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THE ECONOMIC PAMPHLETEER
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Competition versus cooperation

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Cooperation has emerged as a new watchword of the sustainability movement. Those who are concerned about sustainability are encouraged to cooperate rather than compete. Food-related cooperatives include regional food hubs, local food networks, food box schemes, food buying clubs, farmers' markets, community supported agriculture operations (CSAs), and farmer-owned cooperatives. Cooperation is a logical response to the obvious ravages of cutthroat economic competition in the American food system. However, we cannot afford to ignore our basic human tendency to compete.

Obviously, unrestrained competition is not

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*Why did I name my column "**The Economic Pamphleteer**"? Pamphlets historically were short, thoughtfully written opinion pieces and were at the center of every revolution in western history. Current ways of economic thinking aren't working and aren't going to work in the future. Nowhere are the negative consequences more apparent than in foods, farms, and communities. I know where today's economists are coming from; I have been there. I spent the first half of my 30-year academic career as a very conventional free-market, bottom-line agricultural economist. I eventually became convinced that the economics I had been taught and was teaching wasn't good for farmers, wasn't good for rural communities, and didn't even produce food that was good for people. I have spent the 25 years since learning and teaching the principles of a new economics of sustainability. Hopefully my "pamphlets" will help spark a revolution in economic thinking.*

sustainable — in the economy, society, or nature. Contrary to popular opinion, Darwin was not referring solely to competition when he wrote about the origin and evolution of species. Individuals often need to compete for the opportunity to pass on their genes, but cooperation is necessary to actually accomplish conception and successful reproduction. Even organisms that reproduce by simple cell division must have a cooperative environment for the offspring to survive and thrive.

"Survival of the fittest" means survival of those who successfully integrate the seemingly opposite tendencies of competition and cooperation. Healthy living organisms have emergent properties that make them stronger than their individual tendencies to either cooperate or compete. For example, the human body is made stronger by its individual parts that cooperate in sustaining the physical health of the body as they compete for its energy and attention. Throughout human history, whenever cooperative social groups have formed, they have created games, rituals, and other competitive means of assessing worth. Competition is essential to our individual being, cooperation is essential to our social being, and both are essential to being fully human. Both are essential for regeneration, resilience, and reorganization, and thus both are essential for sustainability.

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The emerging conflict between competition and cooperation today is reminiscent of the cooperative movement of the late 1800s and early 1900s. Cooperation was a logical defense against the merciless forces of economic competition emerging from attempts to establish a "self-regulating," global economy. Economic exploitation of the working class was rampant. In his classic book, *The Great Transformation,*[1] Karl Polanyi explains how the competitive forces of capitalism were destroying the social fabric of global society. People attempted to defend themselves by forming cooperative organizations that allowed them to meet their needs without competing.

The situation in the late 1800s and early 1900 was similar to that of the enclosure movement of the late 1700s and early 1800s. Prior to the "great transformation," as the enclosures were called by Polanyi, neither land nor labor could be bought or sold. Both had to be "commoditized" before their use could be guided by the impersonal transactions that advocates of free-market competition thought necessary for economic self-regulation. Capitalists considered government, regardless of its form, to be inherently incapable of directing the use of land and labor to meet the needs of society. They believed all such decisions should be left to the impersonal forces of competitive free markets. Adam Smith's "invisible hand" would transform individual greed into societal good. There was no recognition of either the vulnerability or value of society and nature, other than as untapped reservoirs of economic value.

The social fabric of families, communities, and societies, knitted and bound by personal relationships, were being ripped apart by the forces of impersonal economic transactions. Nineteenth-century governments were incapable of stemming the tide of free-market capitalism. It was left to people to defend themselves, which they did by forming various kinds of cooperative organizations.

As the cooperative movement grew, its various and diverse elements coalesced and became part of the Progressive political movement of the early-twentieth century. The government became a means of national defense against the social devastations of free markets. Child labor laws, labor unions, direct election of senators, women's suffrage, antitrust laws, and progressive income taxes were early battles won on behalf of society. The New Deal in the '30s brought victories for Social Security and unemployment benefits; the

[1] Polanyi, K. (1944/1957). *The great transformation: The political and economic origins of our time.* Boston: Beacon Press.

Great Society of the ’60s added civil rights protection, Medicare, and Medicaid. As government took responsibility for protecting society from competition, the cooperative movement receded, its mission seemingly accomplished. The environmental movement of the ’60s and ’70s extended government protection to nature as well as society.

However, the capitalists regrouped and fought back — with a vengeance. Runaway inflation during the ’70s and the global recession of the ’80s were labeled as inevitable consequences of government interference in markets that otherwise would be capably self-regulating. Capitalists pointed to the fall of the Soviet Union as proof that governments are inherently incapable of regulating the use of land and labor. “Government is not a solution to our problem, government is the problem.” Reaganomics marked a return to the economic fundamentalism of self-regulating markets. All restraints on the economic exploitation of land and labor, meaning nature and society, would be removed to allow free-market competition to regulate the economy. “There is no alternative,” insisted British Prime Minister Margaret Thatcher.

The recent resurgence of cooperatives is a logical response to the resurgence of unrestrained capitalism. The economic and political inequities of today surpass even those of the early 1900s. Capitalists have succeeded in making our government “intentionally dysfunctional” to limit its ability to interfere in the economy. We must reclaim our government, but we must not repeat the mistake of expecting an *impersonal* government to restore inherently *personal* social and ethical relationships. Social ethics, such as honesty, fairness, responsibility, respect, compassion, and love, evolve out of our personal connectedness to each other. Cooperation is not only a means of defense; it also is a means of realizing the fullness of life. Government is necessary to enforce the consent of the governed, but the consent “to be governed” must arise from trusting, caring cooperative relationships.

Competition is the means by which we discover our uniqueness; cooperation is the means by which we discover our connectedness.

Nor can we afford to repeat the mistake of planned economies by denying the inherent tendency of people to compete. Competition is the means by which we find our place within society by comparing ourselves to others. Through competitive self-comparisons, day by day we discover our life’s purpose. The old cliché is actually true: Constructive competition is not about winning or losing, but about discovering how well we can play the game. Competition is the means by which we discover our uniqueness; cooperation is the means by which we discover our connectedness. Competition can be constructive, however, only if we cooperate in establishing the rules and bounds within which we compete. A sustainable economy will not deny competition — but will allow competition only within bounds established and sustained by cooperation.