

# WORKSHOP: Building a sustainable, people-centered economy through participatory economic development

Workshop co-sponsored by *Initiative for Equality* (IfE) and *Poor People's Economic Human Rights Campaign* (PPEHRC).

**IfE:** is a global network of activists in over 115 countries. We're fighting to overturn social, economic and political inequalities and exclusion in every arena, and working to build mechanisms for full participation by everyone. We have 3 projects:

- (1) Field Hearings: we organize Field Hearings in poor, socially excluded, and politically marginalized communities to create opportunities for community members to participate in public dialogues, decision-making, and accountability;
- (2) Equity Action Collaborative: we network globally to share information and ideas, develop leadership skills, and plan effective strategies for political collaboration on equality-related issues; and
- (3) Participatory Enterprises Project (PARTICEN): we're building a process for the development of democratically governed economic activities that meet community needs and promote equality this is what we want to talk about today.

**PPEHRC:** is a nationwide grassroots effort, founded in 2001, created and led by poor people. Its mission is to unite the poor across color lines as the leadership base for a broad movement to abolish poverty in the United States. PPEHRC uses the economic human rights as enshrined in the Universal Declaration of Human Rights as its framework for its organizing. These rights include the rights to food, clothing, housing, health care, education, communication and a living wage job. The Poor Peoples Economic Human Rights Campaign draws upon time tested human rights and civil rights methods to shine a light on poverty in America. They range from educating and documenting, to organizing and agitating to build the capacity of poor people themselves to change the systems that perpetuate poverty and to lead the fight to reclaim their economic human rights.

#### I. "New Economy" - what is it? why do we need it?

### Distinguish new economy from the current economy:

- money to do it right
- wealth distribution equitable
- elimination of private property

- political or regional
- distributed energy
- people-centered

- living wage
- democratic decision-making
- moral standards/ethics
- bottom-up, grassroots
- not-for-profit
- worker-directed
- accountability to the community
- environmentally aware
- meets community needs
- provides for full employment
- de-corporatization
- respect for labor
- public financing
- ownership: public or participatory (by the workers or consumers themselves)

- control of the project rests within the community
- profits circulate within the community
- community ownership & buy-in (it is wanted and supported)
- helps to generate increasing levels of equity and equality over time
- socially sustainable (promotes equitable and stable social relationships)
- environmentally sustainable (utilizes resources and landscapes in a way that can be perpetuated over time without degrading the environment)

# Additional criteria to assess whether particular proposals are viable:

- is it legally viable? what changes would be needed to have a more supportive regulatory environment?
- is it economically viable? (if not, why not? can we help create environments in which good businesses are viable?)
- is the business itself sustainable over time?
- if it fails, will it be catastrophic for the community? or recoverable? can the resources be recovered? will the steps accomplished thus far be useful?
- incentives for innovation and hard work
- feedback to ensure responsiveness
- cultural compatibility in different communities and societies
- do we accept a hybrid form? community-based enterprises that are democratically and cooperatively run on behalf of workers, consumers, and community members, and yet are also responsive to market forces through innovation, competition, and periodic failures (this is an open question, with people arguing on both sides)

#### What did IfE's Field Hearings learn in communities in other countries?

- people are not interested in becoming materially wealthy
- they just want to be sure they can feed their children and sustain their families
- they want good, accessible education, housing, and health care
- they want stable jobs
- they say that inequality is perpetuated because people who have money have access to political influence, and use it to generate more money for themselves

# II. Process for getting from here to there - the big picture

# Where to plug in (not a comprehensive list):

### Resources and think-tanks

American Monetary Institute (AMI)

Center for Economic and Policy Research (CEPR)

Democracy Collaborative (Alperovitz – setting up Evergreen Cooperatives in Cleveland)

Living Economies Forum (Korten)

MIT Community Innovation Lab (setting up Mondragon-style coop in the Bronx)

New Economics Foundation (NEF) - UK

<u>Political Economy Research Institute</u> (PERI) – at U. Mass.

**Public Banking Institute** 

Regenerative Finance

Sustainable Economies Law Center

**Transforming Finance** 

## National and International networks

America Worker Cooperative (resources for starting coops; history of worker coops in the US)

**Democracy at Work Network (DAWN)** 

Intercontinental Network for the Promotion of Social Solidarity Economy (RIPESS)

International Co-operative Alliance

Jobs with Justice (labor & workplace issues)

National Cooperative Business Association

**New Economy Coalition** 

People Who Share (platform for sharing economy)

Prospera (formerly Women's Action to Gain Economic Security)

Radical Routes (network of housing and worker coops "working for radical social change")

Solidarity Economy Network

StrikeDebt

TimeBanks USA

**US Federation of Worker Cooperatives** 

Working World

#### Examples of local networks and support groups

**Berkshares** (regional currency in Berkshire region of Massachusetts)

Cooperation Jackson (Jackson, Mississippi)

**Cooperative Network** (Wisconsin and Minnesota)

Network of Bay Area Worker Cooperatives (Bay Area, California)

Margination (Troy, New York)

# III. Down-to-earth strategies at the community level

# Why & how to work from the ground up

- \* decisions generally reflect the interests of the people who are making the decisions
- \* if we want an economy that works for everyone, we need an approach to establishing, maintaining, and governing the economy enterprises that involves everyone!
- \* this means we need to have a grassroots, bottom-up, participatory process for determining community needs, community resources, and what kinds of enterprises would work best in the community
- \* thus, instead of promoting the standard model, it is imperative to hold discussions in the community to identify the needs, opportunities and resources available to put together the best plan with community members.
- \* this grassroots approach is one of the ways that New Economy activities are different from the current economy, which is imposed by a small group of people based on their own interests
- \* this is why IfE always starts any activities with Field Hearings, where we hold a discussion with community members to learn their views and priorities
- \* it is ultimately the community that should decide what will work best there

#### Steps

- (a) identify a group of people to spearhead the effort
- (b) link in to local and national networks for support
- (c) conduct discussions in the local community or neighborhood to identify needs, opportunities, and resources available (including people, infrastructure, and finances)
- (d) review the options
- (e) develop a plan

#### **Options for development**

#### **Private**

worker-owner cooperatives

consumer cooperatives (food coops, electric coops, etc.)

consumer-producer cooperatives (e.g. neighborhoods or communities in Germany that develop their own alternative energy sources)

water districts owned and controlled by local users (e.g. water systems built by neighborhoods in Cochabamba, Bolivia)

cooperative financial institutions (credit unions, etc.)

crowdsourcing of credit

microfinance

agricultural coops (jointly owned land; producer's cooperatives for processing the products) community-supported agriculture

health care/insurance coops

housing coops

barter systems

community currencies: acts as a medium for exchange of locally-produced goods and services

that would free people from reliance on national currencies in short supply (examples include local currency in Kenya; Ithaca hours; Bay Bucks)

#### Public

community development corporations (be very careful that these are broad-based and truly democratic)

community- or state-owned bank (e.g. North Dakota)

community- or state-owned industries (e.g. SD State Cement Plant)

community- or state-owned infrastructure

tribal enterprises (e.g. wild rice harvest, bison ranching, music festivals, convention centers)

public education

public health care (single-payer)

public housing

basic minimum income

# IV. How to get involved with IfE & PPEHRC

We are launching a joint project to initiate dialogues about New Economy enterprises in economically marginalized communities and neighborhoods across the US. We will conduct Field Hearings to learn what community members are experiencing, how they analyze the problems and solutions, how inequality works in their community, and the economic needs, resources, and opportunities within the ability of the community to achieve.

We are looking for local community groups who are committed to community organizing and launching new economic approaches, and who have a strong connection with the people in their neighborhood, community, or region, to lead these discussions.

If you signed up on the sheet that passed around at our workshop, and we will reach out to you with a detailed description of the project and how you can get involved.

#### For more information:

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