Solidarity Economy Survey/Letter

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The United States has a strong history of local economic development that is grounded in cooperative, democratic, equitable and sustainable values. The solidarity economy is a framework and movement that brings together practices that align with these values in order to build an economy that serves people and planet. Here are some real world solidarity economy solutions to critical issues.

Jobs - support worker-owned cooperatives

The problem: Prior to the COVID19 outbreak, the official unemployment rate was low, but this obscured the fact that many people were *under*employed, holding multiple jobs to make ends meet, being one paycheck away from financial disaster. Many more had given up looking for work and were not counted as being unemployed. With the pandemic, unemployment has skyrocketed into double digits and this is likely to worsen. Meanwhile, many of those who stayed on the job were forced to work in unsafe conditions, as some employers chose to protect their bottom line over measures to protect workers from the spread of COVID19.

Why are co-ops part of the solution?

- Studies show that on average worker-owned cooperatives outperform traditional businesses in terms of industry average wages and benefits, productivity, job stability, and satisfaction.
- Worker co-ops are locally rooted and tend to prioritize giving back to the community (7th Cooperative Principle).
- As owners, workers would have the power to take measures to stay safe during the pandemic. A spillover effect of workers running their own business is stronger civic engagement.
- A growing movement:
    - A number of cities (NYC, Madison) are investing millions of dollars in worker co-ops as part of a strategy of inclusive economic development.
    - A recent $32 million grant was awarded to 4 co-op developers to encourage and support the wave of baby boomer small business owners who are approaching retirement, to sell their business to their workers.

Question?

Do you support policies that would promote and strengthen the development of worker co-ops (e.g. favorable tax, procurement policies, investment/loan funds, training, research)?

Housing - Community Land Trusts

The problem: In a country as wealthy as the U.S, the level of homelessness is appalling. Over ½ million people experienced homelessness in a single night in 2018. One reason that housing has become unaffordable is because it is being treated as a commodity (something to be bought and sold) rather than a basic need and a right. Speculation (gambling) on the housing market plays havoc with the availability of affordable housing, it also has led to speculative bubbles that have crashed the economy such as the meltdown in 2008.

Why are Community Land Trusts (CLTs) part of the solution?

- CLTs *decommodify* land and housing by taking them out of the speculative market, thereby creating *permanently* affordable housing.
- CLTs enable low and moderate income individuals/families to own their own home by leveraging grants and subsidies as well as providing a long term land lease at a nominal cost.
- Foreclosure rates for CLTs is as much as 90% lower than conventional housing.
- Generally, at least 30% of the CLT Board is comprised of community members, thereby ensuring democratic, community control.

Question?

Do you support policies that would promote and strengthen the development of CLTs (funding, tax breaks, land transfers)?

Climate change -- Energy Democracy

The problem:

The Intergovernmental Panel on Climate Change projects catastrophic impacts on human and environmental systems unless world governments can transform global energy infrastructure within the next 12 years. Despite the existential threat, fossil fuel industries continue to exploit human and environmental resources for shareholder profit, with impacts on the health and livelihoods of low income and other vulnerable communities worldwide. In fact, two hundred years of extracting natural and human resources to fuel a global economy have created dual crises: a climate crisis and a crisis of inequality.

Why are locally developed and governed renewable energy systems (energy democracy) part of the solution?

- Energy democracy can encompass various strategies and look different in different places, but is driven by a common set of principles and broad vision. By capitalizing on the decentralized potential of renewable energy resources, energy democracy transfers control over the energy economy to communities/stakeholders, for example through community-based public entities or cooperatives.
- By democratizing as well as decarbonizing the energy economy, local renewable energy systems make it possible to share the benefits of moving off fossil fuels. Energy democracy can channel energy assets, employment opportunities, and cost savings to disadvantaged communities where they are most needed, reversing histories of dispossession.
- Energy democracy requires institutional, social, and economic innovation, which disrupts business-as-usual practices with pathways to a more just and sustainable future.

Questions

Do you support policies that would promote and strengthen the development of locally owned and democratically governed renewable energy systems? If so, what policy levers would you use?

Finance - Public banking

The problem: Privately-owned banks operate to maximize shareholder profit. They frequently invest in projects that accelerate the climate climate crisis and exacerbate income inequality in pursuit of short-term profits. In addition, investment decisions for local communities are often made by Wall Street bankers who have never even visited that community.

Why are Public Banks part of the solution?

- A public bank is operated in the public interest, owned by the people through their representative governments. They are a way to democratize public financial decisions.
- A public bank can be used to finance climate change solutions.
- Public Banks can make low-interest loans for affordable housing, local businesses and student loans.
- Public banks can reduce taxes. Their profits are returned to the general fund, and they do not need to charge interest to themselves. Eliminating interest reduces the cost of such public infrastructure projects as much as 40%.

Question?
Do you support the creation of Public Banks? If so, what concrete steps would you take to help facilitate their creation? If not, why?

Governance - Participatory Budgeting

The problem: Public budget decisions have enormous impact on our lives, but the process for how those budgets are created is incomprehensible and inaccessible to most people. Budget decisions often fail to address community needs, and Instead meet the demands of those with the most power or loudest voices. This disconnect fuels some of the biggest problems with our democracy, especially record-low participation and trust in government.

Why is Participatory Budgeting part of the solution?

- Participatory budgeting ensures that all voices have a place at the table by allowing participants to work together across partisan divides for the good of their communities, while increasing government accountability.
- Participatory budgeting makes government more effective, fair, and innovative. It connects residents' local knowledge with technical expertise, directing resources toward public priorities. Low income people, people of color, and youth participate at higher rates than in typical elections, and learn valuable civic skills and knowledge. This participation often leads to creative new projects that push broader policy change.
- People all over the world are using participatory budgeting, proposing, developing and voting on legislation. Some are using "citizen assemblies" to change the way government works. In the US, many cities have allowed hundreds of thousands of people to directly decide how to spend hundreds of millions of dollars in public funds via participatory budgeting.

Question?

Do you support the implementation of participatory budgeting and other participatory practices? If elected, how would you help agencies adopt a co-governance, direct democracy approach to move our governing practices toward more bottom-up, equitable policies and budgets?

References

Jobs - support worker-owned cooperatives

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Housing - Community Land Trusts

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Climate change -- Energy Democracy

https://thenextsystem.org/learn/collections/building-community-capacity-energy-democracy-deck-strategies

Finance - Public banking

https://www.publicbankinginstitute.org/

Governance - Participatory Budgeting

https://www.participatorybudgeting.org/