## WSDE CP

#### Plan text: Firms should be transformed into worker self-directed enterprises.

Wolff ND - Richard D. Wolff [professor of economics emeritus at the University of Massachusetts, Amherst and a visiting professor at the New School in New York City. He has also taught economics at Yale University, the City University of New York, and the University of Paris I (Sorbonne)], “Start with Worker Self-Directed Enterprises,” *The Next System Project*. <https://thenextsystem.org/sites/default/files/2017-08/RickWolff.pdf> AT

We therefore propose reorganizing enterprises such that workers become their own bosses. Specifically, that means placing the workers in the position of their own collective board of directors, rather than having directors be nonworkers selected by major shareholders. This is not primarily a matter of workers as owners of these enterprises (fine, but not required), nor primarily as managers (likewise fine, but not required). It is the tasks of direction—the decision making now assigned usually and primarily to corporate boards of directors and only secondarily to the major shareholders who choose them—that must be transferred to the workers collectively. We call such enterprises worker self-directed enterprises (WSDEs). They embody and concretize what we mean by economic democracy by locating it first and foremost inside the enterprises producing the goods and services upon which society depends. WSDEs represent the goal and their growth and proliferation represent the mechanism to transition from the present capitalist system to a far better next system. The strategic focus, then, is not upon the government, as in traditional liberal and socialist thinking; it is rather more microeconomic than macroeconomic. Of course, winning government support of WSDEs and their proliferation would be helpful and sought after—perhaps by political parties rooted in and funded by an emerging WSDE sector within otherwise private or state capitalist economies. But the main emphasis would be on working people who either convert existing enterprises into WSDEs or start new enterprises as WSDEs. Core Goals Briefly, what are the principal, core goals your model or system seeks to realize? Our core goal is the development of a major—and, if possible, prevailing—sector of the economy that is comprised of enterprises (offices, factories, farms, and stores) in which the employees democratically perform the following key enterprise activities: (a) divide all the labors to be performed, (b) determine what is to be produced, how it is to be produced, and where it is to be produced, and (c) decide on the use and distribution of the output or revenues (if output is monetized) therefrom. Major Changes What are the principal changes you envision in the current system—the major differences between what you envision and what we have today? A large portion of existing capitalistically organized enterprises would have to transition out of structures in which owners, top managers, or boards of directors perform the key enterprise activities mentioned above. Principal Means What are the principal means (policies, institutions, behaviors, whatever) through which each of your core goals is pursued? The means to achieve the transition would need to be several. Laws would need to be enacted or changed to facilitate the conversion of capitalistically organized enterprises into WSDEs, the formation of new WSDEs, and the functioning of WSDEs. School curriculums would need to be changed and teachers be trained to explain, explore, and study WSDEs systematically as alternative-enterprise organizations alongside their traditional capitalist counterparts (corporations, partnerships, and family enterprises). Political parties and platforms need to emerge to represent the interests of WSDEs—the WSDE sector—in terms of state policies, much as now the Democrats and Republicans represent the interests of the capitalist sector.

#### Empirics prove that self-directed firms are more democratic and successful.

Jerry **Ashton, 13** - ("The Worker Self-Directed Enterprise: A "Cure" for Capitalism, or a Slippery Slope to Socialism?," HuffPost, 1-2-2013, accessed 11-16-2021, https://www.huffpost.com/entry/worker-self-directed-enterprise\_b\_2385334)//MS

Decidedly so, Wolff responds, providing two financially successful examples of **the workplace being a social activity governed by the norms of community**, one in Spain and one in California. ¶ Wolff offers as his first example, **the Mondragon Cooperative** in the North of Spain. ¶ This co-op took its name from the Mondragan University founded by a local Catholic priest by the name of "Father Arizmendi" as a mechanism to enable the poor in that community to learn how to cooperatively run their own business. ¶ Beginning with six workers producing agrarian goods, some 55 years later **it now employs 120,000** people employed **in some 100 worker-owned enterprises** and affiliated organizations. It is the **10th largest cooperative in Spain** and a bulwark against that country's steep (elsewhere) unemployment rate of 22 percent. ¶ "This is a 'a family of cooperatives' in which the first commitment is to preserve jobs -- not satisfy stockholders." Wolff points out. ¶ That same philosophy infuses **the Arizmendi Bakery** comprising five "sister cooperatives" in the San Francisco Bay Area. Proudly assuming the name of the famous Basque Priest, this group **gets rave reviews** for its pastries and thin-crust pizza **and handily outperforms** its more traditional bakery competitors **in both revenue and employee satisfaction**. ¶ As their website [proudly states](http://arizmendi.coop/), "We are a cooperative -- a worker-owned and operated business. We make decisions democratically, sharing all of the tasks, responsibilities, benefits and risks." ¶