



Towards Economic Democracy

Policy paper adopted at the General Assembly in Mechelen, 2013

Currently most economic decision-making is concentrated in the hands of a tiny, privileged group of major shareholders, directors and managers. Whatever people think of the current economic system, one thing is indisputable: it is characterised by an absence of democracy, participation, transparency and accountability.

The Federation of Young European Greens proposes the following steps in order to democratise the economy:

1. Asserting and retaining public control of the banks which are currently majority controlled by governments to ensure that they operate in the public interest and use their future profits for the public good. Retaining public control or remutualising the banks could be the means to fund new social housing and low-interest loans to poorer families; as well as a means to finance employee-owned cooperative enterprises.
2. Give employees the legal right to buy-out their companies and turn them into workers cooperatives
3. Progressively transfer share ownership into trade union-administered employee share funds. This would obligate all private share capital companies to assign to a union-controlled fund a proportion of their annual profits in the form of a new share issue. This would gradually, over many years, give employees, through their unions, a controlling interest in their firms - transforming them into self-governing workers' co-operatives.

In contrast to traditional reformist economic doctrines of Keynesianism, which merely seek to redistribute wealth more fairly within the confines of the existing free market, private ownership, bosses-rule system, these ideas for economic democracy are mechanisms for the structural transformation of the current socially and environmentally destructive capitalist economic system into a democratically accountable economy.