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Competition, the Global Crisis, and Alternatives to Neoliberal Capitalism: A Critical Engagement with Anarchism

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Competition, the Global Crisis, and Alternatives to Neoliberal Capitalism: A Critical Engagement with Anarchism

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Abstract Since the mid-1980s, and particularly throughout the first decade of the twenty-first century, the imperative of capitalist competition has become a totalizing and all-pervasive logic expanding to ever more social domains and geographical areas around the world. Sustained by neoliberal competition regulation and other regulatory provisions, excessive competition (over-competition) in the process of capital accumulation has become a major global force with highly detrimental social and environmental downsides. From the vantage point of a historical materialist perspective, the article provides an explanatory critique of capitalist competition and the atomistic and reductionist social scientific precepts that serve to legitimize the neoliberal type of competition regulation. By critically engaging with principles and values central to anarchism, such as equity, solidarity, cooperation, mutual aid, and environmental sustainability, the article seeks to outline an alternative vision to the ideas and social practices that have sustained the existing competition order thus far.

Introduction

The idea that exposure to unrestricted competition brings out the best in human beings, companies, organizations and societies has cast a spell on today’s globalized world. Never before in human history has faith in competition enjoyed such an exalted, almost religious, standing. Heralded ad nauseam as the most efficient organizing mechanism of markets, competition is generally argued to increase economic progress and innovation, create wealth, and to reduce poverty. The metaphysical status assigned to competition finds its ideological and ostensibly scientific precepts in (neo-)classical economics. Countless mainstream economics textbooks praise competition as a way to force producers to innovate and produce optimal quantities at the lowest possible costs, thereby exerting a downward pressure on prices and increasing so-called consumer welfare. In the

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words of two neoclassical economists, competition “benefits almost everyone” and is “the permanent driving force behind individuals as it rewards successful activities and penalizes laziness and failure.”

The mantra that competition is good and more competition is even better has gained particular momentum with the ascendance of neoliberal ideas since the 1980s. Under the pretext of increased competitiveness and better performance of entire economies, neoliberal logics have served to extend the deepening and expansion of the market-mediated and competition-driven profit venture far beyond the corporate sphere. Disciplinary policy tools, such as performance indexes, scoreboards, and the benchmarking of “best practices” are the tangible manifestations of the totalizing and all-pervasive forces of competition, exposing entire countries, regions, cities, universities, and hospitals, as well as students, researchers, and workers to continuous comparative evaluations, and thus, the need to compete.

After three decades of neoliberal economic policies, we are in the midst of a major global economic crisis, which has not yet reached its zenith. Disparities in wealth have increased and living standards of the lower strata of society in many countries have deteriorated, while unemployment, underemployment, and informal work are on the rise. The depletion of natural resources and environmental devastation is reaching new heights, indicating that the forms of production and consumption of the developed world are no longer tenable. Safeguarding unbridled competition is nonetheless seen as the apex of restoring economic growth and social welfare. Seemingly unconcerned with growing social protests against neoliberal capitalism, policy-makers, business people and academics alike continue to be enthralled by the false promises of “free market” policies and even suggest an intensified neoliberalization as the route to salvation. So far, the chosen course has proven to be a blind alley, aggravating the crisis only further. A new phase of capitalist expansion and economic growth within neoliberalism seems unlikely, and even if it were to take place, it would not tackle today’s social and ecological problems successfully. Therefore, a transformation of the socio-economic system itself is required—a transformation that takes into

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3 See Nikolas Rose and Peter Miller, Governing the Present Administering Economic, Social and Personal Life (Cambridge, UK: Polity, 2008); see also Richard Sennett, The Culture of the New Capitalism (New Haven, CT: Yale University Press, 2006).
account not only the organization of the economic realm but also its relationship with nature. The exaggerated faith in competitive markets as a panacea for economic slump and recession forms however an obstacle to such a transformation. Entangled in the “Third Way” rhetoric of the 1990s, the political center-left in both the US and Europe suffers from internal fragmentation and ideological insecurity and lacks a coherent vision of possible alternatives to the prevailing neoliberal trajectory. It suggests at best mere reformist strategies that aim at rescuing capitalism from its internal contradictions, such as the implementation of “better regulation” or a turn toward some form of post-Keynesianism. The center-left has moreover in large part accepted and internalized the neoliberal pro-competition stance (alongside many other features of neoliberal thinking). Preoccupied with how the respective economies can win (or survive in) the global competitiveness race, it is instead concerned with how the detrimental effects of competition can be cushioned. Likewise, only a few academics and intellectuals have analyzed the downsides of competition, let alone thought about viable alternatives for post-neoliberal societies.\(^7\)

This article attempts to contribute to fill this void. As stated by Robert W. Cox, an integral part of critical scholarship is not only to explain and criticize structures in the existing social order, but also to formulate coherent visions of alternatives that transcend this order.\(^8\) To this end, the article offers first an explanatory critique of capitalist competition from the vantage point of historical materialism and argues that today’s crisis is partly rooted in excessive competition, here referred to as “over-competition.”\(^9\) This leads to an analysis of the current economic crisis in the second section, where it is argued that over-competition is one of the root causes of the crisis. The next two sections address alternative forms of organization of economic life and critically engage with anarchist values and principles, culminating in some general ideas for a post-neoliberal competition order. The last section before the conclusion reflects on how this alternative competition order could be achieved. To be sure, the ambition is not to outline a blueprint of a post-neoliberal competition order in rigid and minute detail but rather to sketch out its contours, as well as to discuss what it would take for it to emerge.

Cross-fertilizing historical materialist insights on competition with visions inspired by anarchist thought and praxis might not seem obvious at first glance—given the joint history of fierce antagonism between various strands of Marxism and anarchism.\(^10\) There is however also much common ground that deserves to be explored when thinking about alternatives that go beyond narrow-minded conceptions of what is acceptable and feasible. Thus, the purpose of this article is not to (re-)construct orthodox platitudes or to arrive at some sort of synthesis that reconciles what cannot be reconciled, but rather to explore the creative tensions

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that anarchist thought provides for critical social research and emancipatory practice. Both perspectives, broadly defined, are wholeheartedly anti-capitalist and dedicated to understanding social life and inducing social change. It will be argued that anarchism has much to offer, but by giving ontological primacy to local initiatives for building an alternative economic order, it also suffers from limitations. In particular, the problems created by the destructive competitive logics operating at systemic level require solutions that exceed the local level and that institutionalize higher-order nested governance structures.

Capitalist Competition—An Explanatory Critique

The vogue for competition is not new. Already Adam Smith has claimed that competition is “advantageous to the great body of the people.” 11 It drives “every man [sic!] to endeavor to execute his work with a certain degree of exactness.” 12 Consequently, “[i]n general, if any branch of trade, or any division of labor, be advantageous to the public, the freer and more general the competition, it will always be the more so.” 13 Neoclassical economists frequently compare competition to a Darwinist form of market justice in which the uncompetitive, weak, and inefficient perish and the successful and efficient win. Although the zero-sum nature of competition is generally accepted (not everyone who plays can win), competition tends to be confused with success only. In line with neoclassical economic models, it is widely assumed that competitive markets deliver an efficient and just allocation of scarce resources. 14 This view ignores, however, that real-world competitive markets are also highly inefficient, for instance by producing so-called negative externalities on a massive scale and “under-producing” public goods. 15 Competition and the freedom to compete are moreover frequently associated with broader notions of political freedom and individual self-determination. 16 This view is however equally mistaken as competition essentially negates individual freedom. As Karl Marx noted in Grundrisse: “[i]t is not individuals that are set free by free competition; it is, rather, capital which is set free.” 17 Competition, he argued, “is nothing more than the way in which many capitalists force the inherent determinants of capital upon one another and upon themselves.” 18 In Marx’s view, competition represents “the most complete subjugation of individuality under social conditions which assume the form of objective powers [...]” 19 Rather than being the Smithian invisible

12 Ibid., 963.
13 Ibid., 420.
14 The neoclassical vision culminates in the imaginary of “perfect competition,” a sort of harmonious equilibrium with many buyers and sellers in which prices move toward a point at which profits are eliminated and revenues mainly cover the production costs, and hence no further welfare increases are possible, neither for buyers nor sellers. See Manfred Neumann, Competition Policy. History, Theory and Practice (Cheltenham, UK: Edward Elgar, 2001).
18 Ibid., 651.
19 Ibid., 652.
hand, competition is an uncompromising fist, which exerts coercive pressures on "every individual capitalist," irrespective of his "good or ill will." In addition, competition disintegrates more than it unites, which means that in a competitive setting cooperation and mutual aid—the antithesis to competition—are marginalized as organizing principles. Mutual aid refers to altruistic and solidary practices aimed at enhancing the welfare of economic entities without the aid provider directly benefiting from it, while cooperation refers to voluntary arrangements between economic entities that focus on joint projects and reaching common goals. Without doubt, "one certainly can act in a solidaristic and cooperative manner within a competitive market system, but to do so often means having to go against the grain and place oneself at a competitive disadvantage."

Historical materialism captures the ineluctable toll of capitalist competition, namely that it exacerbates the intrinsic social contradictions and class antagonisms in the process of capital accumulation. The consumption of labor power and natural resources is seen as the source of real added value that makes capital accumulation possible. In other words, capital can only grow through the creation of new surplus value and thereby the further exploitation of labor and nature. As individual capitalists cannot afford to lag behind the price and quality standards set by competitors, defeating contender capitalists becomes essential for the reproduction of capital. In the struggle for economic survival, this means that economic power ultimately gravitates to those capitalists who can keep down the price of labor and other factors of production. Marx noted that "[t]he battle of competition is fought by cheapening of commodities. The cheapness of commodities depends all other circumstances remaining the same, on the productivity of labour [...]." Employees feel the direct repercussions of competition in the form of labor-saving technologies or increased pressures on productivity, unpaid overtime, and degradation of working conditions, (below) subsistence wages and redundancies. In the presence of what Marx termed the "industrial reserve army," competition directly or indirectly creates a chronic insecurity about the preservation of employment, leaving many people in dire straits regarding their future careers and living standards. Thus, competition might indeed lower prices, but one should not forget that people need a job first before they can consume. The interests of the wealthy few and the working many in the surplus created in the production process are incompatible from the outset, and competition further exacerbates this antagonism.

The process of the competitive accumulation of capital is thus neither stable nor unproblematic, nor linear nor infinite but pervaded by a range of contradictions. Marx famously suggested that competition is essentially a self-undermining process, which "pushes things so far as to destroy its very self." Ultimately, all capital would be "united in the hands of either a single capitalist or a single capitalist company," effectively putting an end to competition (and capitalism). Clearly we have not reached this stage and doubts about whether

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20 Karl Marx, Capital Volume 1 (Moscow, Russia: Progress Publishers, 1965 [1887]), p. 270.
21 Donnaruma and Partyka, “Challenging the Presumption,” p. 49.
22 Karl Marx, Critique of the Gotha Program (Rockville, MD: Wildside Press, 2008 [1875]).
23 Marx, Capital Volume 1, p. 626.
24 Ibid., 138.
25 Ibid., 627.
we ever will are more than justified. 26 Yet, the expansionist and deepening nature of the capital accumulation process conquering ever more dimensions of the non-capitalist realm cannot be disputed. Marx also saw correctly that in order to secure profits and economic survival, many capitalists seek to evade the vicissitudes of competition by seeking synergy effects through mergers and acquisitions. 27 Capitalists can also choose to “cooperate” with their competitors by concluding cartels and other collusive arrangements. However, like economic concentration, collusive cooperation aims at raising profits through ever tighter agglomerations of corporate power, which does not solve the pernicious and highly unequal nature of the social relations of capitalist production.

Because of these and other contradictions, capitalist markets depend on various forms of extra-economic stabilization to ensure the continued accumulation of capital. 28 State apparatuses provide various forms of regulatory arrangements in the management of such contradictions and rules on competition can be such a stabilizer. 29 Competition rules generally seek to enable competition and thereby protect capitalism from the capitalists and, to some extent, the capitalists from each other. In the most abstract sense, such rules usually define the scope of state intervention, corporate freedom, as well as the possibilities for market entry and the level of economic concentration. 30 Importantly, competition rules are never a functionalist response to overcoming what neoclassical economists term “market failures,” but result from political struggles among socio-economic groups with different and sometimes opposing ideas on how to organize the economic realm. Competition rules frequently draw on notions of equity and justice. Through law as a fictitious equalizer, corporations are standardized and made comparable; they are unitized into something they are not, namely equal players on a level playing field. Moreover, competition rules can never cure the inherent contradictions in the accumulation of capital but only offer a temporary stabilization. In fact, rules aimed at preserving fierce competition can even buttress such contradictions.

The frailty of capital accumulation becomes particularly apparent in the event of structural crises of over-accumulation, referring to moments when capital owners lack attractive possibilities for reinvesting past profits. 31 If expected profits on investments are considered unsatisfactory, capitalists can decide either to hold on to their surplus capital or invest it in another part of the system. An investment

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26 Marx himself was inconsistent on this point, and in fact contradicts himself in Capital Volume 3, where he argues that the mechanism of capital mobility will break down monopolies and intensify competition. See Michael A. Lebowitz, Following Marx. Method, Critique and Crisis (Boston, MA: Brill, 2009), p. 242.

27 Fierce competition can have a cascade effect: the more economic power concentrates, the more onerous it is for smaller contenders to keep up, and the more the option of a merger is a viable solution for corporate survival. This triggers a self-perpetuating process in which jumping on the merger bandwagon becomes a necessity for competitors in dire straits. See Hubert Buch-Hansen and Angela Wigger, The Politics of European Competition Regulation. A Critical Political Economy Perspective (New York: Routledge, 2011).


29 See Buch-Hansen and Wigger, The Politics of European Competition Regulation.

30 Neoclassical economists are aware that capitalist markets are prone to market failures and that competition cannot be taken for granted. Because competition is tenuous and often resisted through cartels and attempts to oligopolize or monopolize markets, neoclassical economists generally support the need for state-imposed competition rules.

31 David Harvey, The Limits to Capital (New York: Verso, 2006).
slowdown can occur because of a profit squeeze resulting from rising real wages in
times of low unemployment levels, strong labor unions, or previous over-investment
that has led to overcapacity in a sector. Another reason for a profit squeeze can be excessive competition, here referred to as over-competition. Once competition
reaches a point where capitalists can no longer exploit labor to undercut the prices of
competitors (either through technological replacements or by keeping down wages),
profits and profit expectations fall, resulting in diminishing levels of investments in
real production capacities. Moreover, as fierce competition and its unforgiving logic to
reduce prices negatively affect wages and employment, it can backlash in decreasing
levels in the consumption of produced goods and services, and slow down
investments further. This is even more pertinent in the case of vast waves of mergers
and acquisitions, which generally go hand in hand with rationalization processes and
the elimination of duplicate job functions. As Marx pointed out, “the competition
among capitals” and “their indifference to and independence of one another,” drives
the capital-labor relationship “beyond the right proportions.” Over-competition can
also lead to what Harvey calls a “peculiar combination” of low profits and low wages. Surplus capital that is not invested in means of real production and in labor
can seek refuge in mergers and acquisitions or speculation with financial assets.
Bubble markets created by speculation may temporarily offer new outlets for
absorbing liquid capital. In fact, there “are even phases in the life of modern nations
when everybody is seized with a sort of craze for making profit without producing.
This speculation craze which recurs periodically, lays bare the true character of
competition […].” Financial transactions may temporarily be disassociated from the
real economy and generate high yields by adding ephemeral value through the mere
circulation of capital. However, speculative bubbles always burst once the “perpetual
accumulation of capital and of wealth” and “the perpetual accumulation and
expansion of debt” become too far out of sync. It follows that financial crises are
deeply anchored in the real economy and intimately related to competition.

To recapitulate, a historical materialist perspective highlights the contradictory
and crisis-prone nature of capitalist competition. The next section argues that
over-competition is one of the root causes of the crisis of neoliberal capitalism that we are currently witnessing.

32 David M. Gordon, Thomas E. Weisskopf, and Samuel Bowles, “Power,
Accumulation, and Crisis. The Rise and Demise of the Postwar Social Structure of
Accumulation,” in Victor D. Lippit (ed.), Radical Political Economy: Explorations in Alternative
33 The notion of “over-competition” is generally associated with Robert Brenner, The
Economics of Global Turbulence (New York: Verso, 2006), although he does not discuss the
concept in-depth. Brenner reversed Marx’s argument by saying that over-competition leads
to overcapacity and declining rates of profits. Marx, in contrast, argued that the inherent
tendency for overcapacity leads to intensified competition. For a comprehensive critique on
Brenner’s theory of competition, see Gérard Duménil, Mark Glick, and Dominique Lévy,
34 Marx, Grundrisse, p. 420.
35 David Harvey, The Enigma of Capital and the Crisis of Capitalism (London, UK: Profile
36 Karl Marx, The Poverty of Philosophy (Moscow, Russia: Progress Publishers, 1975
The Crisis of Neoliberal Capitalism and Over-Competition

Competition is crucial to the capitalist mode of production, and has been present during all stages in the evolution of the capitalist system. It should therefore not be conflated with a particular form of capitalism. This said, competition for profits has probably never been fiercer than in the era of neoliberalism, which gained growing prominence on a global scale in the 1980s alongside what is commonly called the Reagan Revolution in the United States (US), Thatcherism in the United Kingdom (UK), and the dictatorial regime of Pinochet in Chile. Neoliberalism is generally associated with deregulation, the rollback of welfare states, a monetarist focus on keeping inflation low, reduced taxes, fiscal austerity, wage repression, and processes of financialization. Although neoliberal policies have been imposed throughout the world, neoliberalism nowhere became manifest in a pure fashion. Variations in contestation by social groups, regulatory experimentation, and inherited institutional landscapes account for the differences in the neoliberal organization of markets and levels of regulation. Nonetheless, as a common denominator, neoliberal policies generally sustain the disembedding of capital from the great part of the web of social, political, and regulatory constraints and the separation of key market institutions from democratic processes. Legitimated by neoclassical economics, uncontained competition came to be advertised as the chief catalyzing force for the most efficient and most profitable allocation of the resources of the world.

Rules safeguarding free competition consequently became neoliberalism’s juggernaut. The expected theoretical benefits of fierce competition and its regulation served to legitimize the opening of markets worldwide: to compete freely eventually requires unimpaired market access. Enforced by “politically independent” (neoliberal new speak for “democratically unaccountable”) authorities at national and supranational level in the western world, competition rules had to ensure that corporate practices would not interfere with the alleged equilibrium tendencies of capitalist markets (which happen to exist only in the minds of neoclassical economists and their textbooks). Narrow definitions of price competition subsequently received primacy as a benchmark for assessing anticompetitive conduct, supported by sophisticated econometric modeling and complex micro-economic algorithms, leaving no room for social interest criteria or environmental considerations. Premised on the idea that economies of scale and scope would be achieved, through competition more efficient corporations would take business away from less efficient ones by decreasing their marginal production costs, which was believed to benefit consumers in the form of price

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39 Harvey, Brief History of Neoliberalism, pp. 11, 66.
40 To be sure, competition rules were not invented in the neoliberal area: the US Sherman Act dates back to 1890 and in Europe competition rules were established in the post-war era of “embedded liberalism.”
reductions. The particular emphasis on economies of scale and scope implied that economic concentration was not seen as problematic. Neoliberal competition regulation in the western industrialized world hence facilitated a massive centralization and consolidation of corporate power through mergers and acquisitions in nearly every industry, as well as various forms of strategic alliances and joint ventures. Notably, the merger waves that rolled over the global economy in the 1990s and at the dawn of the new century set new records in terms of number and aggregated volume of the companies involved. Under neoliberal capitalism, the conditions once identified by Adam Smith no longer hold: rather than competition between locally based, small-scale, owner-managed enterprises, oligopolistic rivalry of giant transnational corporations constitutes the order of the day.\textsuperscript{42} Oligopolistic market structures do not however imply that there is no or little competition. Competition between gigantic transnational corporations can be ruthless, as can competition between larger and smaller companies. Indeed, those able to compete set the standards of competition for others: with comparatively easy access to credit and huge advertising budgets aimed at homogenizing consumer preferences across cultures, such corporations can thwart the existence of weaker competitors, including small-scale enterprises at local level.

Alongside the growth of perverse social inequalities, the competitive race to offset products and services to affluent consumers has increased over the past thirty years. In the contemporary context of transnationalized production and geographically segmented, racialized, and gendered labor markets, harsh competition has become an all-pervasive conditioning dynamic. The exhaustion of natural resources, sweeping pollution, and climate change have toughened competition further, and set in motion a vicious spiral causing irreparable damage to the environment worldwide.\textsuperscript{43} In other words, under the reign of neoliberalism, competition has become ever more tenacious, spanning the entire globe and demanding ever greater competitiveness from capital and labor alike. Despite the abundance of low-wage labor, global competition significantly has depressed profit rates in the real economy with the result that “more and more money went into speculation on asset values because that was where the profits were to be had.”\textsuperscript{44} Under neoliberalism, corporate tax rates also decreased considerably with the effect that less surplus value has been taxed away by the state and redistributed. This has not only further enhanced privatized control over surplus but also freed liquid capital for speculation.\textsuperscript{45} The prominence of financial markets as a privileged site to offload surplus capital is rooted in the phenomenon of over-accumulation that ended the post-war boom in the 1970s, when corporate


\textsuperscript{43} Competition spurs moral hazard behavior: because lower environmental standards mean lower production costs and more competitive prices, competition can lower standards and foster the externalization of the production costs. See Herman E. Daly, \textit{Beyond Growth} (Boston, MA: Beacon Press, 1996), p. 147.

\textsuperscript{44} Harvey, \textit{The Enigma of Capital}, p. 29.

\textsuperscript{45} David Harvey, \textit{Rebel Cities. From the Right to the City to the Urban Revolution} (New York: Verso, 2012).
profits declined and corporations sought new profitable accumulation strategies. Alongside the deregulation of capital flows and increased mobility facilitated by technological change, financial markets gradually grew out of proportion to the underlying real economy. Whereas the total value of global financial assets by and large equated world gross domestic product (GDP) in 1980, it had reached 316% of world GDP by the end of 2005.\textsuperscript{46} This process of financial expansion has been referred to as financialization, defined as a “pattern of accumulation in which profits accrue primarily through financial channels rather than through trade and commodity production.”\textsuperscript{47} New financial agents proliferated, leading to a myriad of new financial instruments and practices such as trade in complex bonds and a whole array of derivatives.\textsuperscript{48} Also, non-financial companies, faced with pressures to increase their returns on investment, increasingly channeled capital to financial markets at the expense of productive reinvestment of past profits in productive or commercial projects.\textsuperscript{49} This finance-led accumulation strategy proved successful up until 2007 in terms of growth and rewards for some, notably in the US where corporate profits as a share of national income reached levels as high as those in the 1960s.\textsuperscript{50} However, it went paired with wage depression and the expansion of credit-financed consumer demand. The competitive race to extract surplus from the real economy or add value merely through the circulation of capital became excessive and led to ever more short-term speculation and risk-taking. Once financial bubbles burst, and consumer spending could no longer be sustained through credit (in other words: debt), investment in the real economy also collapsed. The proportions of investment in fixed capital declined, and with it, the creation of employment and affluent consumers.\textsuperscript{51} To recapitulate, the structural problem of over-accumulation, which has led to a looming recession in the western world, was accompanied by a situation of over-competition and financialization, two features that gave neoliberal capitalism its peculiar character and that eventually resulted in the current global economic crisis.

Even though deep economic crises can be moments when existing institutional arrangements are questioned and profound transformations become possible, no far-reaching regulatory changes in the economic system have become visible.\textsuperscript{52} Neoliberal logics have proven highly resilient and adaptive since the crisis


\textsuperscript{49} Krippner, “Financialisation,” p. 182.

\textsuperscript{50} Trevor Evans, “Five Explanations for the International Financial Crisis,” Institute for International Political Economy Berlin, Working Paper 08 (2010). The high corporate profit levels in the US were mainly due to the profitability of financial corporations. Whereas financial profits rose considerably after the early 1980s, the profitability of nonfinancial corporations never reached the levels of the 1960s and 1970s in the neoliberal era. See Duménil and Lévy, \textit{Crisis of Neoliberalism}, pp. 66–70.


erupted, and have even been recalibrated in the responses to the crisis. In Europe harsh austerity measures have been imposed in a highly authoritarian and undemocratic manner, transferring in the case of the European Union ever more discretionary powers to non-accountable executive or jurisdictional bodies, such as the European Commission or the European Court of Justice, which continue to propagate more intensive competition as a route to salvation. National and municipal governments no longer seek to pacify political dissent through concessions and compromises, but increasingly employ coercive state practices, such as denying the constitutional right of expressive protests or imposing intensified surveillance and police violence vis-à-vis protestors. Neoliberal policies have thus far not been extensively discredited and delegitimized and little attention has been paid to the systemic nature of capitalist (over-)competition, whose coercive forces have come to span the entire globe in the era of neoliberalism.

A concerted political counter-project that could attract support from progressive social forces has not yet surfaced. Calls for alternatives have however never been greater. In this spirit, the next sections probe ideas for a post-neoliberal organization of the economy and the role of competition therein by critically engaging with anarchism, which as a theory and method of social change underscores cooperation and mutual aid, rather than competition.

Anarchism—A Primer

Anarchism is often stereotyped as mere anti-statism and “anything goes,” and tends to be associated with chaos and violence. Ghettoized within the academia and activist subcultures, anarchist writings are regularly accused of theoretical shallowness, eclecticism, and of lacking the necessary “conceptual clarity and argumentation.”3 Nonetheless, ideological appreciation and scholarly sensibility for anarchism have increased in recent years, particularly in the wake of the 2008 financial crisis and the widespread support and sympathy for horizontalist social movements of the Left, such as the global Occupy movement or the Indignados and the 15M Movement in Spain.4 A new cohort of mostly activist researchers has entered the academic field, committed to demonstrate that anarchist ideas are “serious and sophisticated as well as fluid and constantly evolving.”5

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To abstract the true and only nature of anarchism would be as problematic as to pin down an authentic historical materialism or Marxism. Anarchist theory and practice build on a heterodox collection of ideas, and hence mean different things to different people. Nonetheless, as a common denominator, anarchism strives for the maximization of individual freedom and is characterized by a profound skepticism toward skewed and coercive social power relations that affect individual freedom, be it alongside class, race, gender, or people with different sexual orientations. Devoted to social change and emancipation, anarchism genuinely aims at “reducing fixed hierarchies that systematically privilege some people over others to a minimum.” Anarchism is also wholeheartedly anti-capitalist and strives to dismantle the unequal power relations that the capitalist state “codifies, legitimates or represents.” This does not mean that anarchism is simply anti-state or anti-government, nor does it mean that anarchism is opposed to organization or establishing institutions. Arguably, institutions by definition curb individual freedom, but it is not institutions nor authority per se that is challenged, but rather the illegitimate nature thereof. Venues where people meet, discuss, and make decisions are the bedrock of any society. Anarchism is rather about new forms of organization and new institutions, notably institutions that support collective, egalitarian self-management, voluntary cooperation, and mutual aid, as well as institutions that are subjected to decentralized, non-hierarchical direct democratic control. As anarchist Michael Albert proclaimed: “Let a thousand institutions bloom!”

Anarchism shares crucial commonalities with historical materialism: both condemn the capitalist exploitation of labor and nature, both view the state as an instrument of class domination and both share a principal commitment to a more just and egalitarian society. Despite these commonalities, the chasms are not easily bridged. Anarchism and Marxism share a history of fierce antagonism, which led to the expulsion of Mikhail Bakunin and other anarchists from the First International in 1872. This split, which latently lives on to date, is rooted in fundamentally different ontological foci. Whereas a historical materialist ontology departs from a macro-level systemic view, anarchist theory and practice is primarily micro-level in focus. Although anarchism is essentially anti-capitalist, and in that sense, anti-systemic, it lacks a distinct analysis and critique of global capitalism and often draws on historical materialist insights (both positively and

negatively), which is why anarchism is sometimes depicted as Marxism’s poorer
cousin. The difference in ontological foci becomes particularly apparent in the
suggested approaches to social change or the passage from capitalism to
socialism, another vestige of the First International. Whereas Marxists believed in
a revolutionary movement to overcome capitalism, and for that purpose
considered authority and centralization in the form of a vanguard party or
cadre seizing the state as a site of political change essential, anarchists centered
on Bakunin promoted social change on the basis of free associations of
autonomous groups without the imposition of a red bureaucracy by proxy of the
proletariat.

Although there is no common anarchist position on social transformation,
today anarchists are also usually not struggling for a grand or universal final
transformation and disdain an “iron-clad program or method on the future,” as
Emma Goldman called it.  As a non-reformist and non-revolutionary theory of
practice and tactics, anarchism is rather about incremental change and departs
from the notion that there is no such thing as an instantaneous revolution that
liberates all humanity at once.  Bottom-up grass-roots struggles that aim at
changing micro-relations in everyday life are seen as the cutting edge for changing
macrostructures. In line with the anarchist ethos of prefigurative direct action and
propaganda by the deed, social change should take place here and now and not in
some distant post-revolutionary future, a stance that anarchists generally ascribe
to Marxist politics.  As Gustav Landauer put it, “anarchism is not a thing of the
future, but of the present; not a matter of demands but of the living.” Solutions to
societal problems are to be found in a dialectical interplay between thought and
action, or what the Zapatista movement termed preguntando caminamos—walking
we ask questions. Direct action, also associated with the notion of “Do It Yourself”
(DIY), referring to direct interventions in a situation in order to change reality into
the desired direction, enjoys primacy.

The anarchist aversion against totalizing and dogmatic ideologies is frequently
paired with a distaste for abstract academic debates and philosopher kings
claiming intellectual superiority from the ivory towers of academia, safely
distanced from activist struggles on the ground. As Williams observed, “many
of today’s anarchists are more focused on getting things done and much less

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62 Emma Goldman, *Anarchism and Other Essays* (Minneapolis, MN: Filiquarian
63 Murray Bookchin, *Post-Scarcity Anarchism* (Quebec, Canada: Black Rose Books, 1986),
p. 68.
64 Prefigurative direct action refers to the immediate creation of new forms of social
organization without awaiting future revolutionary social change and without reforming
existing social institutions. By combining means and ends, prefigurative practices contain
“an embryonic representation” of the anticipated anarchist future, which proceed through
imperfect and present-tense experiments that might or might not proliferate as a large-scale
practice. See Alan Carter and Dave Moreland, *Anti-Capitalist Britain* (Gretton, UK: New
Clarion Press, 2004), cited in Gordon, *Anarchy Alive*, p. 34. Propaganda by the deed refers to
exemplary political actions that seek to expose anarchist practices as positive, and hence,
stimulate imitation or solidarity activities.
66 See also Day, *Gramsci is Dead*, p. 12.
concerned with developing a political philosophy […]".  
Certainly there is much to say in favor of focusing on concrete action. To despise theoretical and social scientific knowledge is however profoundly problematic as transformative action can benefit from it. That is, social scientific knowledge has the potential to play an emancipatory role through uncovering and questioning the workings of social structures and prevailing ideas, and raising awareness about new ideas and, hence, possible alternatives. In the words of Roy Bhaskar, emancipation “consists in the move or transition from unneeded, unwanted and oppressive to needed, wanted and empowering sources of determination,” and as such “depends on the transformation of structures.” Knowledge and ideas alone are certainly not sufficient for transforming social structures but can feed the process. Knowledge and ideas are however fallible and disputable, and this is where anarchist thought and practice makes an important contribution: in the light of the real experiences and problems that emerge from transformative action, modifications and changes of those ideas might be necessary. At the same time, as will be demonstrated in the next sections, the narrow focus of anarchism on micro-level bottom-up initiatives in the organization of economic life is also limited: it neglects essential features of global capitalism, such as competition and its all-encompassing reach.

Anarchism, Competition, and Post-Neoliberalism

Competition is one of the norms inherited from the bourgeois economy which raises thorny problems when preserved in a collectivist or self-management economy.

An anarchist economy ideally consists of horizontally and democratically managed forms of production and decentralized, socialized communal ownership structures. Anarchists do not however promote one particular economic arrangement but advocate free experimentation. As anarcho-syndicalist Rudolf Rocker suggested, different organizational forms of production might operate side by side. Importantly, such forms of production should not be imposed from top-down hierarchical structures of formal systems of power, such as the state, political parties, or corporations, but rather evolve from bottom-up, autonomous, and decentralized horizontal networks. There are several visions for an economic order characterized by horizontal and democratically managed and socialized forms of production. Michael Albert and Robin Hahnel’s detailed work on a participatory economy, in short ParEcon, is probably one of the best-known

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accounts. The bulk of this literature is not exclusively anarchist in nature. A range of other leftist intellectuals have envisaged “real utopias,” “post-growth society,” or called for a “humanized economy” without an outright commitment to anarchist philosophies, albeit some of them may roughly be categorized as “small-a anarchists.”

For an alternative socio-economic order to take shape, multiple goals need to be met simultaneously. There is surely no “one-size-fits-all” solution. As suggested by “steady state” or “post-growth” economy literatures, as well as green anarchists such as Murray Bookchin, a vital step is to break with the growth imperative underlying contemporary capitalist consumer societies and to find ways of downscaling the economies of the privileged North. This is not only necessary and long overdue in order to avoid a further destabilization of the ecosystems, but also has far-reaching consequences with respect to a systemic change: as capitalism has a relentless drive for self-expansion and cannot survive without continued accumulation of capital through surplus value production, a post-growth or steady state economies would be by definition non-capitalist. However, also in no-growth or steady state economies there would be some surplus production (surplus production is necessary for human survival), and where there is surplus production, there are markets, and where there are markets, there is commercial and financial profit, and hence competition. Although surplus production might be much more contained in such economies, this does not automatically imply that there is no or limited competition. After all, competition is not an exclusive feature of capitalism even though it is surely one of its most pronounced mechanisms.

The very question of the desirability of competition opened up a schism between Pierre Joseph Proudhon, one of the first self-proclaimed anarchists from the classical canon, and his contemporary Karl Marx. Proudhon, famous for the slogans “Anarchism is Order” and “Property is Theft”, advocated market socialism based on ownership rights according to occupancy and use, worker-controlled mutual banks and credit associations, the abolition of wage labor and worker-owned non-hierarchical self-managed firms. Proudhon took a clear pro-competition stance, as worker-owned firms would compete in a free market. In The System of Economic Contradictions: Or the Philosophy of Poverty, he proclaimed that competition “is the vital force which animates the collective being; to destroy it, if such a supposition were possible, would be to kill society.” Seeing competition as “a necessity of the human soul” and an “irreplaceable stimulus” to counteract the inherent human tendency to idleness and stagnation, he argued

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73 Graeber, “The New Anarchists,” p. 72. For alternatives to capitalist production, see Eric O. Wright, Envisioning Real Utopias (New York: Verso, 2010); see also John Restakis, Humanizing the Economy. Co-operatives in the Age of Capital (Gabriola Island, Canada: New Society Publishers, 2010); Daly, Steady-State Economics; Jackson, Prosperity without Growth; and Latouche, Farewell to Growth.

74 Daly, Steady-State Economics.

that competition was the only way to arrive at fair prices and to empower consumers to avert overcharging; hence, competition had to be “universal and carried to its maximum of intensity.”

Whereas Proudhon believed in the possibility of taming the market and socializing competition, Marx, in his response to Proudhon in 1847, which he provocatively titled the *Poverty of Philosophy*, argued that competition without its lethal effects was impossible and that the bad side of competition formed an integral part of the social relations of production under capitalism, which cannot be eliminated.

In contemporary anarchist literatures there has been little in-depth discussion about the role of competition. It is probably fair to suggest that most anarchists see no role for competitive markets when they envisage post-capitalist utopias. For example, Bookchin’s “moral economy” with “a participatory system of distribution based on ethical concerns” and the dissolution of the antagonism between “buyer” and “seller” seems devoid of competitive rivalry and characterized instead by cooperation and mutualism affirming “a sense of unity and shared destiny between its participants.” In a similar vein, ParEcon scholars have proposed a system in which “equitable cooperation” replaces greed and competition, and in which participatory planning and consumer and worker councils replace markets and private enterprises. Cooperation is equitable foremost in that the effort and sacrifice of individuals in producing socially desired goods and services is rewarded in the form of consumption entitlements. Although the notions of a moral economy and equitable cooperation are very appealing, in line with Proudhon, one might doubt whether competition or even markets can or should be completely annihilated in a non-capitalist order. A certain degree of competition can indeed stimulate human accomplishments as argued by Proudhon, and markets, despite all inherent flaws, also have their virtues. Markets where goods and services are exchanged are surely not an exclusive prerequisite of capitalism: they have existed throughout mankind, in pre-capitalist and also in socialist societies. The important question is thus not whether there should be markets and competition, but rather what kind of competition and, in particular, how its excesses (over-competition) can be contained.

In his response to Proudhon, Marx made a distinction between commercial and industrial emulation, arguing that whilst industrial emulation is essentially about making better products and an appreciation of good craftsmanship (which is absolutely worth striving for), capitalist competition is commercial emulation, or in other words, profit maximization in a commercial system. The distinction between commercial and industrial emulation links up to the first chapters of *Capital Volume 1*, where Marx argues that production in a capitalist system is not

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76 Ibid., 251, 270.
77 Ibid., 259.
78 Marx, *Poverty*.
81 Ibid., 189–190.
primarily based on needs but on commercial gain, that is, products are not produced because of their use value but because of their exchange value. Thus, rather than serving human needs, capitalist production fulfills the needs of capital while use value is merely a byproduct.

Anarchists like Peter Kropotkin also saw that this was the source of many of the absurdities in the way capitalism functions. He raised the seemingly trivial yet important question: “Before producing anything, must you not feel the need of it? […] Is it not the study of needs that should govern production?” Kropotkin proposed to reverse priorities to ensure “well-being for all” by “giving society the greatest amount of useful products with the least waste of human energy.” Moreover, in his writings, he counter-posed social-Darwinist logics praising the survival of the fittest through competition and argued that people have both selfish and social instincts, while neither is necessarily the main determinant. He sought to demonstrate that for ensuring survival, voluntary cooperation, mutual aid, and the pursuit of freedom are much more successful human traits than competition and coercion. This means that as much as a system of fierce competition can become character molding for a society, so can a system that gives primacy to other values, such as cooperation and mutual aid.

In addition to a change in the social relations of production toward more horizontally and democratically managed production sites as a point of departure, in line with Kropotkin, an alternative economic order would imply a reversal of the current hierarchy of principles organizing the economic realm. A cultural shift informed by values and principles central to anarchist thought, such as cooperation and mutual aid, as well as equity, solidarity, mutual respect, and environmental sustainability could offer new avenues in this respect. Subordinating competition to the principle of equity could mean first, to rule out competition on the basis of price wars that take place at the expense of labor as a comparative advantage. This could involve a restriction of competition to what Marx called “industrial emulation,” in which goods and services compete primarily on the basis of quality rather than income disparities. Arguably, also in a post-neoliberal and post-capitalist economy, it is difficult to prevent competition on the basis of product prices. Regardless of the remuneration scheme at play, self-exploitation by workers within self-managed production collectives might be the result, although basic income rights and democratic procedures about wages, profits, and future investments might offer some relief in this respect. To give preeminence to the principle of equity could imply furthermore to rule out competition on the basis of lowering standards and the externalization of damage that relates to non-renewable resources, pollution, and waste creation. Likewise, valorizing extra-economic dimensions, and hence, internalizing the long-term time-horizon of production costs, could make competition also more equitable.

Second, to realize equity means also to reduce inequality and establish equal opportunities and equal starting points for production units. When departing from current levels of inequality, this is only possible by treating unequals unequally. This is where solidarity, cooperation, and particularly mutual aid as the

84 Ibid., 63, 172.
85 Peter Kropotkin, Mutual Aid. A Factor of Evolution (New York: Dover Publications, 2006 [1902]).
converse of unbridled competition become relevant. In practice, one could think of knowledge transfer, skill, and technology sharing, or the creation of mutual sites for learning and personal growth. Hiding knowledge and establishing property rights for knowledge, such as patents, can be a competitive advantage, but it also creates inefficiencies, as people cannot build upon knowledge created by others. In fact, the Latin word “competere,” from which the word competition originates, refers to striving and running together and learning from each other. Giving significance to the original sense of the word would be integral in this respect.

Competition could furthermore be subjugated to the principle of *environmental sustainability*. To be sure, sustainability has become a deceptive neoliberal buzzword meant to green wash (business) practices that continue to sustain economic growth and competitiveness, as well as established lifestyles and patterns of societal development. If sustainability is however understood in its original sense, it necessitates that the ecosystems of the earth are not impaired as a consequence of human activities. Economic growth is then by definition unsustainable as the physical dimension of the economy is a subsystem of the non-growing planet earth.\(^{86}\) A way to counter the growth obsession and to decrease the flows of energy that enter production and consumption is to restrict competition, and with it also trade, geographically and to mutual surplus production only. The principle of subsidiarity in the production of goods and services could serve as a point of orientation. The principle usually refers to keeping decision-making at the lowest possible level and only elevating it to higher levels when it is indispensable. Translated into production, it could imply that what can readily be produced locally or regionally should therefore be produced locally or regionally, notably in the area of foodstuff and basic products. To re-localize economic production and restrict trade and competition to surpluses, rather than focusing on exports to far distant places, paired with energy-wasteful transportation, would not only make production and consumption less alienated, it also reduces “intermediate consumption” in the form of transport, energy, packaging, and advertising.\(^{87}\) Moreover, it could create new opportunities for local producers to increase self-reliance, local autonomy, and possibilities for self-governance, thereby allowing for what Karl Polanyi called the re-embedding of the economy in social relations, instead of running society as an adjunct to the capitalist market.\(^{88}\) At the same time, the subsidiarity principle would not mean autarky or to abolish inter-territorial trade altogether. Trade and competition in the form of industrial emulation can make sense for certain products and sectors, but not where it leaves behind a mammoth ecological footprint, a legacy of abuses of human rights and labor standards, the plundering of the Global South and conflicts over natural resources. Limiting competition could also mean exorcizing a range of sectors completely from the logic of competition, such as utility sectors in the field of energy, water, transport, but also housing, health care, and education. The costs of production could be communally shared, and subjected to democratically managed communal ownership structures.

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\(^{86}\) Daly, *Steady-State Economics*, p. 17.

\(^{87}\) Latouche, *Farewell to Growth*, p. 69.

Avenues to a Post-Neoliberal Non-Capitalist Competition Order

What would it take for such a post-neoliberal non-capitalist competition order to emerge? To begin with, the vast terrain of neoliberal definition power has to be reclaimed. Critique is an important first step in the deconstruction and delegitimization of the one-dimensional atomistic and reductionist social scientific precepts that have come to underpin the current (over-)competition order. Eventually, the assertion of a *Homo economicus* as an always rationally calculating and utility maximizing and egoistic individual detached from society and nature and competing in a Hobbesian dog-eat-dog world, is not only mistaken with regard to human nature but also dogs. Critique should be followed by the dialectics of formulating alternatives and action instigated to move toward a post-neoliberal order. The question is what type of action and by whom? Like capitalism developed in the interstices of feudal society, anarchists would argue that the transformation toward a post-neoliberal and non-capitalist society can only evolve cumulatively by progressively enlarging social spaces with alternative organizational forms rather than awaiting some mass revolutionary moment. Building a post-neoliberal competition order would thus entail DIY in the form of strategic and direct action by individuals and small communities at the micro level—action directed at removing activities from the sphere of competition and bringing them into the spheres of cooperation and mutual aid. The idea then would be to build the new society within the shell of the old, or as Chomsky put it, the roots of a successor project of capitalism and its neoliberal organization will have to be constructed in the existing economy.⁸⁹

Valuable lessons can be gained from the anarchist logic to search for the future in already existing economic activities at the margins of neoliberal capitalism. Indeed, forms of production in which people control the decisions that affect them already exist all over the world in the form of various types of cooperatives, or in a wider sense in the form of sustainable communities such as ecovillages.⁹⁰ Such bottom-up initiatives of self-managed production collectives constitute without doubt the groundwork for a more profound systemic change. Here cooperation, and notably “experiments in equitable cooperation” as Hahnel calls it, play a far bigger role than in ordinary corporations.⁹¹ Some of these “experiments” have been successful, such as the Italian region Emilia Romagna where about eight thousand mostly small or medium-sized locally owned cooperatives account for approximately 40% of the region’s GDP.⁹² Many of these cooperatives cooperate in industrial clusters of highly specialized complementary enterprises. Cooperation not only relates to the production process, but also to capital investment, the development of products, technology transfer, and market intelligence.⁹³ This cooperative strategy, coupled with various forms of (local) government support, made it possible for these cooperatives to survive and thrive.

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⁹³ Ibid., 79–86.
However, whilst such cooperative production forms might certainly be less exploitative, they hardly break with the imperatives of the competitive accumulation of capital. As noted by Joseph Kay, “the assets of a co-op do not cease being capital when votes are taken on how they are used within a society of generalized production and wage labour.” In order to survive, horizontally organized production collectives have to produce sufficient surplus value to maintain or expand their market shares through re-investments. For the sake of competitive prices, workers who collectively own the means of production may conform themselves to austerity measures such as cutbacks in employment or wages, and hence subjugate themselves to collective self-exploitation. The coercive forces of competition can contradict the organizational democratic core principles and values. This is evidenced by existing cooperatives that follow market terms and compete with capitalist companies (as well as among themselves), including those in Emilia Romagna, but also cooperatives in Cleveland or the renowned Mondragon Corporation in the Basque region. Mondragon, for example has pursued international growth strategies by establishing affiliated subsidiary companies and outsourcing production to China, Mexico, Poland, Brazil, or the Czech Republic where unskilled or semi-skilled labor is cheap. Rather than expanding solely through greenfield investments to enhance North–South cooperation, Mondragon proceeded through joint ventures and mergers and acquisitions. Although no Basque plants have been closed down, the actual cooperative member employment accounts for only 30%, while external non-member employment is on an upward trend. In other words, self-managed and democratically run production collectives frequently have no choice but to adapt to capitalist reality and to outsource to cheap labor areas, expand sales, profits and growth, and hence to compete.

Competition operates at a systemic macro level and this is where the ontological focus of anarchist alternatives is reaching its limits. The centrifugal forces of competition at systemic level are difficult to shake off, particularly under current conditions of globalized neoliberal capitalism. This raises doubts about whether self-managed democratic production collectives alone have the potential to transform the existing socio-economic order. Anarchist theory and practice might not have the ambition to tackle problems that require a macro-systemic solution when probing alternatives. However, as a genuine societal reorientation of the organization of the economy cannot emerge from the micro level alone, anarchists need to redefine their terrain of social struggle. Building up new market institutions can facilitate a cultural change that gives centrality to anarchist values and principles. This requires institutions that assess, guide, supervise, and limit competition at local, regional, and global levels. Thinking beyond the local or regional level entails however a democratic dilemma, as local or regional (direct)

96 Ibid., 555.
democratic decision-making and action cannot extend beyond certain (territorial) boundaries. While horizontal and direct democratic solutions offer patent solutions for the organization of production at micro level, curbing competition requires some degree of hierarchical higher-order and centralized governance at the macro level. This does not imply that such institutions should resemble the “politically independent” agencies that are currently in charge of enforcing competition rules in a top-down manner. Precisely because the scope of competition and its regulation are inherently political, competition controlling instances should be democratized, be accountable and transparent and the content of competition rules be subject to democratic mediation and open to periodic re-evaluation and adjustment. In other words, democratically run production collectives require democratically accountable controlling instances. At the macro level however, nested and hierarchical structures are indispensable. Anarchist types of direct democracy and the ideal of constant communication become unmanageable when tackling macro-level problems. This may sound like an anathema to anarchist thinking, but horizontal organizational forms should not become a fetish either. 98 Local micro-level initiatives do not exist in isolation, and without linking the local to the global, the local can too easily be defeated.

In fact, a range of anarchists have thought through how to link the local to the global. Proudhon, and with him many anarcho-syndicalists, suggested that workers should form local sovereign associations that are organized bottom-up and linked up through re-callable delegates in regional councils. In the vision of Proudhon, these associations would come together in a grand international agro-industrial federation. 99 By following the principle of subsidiarity in decision-making, the larger units in the federation would have the fewest powers and be subordinated to the lower (local) levels, leaving the anarcho-syndicalist federation with the task of mere coordination. 100 The utopian vision of a libertarian “municipal confederalism” by Bookchin expresses basically the same idea. Bookchin envisaged a replacement of the state by direct-democratic open municipal assemblies, which through recallable delegates participate at confederal assemblies where higher-order decisions are taken. 101 By interlinking municipal citizens’ assemblies via a coordinating and administrating confederation, power would flow bottom-up rather than top-down. A concise roadmap on how to get there would be beyond the scope of this article, but these are issues that deserve consideration. New alliances between social forces that proactively and continuously support and discuss alternatives—and that eventually coalesce into a broader movement—are indispensable. The outlined alternative to the existing neoliberal competition order could provide a certain degree of thematic unity and coherence that disparate progressive social forces could subscribe to or simply reflect upon and discuss.

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98 Harvey, Rebel Cities, p. 70.
99 Shannon, Accumulation of Freedom, p. 27
100 Alex Prichard, “The Ethical Foundations of Proudhon’s Republican Anarchism,” in Franks and Wilson, Anarchism and Moral Philosophy.
Conclusions

As Erik Olin Wright has noted: “diagnosis and critique of society tells us why we want to leave the world in which we live; the theory of alternatives tells us where we want to go; and the theory of transformation tells us […] how to make viable alternatives achievable.”¹⁰² This article departed from an explanatory critique of capitalist competition from a historical materialist perspective and subsequently argued that anarchist-inspired utopian thinking provides a challenging and exciting avenue for exploring a post-neoliberal and for that matter post-capitalist alternative economic order. Anarchists make an important point in disdaining clear-cut blueprints and in favoring a myriad of different types of economic arrangements—arrangements that go beyond production for the sake of profits and that revolve around democratically managed horizontal production collectives. However, past and existing practices need to be subjected to a critical evaluation when exploring alternatives. This article has argued that by quintessentially limiting the focus to micro-contexts, anarchists frequently miss out exploring important questions on how local practices can be linked to the global economy. Particularly, when envisioning a non-capitalist economy, anarchists have not sufficiently dealt with competition and its profoundly global dimension. While competition, in the form of industrial emulation as Marx called it, cannot and maybe also should not be abandoned completely, competition nonetheless needs to be limited geographically and to surplus production only. Profound changes in the social relations of production and the emergence of a no-growth economy require a cultural change—a change that gives preeminence to values and principles central to anarchism, such as equity, solidarity, cooperation, mutual aid, and environmental sustainability, rather than cut-throat competition. Anarchists are correct to point out that there is no such thing as an instantaneous and grand transformation and that a new order will have to be built from existing social structures. One way to get there is to build new democratically managed competition-controlling institutions that embody anarchist values and logics. Given the macro-level nature of competition, such institutions have to extend from the local to the regional and global level, and hence require a certain degree of nested governance structures.

The suggested alternative comes at a “cost” for those who benefit from global competition. Although it does not mean to retreat into a bygone peasant or tribal society of hunters and gatherers, the proposed alternative will certainly negatively affect the possibility to choose from a huge assortment of affordable and entertaining but also environmentally unsustainable products and services. In a world of limited competition, many products will become more expensive and the pace of innovation may slow down in certain industries, forcing many people to change their current lifestyles. Undoubtedly this makes the ideas outlined here “a tough sell,” notably to those accustomed to hedonistic consumerism. This consumerism is however one that “pacifies but never satisfies” as Bookchin observed.¹⁰³

The catastrophic and irreversible destabilization of the climate and the ensuing destruction of the natural life-support systems on which our existence depends is

¹⁰³ Bookchin, Post-Scarcity Anarchism, p. 21.
currently advancing in full swing. We do not have the luxury to retreat in a collective form of lethargic stupor but have to consider an alternative economic order. Against the backdrop of the current political climate and configuration of power, a post-neoliberal and non-capitalist society may seem utopian. Indeed, one might easily be inclined to what Antonio Gramsci famously called “optimism of the will and pessimism of the intellect.” However, a lot is possible, especially in the context of the current economic crisis with hundreds of thousands of people taking to the squares around the world, expressing the selfsame insubordination to neoliberal capitalism and demanding “real democracy now.” In fact, without the hypothesis that a different world is possible, there can be no politics.