

Cooperating and competition

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The market cannot be seen only as a matter of competition. Instead, it is an action that joins cooperation and competition. Experience shows this to be true.

Western thought and culture bring with them millennium worth of dichotomies that have marked their entire development, perhaps producing many fruits, but also creating many problems in people's lives. The more notable dichotomies are soul-body, spiritual-material, eros-agape, and gift-market. In the last few centuries, some of these contrasts are being overcome (for example, soul-body), but others remain well rooted in our culture, like that which places gift against contract and gratuitousness against responsibility. There are serious consequences that result from considering gratuitousness as something strange to normal economic life, so much so to invent a "non-profit" or philanthropic sector to which all the gratuitousness in economic and civil life is entrusted. In reality, cooperation and competition are often two sides of the same life in common.

In fact, even within organizations, competition plays a co-essential role. Organizations sometimes get sick from *too much* competition. Other times they get sick from the absence of competition between their members, which leads to leveling dynamics and to mediocrity and inefficiency. If competition is correctly understood as *cum-petere*, as "searching together" in a different way than the searching together in cooperation, the comparison and the emulation with others plays an important role in knowing my limits and my potential. This is similar to what happens in sports, where my competitor is also a help to my knowing and overcoming my limits, and therefore a help to reach excellence (mine and that of the discipline). Competition with others points out my limits and reveals my hidden potential, which might be dormant in a context without competition (especially when we are young).

Whoever lives within a company, school, university, and generally within institutions, knows that when these organizations or institutions work, good competition coexists with good cooperation. In certain phases and in certain moments, one cooperates for a common goal, and in others (for example, to win a prize or job promotion), one competes with the same people he is cooperating with on many fronts. When one is no longer able to move himself contemporaneously on these two levels, to see his colleague as a competitor and an ally, life in common is reduced only to one dimension and goes into crisis. The human quality of relationships is impoverished and deteriorates.

At the same time, the market cannot be read only as a matter of competition. The dynamic of the market - as classic authors like Mill or Einaudi teach us, or Sen and Becattini today - is mostly cooperative and competitive action combined, aiming at creating mutual advantages for the subjects involved. When this works well, it even does so for the society. In other words, if we want to understand common living, organizations and the market, we have to overcome the opposition between cooperation and competition, one of the last dichotomies that we have yet to free ourselves. Of course, as eros is not agape, competition is not cooperation, but both are co-essential for the flowering of persons and communities. And if, perhaps, we look at them up close and observe them in historical dynamics, we will realize that there prevail many analogies about the differences between eros and gift, competition and cooperation.

If the market, as understood in light of this dualistic thought, was and is considered as the kingdom of competition and competitors, why, then, is cooperation among its virtues?

The first economist who understood the profoundly cooperative nature of the market was the Englishman David Ricardo, who formulated one of the first true economic theories (as it was counter-intuitive), around 1815. In the theory that preceded his, commerce and exchange took place when "absolute" advantages existed. But Ricardo intuitively shows something more: that these happen even in the case of "relative" advantages.

Even in a world where English is more efficient than Portugal in both sectors, it is worthwhile for England to specialize in the sector in which it is relatively stronger and – and here is the point – even in this case, an exchange with the “weaker” is also to the advantage of the “stronger”. The classic example is that of the lawyer who, even if he types faster than a secretary would type, it is equally opportune for him to hire a secretary and concentrate on his more gainful legal practices (today it is known as the “cost opportunity” concept). But like England, this lawyer, in hiring a secretary who is less efficient than himself is not passing out “assistance” or benefits, but is also bringing himself advantage from the exchange (not only to the secretary). When the market does this, including who is weaker and making him become an advantage for everyone, then it fulfills its task of civilizing, and is therefore virtuous.

Think of the great innovations that represented the birth of social cooperation in Italy. The disadvantaged subjects included in the business have often become chances for mutual exchange, even for the business that hires them, and not a “cost” or an act of charity. Law 482/1968, on the insertion of disabled persons in businesses, probably failed due to peoples’ perception of the absence of mutual advantage. From those businesses and unions, the disabled worker was (and is) seen essentially as a cost or a weight. Social cooperation really innovated and continues to innovate, when it said that those disadvantaged workers would become a resource even for the business. And when it does not do so, we are still in the routine of assistance, and we don’t value the markets virtues.

But if we are able to activate this cooperation of the market, those who are “helped” feel inside a relationships of reciprocity among equals, which expresses more dignity. They do not feel assisted but as subjects within a mutually advantageous contract, and therefore they experience more freedom and equality. Even a person with down-syndrome can fulfill a mutually advantageous contract with a business. What is needed is that the entrepreneur is truly innovative and generative so that the mutual advantage is always a possibility (it does not happen automatically and always), which requires much work and creativity. But when this happens, the market is transformed into a true instrument of inclusion and authentic human and civil growth. In fact, the sacrifice of the benefactor is not always a good sign for those who are receiving help, because it can express a relationship of power that is, perhaps, hidden by good faith.

A civil entrepreneur should not be in peace until the people included in his business feel useful to the business and to society, and not assisted by a philanthropist or an institution. Think of Microcredit: giving the excluded a chance to bank was one of the innovative economic principles of our time which has freed people (women in particular) from misery and exclusion in a way that is more efficient than many international aid interventions. Let’s make a sort of rule: if an intervention does not help *all* parties involved, it can rarely be help for *someone*. If I don’t feel benefitted by another, rarely will the other feel truly benefitted by me, especially when it is a long-term relationship. The law of life is reciprocity, which keeps relationships from getting sick and helps them grow in mutual dignity. The reciprocity of the market, then, can also be genuinely understood as a form of cooperation.