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Inclusive Democracy

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Today we face a very serious multidimensional crisis. This crisis affects all spheres of life. In other words, it is an economic crisis, it is a political crisis, it is a social crisis, an ecological crisis, even a cultural crisis. So the question is, is there any common thread, that is, can we find any common cause for the various aspects of the crisis? And the answer, to my mind, is yes. The cause is always the concentration of power on various levels. It is the concentration of economic power, which leads to the economic crisis, of political power, which leads to the political crisis, and so on.

The political crisis is a by-product of the dynamics of representative democracy. Representative democracy is not a system that was always there – it was created at about the same time as the system of the market economy, 200 years ago, and its dynamics has led to the present situation, where it's not parliaments any more that take important decisions, it's not even the governing parties, but it's just cliques around the president or the prime minister which take all the important decisions. This creates huge alienation. That's why today we don't have any more mass political parties. People do not become members of parties, as used to be

the case in the past. Not only this: Today, many people do not even bother to vote. So this is a manifestation of the huge political crisis that the system of representative democracy is going through at the moment.

Therefore, if you look at every aspect of the present crisis, you will see that the ultimate cause behind it is the concentration of power in some form. And that's why we need an inclusive democracy, because inclusive democracy is the abolition of this concentration of power at the institutional level, the abolition of this concentration of power in all its forms and the creation of conditions of equal sharing of power, of political, economic power, and so on.

I'm Takis Fotopoulos, I'm a writer and the editor of the international journal *Democracy & Nature*, the international journal for inclusive democracy, and I've been teaching economics at the University of North London, in the past, for over 20 years. I would like to talk about the project of inclusive democracy and I would like to start first with the question: What is inclusive democracy? I think it is important to stress that the inclusive democracy project is not just an economic model, but it is a broader political project, which aims to remake society at all levels, at the political level, the economic level, the social level, and, of course, in the ecological sphere. The overall aim of the inclusive democracy project is to create a society determined by the people themselves; in which, in other words, the "demos", as it was the classical concept for the people, has overall control over the political sphere, the economic sphere and, the social sphere in general.

So the inclusive democracy project, in a sense, is a synthesis of the two major historical traditions, the socialist tradition and the democratic tradition, and also of the currents that developed in the

last 30 or 40 years, the new social movements, i.e., the feminist movement, the ecological movement, the identity movements of various sorts, and so on. In other words, the inclusive democracy project is a synthesis of all those historical experiences, of the socialist and also the democratic tradition and all those new social movements. In this sense, we can say that the inclusive democracy project is neither a theoretical construct, as it is the product of all those historical experiences, nor is it a utopia – and it is not a utopia because there are already trends all around us leading to a society which in various aspects resembles the inclusive democracy society. Thus, everywhere, there are experiments going on with alternative institutions and whenever there is an insurrection, like, for example, the recent Argentinean one, we have seen people organizing themselves in general assemblies and trying to organize political and economic life according to principles which, like the principles that I'm going to explain in a moment, are the principles of the inclusive democracy project.

The four components of the inclusive democracy society are: first, political or direct democracy; second, economic democracy; third, democracy at the social level; and fourth, ecological democracy. So, let's see briefly what we mean by each of those components.

Political or direct democracy means the authority of "demos", of the people, over the political sphere. In other words, political democracy implies that it is the people, collectively, that take decisions about all political affairs, and directly, without representatives. Because what we call representative democracy today is a fake democracy, since there can be no representation of my will, of anybody's will. That is, you can either express your will directly, or you can simply delegate certain kinds of wishes you have, but you cannot have somebody else decide for you. So political or direct democracy is the type of society where people

directly and collectively decide for themselves on all important aspects of political life. That means that in a direct democracy every resident in a particular area takes part in the democratic process. We shall assume that usually this will not be a community of more than thirty to fifty thousand people.

In the same way that we define political democracy as the authority of demos over the political sphere, we can define economic democracy as the authority of demos over the economic sphere. This means that it is the citizen body, that is, all people at a mature age – which is decided by the assemblies – all people at a certain age who decide, i.e., take decisions on all major economic problems, particularly those affecting the meeting of basic needs. In an inclusive democracy, there should be no private ownership of productive resources, of the means of production, but instead the productive resources should be owned by the demos, i.e., there should be demotic ownership of the means of production.

The third component of inclusive democracy is democracy at the social level; that means at the micro level, at the level of the workplace, the household, the educational place, and so on. In all those places, there should be democracy in the sense that there should be equal distribution of power. There should be no distinction between workers working in a workplace, there should be, in other words, equal distribution of power between men and women, between teachers and students or pupils, and so on.

And, finally, we have the fourth component of inclusive democracy, the ecological democracy component, which means that the inclusive democracy aims to create the subjective and objective conditions so that man is reintegrated into nature; society is reintegrated into nature. This is important, because what we have today is a situation where society is separate from nature. We

see nature as an instrument to achieve certain objectives – the main objective is economic growth, of course – and, as a result, we suffer the crisis that we have at the moment, a serious ecological crisis.

So, having seen what is an inclusive democracy and why we need an inclusive democracy, the next important issue is to see how an economic democracy, that is, how this basic component of inclusive democracy, will work, i.e., what sort of an institution we can imagine that would secure equal distribution of economic power. This is important, not in order to prescribe some kind of regime that should follow in the future – this is silly anyway because, in fact, it is the democratic assemblies of the future that will decide the form that their institution would take. What we can only do here is to give an idea of why such a system is feasible, how it can work, and make some proposals that would implement all the basic principles I mentioned before.

The model therefore of economic democracy that I'm going to explain in a moment also represents a synthesis – as the whole project of inclusive democracy represents a synthesis – it represents a synthesis of two systems that we have known in the past, the planning system, on the one hand, and the market system that we still have, on the other.

The basic element of the planning system was that it aimed at meeting the basic needs of all people. On the other hand, the basic element that is produced or presented by supporters of the market system as its main strong point is freedom of choice. However, neither of the two systems has worked as in theory. That is, the planning system, the central planning system in the East, has created some conditions so that the basic needs more or less of all people have been met, but this did not mean any kind of economic democracy because, as I said before, the decisions were taken by the

political elite. Nor does the market system satisfy the supposed advantage of freedom of choice, because it's ridiculous to even talk about freedom of choice when basic needs are not being fully met.

So the question is, how we can have a system that, on the one hand, secures the satisfaction of the basic needs of all citizens, and, on the other hand, secures freedom of choice? For this, the proposal of the inclusive democracy project is to combine the planning element, which would be especially useful as regards the meeting of basic needs, with the market element – not in the sense of a real market like the present one, but in the sense of an artificial market that I'm going to explain in a moment.

As you can see in this simple diagram,... at the bottom of the pyramid you can see "citizens decide". And there you can see that it is citizens who decide production, decide consumption, decide work. In other words, all the important decisions are being taken by citizens. This is not accidental because you should not forget that this is a model of an economy which is stateless, in other words, it does not presuppose a state; it's moneyless, in the sense that it does not presuppose money the way we know it today; and it is marketless, in the sense that there is no real market but an artificial market. Thus, it is basically citizens who decide.

So let's move first to the consumption side of the economy. There, you can see that citizens decide, as consumers, how to allocate their income, which comes in the form of vouchers. That is, citizens, in exchange for the work they offer to society, are rewarded with vouchers.

Now, we may distinguish here between basic and non-basic vouchers. Let's start first with the basic vouchers on the right [Editor's note: on the right side of the diagram.]. We can estimate

the number of man-hours that people have to offer to society, to the community, so that their basic needs are satisfied. The planners, in other words, on the basis of estimates about what are basic needs – and what are basic needs is decided democratically, not objectively, because if you introduce the element of objectivity, then you may easily end up with all sorts of arbitrary decisions, so, democratically, citizens decide which needs are basic and also what should be the level of satisfaction so that the basic needs, say food or clothing or whatever, are satisfied – and, also on the basis of estimates about the size of the population and the entitlement of each citizen to particular basic needs, on the one hand, and, on the other hand, on the basis of technological averages, can find out what is the total number of basic hours (and, correspondingly, the basic vouchers) that should be offered in a community, of say thirty or fifty thousand people, so that its basic needs are satisfied.

The non-basic vouchers are issued to citizens who would like to work over and above the minimum requirement that is needed for the satisfaction of basic needs. Let's say that planners have estimated that everybody has to work three hours a day so that all basic needs are met. If somebody wants to work more than three hours, either in the same line of activity or in a different one, then he is rewarded for this with non-basic vouchers, which he can use to buy commodities – i.e., goods and services that are of non-basic nature.

The question that arises with respect to non-basic vouchers is how we can determine the rates of exchange, in other words, the "prices" at which work is exchanged with non-basic vouchers. For basic vouchers, that is no problem because everybody has to work a minimum number of hours to meet his or her basic needs. But with non-basic vouchers, there is a question of what is the rate of remuneration. Now, here, we can take into account – and that's

why I talked before about an artificial market – the demand and supply conditions of the past. In other words, if, say, a mobile phone is characterized as a non-basic good by the assemblies and if, say, over the past six months, in this community, there has been an offer of, say, 100,000 non-basic vouchers in the purchase of mobiles, and with these 100,000 vouchers people could buy 1,000 mobiles because that was the total production of mobiles, then, if we divide the number of vouchers used in the purchase of mobiles by the number of mobiles produced, we get 100. So the price of a mobile is 100 non-basic vouchers. And, similarly, we can find out the price of any other non-basic good, in other words, by taking into account what production took place over a period of time and, also, what the demand for this particular type of good and service was. This way, therefore, we start with actual demand and actual supply conditions rather than – and this is a major drawback of most planning systems – by asking people in advance what they wish to buy and then calculating accordingly, through the planning mechanism, what is to be produced. The disadvantage of all these types of planning is that people have to decide six months or a year in advance what exactly they are going to buy, which, of course, is something that seriously restricts freedom of choice.

So, let's move now to the production side of the economy. As you can see, citizens decide the production targets in demotic assemblies, on the one hand, and workplace assemblies, on the other. Now, demotic assemblies are perhaps the most important body of decision-making in the inclusive democracy. It is the assembly of the demos, the assembly of the citizen body in a particular area. The demotic assembly takes decisions on all aspects of economic and political and social life. As regards economics in particular, it takes decisions on the basis of the plan that is designed at the confederal level, which we are going to see in a

moment. Thus, the demotic assembly, on the basis of the confederal plan instructions, as we have seen before, estimates what the basic needs of the people would be and how many hours each has to work. Then, on the basis of these instructions, the demotic assemblies give instructions to the various workplace assemblies of what the work tasks are – that is, what they have to produce in order to meet the basic needs of the people.

However, both demotic and workplace assemblies refer to the local level. But there are also problems of regional, or national, or even continental significance. That's why we also need what we may call regional assemblies, as we can see in the diagram, which decide on problems that cannot be decided at the local level. This is because, in principle, all main decisions are taken at the local level but there are also problems that cannot be solved at the local level – take transport, take energy, take communication. You cannot solve this sort of problems at the local level, so there should be a regional assembly – consisting of delegates from demotic assemblies – which, however, only co-ordinates; it does not take decisions. That's important, the regional assembly is only an administrative council, it's not a policy-making body – remember, we have delegates, not representatives. So, from demotic assemblies, a number of delegates are elected to the regional assembly, in order to implement the decisions of demotic assemblies.

Finally, we have confederal assemblies, which are the highest economic organ of the inclusive democracy. And this means that an inclusive democracy cannot work only at the local level. Unless local democracies are confederated in a kind of confederal inclusive democracy, it is meaningless to talk about any reasonable allocation of resources. In fact, I could say that the three conditions of economic democracy are: first, what I mentioned before, demotic ownership of the means of production; second, self-reliance, that

is, each local community, each demos, should be self-reliant, not in the sense of autarchy – autarchy is impossible today – but in the sense of relying on its own resources in order to meet as many needs as possible; and the third important principle that is implied by this economic democracy model is confederal allocation of resources, i.e., the allocation of resources takes place at the confederal level.

In a free society, the question is who is going to do the unpleasant jobs and how we can meet demand and supply when, say, more people would like to do jobs that are very pleasant, versus the other type of jobs. Now, one solution that has been suggested is the idea of job complexes, which means that people can do a variety of work tasks. In other words, we can expand the meaning of the job, or type of job, to include as many work tasks as possible. For example, if you work in an office, you can do typing but at the same time you can be involved in other types of more interesting work in the office and in decision-taking as well, and so on. So, in this sense, the job complex idea does sort out the problem of how we choose jobs in certain kinds of activities. But this is not a panacea, that is, there are types of activities that we can think of where the idea of job complexes may not work, especially if you need a very high degree of training and skill in order to do a particular job. I cannot think of a job complex for a surgeon, say, or for a pilot. I cannot imagine the surgeon doing the cleaning as well, or helping the nurse give injections because that would be a waste of his time and of society's time, which is even more important. So, there should be some other way of expressing the desires of people as regards the type of work they choose.

As regards the non-basic type of work, there is a way that is proposed by the inclusive democracy system, which could sort out this problem. But as regards the basic type of work, I think the

only solution to a serious mismatch between demand and supply is either rotation, (that is, people do various types of activities on rotation, so that you're going to do hard work like building or mining and then rotate), or that you reward people doing jobs for which there is not much demand with non-basic vouchers on top of the basic vouchers they have to receive anyway.

As regards non-basic goods, if we move up to the diagram, then we can see that we have, on the left, the index of desirability and, on the right, the "prices" of non-basic goods and services. These are the two basic elements that determine the rate of remuneration of non-basic work. The index of desirability is a complex index showing the desires of people as regards various types of work. First, a look at the index of desirability: We can design it as an inverse function of desirability, in the sense that the more desirable a job, a type of work is, the less the remuneration is, so that, in this way, we can have, on the one hand, satisfaction of the desires of people and, on the other hand, satisfaction of the needs of society, in the sense that for non-desirable work there should be higher remuneration – say, a builder or a miner should receive a higher remuneration than perhaps a university teacher if the university teacher's job is more in demand (because he gets more satisfaction from his work) than that of a miner or a builder. Furthermore, and that's important, we have an adjustment mechanism here at work, because if, say, in a particular type of activity there is not much offer for non-basic work, if, say, there are not many people who would like to do extra work in the production of mobiles, this would be reflected in the price of mobiles; the price of mobiles would go up as production of mobiles falls. But, as the price of mobiles goes up, the rate of remuneration would be going up as well, and this could attract more workers in the production of mobiles.

So, that's in a nutshell how this model of economic democracy works. But as I said from the beginning, this is just a proposal to show that it is feasible to have a different kind of society meeting the basic needs of all citizens and at the same time meeting the demand for freedom of choice. And it is, of course, up to the general assemblies of the future to decide what exactly the form of their society should be.

Finally, the crucial question that we have to consider is how we can move towards an inclusive democracy, that is, how we envisage a transitional strategy towards this sort of society.

I think that the basic principle that should guide our steps here is that means should be consistent with ends. Therefore, we need a new type of political organization that would meet the basic demands of direct democracy. That rules out any kind of avant-garde and hierarchical political parties and so on. What we need instead is a new movement, a new kind of mass movement, which would be based on autonomous – more or less – organizations that would be confederated, of course, and which would start building institutions of inclusive democracy in their own areas.

In other words, I can see the transition towards an inclusive democracy using two sorts of tactics or, if you like, strategies: On the one hand, the usual defensive strategy of the left, which means taking part in the struggles of working class, and of people in general, against the attacks of neo-liberal globalization. But this is only one part of the struggle, as far as I can see it. The other, equally important, if not even more important, part of the struggle is the positive one: i.e., the one involving building alternative institutions within the present society.

In fact, this process has already started, that is, you can see all over the place co-ops being established by various groups, communes, LETS schemes in Anglo-Saxon countries, whereby people, particularly unemployed people, avoid the use of money and exchange their services directly with other services – so, there are all sorts of similar schemes going on at the moment. The problem is that all those schemes are not part of a comprehensive political program for political change.

This is why I would have no hesitation to suggest (even if such groups have already started installing alternative institutions) taking part in local elections. In other words, if such groups take part in local elections, in the context of an inclusive democracy program, or generally a program for a comprehensive type of democracy – and this presupposes that such groups have already developed into a massive movement with significant appeal to the people – then, if they win the local elections, they would have a perfect opportunity to apply, to implement massively at the local level, the principles of inclusive democracy. In other words, they would take local power in order to abolish it, if you like, the next day, in the sense that once they take over local power, then, from the next day on, they will start organizing people in neighborhood assemblies to take over themselves, instead of the usual municipal council, and so on.

The importance of the transitional strategy of the inclusive democracy project is that the new society will not be established at all unless the majority of the population has already subscribed to this project, unless, in other words, they have already adopted, – by using them – the alternative institutions in practice, and have acquired a corresponding democratic consciousness, So, unless the majority have already been integrated in a new society of this type, the society will not come about.

When the moment comes that the power from below, (i.e., this power that developed from below), is more powerful than the power of the normal authorities (in other words, capitalists, the state, and so on) then, after a period of tension between the state and the capitalist elite, on the one hand and the people, self-organized in this way, on the other, you could have a transition, which may or may not be violent. That is, it would be violent, of course, if the elites, as it is possible, attack this sort of experiments using various forms of force – and force need not be physical force, even economic force may sometimes be enough. But, it may not be violent. It all depends on the balance of power at the moment of transition.

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