴ President Franklin Delano Roosevelt created a range of governmental agencies and projects during the New Deal with the goal of employing and ensuring the safety and well-being of many Americans.⁵ President Lyndon B. Johnson launched a number of governmental programs and initiatives under the banner

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of the Great Society. President Barack Obama set up a complex federal regulatory system to encourage state health insurance markets to increase the number of Americans covered by health insurance. President Joe Biden, emulating FDR, sought to create public works projects and governmental social programs in the wake of the COVID-19 pandemic and put in place a large federally funded infrastructure renewal program and energy and climate tax program.

For decades, the struggle between these two competing paradigms of economic organization has structured American politics. It has taken on many forms in addition to party politics, including popular uprisings such as the Tea Party and MAGA (Make America Great Again) movements on the right, and the DSA (Democratic Socialists of America) and Occupy Wall Street movements on the left. Throughout, both camps have exploited social, cultural, and racial cleavages as a way to advance their cause, often pitting people of different racial and ethnic backgrounds against one another and courting different subgroups of racial or ethnic communities. The conflict was, in a way, baked into the origins of American liberalism—the idea that people should be allowed to pursue their own vision of the good life as long as they do not interfere with others and that the government should be there simply to enforce the hedges between people and resolve some collective-action problems.⁶ Republicans emphasize the individual liberty side of this equation, Democrats the need for government regulation and enforcement. The two poles are the result, and the mounting crises are pushing them further and further apart—without either side being able to garner a strong majority.

With a solid conservative supermajority now in the United States Supreme Court, the fulcrum of the fight has shifted back to the federal judiciary. On June 30, 2022, a supermajority of the Supreme Court struck down as unconstitutional regulations proposed by the U.S. Environmental Protection Agency intended to combat global climate change. The regulations, originally promulgated by the Obama administration, targeted carbon-dioxide emissions from coal and natural-gas power plants. Those regulations were projected to reduce America's dependence on coal from 38 percent in 2014 to 27 percent by 2030 and to result in the forced retirement of dozens of existing coal power plants. Chief Justice John Roberts, writing for the six-justice majority, concluded that the magnitude of the regulations demanded a more explicit delegation of authority from Congress to the EPA. Roberts wrote that, in extraordinary cases, common sense dictates the need for clearer congressional buy-in.⁷ Justice Neil Gorsuch penned a more radical concurring opinion, joined by Justice Samuel Alito, that raised broader questions

about the propriety of Congress's delegating regulatory power to agencies. Gorsuch intimated that congressional delegation of power might encroach on the constitutional design of separation of powers—in his words, might “dash” the whole scheme of enumerated powers. “In a world like that,” Gorsuch wrote, “agencies could churn out new laws more or less at whim. Intrusions on liberty would not be difficult and rare, but easy and profuse.”⁸

The Supreme Court's decision in *West Virginia v. EPA* is the product of a decades-long campaign by Republicans to enlist the federal courts again in the struggle over the economic organization of American society—a campaign dating back at least to the famous memorandum written by Lewis F. Powell Jr. in 1971 to the U.S. Chamber of Commerce warning of the threat of government regulation to American business.⁹ Once again, the effort to “deregulate” is being pursued under principles of constitutional law. My colleague at Columbia Law School, Philip Hamburger, charted a blueprint for the dismantling of the administrative state in books such as *Is Administrative Law Unlawful?* (2014) and *The Administrative Threat* (2017).¹⁰ The justices in the supermajority are, in part, following Philip Hamburger's script and striking down federal regulations under a separation-of-powers theory that places on Congress greater responsibility to legislate the content of regulations. In fact, Justice Gorsuch explicitly refers to Philip Hamburger's book *Is Administrative Law Unlawful?* in his concurring opinion.¹¹ Naturally, the justices in the supermajority know the political consequences of their actions. They know, just as well as the rest of us, that Congress is in gridlock. They also know, as well as all of us, that constitutional adjudication is malleable, as evidenced by their deft treatment of precedent in overruling *Roe v. Wade*.¹² The justices know the consequences of what they are doing. Because of gridlock, Congress will be unable to respond with legislation to make explicit the delegation of authority. Prior to the 2022 midterms, the Democratic majority in Congress could act only through budget reconciliation measures, which are not subject to the Senate filibuster—as evidenced by the climate tax package passed by a razor-thin Democratic Senate majority a few months later, on August 7, 2022.¹³ As this book went to press, the 2022 midterm elections pointed toward a Republican majority in the House, which would vitiate even the possibility of legislating through the budget for the next two years. With a stroke of the pen, the Supreme Court successfully undermined regulatory efforts to address climate change, tying one hand behind the back of the Democratic presidential administration and handing coal and natural-gas companies and the fossil-fuel

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industry—or, more specifically, their equity shareholders—a financial bonanza. The battle between the two competing economic paradigms has returned to the Supreme Court. This should not be a surprise; both models use governmental institutions to achieve their ends.

With a slim majority in Congress and a Democratic president in office, the Democrats responded in the only way they could, by passing climate measures through a budget reconciliation process. The Inflation Reduction Act of 2022, signed into law on August 16, 2022, includes about \$360 billion in tax credits and incentives to address climate change. It operates through fiscal measures such as tax rebates for clean energy, including wind and solar power. It makes billions of dollars available to fossil-fuel companies to cut down their emissions and develop new technologies to achieve net-zero emissions targets. The legislation is essentially an industrial, corporate, and tax bill cloaked as a climate and clean energy bill.¹⁴ It includes more than \$60 billion to support “on-shore clean energy manufacturing in the U.S.,” as well as “production tax credits to help U.S. manufacturers accelerate production of solar panels, wind turbines, batteries, and process key minerals; \$10 billion investment tax credits for new manufacturing facilities that make clean tech like EVs, wind turbines and solar panels; \$2 billion in grants to help automaker facilities transition to clean vehicle production; up to \$20 billion in loans to construct new manufacturing facilities for clean vehicles,” and other tax incentives to help manufacture heat pumps and other devices.¹⁵ It is a bonanza for energy companies. But barring a supermajority in the Senate, and having lost the Supreme Court, that is the only way for the Democrats to move forward on climate. Direct government regulations will not stick.¹⁶

Although these developments should not surprise us, at the same time they should not distract us from the larger conflict over the two competing paradigms. The constitutional controversy at the Supreme Court is a red herring. Constitutional interpretations will vary over time. The Court has already gone back and forth a few times and will likely continue to swing, like a pendulum, depending on its political composition—that is, on how many justices are appointed by Republican or Democratic presidents. At each pivot, the justices will pen elaborate and finely reasoned judicial opinions. They will claim to have reached the only proper and correct method of constitutional decision making—whether it is fundamental rights, originalism, textualism, judicial restraint, or the living Constitution—and will maintain that they alone are defending our constitutional scheme. But their conclusions will simply align with their political views, with the rare exception of

the rogue justice, like David Souter, who goes in a completely unexpected direction. The constitutional interpretations are and will continue to be politically motivated—as evidenced by the *West Virginia v. EPA* decision. In that case, the justices in the supermajority hang their decision on vague and malleable terms like “common sense,” a “reason to hesitate,” “extraordinary” cases, and “ordinary” circumstances—all the telltale words of legal manipulation.¹⁷ Lawyers know well how to deploy those terms. Roberts writes that the case falls within instances where “agencies [are] asserting highly consequential power beyond what Congress could *reasonably* be understood to have granted”;¹⁸ and that “a decision of *such magnitude and consequence* rests with Congress itself.”¹⁹ But we all know those words are merely conclusory. Roberts is the one who decides on whether the “magnitude and consequence” are too great, or what Congress could “reasonably” be understood to have done. There are no metrics, no objective, neutral, or scientific measures of any of this. It is all made of whole cloth. There is no need to get bogged down in these constitutional interpretations and fabrications. They will vary depending on the composition of the Court. To focus on the constitutional questions is to miss the crux of the matter.

THE CRUX OF THE PROBLEM

The real problem is that neither paradigm of economic organization in the United States—neither the deregulatory model nor the administrative-state model—is able to achieve a supermajority and, as a result, neither is able to address our impending crises. Instead, both models merely serve the financial interests of the wealthy and are augmenting inequality in American society, fueling another crisis of inequity that is compounding the others.

The fact is, neither model benefits the vast majority of the American people. The first is more open about it. Republicans are not shy about speaking of the “trickle-down” economic effects of their proposed economic policies or of federal deregulation. In large part, their model functions explicitly and primarily through the increased wealth of American business and wealthy Americans. They often advocate explicitly for lifting taxes on the wealthy, lowering corporate taxes, and eliminating the estate tax. The second model favors the wealthy more indirectly, by consistently defaulting to business and corporate interests. Democrats see themselves as more redistributive but almost always fall back

on large corporations to make their policies work. So, for instance, Obamacare ends up relying on large private health insurance companies to create health-care options for Americans. It defaults to huge American corporations like Aetna, Cigna, Humana, and UnitedHealthcare, whose values have skyrocketed in the process.²⁰ The Biden climate legislation, as we just saw, operates through tax credits that end up extending billions of dollars in tax breaks to energy companies. The real beneficiaries are oil and gas multinationals, alternative energy companies, automobile corporations—and all their shareholders. The result is that corporate wealth and interests get center stage in the Democratic model as well. Plus, in today's world of campaign finance, the Democratic Party has no good alternative but to court big business and the extremely wealthy to bankroll their election campaigns and to support their lobbying efforts.

Both paradigms benefit primarily people who already have accumulated wealth and investments, at the expense of the vast majority of people living in the United States, because both models privilege the interests of wealthy investors in big business and multinational corporations, which prioritize shareholder return over the welfare of consumers, workers, suppliers, and other stakeholders. Both models rest on the logic of the corporate investor, namely, that economic activity should maximize the return on investment. This logic of profit maximization to boost investor returns may seem intuitive and obvious, but it has deeply detrimental consequences for consumers, workers, and other stakeholders in the enterprise. It means that workers are often not paid a living wage or afforded proper health care in order to minimize business expenses. It means that consumer welfare takes second seat to profits. It means that treating suppliers more equitably reduces the bottom line.

The logic of the shareholder investor is, simply, to maximize return on investment. The well-being of others is not of primary concern. The shareholder has one main interest: to draw a larger dividend or sell their investment at a higher value. As a result, they have every interest in extracting more from the enterprise, squeezing out more from the other stakeholders, eking out more from the workers and suppliers, and augmenting the value of their holdings through share-price strategies. These logics of profit detach the shareholder from any real investment in the lives of all those who are associated with the enterprise. They operate at a distance. Most individuals who own investments today, whether directly as stock or indirectly through retirement accounts, hold them as a form of speculation to increase the overall return on their savings and to increase their wealth—if

possible, to increase their wealth more than others and more than the market, since that is the only effective way to get richer. But this ends up being an effort to extract wealth from an enterprise, from its consumers or workers, from all the people whose livelihoods depend on the business. It ends up, in many cases, being a form of gambling on the livelihoods of others. These logics elevate investor profit over human welfare.

As an economic matter, the shareholder logics thrive on the old maxim that “private vice creates public benefits.” This is the idea that when people pursue their own selfish financial interests, they put into place practices, mechanisms, and institutions that end up benefiting others even more. This logic undergirds both paradigms—the deregulatory paradigm very explicitly, the administrative state paradigm because it almost always falls back on corporate incentives and tax breaks. But what the reality of our economic condition demonstrates today is not public benefits but growing inequality within American society—and abroad as well. Today, the three wealthiest American individuals (all men) have more aggregated wealth than the bottom 50 percent of the American population, or about 160 million people.²¹ The eight wealthiest individuals in the world (again, all men) own more than the poorest half of humanity.²² And the gap is getting bigger.

Thomas Piketty, my colleague at the *École des hautes études en sciences sociales* (EHESS), details the rise in inequality in the United States and other countries. Piketty and his colleagues, Facundo Alvaredo, Lucas Chancel, Emmanuel Saez, Gabriel Zucman, and others, meticulously demonstrate that trickle-down economic theories have only worsened the uneven distribution of wealth. Not just in the United States but in country after country—France, UK, Canada, Australia, Germany, Sweden, India, Japan, and more—Piketty and his colleagues show an increasing curve of inequality since the mid-twentieth century and the height of the welfare state, what is now referred to as the U-curve of inequality.²³ Piketty and his colleagues’ descriptive claims have undergone close scrutiny by the social science community and have withstood peer reviews and critiques from the left and the right.²⁴ Their conclusions are unimpeachable: wealth inequality has been on a steep rise since the mid-twentieth century. The top-down growth models mostly benefit the top.

The problem, in the end, is that both dominant paradigms today—the deregulatory and the administrative-state models—place corporate shareholder interests above those of the other stakeholders, the first explicitly, the second by default. They benefit only the wealthy. The rest of the people are feeling increasingly

vulnerable and becoming further polarized in the face of mounting global crises. Pushed further and further apart, without the possibility of compromise—without the possibility of reaching across the aisle or of achieving a supermajority—the two opposite poles are veering into conflict at the same time that they have become two dead ends.

ANOTHER PATH: COOPERATION

There is, however, another path forward, far less loud, far less confrontational, far less aggressive, in fact far less known in large part because it does not need to convince a majority of other people. It can thrive simply in small groups—a few friends who come together to create a consumer cooperative, a few farmers who start sharing equipment and producing together, a few engineers who found a worker cooperative, some community friends who start making ice cream for justice, neighbors who provide mutual aid and support to one another, home health-care aides who get together to form a worker-owned enterprise. These forms of cooperation have a long history and tradition, and they are a growing force around the world. They rest, very simply, on people cooperating with one another across different aspects of their lives—consumption, production, work, housing, finance, insurance, mutual support—in order to improve the well-being of all the stakeholders and the environment. Cooperation works within existing governmental structures, so it does not need to dismantle the state. Cooperation also embraces self-determination and is the product of a lot of individual initiative, so it is not fundamentally at odds with the idea of individual freedom either. And it requires no more than a handful of dedicated people to ignite a project.

Cooperation has taken many forms, from early purchasing societies like the Rochdale Society of Equitable Pioneers started in 1844 outside Manchester, England, to large consortiums of industrial cooperatives like the Mondragón Group in the Basque region, to employee-managed stock ownership companies (ESOPs) like King Arthur Flour in Vermont today. What they all have in common is the ambition to be, in the words of the International Cooperative Alliance (ICA), “an autonomous association of persons united voluntarily to meet their common economic, social and cultural needs and aspirations through a jointly-owned and democratically-controlled enterprise.”²⁵ Much of the thinking around cooperation has taken place in the context of cooperatives—but cooperation applies as well

to insurance mutuals, credit unions, mutual aid projects, and more broadly to certain nonprofits and community organizations. The values and principles originally formulated for cooperatives—for instance, by the Rochdale Society in 1844 or more recently by the ICA in 1937—apply generally to all forms of cooperation.

Democratic participation, self-determination, equity in distributions and obligations, inclusiveness, solidarity, and caring for the welfare of all the stakeholders and for the environment: those are the guiding stars of cooperation. Often formulated in the context of cooperatives—for instance, by the ICA in its “Statement on the Cooperative Identity: the Values and Principles”—these are the central values shared by all the varied forms of cooperation. They are articulated in terms of seven core principles: first, that cooperation must be open to all without discrimination and based on voluntary membership; second, that the cooperative organization should be run democratically by the members themselves and that members should have equal say and an equal vote in the decision-making process; third, that the members should contribute and benefit equitably from the running of the enterprise; fourth, that the cooperation should remain autonomous and self-determining, under the control of the members only; fifth, that it must strive to provide training and education for the members; sixth, that there be cooperation among cooperative enterprises; and finally, that the cooperative enterprises strive toward the sustainable development of their environment and communities. As the ICA statement also emphasizes, “members believe in the ethical values of honesty, openness, social responsibility and caring for others.”²⁶ These values and principles have been distilled from the myriad experiments and charters of cooperative enterprises over centuries. They are reflected as well in the legal codification of cooperatives around the world, including in the United States. The Tax Court of the United States, for instance, defines cooperatives, for purposes of the federal tax code, as enterprises that are democratically controlled by the members themselves and equitably allocate among the members the “fruits and increases arising from their cooperative endeavor” in relation to the members’ participation in the cooperative endeavor.²⁷

Today, there are cooperative efforts across the political spectrum. Some cooperatives aim to maintain a traditional way of life; others are more utopian or seek to achieve a solidarity economy. The Kingston Cheese Cooperative, for instance, is an Amish community dairy cooperative set up to support and sustain the traditional Amish community in Wisconsin. According to the *Wisconsin State Farmer*, the Amish community settled in Green Lake County, Wisconsin, in 1978 when

families moved there from northern Indiana. When they arrived, there were four creameries that serviced dairy farmers, but those creameries closed. So the Amish community got together and decided to allow its members to work with electricity so that a few of them could take over one of the creameries and start an Amish dairy cooperative. They did so in 1984. When the COVID-19 pandemic hit, their sales plummeted, but the Amish community exercised its cooperative rights to buy the dairy plant, which employed at the time about thirty-five Amish men and women, to prevent mass layoffs and further disruption of life during the pandemic. They chose to further their collective mission: “protecting their way of life, keeping younger farmers in business and providing employment for all the men and women who work at the plant.” This proved successful. “When the co-op began in 1984 there were 20 patrons with an average of 10 cows in their herds; back then 10,000 pounds of milk per day came into their cheese factory in cans to make blue cheese,” the *Wisconsin State Farmer* reports. “Today there are about 87 patrons with an average of 15 cows; 40,000 pounds of milk comes into their plant each day.”²⁸ The Kingston Cheese Cooperative emerged from the pandemic with new vibrancy.

At the other end of the country—and of the political spectrum—Cooperation Jackson is an ambitious effort to create a self-sustaining, self-determining, solidarity economy within the African American community of Jackson, Mississippi. Founded by Kali Akuno and others in 2014, Cooperation Jackson was established in a poor African American neighborhood with high rates of unemployment and poverty. The neighborhood had been abandoned by the municipality and private enterprise, leading to many abandoned buildings and lots. Cooperation Jackson raised funds and bought land to set up an agricultural cooperative, a food cooperative, and other cooperative enterprises. It expanded to create a shop with equipment, such as a 3-D printer, to create a makers’ space. Today, Cooperation Jackson includes Freedom Farms Cooperative, a worker-owned urban-farming cooperative that grows and sells organic vegetables; Nubia’s Place Café and Catering Cooperative, a worker-owned health-oriented catering business and café that coordinates with Freedom Farms; the Green Team, a worker-owned yard-care and composting cooperative that sells composted organic yard waste to farmers, hardware stores, and home-supply outlets; the Center for Community Production, a cooperative print manufacturing shop and fabrication lab with a 3-D printer; land held in common through the Fannie Lou Hamer Community Land Trust to serve the community; and educational and organizing spaces including

the Kuwasi Balagoon Center for Economic Democracy and Development. In addition, Cooperation Jackson has set up the Jackson Human Rights Institute, which engages in human-rights training and organizing, with the ambition of turning Jackson into a “Human Rights City.”²⁹

Cooperation Jackson is part of a growing movement toward “solidarity economies.” The U.S. Solidary Economy Network, organized in 2009, an outgrowth of a forum held at the University of Massachusetts, Amherst, defines a solidarity economy as an “alternative development framework” grounded in the values of cooperation, equity, mutualism, and solidarity, and in the following principles: “the primacy of social welfare over profits and the unfettered rule of the market; sustainability; social and economic democracy; [and] pluralism and organic approach, allowing for different forms in different contexts, and open to continual change driven from the bottom up.”³⁰ As Ethan Miller explains, a solidarity economy seeks to get us beyond the simplicity of binary contradictions—for instance, jobs versus the environment—by rethinking the terms of the debate.³¹ Networks of solidarity economy initiatives are growing across the globe, as evidenced by the Intercontinental Network for the Promotion of the Social Solidarity Economy, known as RIPESS, for “Réseau Intercontinental de Promotion de l’Économie Social Solidaire,” organized in Lima, Peru, in 1997.

Popular support for cooperation is widespread. Polling data show broad support for worker cooperatives across the political spectrum. A survey conducted by Data for Progress in 2021 found that nearly 79 percent of Democrats and 66 percent of Republicans support “transition where small businesses become worker cooperatives.” There is as well broad bipartisan support for programs that assist states in establishing or expanding worker cooperatives. Of all likely voters, 66 percent supported such programs, and only 20 percent opposed them. By the same token, voters across the political spectrum support the idea of creating a U.S. Employee Ownership Bank under the Department of the Treasury that would promote either employee stock-ownership plans or worker cooperatives.³² There are even articles in conservative media, such as the *American Conservative* magazine, that speak favorably about cooperative businesses and how they can save communities—including, for instance, how the Democracy Brewing cooperative in the Dorchester neighborhood of Boston helped revive a depressed neighborhood or how the Democracy Collaborative, an organization dedicated to democratic initiatives, helped expand the Market Driven Community Cooperatives Initiative in Rochester, New York. “The number of worker co-operatives in

the United States has been growing for two decades,” the *American Conservative* reports; “the higher wages and shared ownership of co-ops have also helped them and their members stabilize and rebuild their communities.”³³ This should not be entirely surprising. You may recall that even President Ronald Reagan supported employee ownership and said “I can’t help but believe that in the future we will see in the United States . . . an increasing trend toward the next logical step, employee ownership. It is a path that befits a free people.”³⁴

Not only does the sentiment extend across the political spectrum, but cooperative efforts can be found throughout American commerce. There are forms of cooperation hidden in plain sight. They exist even in mainstream sectors and permeate the American economy: Land O’Lakes, Sunkist, and Ocean Spray are producer cooperatives; State Farm and Liberty Mutual are mutual insurance companies; REI is a consumer cooperative, and Ace Hardware a retailer cooperative. Isthmus Engineering and Manufacturing in Madison, Wisconsin, Cooperative Home Care in the Bronx, King Arthur Flour in Vermont, and AK Press in California are worker cooperatives. The Navy Federal Credit Union, with more than \$125 billion in assets and eight million members, is a member credit union. And nonprofit educational, cultural, and social institutions, as well as community organizations, surround us.³⁵

The insurance industry has been home to large and resilient mutual societies for a long time. Benjamin Franklin founded the oldest property insurance company in the country, a mutual that is considered the first recognized cooperative business in the United States.³⁶ Half of the largest ten property and casualty insurance companies today are mutuals; together, those five mutual insurance companies serve 25 percent of the entire market (by contrast, the five largest nonmutual insurance companies serve only 21 percent of the market). Most of the household-name insurance companies—State Farm, Liberty Mutual, New York Life, Nationwide, Northwestern Mutual, Mutual of Omaha, etc.—are mutuals and are extremely resilient. The median age of a U.S. mutual insurance company is about 120 years.³⁷

Farmer and producer cooperatives, consumer cooperatives, worker cooperatives, and retailer cooperatives thrive across economic sectors today—despite everything being stacked against them. In fact, and quite surprisingly, cooperatives in the United States “survive through their first six to 10 years at a rate 7 percent higher than traditional small businesses.”³⁸ Cooperatives can even thrive in the financial sector, where credit unions developed starting in 1920 with the Massachusetts

Association of Credit Unions and in 1934 with federal laws enabling their formation. Credit unions gained lasting status by surviving the Great Depression and the financial crises in the 1980s, and today have more than 100 million members in the United States.³⁹ In a country like France, the *Crédit Agricole* Group, which was formed by thirty-nine regional banks that are full-fledged cooperative entities, serves more than 21 million customers and has more than 9.3 million member-clients at the local level.⁴⁰ As of September 2018, *Crédit Agricole* had 23.3 percent of French household deposits and total assets of 1.7 trillion euros.⁴¹

Existing cooperative enterprises can be as large as multinationals. The *Mondragón* cooperative consortium, headquartered in the Basque region of Spain—a diversified enterprise manufacturing heavy equipment—employs more than 74,000 workers and brings in annual revenues in the billions of euros, 12.5 billion euros in 2016.⁴² *Mondragón* is the seventh largest corporate group in Spain. Cooperative enterprises can dominate the competition and be technological leaders in their field. *Swann-Morton*, a worker cooperative in Sheffield, England, is a world leader in manufacturing and selling surgical blades and scalpels; it exports to more than one hundred countries around the globe. Founded in 1932 on the principle that “claims of individuals producing in an industry come first,” *Swann-Morton* has estimated annual revenues today in the range of \$50 million.⁴³ Cooperatives can also be small and local. *Justice Cream* is a community-owned, women-of-color-led, nonprofit, nondairy ice cream cooperative in Chicago that makes flavors like “snactivist,” “flower to the people,” “berry the colonizer,” and “whole latte justice.” Incorporated in Illinois in 2017, their mission, they write, is “to develop a solidarity economy through nondairy ice cream, while cultivating a collective consciousness through liberatory education.” They donate 100 percent of their profits to grassroots community organizations that work toward collective liberation. (It’s pronounced “justice cream,” not “just ice cream.”)⁴⁴

Mutual-aid projects have also arisen organically throughout the United States, especially in response to the COVID-19 pandemic. Local mutual-aid efforts, some of which have grown to be nationwide, offer free home delivery of groceries by mutual-aid volunteers to the elderly and infirm confined at home and at great risk of contagion. One of the associations, *Invisible Hands*—note the ironic reference to Adam Smith—was set in motion by a college junior, Liam Elkind, and attracted more than 1,200 volunteers in its first ninety-six hours in early March 2020. It spawned chapters around the country, delivering groceries to those in need. By mid-April 2020, *Invisible Hands* had more than 12,000 volunteers and

had served about 4,000 requests for aid.⁴⁵ Many people have been deeply involved in the mutual-aid movement during the pandemic, including Mariame Kaba, who is a devoted advocate of mutual aid, and Dean Spade, who has spearheaded mutual-aid efforts and written about them in a book titled *Mutual Aid: Building Solidarity During This Crisis (and the Next)*. It represents, Spade writes, an ideal of “Solidarity, Not Charity.”⁴⁶

The Reach of Cooperation

The reach of cooperation—and awareness—is also growing around the world. The United Nations declared 2012 the international Year of the Co-operative.⁴⁷ Today, almost 12 percent of the world’s population are cooperative members, and there are at least 3 million cooperatives operating around the globe.⁴⁸ In 2012, the three hundred largest cooperatives in the world had revenues reaching \$2.2 trillion.⁴⁹ In the United Kingdom alone, more than 7,100 cooperatives contribute more than \$45 billion to the British economy.⁵⁰ In the United States, agricultural cooperatives have about 2.2 million farm memberships, with gross business volume of all farmer cooperatives reaching \$170.1 billion in 2010. More broadly, in the United States, as of 2011, 48,000 cooperatives directly served about 120 million people, almost 40 percent of the total population. These include 8,334 credit unions with more than 91 million members and \$760 billion in assets; 930 rural electric cooperatives serving 42 million people; 2,723 property casualty mutual insurance companies; and more than 50,000 families using cooperative day-care centers daily.⁵¹ The number of worker cooperatives in the United States has nearly doubled over the past decade.⁵²

Cooperation is flourishing around the world, from Manhattan, Brooklyn, and the Bronx, where Cooperative Home Care Associates, a worker-owned cooperative of home-care aides, has become one of the largest worker cooperatives in the United States (around 1,700 workers) and has consistently lower turnover than other home-care businesses, to farm-machinery cooperatives (called CUMAs in French, for *coopératives d’utilisation de matériel agricole*) that mutualize plows, tractors, and combine harvesters for their member farmers and now total more 11,000 in France, representing almost 50 percent of French farmers.⁵³ Networks of cooperation are thriving across the globe from the Co-operative and Policy Alternative Center in South Africa, to the U.S. Solidarity Economy Network in Belchertown, Massachusetts, to RIPESS in Africa, Asia, Europe, Latin America and the Caribbean, North America, and Oceania.

A quiet revolution is taking place. From the centuries-old International Cooperative Alliance (ICA) in Brussels, to Cooperation Vermont, to Cooperation Humboldt in California, to agricultural cooperatives in South African, to the NYC Network of Worker Cooperatives (NYC NOWC, which they pronounce “Nick-Knock!”), more and more organizations around the world promote cooperation. There is also a growing number of organizations helping to support cooperatives and businesses that want to become cooperatives. The International Organization of Industrial, Artisanal, and Service Producers’ Co-operatives (CICOPA), for instance, is a global member-based organization that supports producer, worker, and social cooperatives around the world.⁵⁴ One of its core missions is promoting cooperation *among* cooperatives. CICOPA has a network of more than fifty members from thirty-five countries that it tries to link and assist. Those members include more than 65,000 enterprises that employ four million people across the world. To assist those members, it has three regional branches, CECOP (CICOPA Europe), CICOPA Américas, and CICOPA Asia-Pacific.

The Democracy at Work Institute at the United States Federation of Worker Cooperatives in San Francisco also actively supports worker cooperatives and seeks to increase cooperation.⁵⁵ Their mission, they explain, is to “expand the worker cooperative model to reach communities most directly affected by social and economic inequality, specifically people of color, recent immigrants, and low-wage workforces.”⁵⁶ At a more local level, the Democracy Collaborative, founded at the University of Maryland, works to expand cooperatives and launch cooperative initiatives.⁵⁷ The *American Conservative* reports that it has been “at the forefront of a new model for Rust Belt cities struggling with growing poverty and unemployment, called the Cleveland Model from the city where it was first put into practice. The result, called the Evergreen Cooperative Initiative, was launched in 2008. Evergreen partnered with local educational, healthcare, and charitable organizations to start worker co-ops to provide some of the millions of dollars worth of goods and services they need every year.”⁵⁸ The Democracy Collaborative, with funding from the Surdna Foundation, has also put in place a “Cooperative Growth Ecosystem” framework to encourage and engage people across public, private, financial and nonprofit sectors to catalyze worker cooperatives.⁵⁹

In addition, the Platform Cooperativism Consortium at the New School in New York City promotes gig-worker platform cooperatives around the world; the Cooperative Development Foundation in Washington, DC, extends grants and loans to promote the development of cooperatives;⁶⁰ Co-opLaw provides

legal analysis and resources for worker cooperatives; and the National Cooperative Business Association supports cooperative development in the United States. The Center for Cooperatives at the agricultural college at Ohio State University offers an online open-access course, *Co-op Mastery: Beyond Cooperatives 101*, that provides educational materials to understand every facet of the cooperative model, from formation to the legal, financial, and tax dimensions.⁶¹ Even USAID supports overseas cooperative developments through U.S.-based cooperative development organizations.⁶² USAID's Cooperative Development Program, in its own words, "invest(s) in cooperatives and credit unions around the world to build social cohesion, stabilize economies, and support local communities."⁶³

The Community Wealth project maintains a long list of organizations that support cooperatives at the state and local level, including the Federation of Southern Cooperatives, the Cooperative Network, the California Center for Cooperative Development, the Food Co-op Initiative, the National Cooperative Grocers Association, the Northwest Cooperative Development Center, the Cooperative Teach-In, the Northcountry Cooperative Development Fund, and the Cooperative Fund of New England.⁶⁴ *Co-op News*, based in the United Kingdom, shares information about cooperation and the global cooperatives movement. A monthly magazine and a news website, it was established in 1871, is reader-owned, and is published by a cooperative society, Co-operative Press Ltd.⁶⁵ At the local level, NYC NOWC hosts free seminars on financing options for worker cooperatives. CooperationWorks!, a national U.S. network, also provides board training and business planning for new and ongoing cooperatives.

There is also a growing chorus of academics and public intellectuals advocating for cooperation and an increasing body of research and academic literature. Sara Horowitz, who founded the Freelancers Union and built a whole ecosystem around working freelancers, has developed a whole philosophy and practice of "mutualism" that promotes the objectives of cooperation. In her book, *Mutualism: Building the Next Economy from the Ground Up*, published in 2021, Horowitz charts a path for a mutualist economy, from the bottom up, one in which, in her words, "groups of like-minded people, yoked together by shared geography, a shared economic stake, or a shared belief, . . . come together to try to solve an intractable problem that government or markets either can't or won't solve for them."⁶⁶ E. G. Nadeau, who has been involved with cooperatives for more than fifty years since he served in the Peace Corps in Senegal in 1970, has written a series of books, including *The Cooperative Solution: How the*

United States Can Tame Recessions, Reduce Inequality, and Protect the Environment (2012) and, with Luc Nadeau, *The Cooperative Society: The Next Stage of Human History* (2016), building on earlier work with David Thompson in *Cooperation Works!: How People Are Using Cooperative Action to Rebuild Communities and Revitalize the Economy* (1996).⁶⁷ In his work, Nadeau argues that “humans may be on the threshold of a new historical stage, one characterized by cooperation, democracy, the equitable distribution of resources and a sustainable relationship with nature.”⁶⁸ More recently, Nadeau published *Strengthening the Cooperative Community* (2021), in which he shares his experiences and personal stories and makes a full-throated argument for the cooperative approach.⁶⁹ Richard Wolff argues for self-directed worker enterprises in his book *Democracy at Work: A Cure for Capitalism*, published in 2012. Peter Ranis of the CUNY Graduate Center published *Cooperatives Confront Capitalism* in 2016; arguing for worker cooperatives in our post-Occupy digital economy, Ranis draws especially on lessons from the Argentinian cooperative context and argues for the use of eminent domain in the United States as a way to build more worker cooperatives and autonomy.⁷⁰ Catherine Mulder published *Transcending Capitalism Through Cooperative Practices* in 2015; in deep case studies, she explores democratic and cooperative alternatives to conventional shareholder companies, including not only conventional cooperatives like the New Era Window Cooperative and the Syracuse Cooperative Federal Credit Union but also the London Symphony Orchestra (musician-run and self-governing) and the Green Bay Packers (owned by the fans).⁷¹

There is a lot of new economics research on the cooperative economy and worker cooperatives by economists such as Francesco Caselli and Thomas Brzustowski at the London School of Economics, Ignacio Bretos at the University of Zaragoza, Roger A. McCain at Drexel University, Sonja Novkovic at St. Mary’s University, Anu Puusa at the Finland Business School, Todd M. Schmit at Cornell University, and Spencer Thompson at the University of Cambridge, building on earlier economics research by Benjamin Ward and others, including John P. Bonin, Derek C. Jones, and Louis Putterman.⁷² There are also new academic journals dedicated to the field, such as the *Journal of Co-operative Organization and Management*, which started in 2013; the *Journal of Cooperatives*, founded in 2007 with a focus on agribusiness and rural sectors, building on the *Journal of Agricultural Cooperation* (1986–1994); the *Journal of Cooperative Studies*, in print again since 2006; the *International Journal of Cooperative Studies*, founded in 2012; the *International Journal of*

Community and Cooperative Studies that began in 2014; and the *International Journal of Co-Operative Accounting and Management*, formed in 2018.⁷³

Cooperation has prospered silently for years and now surrounds us: worker cooperatives for producing and manufacturing; credit unions for banking; housing cooperatives for living; mutuals for insuring; producer, retailer, and consumer cooperatives for commercial exchange; nonprofit organizations for good works and learning; mutual aid and community projects for living. It is time to take the next step.

TOWARD A POLITICAL, ECONOMIC, AND SOCIAL THEORY AND PRACTICE OF COÖPERISM

These pervasive and resilient initiatives reveal, at their core, a form of cooperation power that represents the surplus that is generated when cooperation produces more than the sum of its parts. Cooperation generates that extra element—that additional part beyond the sum of the parts—that we might call “coöpower.” Coöpower derives from the strength of the values and principles at the heart of cooperation: participatory democracy, equity in the distribution of wealth, care for all the stakeholders, solidarity, sustainability, and concern for the working environment.

It is time to harvest and distill this coöpower and place it at the heart of a political, economic, and social paradigm. It is time to concentrate it and make it grow, almost like a fission chain reaction, off the productive interactions of these core values and principles. These ideals can build on one another, reinforce and empower one another, in a way that would amplify the quiet paradigm of cooperation. In effect, it is time to combine, leverage, and compound the most promising forms of cooperation.

There are today many cooperative forms that can serve as a basis for a larger society fueled by coöpower. But not all the instances of cooperation are perfect models. Some ESOPs, for instance, retain a very top-down managerial style. Some consumer cooperatives engage in unfavorable labor practices with their retail workers. Some retail cooperatives are primarily dedicated to reducing costs and increasing profitability. Some nonprofits have an autocratic management style, and some have a mission to undermine cooperation. In other words, not all cooperative enterprises fully promote the core values and principles—or all of them. Some cooperatives also go through de-cooperative phases and become

mixed or hybrid as they grow. Some get embroiled in disputes against unionization; others go through growing pains.

In order to make progress, then, we need to focus on the cooperative initiatives that best promote the core values and principles of cooperation and find ways to combine and concentrate them into an integrated framework—what we might call “coöperism.”⁷⁴ The idea of coöperism is not just to extend forms of cooperation to other domains or increase the number of cooperative enterprises, although that is part of it, but to *concentrate* forms of cooperation so that the more beneficial forms aggregate and build on one another. The idea is to combine the most promising forms of cooperatives so that, for instance, a worker cooperative sells to a consumer cooperative to enhance the amount of cooperation. Or a farmer cooperative sources a nonprofit community food service. The idea is to leverage forms of cooperation so that, for example, a worker cooperative uses a credit union to help employees become members. Or an insurance mutual supports the operation of a producer cooperative. The effect is thus to *compound* cooperation and double down on the forms that best promote the core principles, so that the benefits of cooperation and coöpower are intensified and grow cumulatively.

Coöperism takes the most promising forms of cooperation, those that are most true to the values and principles, and agglomerates them to create an integrated political, economic, and social whole that can displace existing frameworks, such as investor shareholder logics that extract capital from businesses or the social paradigm of punishment and law-and-order that harms communities. It represents a copious vision that spans the political, economic, and social domains. It builds on the *political ideal* of participatory democracy, extending that model to all the other realms of life—to the workplace, enabling workers to manage their own environment and production through one-person-one-vote principles, and to consumer cooperatives, insurance mutuals, and credit unions, transforming the consumer, the insured, and the creditor or debtor into active agents rather than passive objects. It offers an *economic model* of sustainability and ecology that can displace the extractive logics of shareholder investment. Rather than individuals competing with one another for scarce resources or trying to reap all the benefits, coöperism rests on the idea of benefiting all the stakeholders of an enterprise and respecting their environment. It provides a different *social framework* as well. The logic of coöperism entails a different way of viewing the world. Rather than relying on a paradigm of punishment, it paves the way for a social paradigm of cooperation that puts in place the support and community mechanisms that

can address difficulties before they turn into harms. It allows for the circulation of a new form of power, coöpower, throughout society that, as it gains traction and momentum, can displace disciplinary power, biopower, expository power, and other forms of power.⁷⁵

Coöperism will be more effective at dealing with our global crises than either of the two dominant paradigms. To be sure, it doesn't control major media outlets and may not lobby as well as the others. It doesn't wave a national flag. But it does not require a supermajority, just people working together and creating momentum. It's like a mole that persistently digs its tunnel, or the tortoise, constant and steady, that eventually leads the way. It promises to resolve the multiple crises we face in a far more effective manner.

In the face of global climate change, coöperism focuses on the environment as part of the collective well-being of consumers, producers, workers, and all the other stakeholders. As one of its core mandates, it centers the principle that cooperative enterprises strive toward sustainability and a healthy environment for communities.⁷⁶ Rather than competing so as to outlive others or gain higher ground, it seeks to improve the living conditions of all people. The goal of cooperation is not to maximize the extraction of profit but to support and maintain the stakeholders of the enterprise and to distribute well-being, which depends on an ecologically healthy environment. The logic, principles, and values of coöperism can serve to slow down our extractive societies headed into the climate abyss.

In the face of threats to democracy, it fosters social organization that strengthens and deepens our commitment to genuine participatory processes in which everyone has an equal vote. It expands the scope of full and fair electoral mechanisms. It trains us for widespread democratic participation infused with the values of solidarity, equality, and social justice, reflected in the "one vote principle" and nonhierarchical mutual relations.⁷⁷ In the face of new pandemics, it fosters collaboration, respect, and care for others, including those who are more vulnerable. In the face of growing inequality in society, it reverses the trend by distributing more equitably the benefits and wealth created by members of cooperative enterprises.

Coöperism shares family resemblances with other social movements and theoretical developments, which may also facilitate its growth. It resonates with community experiments in democratic decision making, what Charles Sabel, William Simon, and others call "democratic experimentalism"; with collaborative efforts and projects like Wikipedia and Linux, or what Yochai Benkler, Josh Lerner, Eben

Moglen, Jean Tirole, Mikhaïl Xifaras, and others refer to as the new open-source economics, free software projects, and creative commons; with Indigenous, environmental, and labor movements, like the Red Deal, Canada's Leap Manifesto which advocates for an economy centered on "caring for one another and caring for the planet," as well as the Green New Deal; with steady-growth and degrowth movements in economics; with new theoretical writings on the craft and rituals of cooperation, such as Richard Sennett's book *Together*; as well as with older movements for worker autonomy such as the "operaismo" movements that Toni Negri and others made famous in Italy.⁷⁸ In fact, the word *cooperation* traces its etymology to the same root as *operaismo*: it comes from the Latin *operari*, "work," and *co-* *com-*, "with, together." Coöperism comes from *co-operari*, "working together."



We have been led to believe that the political choice today is between individualism and government policy making—between patriotic liberty and government mandates. That choice is false. It is a deceit. It is, in truth, nothing more than a choice between regulation by shareholder investors and regulation by government policy makers who default to those equity holders. There is another more promising path: we can regulate ourselves through coöperism, in every facet of our lives, across all political, economic, and social domains—we, not the corporate investors for their own enrichment nor the government policy makers who end up enriching corporations and the superwealthy, but *ourselves*, through forms of distilled, leveraged, and compounded cooperation that place our well-being and the environment at the heart of the future. In the face of our newfound interdependence, this is an urgent choice to make.

Taken together, the political, economic, and social strands of coöperism form a new democratic theory that we might call "cooperation democracy." It includes a positive element that democratizes the many dimensions of our lives that today remain undemocratic—work and employment, finance, economics, social relations—but it also serves as a limiting principle to the idea of democracy itself. The fact is, not all forms of electoral democracy are of equal value. Some can be tyrannical, some racist, some can even tend toward fascism by majority vote. There must be substantive limits to the procedural conception of democracy. Cooperation democracy provides a measure for the quality of democracy to which we should aspire today.

A WORD ON LANGUAGE AND A ROAD MAP

I have chosen the word *coöperism*, with the suffix *-ism*, to communicate that these forms of cooperation amount to a political and economic regime in contrast to capitalism or communism. Other words could have been used—simply cooperation, for instance, or other variations on the word, such as cooperationism. By contrast to “cooperation” alone, though, the term *coöperism* is intended to capture the idea of a concentrated form of cooperation, one that leverages and compounds cooperation, one that enriches coöpower. The French economist and historian Charles Gide used the term *coopératisme*; he titled later editions of his book *Le Coopératisme*, beginning with the fifth in 1929. Earlier editions had used *coopération* in the title, but he opted to modify it to *coopératisme* not only to distinguish it from his other books with “cooperation” in the title but also, in his words, “because the word ending in *ism* better expresses the general idea that links all these chapters: to expose the characteristic traits of a social system that must be distinguished on the one hand from individualism and on the other from collectivism.”⁷⁹

A professor at the Collège de France, Gide spent his entire career and all his years of annual lectures at the Collège promoting cooperatives, particularly consumer cooperatives. Cofounder of the French cooperative philosophy, known as the École de Nîmes, and a proponent of cooperative federalism (which favored consumer over producer cooperatives), Gide published his numerous annual lectures at the Collège de France, including among others *Fourier, Precursor of Cooperation*; *Worker Cooperatives for Production*; *Cooperation in England and in Russia*; *The French Cooperatives During the War*, and *The Cooperatist Program*. His eventual embrace of the term *coopératisme* was an effort to systematize his lifelong research project and activism. For reasons that will become clear later, I did not want to follow in his footsteps.

The term *coöperism* serves better to show the broader political, economic, and social reach of cooperation: it represents a concentrated, integrated, systemic framework for promoting mutual welfare, health, and environment rather than maximizing profit. Hopefully, *coöperism* will begin to roll off the tongue the way that capitalism or communism did. As I explained in a footnote the first time I used the term, I have retained the use of the diaeresis on the second vowel (ö) not to sound pretentious, nor to resemble an issue of the *New Yorker*, but in

order to distinguish the term from the urban slang and avoid the pronunciation “cooper-ism.”⁸⁰ It should sound instead like “co-operism.”

Second, I use the word *capital* extensively in this book. By capital, I mean equity, shares of stock, in essence the alienable financial stake in a corporation. Capital is the transferable equity interest in an ongoing publicly traded enterprise or, now increasingly for the superwealthy, investments in private equity or hedge funds that mimic stock market holdings. This differs from other possible definitions of the term. Thomas Piketty, in his book *Capital in the Twenty-First Century*, defines capital as any nonhuman asset. Capital, for Piketty, represents wealth.⁸¹ In fact, he uses those two terms interchangeably, in his own words “as if they were perfectly synonymous.” For Piketty, capital includes all assets (except human capital) that can be traded or exchanged on any kind of market. Piketty includes in his definition of capital all land and natural resources, as well as gold and other stores of value, and residential real estate. It includes patents and intellectual property, and other forms of immaterial capital reflected in stock value, for instance. In Piketty’s words, “capital is defined as the sum total of nonhuman assets that can be owned and exchanged on some market. Capital includes all forms of real property as well as financial and professional capital (plants, infrastructure, machinery, patents, and so on) used by firms and government agencies.” It is basically all wealth or assets that can be exchanged on markets. The one factor that Piketty excludes is human capital; so, by contrast to a thinker like Katharina Pistor, who includes human capital if it has been augmented, it does not include for Piketty any form of individual labor power, training, education, skills, or abilities. Piketty defines capital in this way because he is primarily interested in understanding the relationship between the portion of national income that is attributable to labor versus capital. In other words, he is primarily interested in measuring the wealth of nations, what he calls “national income,” and understanding a country’s domestic product as a relationship between capital and labor. So he writes, “all production must be distributed as income in one form or another, to either labor or capital: whether as wages, salaries, honoraria, bonuses, and so on (that is, as payments to workers and others who contributed labor to the process of production) or else as profits, dividends, interest, rent, royalties, and so on (that is, as payments to the owners of Capital used in the process of production).”⁸² My interest here in capital is different: I am more focused on the logic of capital investment.

Katharina Pistor, in her book *The Code of Capital*, defines capital only as the limited set of assets that are legally privileged: assets become capital when lawyers

bestow on them certain attributes of priority, durability, universality, and convertibility. Pistor offers a nice history and typology of the definition of capital in *The Code of Capital*. She refers to Fernand Braudel, who traced capital back to the thirteenth century as primarily “a fund of money, goods, or money rented out for interests, at least where this was permissible”; to Geoffrey Hodgson’s book *Conceptualizing Capitalism*; and to other ways of conceiving of capital, whether as tangible, as a factor of production, or as an accounting variable. Disagreeing with both Karl Marx and Karl Polanyi, Pistor distinguishes capital from mere commodification. She writes: “Capitalism, it turns out, is more than just the exchange of goods in a market economy; it is a market economy in which some assets are placed on legal steroids.”⁸³ The special feature of capital and capitalism, for Pistor, is the “asset prime” element. Karl Marx defined capital specifically as the money received from the sale of commodities that is then used as a mode of production to buy other commodities, equipment, or labor.⁸⁴ Although those other definitions may well have their place in empirical, legal, or economic analyses, I am using the term in a different way. For my purposes, capital is defined in its corporate-finance meaning: capital is transferrable ownership shares of publicly traded companies and contemporary substitutes like private equity or hedge fund investments. I am focused on the logic of what we (misleadingly) call capitalism. More on that later.

Third, in this book, I have not rehashed familiar arguments about the growing inequality in contemporary United States and other societies across the globe. Thomas Piketty and his fellow economists, Emmanuel Saez and others, have done this work more ably than I could. Their economic research, which has been subjected to the most intense scrutiny and peer review, establishes conclusively that the level of inequality has steadily grown, across the globe, since the decline of the welfare state in the mid-twentieth century. Their quantitative analyses have documented a U-curve in inequality that is rippling around the globe. I need not rehearse their arguments. Instead, I build on their foundation. Piketty’s policy proposals focus mainly on redistributive taxation schemes and participatory socialism. “I am convinced,” Piketty writes, “that capitalism and private property can be superseded and that a just society can be established on the basis of participatory socialism and social federalism.”⁸⁵ Much of his analysis builds on practices from Nordic social democracies; but those of us in countries like the United States are far too removed from those Nordic practices to bridge the gap in time to deal with the looming crises. In addition, Piketty favors giving larger equity

shareholders more voting power in cooperative enterprises, which goes against the central values and principles at the core of cooperation.⁸⁶ For reasons that will become clear in this book, I propose instead a different way of organizing economic and social exchange: coöperism. It is an approach that does not require mass collective action or convincing a supermajority. It starts instead with individual initiatives and small-group cooperation, and operates through a snowball effect to create social change. That snowball effect is crucial to its success. In that sense, this book offers a different vision for the future. It builds on Piketty, but orients us in another direction. You could read it as different concluding chapters to his two tomes.

Finally, I anchor the theory of coöperism in contemporary forms of cooperation that surround us today—from household names that we have come to cherish, including mutual insurance companies like State Farm, consumer cooperatives like R.E.I., and producer cooperatives like Land O'Lakes, to the many other more political and utopian experiments in cooperation, from Cooperation Jackson in Jackson, Mississippi, to Kingston Cheese Cooperative in Green Lake County, Wisconsin. Many of these companies and experiments have some weaknesses, and not every one is intended to be a perfect model. In fact, coöperism does not build on every one of them. But in laying the foundations, I am trying to privilege currently existing, ordinary household names of cooperation. They offer a different principle of economics: cooperation and mutualism, rather than shareholder profit and raw competition. My intention is to get at that essence. I will begin, then, with those well-known forms of cooperation to tease out, on their basis, a compounded theory of coöperism. I will also respond to potential criticisms. My ambition is to show how coöperism forms part of the larger democratic theory I call cooperation democracy and how it may have important implications for displacing the paradigm of punishment that operates in our punitive societies.

In terms of a road map, I will begin by exploring the omnipresence of cooperation throughout the world today to demonstrate how pervasive and often hidden it is (chapter 2). I will then expose the simplicity of cooperation by describing, in the most accessible terms possible, the corporate finance of cooperatives and mutuals. I will lift the hood and show the simple mechanisms that make cooperation function (chapter 3). Then, I will develop a political, economic, and social theory of coöperism (chapters 4, 5, and 6, respectively) as a concentrated form of cooperation that distills the core values and principles of cooperation into a unified and coherent political, economic, and social regime. I will argue that

coöperism, as a leveraged form of cooperation, extends the political ideal of participatory democracy to every aspect of our lives, from consumption to housing to finance to daily living and mutual support (chapter 4); that it provides an economic alternative to the dominant economic regimes (misleadingly) called capitalism and communism (chapter 5); and that it offers an alternative social paradigm to the punishment paradigm in which we now live (chapter 6). I will then respond to the most powerful potential criticisms of the theory of coöperism from both the right and the left (chapter 7). Finally, I will articulate the larger framework of coöperism democracy—or what I call, for simplicity and for ease on the tongue, cooperation democracy—a framework that can save democratic theory in these times of crises and threats to democratic institutions (chapter 8).

An era of cooperation democracy is on our horizon. It heralds a transformation of our economy, our politics, and our society as significant as the revolution that replaced feudalism with capitalism. It augurs a coöperist society in which the well-being of everyone in society and the welfare of the environment are placed ahead of the profits of a few. It is now time, past time, to embrace and support this new horizon. The techniques and ways of cooperation have been refined and are simple. The legal forms have been developed. It is time to usher in the new age of coöperism. Its dawn could not be more pressing. With climate change, pandemics, nuclear proliferation, and other global threats, our human interdependence has never been greater or more urgent. Now is the time for an age of coöperism.