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doi:10.1093/cdj/bss003

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### **Humanizing the Economy: Co-operatives in the Age of Capital**

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John Restakis, New Society Publishers, Gabriola Island, Canada, 2010, 295 pages, CAD 19.95.

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*Humanizing the Economy: Co-operatives in the Age of Capital* by John Restakis is an excellent, easily accessible read, which I highly recommend to anyone interested in the movement towards an alternative and equitable economy. Restakis, the Executive Director for the British Columbia Co-operative Association, is a researcher and educator on international cooperative economies and is highly regarded as a pioneer for economic democracy in Canada and abroad. His book provides a rich and well-researched account of the failures and inhumane realities of the dominant capitalist economy and how communities are forging together in the vision for economic justice in advanced industrial societies as well as in developing countries. *Humanizing the Economy* is a timely and urgently needed contribution to the field of Social Economy, participatory democracy, civic engagement and social justice. It is particularly timely, given the recent global economic crisis, near-collapse of the global financial system and the lack of any consequential debate on capitalism. Despite some recent theoretical discussion on this issue, there has been limited documentation of real alternatives on the ground. Restakis demonstrates the durability of co-operatives in this challenging time, in their ability to continue generating 'livelihoods and essential services in the very places where multinationals are shedding workers and shuttering plants' (p. 3). This book is indeed a breath of fresh air in the way Restakis revives an important debate around

co-operatives by drawing on substantial empirical evidence for an alternative economy.

Restakis provides strong arguments using historical narratives of how communities have been organizing and cooperating for much of history. He begins by tracing the history of the co-operative movement – in essence as a reaction to the capitalist system at the dawn of the industrial revolution – and describes the growing grassroots movement, which today accounts for over 800 million members in 85 countries. Support and outcry for an alternative economy has reached epic numbers worldwide, culminating in the World Trade Organization ‘anti-globalization’ demonstrations in Seattle, Quebec City and Genoa. These protests, argues Restakis, ‘are only the most recent outcries against a model of economic and social organization that has drawn opposition and resistance for the last two hundred years’ (p. 2). He stresses that economic and social reforms have been ‘gravely weakened by a lack of contact with economics’ and that economics has been ceded to the ‘class of vested interests that currently governs both its teaching and its practice’ (p. 6). Economics as ‘everybody’s business’ is the underlying premise of this book and the need to embrace a new economic paradigm, one that can truly make a difference in these challenging times. Restakis is not advocating for the complete transformation of economic institutions; rather, he is proposing that the idea of co-operatives and reciprocity be ‘promoted, extended, studied, taught and re-invented, not only as a matter of public policy, but as a far higher political priority within the co-operative movement itself’ (p. 248).

Although what some may interpret as being overly optimistic, Restakis’ thesis points to the unwavering spirit of the human condition to overcome the challenges of capitalist globalization and the increasing polarization of rich and poor. He highlights that we need to re-shift our focus to look at the underlying assumptions of the free trade system – ‘the unrestricted pursuit of self-interest’. He notes that after decades of accumulated evidence and the abandonment of the free trade doctrine by many economists, political leaders continue to support an economy built on failing neo-liberalism. A co-operative economy, Restakis argues, shows us an alternative model of economic and social exchange based on co-operation and reciprocity ‘the requirements of an authentic form of human living, the form of life in which economics is an extension of humane societies’ (p. 225). The chapter on ‘the crisis of community’, although nothing particularly groundbreaking (e.g. Polyani, Marx), is engaging in linking the disintegration of community and fraying of civic engagement as an outcome of the nature of capitalism. He points to the decline of social capital at the start of the twenty-first century,

and using examples from the United States, he highlights the increasing indifference of individuals to be active members of their communities.

Despite its wide scope, Restakis does well to bring together the history and doctrines of neo-liberalism, globalization and the possibilities and challenges of the co-operative movement – the main purpose in writing this book. He adds new insight and value to the field of economics and democracy by linking the realities of individuals and communities working in co-operation all over the world and the challenges they are facing. Using examples from Emilia Romagna's co-operative economy in northern Italy, Argentina's recovered factory movement, Japan's consumer and health co-operatives and Sri Lanka's small farmer movement for fair trade, Restakis outlines the evolution of this powerful grassroots movement and provides evidence for this theoretical debate. Restakis describes the Emilia Romagna region of northern Italy as one of the world's leading examples of a successful 'co-operative economy', with over 15,000 co-operatives in the region in nearly all key sectors.

He successfully achieves the three main objectives that he sets out at the beginning of the book: (i) to establish some of the historical and theoretical questions surrounding economic democracy, (ii) to flesh out how these ideas have been realized in the stories of people and communities that have struggled to make a more human economics, and (iii) to inspire a glimpse of what is possible for the future if the principles and promise of co-operation are made real. So, what can we take from all of this? What is the future of co-operatives in the age of capital? In approaching this question, Restakis points to three main economic principles that are necessary for the progression of co-operatives and a fully functioning society – efficiency, equity and reciprocity. Unlike the paramount economic paradigms of efficiency and equity, reciprocity has never been the basis of modern economic systems, Restakis points out, and there needs to be balance between all three principles. Given this compelling argument, it would have been helpful if Restakis further elaborated on how he came to these three principles, how he envisions the three being balanced ('the natural entrepreneur' versus 'fulfilment in service') and what is to be gained and lost in this balancing process? How do we move towards the realization of a reciprocity paradigm?

The ascendance of co-operatives rests on at least three factors, according to Restakis: the transition from scarcity to post-scarcity economies, the accelerating crisis of environmental degradation and resource depletion, and the growing movement for global justice and the search for economic models that institutionalize fairness. How can we start re-creating social capital in our communities? How can citizens become more engaged in the design of an economic paradigm embracing reciprocity and co-

operation? I certainly hope that the current co-operative archipelago, as Restakis describes it, will come to resemble a connected landmass, and the capitalist sea a series of ponds, lakes and rivers surrounded by a co-operative economic system. Although I am left with many questions on how to realize the vision Restakis is proposing, I am inspired by the stories and experiences of people all over the world that are strengthening the co-operative movement and taking on the challenge of this paradigm shift.

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doi:10.1093/cdj/bss004

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## **Remaking Community? New Labour and the Governance of Poor Neighbourhoods**

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Andrew Wallace, Ashgate, Farnham, UK, 2010, 159 pages, ISBN 978 0 7546 7854 0, £55.00.

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The New Deal for Communities (NDC) programme saw New Labour at its boldest. A ten-year area-based regeneration initiative typically brought with it somewhere in the region of £50,000,000 government funding to thirty-nine separate local areas across England. Nowhere was the rhetoric of social transformation cranked up so loudly and so many hostages to fortune freely given up. The outright failure of previous urban regeneration initiatives was roundly disparaged by the Social Exclusion Unit in the lead up to the NDC and the ensuing Neighbourhood Renewal Agenda, and yet Wallace's timely and important analysis reveals just how easily government-sponsored community interventions perennially go awry. In this study, the focus is on the NDC programme in Salford, a metropolitan borough of Greater Manchester and, in particular, the areas of Charlestown and Lower Kersal. From this vantage point, we see that the very way in which 'community' is framed stores up future problems, freighted as it is