

Reflections on Real Utopias
Responses to commentaries in the *Crooked Timber* symposium on *Envisioning Real Utopias*

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A very wide range of issues have been raised in the many interesting postings and comments during the Crooked Timber seminar about my book *Envisioning Real Utopias* which ran from March 18-28. In what follows I will give at least a brief response to the core themes of each of the eight contributions to the seminar. I will organize my reflections in the order of the contributions in the symposium.

1. What is the value of “Utopian” theorizing?

The postings by John Holbo (March 18) and John Estlund (March 20) both explore a number of issues connected to the utopian dimension of my analysis. I will discuss their comments under three headings: (1) The problem of “ideal theory” and my use of the term “utopia.” (2) The legitimacy of focusing on the viability of alternative institutions more than their desirability or achievability (3) The implications of my use of a compass metaphor.

Utopias and Ideal theory

Both Holbo and Estlund feel that I generally disparage the importance of “ideal theory”. Holbo writes:

Wright mildly deprecates ‘ideal theory’ that focuses primarily on ideal desirability. Clarifying your ideals is well and good, but it is more critical to articulate what is ‘viable’, by way of building a waystation between any castle in the sky and what is truly achievable....Let me defend the alternative view that, in fact, being clear about what is ideally desirable is the proper point of focus.

Estlund formulates the issue slightly differently by defending utopian theorizing unconstrained by feasibility constraints:

To the extent that some mode of political thought is idealistic, it is proceeding without regard to the constraints of the realistic.... Utopianism can mean different things in different contexts, but in political theory it has, I believe, lost its moorings completely if it can encompass even normative theories or practical projects that insist on remaining within the bounds of the feasibleIt is not clear, then, what argument Wright has for stopping short of fully utopian theorizing—that which abstracts from both constraints of feasibility.... Wright casts aspersions on the project of theorizing without attention to the viability of alternatives.

I actually think it is fine to be a pure utopian, including engaging utopian science fiction, and certainly it is important to develop rigorous ideal theory, in order to clarify and animate ones ideals. This is why I devote much of a chapter in the book to clarifying the moral foundations of my analysis. Sharpening an understanding of moral ideals is central to the diagnosis and critique

of existing institutions, and I agree with Estlund that this is a valuable intellectual task even in the absence of any alternatives. If I seem to disparage philosophical work on the problem of justice and moral ideals, then this is a failure in exposition.

What I think may be a source of confusion here is a contrast between *developing* ideal theory and *using* ideal theory as the basis for evaluating institutions and proposals for their transformation. The latter is the central concern of the book: exploring institutional proposals that can be adopted as political programs and social projects. Ideal theory is not about the actual design of institutional and social structural alternatives to the existing social world; it is about the principles of justice – or some other moral ideals – that such institutions should try to realize. In the “equality of what?” debate, the invocation of fictional insurance auctions is not a model of institutions; it is a heuristic device to clarify the meaning of the goals. In the socialist tradition, a defense of “to each according to need, from each according to ability” is the task of ideal theory. The design of socialist central planning was an unsuccessful attempt to figure out how to move towards realizing that ideal.

I argue that institutional proposals can be evaluated along three dimensions: their desirability, their viability, and their achievability. Evaluating institutions in terms of desirability means exploring the ways in which they embody values *that have already been clarified through ideal theory*, but this is not the same as actually doing ideal theory. We can ask of the proposal for unconditional basic income, for example: in what ways does this embody alternative egalitarian ideals as clarified in the “equality of what” debate? This is a discussion of the desirability of an institution, but not an exploration of ideal theory itself.

If you only worry about desirability of an institution but not about viability or achievability, *and you base political action exclusively on that*, then you are a pure utopian. I think one should absolutely be clear about ideals and ideal theory. I refer to them as moral *foundations*, not just commitments. But if you want to address the problem of how to actually transform the world to make it a better place, you need to worry about viability and achievability.

One final comment on Estlund’s critique. He objects to my use of the expression “*real utopia*”:

The title’s term, “Real utopias” suggests that this will be a balancing act. It is intentionally oxymoronic, embracing a tension between two approaches to critical social theory. Are realism and utopianism compatible? There is something appealing about being idealistic. And yet no one, it seems, wants to be accused of being unrealistic. The challenge, plausibly, is to strike some kind of balance... [T]here is no feasible utopianism. Is there some way to be realistic other than a concern for feasibility?

I fully recognize that utopianism rejects feasibility constraints – either in terms of achievability or viability. My use of the oxymoron does not imply seeking solutions that are somehow a “balance” between realism and utopianism or “midway” between the two; it is a call to sustain cognitively the tension between unbounded moral aspiration and pragmatic institution building. It is an affirmation – not a rejection – of the ideals of utopianism, but also of the imperative of seeking real ways forward.

Why focus so much on viability, rather than achievability?

Both Holbo and Estlund are critical of the extent to which I focus on viability of alternatives. Holbo thinks that the main ideological battle that needs to be won is over desirability, and so this should be the main focus of analysis. Estlund believe that it is basically arbitrary to bracket the problem of achievability.

I don't disagree with Holbo that there are critical ideological issues that hinge on convincing people about the moral justifications of democratic-egalitarian alternatives to existing institutions. Undoubtedly for many Conservatives, their complaints that a more democratic and egalitarian economy just wouldn't work is a smokescreen – their real objection is either that they believe the wealth and power of elites is morally just or, even more crassly, simply that equality and democracy is against the interests of elites. For such people the viability issue is not the central problem; it is a diversion. Demonstrating viability of unconditional basic income won't convince them to support it.

The agenda of *Envisioning Real Utopias*, however, is not mainly directed at ideologically committed Conservatives whose core values support the power and privilege of dominant classes. The core audience is people who are loosely sympathetic to some mix of liberal egalitarian, radical democratic and communitarian ideals. This, I think, is a very broad range of people. They may, of course, be quite confused about what their real values are. They might both believe in equality of opportunity as a real value and think it is just for some people to be fantastically wealthy and give whatever they like to their children and not recognize the tension between these values. For such people it is clearly important to try to clarify the foundations and implications of different moral principles. When I talk to undergraduates at the University of Wisconsin about Unconditional Basic Income, they are generally at first extremely skeptical about the desirability of the idea. After I explain the moral foundations, most students find the idea pretty attractive – it is not so hard to convince them of desirability – but they remain skeptical about viability: the “it sounds good on paper but it will never work” objection. Young people mostly are pretty good-hearted and open to democratic and egalitarian values, but the viability issue is a big deal for them and they need persuading.

But why focus on viability rather than achievability? Estlund feels that once I decide that alternatives are only worth discussing if they are viable, then there is no good reason to bracket the problem of achievability. Ultimately, of course, if we do want to change the world to make it a better place, we are constrained by what is achievable. And if I knew how to say anything about achievability in a rigorous and meaningful way, then for sure I would consider this worth doing. The problem is that in general it is only possible to do this if one also adopts a very short time horizon because of the huge uncertainty about what might be politically achievable very far into the future. We can often say more about the viability of alternatives than about their long-term achievability. It is the temporal contingency of achievability that renders it problematic.

The compass metaphor

John Holbo thinks that my use of a compass metaphor to describe the problem of thinking about alternatives to capitalism is misleading:

It's too demanding in the sense that it's all too likely that things will have to get worse, before they get better.....The point of utopian theory is not to tell us how to get there from here, ideally, just how to get anywhere, from here, in practice. That's very different

from saying, in nutshell: we need to be attracted to a specific place (that's what compasses do.)”

Metaphors always have their perils. I adopted the compass metaphor to suggest that movement from here to there is like a voyage of discovery where we do not have a road map, but we can know if we are moving in the right direction. This does not imply that there is a straight path with no detours or backward movement. Indeed, that is part of the point of a compass: if you have to move backwards, it helps you know that is what you are doing. The destination pointed to by the compass is of course not a specific institutional design, but the realization of principles.

2. Complaints that the arguments are trivial or marginal, and of no real importance for the task of transformation.

Diane Coyle (March 22) is the only contributor of the postings in the seminar who basically dismisses my exploration of Real Utopias as largely irrelevant to the task of significant social transformation:

And in the end, after all the machinery of ‘stochastic Marxism’ and ‘emancipatory social science’, Wright says that actual economies are always hybrid and so the thing to do is inject a little socialism where possible. So that amounts to incremental, pragmatic improvements in the direction of a fairer society. Who could disagree?...Alas, this book shows no interest at all in real utopias, only in the one theoretical utopia or ‘no place’ of an abstract alternative to the market economy. It’s an arid scholastic exercise that at no point engages with our present economic disaster and the practical idealism of the many people responding to it.

It is hard to respond to this kind of dismissal without sounding defensive. Let me just make three basic points:

First, it is not at all the case that no one disagrees with the central model of economic structures as hybrids within which it is possible to significantly alter the overall configuration through reform. On the one hand, it is a standard argument on the left that incremental reforms are never more than palliatives and that capitalism so pervasively dominates the economic system (even if there are marginal forms of noncapitalism present), that it allows no space for what I describe. On the other hand, there are defenders of capitalism who insist that every interjection of egalitarian-democratic forms within the economy just makes things worse.

Second, contrary to the claim that I propose “an abstract alternative to market economy,” the model elaborated in *Envisioning Real Utopias* involves a commitment to institutional heterogeneity in connecting different forms of power relations within a market economy. Markets play a significant role in four of the seven “pathways of social empowerment” specified in the model.

Finally, while there certainly may be many other examples that could be given to illustrate the pathways of social empowerment, and some of these may be more compelling than the one’s I chose, it is incorrect to say that the empirical substance of the book fails to engage the “practical idealism” of people coping with the present economic order. Most of the examples emerge from the concrete efforts of ordinary people trying to create more just, humane, and democratic forms of economic activity.

3. Climate Change and Environmental catastrophe

Bill Barnes (March 23) raises a fundamental challenge to the central preoccupations of *Envisioning Real Utopias*, not because he feels the goals of an emancipatory social science are unimportant, but because he feels that they have been displaced from the historical agenda by the looming catastrophe of climate change:

I'm going to talk about Wright's complete failure to say anything about the herd of elephants in the room that completely blocks our way toward any of the desirable futures that the book envisions – climate change, environmental degradation, resource depletion, and their epidemiological, social, economic and political consequences....

We have recently developed a good deal of relatively thick “knowledge of the conditions likely to be faced in the future,” and those conditions take “robust projects of emancipatory social transformation” entirely off the table in most respects for a long time. Instead we have to play defense against the unintended consequences of industrialization and high modernism, “capitalist” and every other kind....

At this point in our history, there is only one really real Utopia left to us: the creation of forms of political economy, and a world order, that can cope with and stabilize, in an at least minimally just and humanitarian way (de facto Social Darwinist solutions don't qualify), the climate-changed, environmentally-degraded, resource-depleted world that is bearing down upon us. Holding open the possible realization of grander utopian visions, in some distant future, rests on achieving substantial success on this front over the course of this century. And such success is very much in question – in fact, as things stand in early 2013, a long shot.

Barnes is completely right that in *Envisioning Real Utopias* I neglect the problem of climate change and environmental destruction, except in passing. His chilling comment reminds us that whatever else we see as part of an agenda of human emancipation, there has to be a massive revitalization of a strong affirmative state project of neutralizing public bads and producing public goods. While I do not think that this implies taking “projects of emancipatory social transformation entirely off the table” and postponing to some distant future “grander utopian visions”, I do think it means placing the problem of climate change at the center of any political agenda.

Let me explain how I think the kinds of real utopian emancipatory projects discussed in *Envisioning Real Utopias* might be joined with the urgent climate agenda discussed by Barnes.

Much depends on how catastrophic the trajectory of climate change turns out to be, and how rapidly the empirical devastations accumulate. It is hard to imagine any strategy that will lead to progressive outcomes if it is literally the case that unless the climate problem is substantially solved in the next twenty years we will have crossed a tipping point of no return leading to the worst case scenarios – massive and rapid sea rise, mass starvation and disruption on a global scale, escalating violence and resource wars. In the worst case scenarios the most likely political trajectory would be towards increasingly militarized, authoritarian protection of pockets of relative privilege and security in an otherwise desperate and chaotic world.

I will assume that we are not in quite so dire a situation. The coming years will see an increase in the number of seriously destructive weather events, and increasingly these will force, ever more frequently, costly stop-gap interventions by the state, but I will assume that there is

still time to avoid complete environmental collapse. Here is a possible scenario of how the initial disruptions of climate change could open up space for progressive political transformation:

1. Weather disruptions generate increasingly frequent and costly emergency responses by states. In the rich parts of the world, especially perhaps the United States, these responses are impeded by the prevailing forms of neoliberalism and market fundamentalism. Unless the capacity of the state to shift an increasing part of the economic surplus from privately held capital accumulation to public purposes, it will be impossible to respond even to these immediate emergencies (like hurricane Sandy).
2. In the face of this increasing contradiction between the anti-statism, anti-tax, anti-affirmative state ideologies of Conservatives and the rising costs of coping with the effects of weather emergencies and trends, elite resistance to the broad scientific consensus about the underlying causes of these problems will crumble. There is already evidence of this in various reports by the World Bank and other elite agencies (as reported by Paul Gilding <http://paulgilding.com/cockatoo-chronicles/victoryathand.html>, cited in one of Barnes' comments). Once elites, especially leading segments of the capitalist class, see global warming as a genuine threat to their interests, it becomes possible to break the impasse of state inaction. Of course this hardly guarantees anything close to social justice, but it does mean a willingness to let the state appropriate more of the economic surplus for collective purposes through taxation, and this requires a willingness and capacity of the state to impose constraints on the movement capital. Capitalists have been willing to agree to this in the past and they may do so again if conditions require this.
3. It is also important to recognize that even in the United States there are significant disagreements within the capitalist class over the appropriate role of the state. Barnes notes this as well in his response to one of the comments on his posting: "none of the political economies and political cultures of our world are monolithic or completely controlled by those wedded to the status quo, but rather shot through with tensions, ambiguities, contradictions, even in societies (such as the United States) where dominant groups have been quite successful in legitimating themselves and institutionalizing their hegemony." The combination of such divisions and the increasing realization that the broad interests of capitalists are also threatened by climate change could signal the end of the neoliberal era.
4. The end of neoliberalism opens up the possibility of large and expensive public goods projects directed at counteracting the adverse effects of climate change as well as, potentially, the possibility of public goods projects and regulations directed at reducing carbon emissions – new kinds of energy infrastructures and energy conservation initiatives, shifts of transportation systems away from private fossil fuel based transport to public transport, etc. This is very much in line with what Barnes calls Green Social Democracy.
5. A critical issue that affects the scope of the political possibilities opened up by the (predicted) end of neoliberalism concerns the interests of capitalists (and other elites). Neoliberalism was successful in gaining strong ideological and political backing because of the ways it served the interests of capitalists and other wealthy elites. The low tax regime of neoliberalism combined with privatization of many public services directly benefited the wealthy through low taxes and new investment opportunities. Furthermore, the erosion of the quality of public goods like education, recreation facilities, health care and public transportation didn't adversely affect them since the rich could always substitute even better

quality private goods for their own consumption. It will be much harder, if not impossible, for most wealthy people to escape the adverse consequences of climate change by using private goods to counteract the effects on their lives of the public “bad” of global warming. In this respect, global warming is like a large scale war in which it is (often) difficult for elites to escape potential harms through private solutions. Furthermore, just as in earlier historical periods of massive expansion of public goods organized by the state, most notably large scale wars, such climate-change coping public goods projects could be good for capitalist profits. In WWII capital mobility and freedom of capitalists to invest as they wished was heavily controlled by the state, but state spending on wartime public projects generated healthy profits. Therefore, both because elites too will be adversely affected by global warming and because massive state investment in climate relevant public goods can be a source of capitalist profits, the dominant factions within the wealthy elite may come to support the revitalization of the affirmative state needed for a “war on global warming.”

6. The revitalization of an activist, infrastructure -building affirmative state also opens up the possibility for other kinds of public goods and regulations, especially if they can be framed as contributing to a new, more sustainable economic-environmental equilibrium. There are no guarantees here at all, but I think it is plausible to imagine that the political coalition needed to make a serious push for environmental public goods and regulations is likely to be the most politically robust if it also contains a popular base rooted in more communitarian values. This is where the space for emancipatory projects could be expanded, since many real utopian initiatives have the character of also creating socio-economic environments more conducive to low carbon-impact economic activities. For example, unconditional basic income makes it easier for people to opt for a life-style with more leisure and less work. Worker-cooperatives, social economy enterprises and other forms of participatory economic institutions are more geographically rooted and thus more invested in local environmental conditions. Participatory budgeting and other devices which expand the public deliberation over the use of public funds, create an ideological environment more conducive to a shift to public goods consumption from private consumption. This is broadly favorable to a green agenda since public goods alternative to private consumption typically have lower carbon impacts. Ecovillages and transition town projects clearly directly bear on the environmental priorities of communities.

This scenario is less a real prediction than a description of possibilities. It is easy, of course, to imagine darker scenarios. Throughout history ruling classes have been filled with narrow minded, mean-spirited, selfish and ignorant people who genuinely don't care about the welfare of those outside their circles and think that they can escape the ills of the world through their wealth and power and end up destroying the foundations of their own privilege. Barnes expresses the contrast of alternative futures well in one of his comments in the discussion of his posting: “One of my main points is that once the shit begins to hit the fan bigtime and unremittingly, many more people will become open to education – the question is who will prevail in providing that education — those who will be arguing “America first” (or “white America first”) and keep out the barbarians, the rest of the world be damned — or people with a Green Social Democratic Internationalist Popular Front approach.” The prospects for the latter, I think, are enhanced when it is connected to a broader emancipatory agenda in which a wide range of real utopian projects are seen as integral to a sustainable world. Neoliberalism in the United States was also stabilized by a coalition with popular social forces, in that case with working class social conservatives

who were consistently harmed economically by neoliberal policies. Green social democracy as well needs a mass popular base, and at least some of the proposals for more democratic and participatory economic institutions could be part of the agenda.

4. Community and cosmopolitanism

Russel Fox (March 24) raises some very interesting issues around the role of community and solidarity in the emancipatory project of creating real utopias. The key issue is this: In discussing the problem of democratic social power, I emphasize the importance of the willingness of people to participate in collective action, and this is very closely tied to community. But I also express concerns over the potential for community to be grounded in localistic solidarities with an exclusionary ethos. There is thus a tension between the emancipatory aspirations of social empowerment which seem to require cosmopolitan identities and many actual communities whose solidarities are much more particularistic. Fox has many very interesting things to say about this tension:

Surely a radical democratic egalitarianism should not be subject to, or even be expected to articulate itself through the context of, a specific local set of communal or cultural or historical or religious feelings, should it? Yet, if we truly are to take "the social in 'socialism' seriously", as Wright puts it... [we will need to] make use of the power of sociality in all the variable associational and embedded forms that it will inevitably take, then perhaps liberal and cosmopolitan (that is, universal) conditions and expectations would, at least sometimes, run counter to the sources of this social power which Wright sees the potential of harnessing.....

Why do I suggest these local and cultural attachments (along with at least some legitimate liberal restrictions) as important candidates for ways of conceiving the directing and promoting of social power of an economy in democratic and egalitarian directions? [So] long as one wishes to enlist the social world and its diverse resources into the construction of alternatives to capitalism, then one must at least acknowledge that a lack of respect for and recognition of those attachments and spaces may result in levels of resentment and alienation which would make such emancipatory critiques that much more politically difficult to pull off.

These remarks by Fox raise very important questions for any approach to radical democracy that stresses the importance of civil society and the solidarities that are formed within it. And it suggests some crucial empirical research questions as well: Under what conditions are locally embedded cultural identities and solidarities either compatible with or supportive of more universalistic goals and values? When do they act as barriers to more cosmopolitan universalism? One possibility is that the ways in which different sources of social cleavage and identity overlap or cross-cut each other determines the extent to which local identities become exclusionary and antagonistic or open to broader solidarities. Another view is that the answer to these questions is so contingent on the particular forces in play in any given historical context that it is not possible to formulate general hypotheses. In any case, understanding these issues should be an integral part of studying real utopian possibilities.

5. Unconditional Basic Income

John Quiggin (March 26) supports the broad normative goals of Unconditional Basic Income, but thinks that it is probably too expensive to be a “real” utopia. He argues that if every person in Australia were to receive an unconditional basic income set at the level of the minimum pension for a person over 65 – about US\$16,000 – this would cost around 30% of National Income (based on an estimate of a gross cost of 40% of national income along with a clawback of 10%). Given that the state would still need to fund health, education, infrastructure, defense and other things, this would bring state spending to somewhere around 60% of national income. “There is no doubt,” he argues, “that such a policy would represent a substantial transformation, sufficient to justify the ‘utopian’ label.” He therefore proposes an alternative policy, a guaranteed minimum (GMI) income achieved “by raising existing income support benefits to the target level, then making access to the basic income unconditional for those with no other source of income.” Quiggin did not spell out the mechanics of his GMI proposal, but assuming that the “basic income” in the last clause is the same as the “target level” in the first clause, then the scheme would like this (with a target of \$16,000/year): if you had zero income you would receive \$16,000; if you earned \$10,000 you would get \$6,000; if you earned \$15,000 you would get \$1,000; and if you earned \$16,000 or above you would get nothing.

If indeed the political conditions are such that a guaranteed minimum income would be more easily instituted than a true unconditional basic income, then it might be a good move in the right direction. A future move to UBI might be easier from a platform of guaranteed minimum income than other forms. There are, nevertheless, two reasons to be wary of GMI and prefer UBI.

First, a guaranteed minimum income of the sort described by Quiggin is a strictly means-tested program. Many people think that if one is concerned about alleviating poverty then means-tested programs are better since they direct the money where it is needed. As one of the comments to the Quiggin essay notes: “The UBI has all the problems of any universal benefit, which is that it is, well, universal. What’s the point of giving 20,000 dollars to Bill Gates? He doesn’t need it. Lots of other people don’t need it.” There are good reasons, however, that in general progressives should prefer universal programs. As it is sometimes quipped, programs limited to the poor are always poor programs. We give universal free K-12 education to everyone including Bill Gates’ children, and most countries also provide universal health care. Means-tested programs generate a clear bright line between net recipients and net contributors and therefore tend to reinforce cleavages between these groups. And since the rich and powerful are clearly on one side of this cleavage, it increases their capacity to form a coalition to minimize the level of the program. Everyone getting the benefit affirms the idea that this is a right that we all share, and softens the boundary at any given moment between those who directly benefit and those who don’t. This is an important reason why, in the United States, it has been so much more difficult to attack Medicare (the universal health care program for the elderly) than Medicaid (the means-tested program for the poor), and why social security remains such a broadly popular income support program.

It is also important to note that the total *net* cost of a BI is not greater than a means-tested income support program that would provide the same level of benefits to those who would be net beneficiaries in a means tested program. Remember, in a UBI system, even though Bill Gates would receive a basic income grant like everyone else, his net after-tax income would go down, not up, because his taxes would rise by much more than the BI he receives. The total cost of a UBI, therefore, depends on how steeply the income tax on total income rises.

The second way in which BIG has advantages over GMI is that GMI schemes generally create what are called “poverty traps” (or, more accurately if the level of income support is above the poverty line, income-threshold traps). That is, since the benefit disappears when you reach a given threshold, these kinds of mechanisms can create disincentives for people to work for modest levels of income. Suppose the income threshold is \$16,000/year and the grant takes the form proposed by Quiggin. A person with zero income receives the target level. That person then has the opportunity to get a job that pays \$10,000 a year and now gets an income supplement of \$6,000. What this implies is that these earnings will be taxed at 100%. In effect this turns such jobs into volunteer unpaid labor. This perverse effect can be reduced by not taxing earnings at 100%, but, say at 50%. Then a person who earns \$10,000 ends up with an income of \$21,000. This, however, begins to look more like a basic income grant, since it is no longer the case that low incomes are simply raised to a target minimum income, but rather low income people get a basic income grant and then have earnings taxed at a higher rate than in the absence of the grant.

Still, the core objection to unconditional basic income raised by Quiggin – that UBI is too expensive to be realistic – cannot be dismissed out of hand. To respond to this objection it is important to distinguish between the problem of the political achievability of UBI and its economic viability. UBI is certainly not achievable in the United States under existing political conditions. No coalition of supporters can be formed with sufficient power to enact it. But this does not mean it would be nonviable if enacted.

There has been much intense debate over the costs and economic viability of a generous unconditional basic income, and much depends on the assumptions one makes both about the labor market behavior of people, the specific ways that BIG-supporting taxes affect different categories of people, and the investment behavior of capitalist firms in a world with different levels of basic income. One way of approaching this problem is to think about the maximally sustainable unconditional basic income grant (MSUBIG). This is the highest level of UBI which, if enacted, would still generate sufficient income-generating activity to support the taxes needed to fund the UBI. It is obvious that a UBI of \$1000/year is far below the MSUBIG whereas \$40,000/year is far above, so somewhere between these extremes lies the actual MSUBIG. The question is then whether the MSUBIG generates a standard of living sufficient to enable people to freely choose their level of participation in capitalist labor markets. This might be called the no-frills culturally acceptable minimum standard of living.

It is obviously extremely difficult to make convincing predictions about the level of MSUBIG. There are simply too many contextual factors in play. (For those interested, there is some discussion of these issues in the volume in the Real Utopias project on Basic Income: *Redesigning Distribution: basic income and stakeholder grants as cornerstones for an Egalitarian capitalism*, by Bruce Ackerman, Anne Alstott and Philippe Van Parijs, edited by Erik Olin Wright. Verso: 2006). On balance, my judgment is that such a no-frills UBI is economically viable, even in a largely capitalist economy, but this may be wishful thinking.

What I can say with confidence is that *if* the MSUBIG is at this level, then it has the potential to play a substantial role in fostering other real utopias. UBI is not just a social justice issue concerned with poverty alleviation. It also opens up a different dynamic for subsequent transformations. To mention just a few issues:

- UBI can play an important contribution to strengthening various forms of anti-consumerism by making it easier for people to opt for less materialistic life styles. This is critical for any serious prospect for environmental sustainability. The possibility of things like eco-villages and transition towns, for example, would be enhanced if people engaged in such ecologically progressive community-building projects have their basic subsistence guaranteed.
- UBI can help solve credit market problems for worker cooperatives by significantly reducing the financial risks of loans to cooperatives, since cooperatives would no longer have to provide an income stream needed to cover basic needs of members. This would make it easier for workers both to get loans to buy out their employers or to start up new cooperatives.
- UBI provides a way of underwriting the full spectrum of artistic endeavors – theater music, dance, poetry, art – without explicit subsidies controlled by grant-giving arts and culture boards. The arts constitute activity-intensive ways of living, and directing resources towards the producers of arts is one way of shifting social priorities away from carbon intensive forms of production and consumption.
- Most broadly, UBI is a way of transferring surplus from capital accumulation to social accumulation in all of its forms. It does not directly block capitalist activities, but expands the space within which non-capitalist economic practices can flourish.

The last of these effects, of course, are one of the reasons UBI would be opposed. Even if the equilibrium it would eventually create retains a space for capitalism-between-consenting-adults, the economy as a whole would be less pervasively capitalist in character.

6. Why focus on capitalism versus socialism?

Marc Fleurbaey and his students (March26) explore a range of issues connected to the way I frame real utopias as part of a strategy of transcending capitalism towards socialism. I will focus my comments here on two of the issues they raise: the extent to which capitalism is responsible for social harms, and the extent to which my model marginalizes market transactions. In both of these cases I think there is some misunderstanding of my views. I always consider it mostly a failure of exposition, not of the critic, when a criticism involves a misunderstanding of an argument. In any case, I will try to clarify my position on these issues here.

Capitalism as the object of transformation

In addition to the strategic issue of whether “Focusing on capitalism versus socialism may be counterproductive if it polarizes the audience of the real utopias project,” Fleurbaey and his students argue that since not all social harms in need of transformation come from capitalism it is a mistake to give so much attention to capitalism:

“...many hardships of our time are not closely linked to capitalism as such but to more general features of market economies or unequal societies. Trying to harness the whole effort toward social progress on an anti-capitalist campaign may prevent rigorous analysis of the causes of the flaws that are to be eliminated. Similarly, thinking of future solutions in terms of socialism may thwart imagination and make it harder to innovate,

such as, for instance, designing new forms of solidarity within the frame of a market economy....[The focus on capitalism] creates the awkward situation that all the main social problems of the moment must be attributed to capitalism, which may sound unlikely for some of them (consumerism is an example).

While I do think capitalism systematically contributes to the harms I explore, I do not think that all social harms in need of remedy are the result of capitalism, or that even in those cases where capitalism plays a substantial role it is the only factor involved. Capitalism, for example, is a central cause of poverty, but racism – which is not simply a reflection of capitalism – is also important, as are a variety of other causes. I don't think that capitalism is the only fuel for hyper-consumerism, but capitalism intensifies consumerism and systematically obstructs any organized efforts to move to a less consumerist economy.

The decision to focus on capitalism, then, is based on a diagnosis of existing institutions in which I argue that capitalism is one of the pivotal causes – not the only cause, but a critical one – of many serious problems, and that its transformation is one of the critical tasks of social emancipation. More specifically, one of the most powerful obstacles to creating a more humane, just and sustainable world is the way power is organized within the specifically capitalist form of market relations. This is not a claim about markets as such, but about capitalist markets as they have developed in the modern world. Transformations which eliminate or neutralize such concentrations of economic power and subordinate the use of economic resources to systematic democratically imposed constraints (both within firms and within investment markets) is what I mean by moving in the direction of socialism.

The status of markets in the analysis

Fleurbaey and students feel that my institutional proposals are oriented towards non-market institutions:

“What I find problematic about this approach is that it ties most of the aim of social transformation to the project of developing non-market economic arrangements, through the expansion of social power, the empowerment of civil society. Given our current knowledge about how economic coordination can work with and without markets, it seems important that a *real* utopias project should seek to tame and use markets, with their great potential and well-understood failures, rather than bypass them.”

This is, I'm afraid, a real misunderstanding of my model. I explicitly reject efforts to dispense with markets in my critical discussion of Michael Albert's proposal for a nonmarket participatory economy. Four of the seven configurations of social empowerment in my model involve using and taming markets rather than bypassing them: social capitalism, the cooperative market economy, social democratic statist regulation, and associational democracy.

I think the problem here is in understanding exactly what I mean when I advocate subordinating economic power and state power to social power. Social power is power rooted in civil society and based on voluntary cooperation for collective action. Subordinating state power and economic power to social power is the abstract way of talking about how to tame market processes and use them for social purposes while also blocking authoritarian statist alternatives. The pivot here is democratically subordinating economic power, which means that it no longer is the main form of power deployed in markets. This is very different from bypassing markets.

Another place where I think there is a misreading of my model is in my discussion of social capitalism as a particular way in which social power constrains economic power. Fleurbaey writes:

“To be fair, such an alternative model [one in which workers have strong democratic rights of participation in the governance of capitalist firms], although ignored in EW’s socialist compass, could find its place there as a variety of “social capitalism”, because of its strong reliance on markets as coordination devices and the persistence of private ownership. But the fact that such a possibility is not listed among the main models (social capitalism is described in the book only as involving cooperatives in which workers own the capital of their firm) reveals that eliminating markets, instead of taming them, may have too high a priority in the “socialist” compass.”

In my analysis, social capitalism includes a very wide range of forms in which social power (voluntary association for collective action) acts as a systematic constraint directly on economic power. I include under this rubric things like worker representation on boards of directors and other co-determination schemes, works councils, stakeholder councils, and solidarity finance (union pension funds used to gain significant participation rights in firms), as well as various ways in which social movements outside of firms can act on economic power. All of these I think are instances of attempts at taming rather than eliminating markets. I mainly locate worker cooperatives as the key institutional form in a different power configuration, which I call the cooperative market economy.

I am not sure where the source of misunderstanding of my views on markets and capitalism might lie, but I think there may be two issues in play here. First, for many people markets and capitalism are so closely identified with each other that to talk about transcending capitalism is interpreted as implying transcending markets. This is suggested when Fleurbaey interprets my treatment of worker cooperatives in which workers own the capital in their firm as revealing that my model is concerned with “eliminating markets instead of taming them.” What a worker-owned firm involves is eliminating one kind of market – markets in equity investments – but not others. Worker cooperatives would still sell their goods and services on a market and obtain much of their capital within credit markets. Household savings would yield interest via bond markets or other forms of loans. The critical change is just that the equity in firms is owned by the workers in the firm. A cooperative market economy is still a variant form of market economy. (And also remember that this is just one of the configurations of social empowerment in my model; others involve forms of capitalist ownership, albeit capitalist ownership heavily constrained by social power).

A second source of misreading my argument about markets may concern the idea of economic forms as hybrids which combine capitalist and non-capitalist elements. My argument for “taking the social in socialism seriously” is that I want to see the social power component of hybrid economic structures strengthened and the capitalist component weakened to the point where social power is dominant. But dominant does not mean exclusively present. This bears on the very interesting ideas Fleurbaey presents about the implications of “banning the market for power in democratic firms”, by which he means making it illegal for firms to be organized as dictatorships by requiring them to have meaningful democratic structures of internal governance. He argues that eliminating this particular market would be compatible with retaining many other features of capitalism:

An egalitarian and democratic economy can still have a lot of private ownership, including of the means of production (household savings can still be the source of investment funding, so that households are still the ultimate owners of the means of production), and many markets and decentralized transactions, including a labor market for dignified positions in democratic firms.

He concludes the discussion by saying that an economy with such firms “would keep the main features of EW’s definition of capitalism”. But, he adds, “it could hardly be called ‘capitalist’ because the power of wealth would be shared with labor, and in the workplace labor could even have the lion’s share of decision power.” I would agree with him that such a world “could hardly be called capitalist.” But I disagree with him that it would keep the main features of my own definition of capitalism. The democratic constraint on the exercise of private property rights, in this case, is quite significant. Or, to put it slightly differently, the bundle of “powers” that are connected to private property rights is significantly reduced. I would describe this possible world as one in which the social power component of the economic hybrid had been dramatically increased. A firm in which workers elect managers, hold them accountable, have seats on the board of directors, and have the power to review and alter major decisions about the internal working of firms is one in which social power much more significantly affects the use of economic power than in pure capitalism. Is this still “capitalism”? This is inherently a murky question once economic structures are understood as hybrids: it is unquestionably less capitalist than existing structures and much more socialist in my terms. One would have to know how much – in Fleurbaey’s model – the continuing market in equity investments undercuts this increase in social power to know whether or not, overall, one could say that social power was dominant.

7. What is the goal of studying real utopias: Inspirational analysis or Understanding flaws?

In the final contribution to the symposium, Henry Farrell (March 28) raises an important issue with which I completely agree. After pointing out a number of inegalitarian aspects of Wikipedia (one of my favorite examples of a real utopia), he writes:

This does not *undermine* Wright’s basic point – that utopians should learn from practical examples such as Wikipedia and use them to plot their course. However, it does perhaps suggest that a different *kind* of search is attractive. Rather than looking for cases such as Wikipedia as examples of what utopia might look like, one should treat them as cases from which we might learn both positive and negative lessons, about what works, and what does not. . . . Here, Wikipedia and other such systems are less examples to be emulated, than cases to be carefully decomposed, so that one can figure out (some) of what makes them work, (some) of what makes them dysfunctional, and then use these positive and negative lessons to make a better and more grounded empirical case for specific radical democratic proposals

The central empirical research agenda for real utopias is to find cases and settings in the world as it is that prefigure in important ways emancipatory ideals, and then study these cases in order to understand their potential as part of a larger project of transformation. The task of research is to see how these cases work and identify the ways in which 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 in such research 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.