

# SELF-MANAGEMENT

**Michael Howard, *Self-Management and the Crisis of Capitalism, The Rose and the Fist of the Present*. (Lanham, MD: Rowman & Littlefield, 2000)**

Reviewed by Ken Estey

In these first months of the new millennium you may be asking with Daniel Singer: *Whose millen-nium?* If you do not think it is yours, but belongs to transnational corporations, Michael Howard offers fresh hope and a grounded vision to reclaim what is rightfully ours. If you feel like the fist of the present is tightening and your breath is getting shorter, read this challenging book to rekindle your utopian visions and to sharpen your thinking about what is possible.

His book begins with harrowing statistics about hunger, refugees, wage and wealth disparities. Our circumstances are dire and the prospects are grim. Yet this is not a grim book! The tenor is cautiously optimistic. Even hopeful. Despite the pessimism of the title—*“the crisis of socialism”*—Howard offers possibilities when others are content to say: *There is no alternative*. He does not reside safely within the familiar confines of mounting a litany of criticisms of capitalism. His proposal is just far enough outside the range of current possibilities to be visionary, but not so far removed from current experience as to be utopian. It is compelling to me when anyone dares to reach for this type of middle ground.

A few words about the title of the book itself, *Self-Management and the Crisis of Socialism: The Rose in the Fist of the Present*. In brief, the rose is socialism, of the democratic socialist type, and it is this rose that is within the iron vise grip of capitalism. Self-management is not the cause of this crisis but, rather, the key to the revival of socialism. Self-management will pry open the tightly squeezed fist of capitalism and liberate the rose from the fist, and from its own current impasse.

This liberation is only the first step. Liberating the rose of socialism from capitalism for Howard is a wish to be *“consistent with the deepest aspirations toward social transformation and emancipation at the heart of Marxism.”* Yet the way Howard goes about liberating this rose is most surprising. He has the audacity to suggest that this entails embracing some of the conditions of its own captivity. Yes, Howard advocates markets, that is, he calls for *market socialism*. If you want a four word summary of a leading motif of this book, it is: *worker-managed market socialism*. This is a starting point based on the work of David Schweickart’s book *Against Capitalism*. While Schweickart argues for economic democracy on economic and ethical grounds, Howard takes another step by developing arguments from the theory of justice that support workplace democracy or self-management. Fascinating material about John Rawls’ influential *A Theory of Justice* can be found in this beginning section of the book, material which will help prepare readers for succeeding sections.

## **Self Managed Market Socialism**

The second part of the book discusses the institutions of self-managed market socialism. In brief, this entails an examination of the cooperative movement such as the Mondragon Cooperative in the Basque region of Spain, and Italian cooperatives such as those within the *Lega*, or League of Cooperatives. It also includes worker ownership plans such as Employee Stock Ownership Plans in the United States. This section of the book also deals with economic democracy and basic income. The third and final section deals with the prospect of

socialist practice in contemporary capitalism, particularly in relationship to the workplace and to the media.

In *Self-Management and the Crisis of Socialism*, there is neither a separation of the cooperative movement and socialism nor a full identification. The introduction to the second section entitled “Institutions of Self-Managed Market Socialism,” makes the remarkable claim that “*Some might think of a cooperative as socialism in microcosm, and in many respects it is.*” The title of chapter seven is posed as a question: “Worker Ownership: Socialism in Microcosm?” And at the end of this same chapter, he claims that the worker cooperative is a kind of embryonic socialist institution. Yet it would be premature to seize upon the cooperative movement as *really existing socialism* in our time. As Howard argues, “*a society of cooperatives in and of itself falls short of a just society.*” One might think that Mondragon in the Basque region of Spain might rise above this argument. In spite of all the advantages that Howard points to in his book, he urges restraint in the face of recent violations of cooperative principles at Mondragon. On a troubling note, the Mondragon Cooperative Corporation (MCC) has built plants in other countries that are not themselves cooperatives. The MCC has also been hiring temporary workers who are not members, nor able to become such. As Howard bluntly states the issue: “*The hiring of wage workers is a departure from cooperative principles.*”

Howard’s point in raising these objections to the current operation of Mondragon is not to argue that it has completely departed from cooperative practices and the cooperative ethos. Nor is it to argue that there are intrinsic difficulties with the cooperative form. At the beginning of the book, he argued that “*a revival of the idea of self-management is critical to the revival of socialism today.*” But in this section of the book, he claims that self-management itself requires socialism, and in particular, public control over investment: self-management on its own is not going to usher in socialism. Thus, for Howard, socialism and the cooperative movement operate in a reciprocal relationship to each other.

I witnessed recently a tractor trailer from Northeast Cooperatives of New England noisily hauling goods down Broadway. Emblazoned proudly on the trailer was a reference to organic foods—presumably the truck was headed to health food stores around New York City. I wondered about its driver. How does the driver relate to the entire cooperative movement of which she is ostensibly a part? Is she just driving a truck or was this trip also part of a social vision? Now, I do not wish to make too much of the possibilities of a short haul from New England to New York. Yet, if truck drivers for a genuine cooperative cannot, in any way, partake of the longer range hopes and dreams that we may have for the cooperative movement, then what is missing? If the truck driver is only concerned about her own bottom line because the cooperative itself doesn’t care, then a new vision is necessary.

Howard never claims to have found the complete or finished vision, but he does believe that certain roadways are more clear than others. With David Schweikart, and against many proponents of the cooperative movement, he is more interested in worker management and less interested in worker ownership. The best highway is economic democracy. Worker owned cooperatives are satisfactory roadways but potholes and u-turns right back to capitalism are always possible. In sum, Howard’s vision comes with no guarantees. It is precisely because it is grounded in real world examples that it rises above idealistic solutions and false hopes. If we make the road by walking, then this book is a good companion for the trip.