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# What is Democratic Planning?

Tom Wetzel

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It's true that there are many avenues of technical change in various areas that would be more environmentally friendly...such as wind and solar and wave power for electricity generation, or "green chemistry" for cleaners and plastics, or a switch in transport away from the private auto. But what assurance do we have that social ownership of the land and means of production and "democratic planning" will lead to those changes?

Capitalism is a system of private accumulation of wealth and one of the key profit strategies is cost-shifting...shifting costs onto workers and shifting costs onto others in the population (through polluting them) and shifting costs off into the future (through rapid using up of resources...logging, over-fishing, green house gas accumulation, etc). Cost-shifting behaviors are facilitated because capitalism is a system of social domination. As Murray Bookchin has always emphasized, the ecological crisis is rooted in social relations of domination. When groups are in a weaker, vulnerable, dominated, or pow-

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erless position in the political economy/society, they can be polluted or stripped of their resources.

So it seems to me that a key part of the solution has to be preventing cost-shifting behaviors through empowering the people costs are shifted onto. And this is linked to the other aspect of the solution: You can't have proper incentives in technical development in industry without an accurate way of calculating environmental costs.

Now, if we think of the environmental crisis as rooted in cost-shifting, this says it is a product of the way that capitalism is a system of social domination. That's because costs are shifted onto vulnerable and dominated populations...such as workers, communities of color or other working class communities living near polluting facilities, or the entire population who breathe polluted air, indigenous communities whose resources are stolen, etc.

Consider the cost-shifting behavior of the massive information technology industry. It's manufacturing end is more damaging to its workforce than any other manufacturing industry...as measured by rates of illnesses and injuries. But the workers are just the front line of pollution that then impacts surrounding areas.

I worked for about 14 years for two computer hardware manufacturing firms in Silicon Valley, beginning in the early '80s. At that time there were about 1,500 high tech manufacturing firms in Silicon Valley and 70-80 percent of the assemblers were women of color...many of them immigrants. Later studies show how patterns of illness such as cancer have shown up in this population. At the same time, that industry completely destroyed the underground aquifer of Silicon Valley...there are 29 Superfund sites there, more than anywhere else in the USA. Now that they've moved the manufacturing to China, the Mexican maquiladora zone, Malaysia and other third world or eastern European sites, the same pattern is being repeated...even more recklessly. (There is a lot of good information about this

prices for these effects can emerge. Robin Hahnel has described how this process could work in *Economic Justice and Democracy*.

Through this same process, an accurate picture can emerge of the overall costs of producing the various things the community has decided that it wants produced. To have a rational planning system this is needed even if these products are going to be distributed free of charge to people. We need to know what the costs are to minimize waste.

in the anthology *Challenging the Chip*, organized by the Silicon Valley Toxics Coalition.)

Similarly, farm workers are the front line in the huge damage to human health from massive use of pesticides, herbicides and petro-chemical fertilizers in industrial agriculture.

This suggests to me that the solution has to begin by empowering two groups of people:

1. Workers need to have complete management authority over the industries they work in and they need to have control over technical research and development, to ensure that techniques that are employed facilitate democratic control and are safe to the health of workers.
2. There needs to be public governance bodies in local communities and regions, beginning at the level of neighborhood assemblies, so that the population can exercise direct stewardship over use of the environmental commons in their areas...land, water, air.

This is necessary in order to be able to institute an "ecological rationality" because this presupposes that (1) we have a way to accurately assess ecological costs of different possible technical avenues of change, and (2) we need to be able to force production organizations to eat their environmental costs or to ban certain pollutants or practices altogether if they are too risky.

We can't say that we will just ban anything that is damaging. At a given point in time we may not yet have a technique for producing something we need or strongly want that is free of pollution effects. What we do need is a way of providing an incentive to production organizations to develop ever more superior techniques from the point of view of their ecological effects.

This suggests that we need to have a planning process that involves an interactive negotiation between production organi-

zations and the democratically organized populace to be able to work up a plan for production.

Although I also favor "democratic planning," I don't think we can rely too much on that phrase because it is so vague. Contrary to what Joel Kovel seems to suggest, "central planning" is not synonymous with a top-down hierarchical apparatus such as the old Soviet state.

A century ago there were various socialists who proposed more grassroots democratic conceptions of unified "democratic planning" that were in fact systems of central planning. Consider Daniel De Leon's proposal that the plan for the economy should be developed by a National Industrial Union Congress. There were to be delegates sent to this body from the various industries. In fact this was a system of central planning because it envisions a unitary decision-making body for the making of a plan.

Thus if the national government makes the plan this is still a form of central planning even if many of the decisions are made through direct votes of the population as Michael Lowy suggests.

There are many tens of thousands of products and parts of products and these have to mesh together to have a viable plan. As seemingly democratic as DeLeon's worker congress proposal was, the congress would only be able to make a few priority decisions. There would have been a huge technical planning bureaucracy to work up the rest of it.

Any form of central planning, even one that is seemingly democratic in the sense of appealing to a national congress of delegates or national direct votes will tend to violate workers' self-management. It will tend to do so over time because the inevitable technical planning bureaucracy will want to have its people onsite in workplaces to ensure its plan is being carried out. To ensure "accountability" of the workers to "society," there will be a tendency to impose bosses over workers. And

we'll be back to something like the "one-man management" proposals of Trotsky and Lenin in 1918.

And thus we'll be back to a class system, with a dominant techno-bureaucratic elite of some sort. And it seems likely any dominating elite could resort to cost-shifting behaviors...and we have the Soviet ruling class as an example.

But it would be a mistake to take this as an argument for market-governance...a retreat to the domination of "exchange value" over "use value". And I think Michael Lowy would agree with me on this point. In *The Democratic Worker-Owned Firm*, David Kellerman introduces a concept he calls the "residual claimant." Whoever is responsible for paying a firm's debts or its bills and whoever owns the products and revenue from their sale is the "residual claimant." In market socialism worker co-operatives are residual claimants just as capitalist firms are in capitalism. The problem with this is that it means that firms in a competitive market economy will be motivated towards the relentless pursuit of a surplus of revenue over expenses irrespective of whether it is capitalist investors or the workers who own it. And shifting costs onto others is a way to do this.

As far as I can see, market socialism could only try to address the environmental crisis by appealing to government regulation, green consumerism and market mechanisms like pollution trading. Just as these tactics are unlikely to make capitalism environmentally sustainable, they are not likely to do so for market socialism either.

I suggest the alternative is to envision a socially owned economy as functioning through a process of negotiated coordination between an organized self-governing population and worker self-managed production organizations. With the land and means of production socially owned and the democratically organized populace able to act as stewards of the environmental commons, they can force production organizations to pay their costs. Through a process of negotiation over rights to environmental effects such as pollution emissions, rational