The Labor-Managed Firm: Theoretical Foundations

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In previous work, Gregory K. Dow created a broad and accessible overview of worker-controlled firms. In his new book, *The Labor-Managed Firm: Theoretical Foundations*, Dow provides the formal models that underpinned his earlier work, while developing promising new directions for economic research. Emphasizing that capital is alienable while labor is inalienable, Dow shows how this distinction, together with market imperfections, explains the rarity of labor-managed firms. *The Labor-Managed Firm* uses modern microeconomics, exploits up-to-date empirical research, and constructs a unified theory that accounts for many facts about the behavior, performance, and design of labor-managed firms. With a large number of entirely new chapters, comprehensive updating of earlier material, a critique of the literature, and policy recommendations, here Dow presents the capstone work of his career, encompassing more than three decades of theoretical research.