

# WORKER COOPERATIVES: A NICHE IN CAPITALISM OR A PATHWAY BEYOND?

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## Key Question:

Are worker-cooperatives simply a special kind of firm within a capitalist market economy, or can they be viewed as a prefigurative model of an alternative kind of economic system?

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A framework for exploring the question:

1. Three kinds of power
2. Power within economic structures
3. Hybrids
4. Visual vocabulary of power configurations
5. Configurations of social empowerment

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## Three kinds of power

1. Economic power: power based on the control of economic resources.
2. State power: power based on the control of rule making and rule enforcing over territory.
3. Social power: power based on capacity to mobilize voluntary cooperation and collective action.

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**POWER WITHIN ECONOMIC STRUCTURES:  
CAPITALISM, STATISM AND SOCIALISM**

*Capitalism:* an economic structure within which economic activity is controlled through the exercise of economic power.

*Statism:* an economic structure within which economic activity is controlled through the exercise of state power.

*Socialism:* an economic structure within which economic activity is controlled through the exercise of "social power" -- power based on capacity to mobilize voluntary cooperation and collective action.

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**The idea of *HYBRIDS*:**

All real economic systems are complex combinations of capitalism, statism, and socialism. We call an economy "capitalist" when capitalism is dominant. The possibility of socialism, therefore, revolves around the problem of enlarging and deepening the socialist component of the hybrid and weakening the capitalist component. I refer to this as the problem of building configurations of social empowerment.

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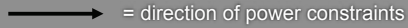
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# VISUAL REPRESENTATION OF POWER CONFIGURATIONS

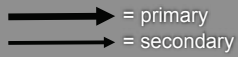
Three types of power:



Interaction of forms of power:



Strength and autonomy of power:



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## Illustration of Power Configurations



Conventional democracy:  
Social power dominates state power



Corporate control of political parties:  
Economic power dominates social power

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## Illustration of Power Configurations



Corporate control of state power via funding of political parties



Social control of economic power via state regulation of capital

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Social Power

Economic activity:  
investment, and  
production and  
distribution of  
goods & services

Economic  
Power

State Power

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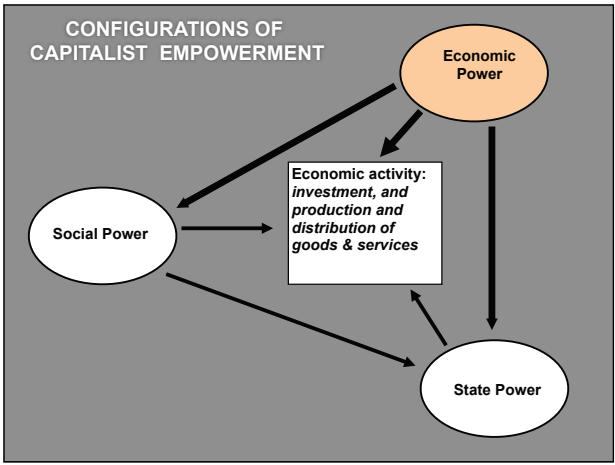
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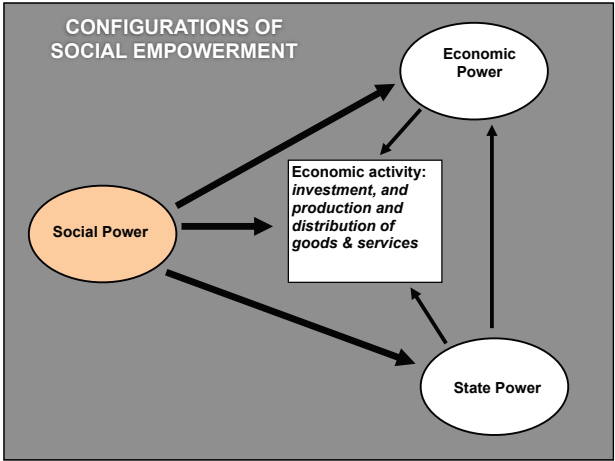
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**The central problem of Social emancipation:**

**Institutional transformations that reduce capitalist empowerment and increase social empowerment**

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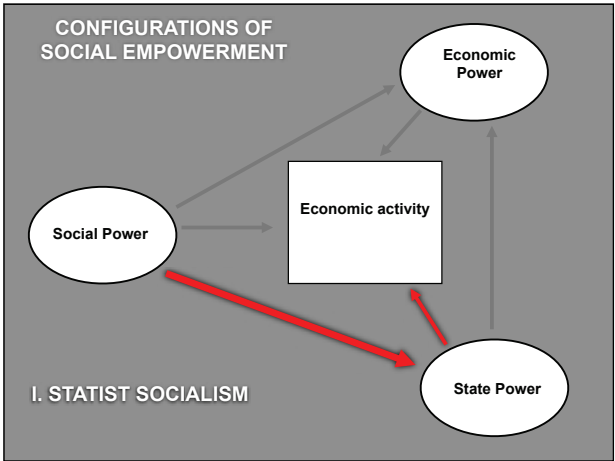
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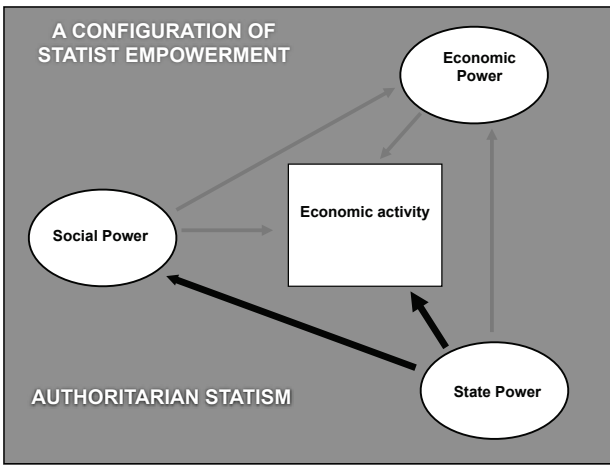
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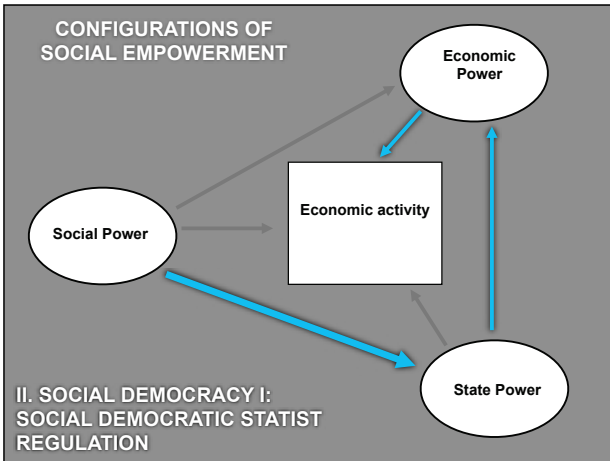
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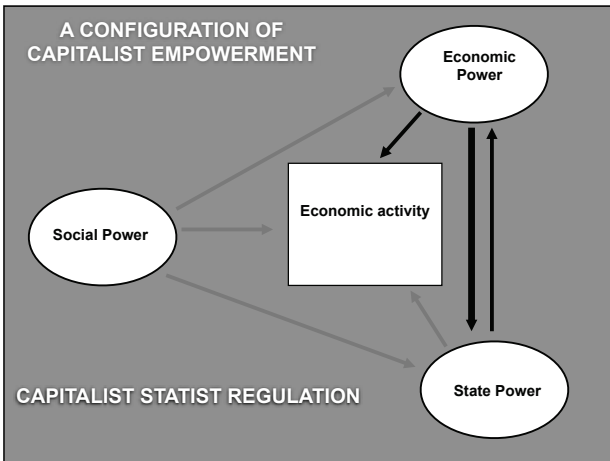
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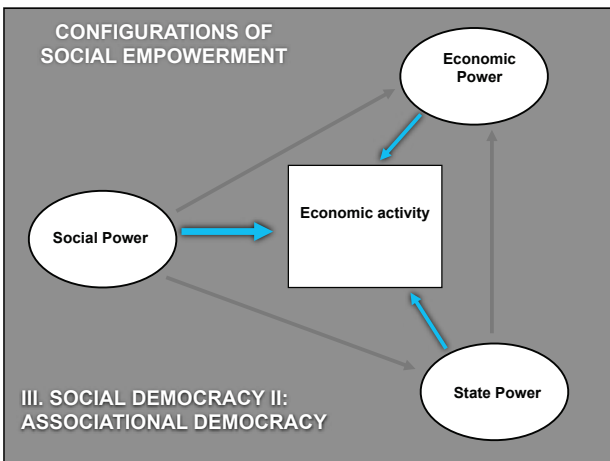
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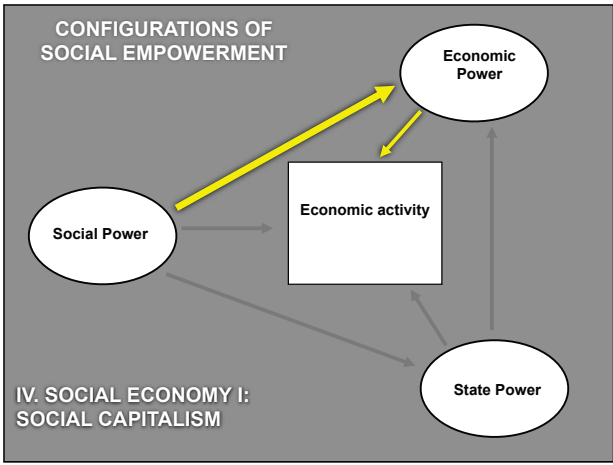
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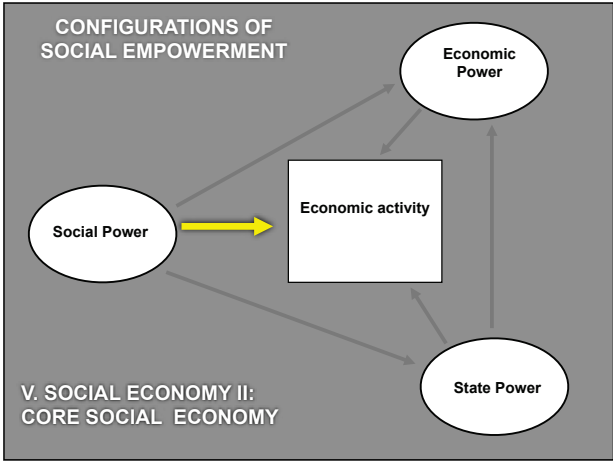
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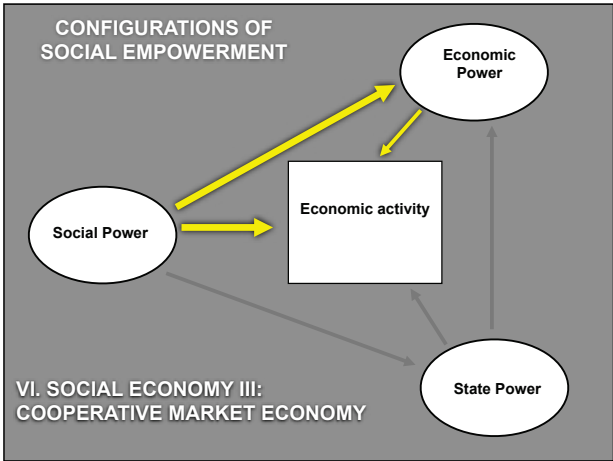
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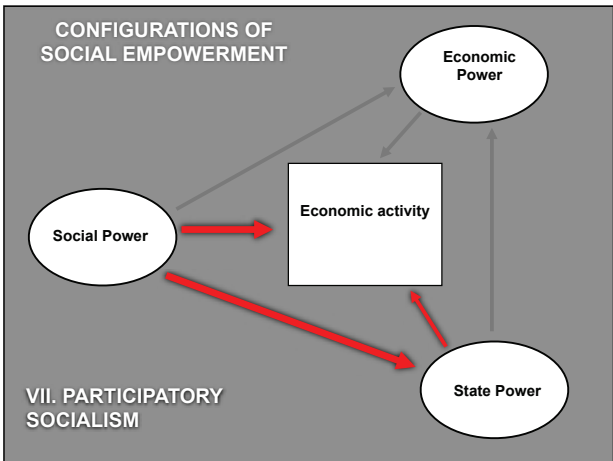
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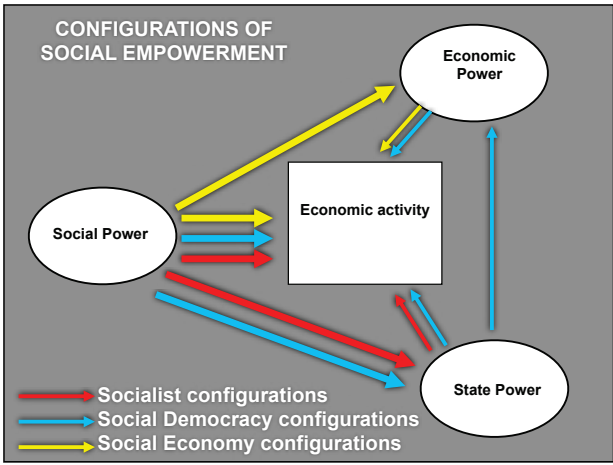
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**Strategic logics of Transformation**

1. *Ruptural* (radical break in institutions):  
Revolutionary socialist tradition
2. *Interstitial* (build new institutions in the cracks of the system): Anarchist tradition
3. *Symbiotic* (use existing institutions to solve problems in ways that transform institutions):  
Social democratic tradition

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