Principles of a Pluralist Commonwealth:

Building a Sustainable Cayuga

J. Justin Woods, JD, LLM, MPA

November 12, 2018
Views Expressed Here Are Mine & Do Not Reflect Cayuga County
PEACE

Armistice Signed and World War is Over. Pres. Wilson Stops Draft. Lays Terms of Truce Before Congress

(By the Associated Press)

After 1567 days the greatest war in history ended this morning at 6 o'clock, Washington time. Announcement of the tremendous event was made at the state depart[...]

At this morning and in a few seconds was
How do we know Capitalism is Failing?
Household Wealth Trends 2004-2010 by Income

Who Was Hurt?
Household Wealth By Income Group

(Net wealth, $000s)

© Standard & Poor's 2014.
Joseph Stiglitz

- The Trust Deficit
- Lack of Equal Education Opportunity
- Economic Segregation
- System is Stacked
- Unfair Tax Scheme
- Inequality Access to Justice
US Economic Trends 1947-2013

The Great Prosperity: 1947–79

Pay Rose With Productivity ...
Wages and overall compensation, for production and non-supervisory workers (now about 82 percent of the private sector work force), tracked steadily upward alongside gains in productivity. The rising value of goods and services per worker meant rising pay. But that relationship ended in the 1970s.

Source: Robert Reich, the Limping Middle Class, NY Times
## Income Gains 1947 to 1979 vs Income losses 1980-2009

### Income Gains for All, Then ...

From 1947 to 1979, all lower classes did better than the top fifth of earners on a percentage basis.

<table>
<thead>
<tr>
<th>Class</th>
<th>Gain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bottom Fifth</td>
<td>+122%</td>
</tr>
<tr>
<td>Second Fifth</td>
<td>+101%</td>
</tr>
<tr>
<td>Third Fifth</td>
<td>+113%</td>
</tr>
<tr>
<td>Fourth Fifth</td>
<td>+115%</td>
</tr>
<tr>
<td>Top Fifth</td>
<td>+99%</td>
</tr>
</tbody>
</table>

### ... Lopsided Gains at the Top

From 1980 to 2009, no one did better than the top fifth. The poorest lost ground.

<table>
<thead>
<tr>
<th>Class</th>
<th>2009 Income Ranges for Each Fifth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bottom Fifth</td>
<td>$26,934 or less</td>
</tr>
<tr>
<td>Second Fifth</td>
<td>$26,935-$47,914</td>
</tr>
<tr>
<td>Third Fifth</td>
<td>$47,915-$73,338</td>
</tr>
<tr>
<td>Fourth Fifth</td>
<td>$73,339-$112,540</td>
</tr>
<tr>
<td>Top Fifth</td>
<td>$112,541 or more</td>
</tr>
</tbody>
</table>

Source: Robert Reich, the Limping Middle Class, NY Times
Wealth Trends in the US 1913-2009

Source: Robert Reich, the Limping Middle Class, NY Times
Growth of Debt & Women in the Workforce

Source: Robert Reich, the Limping Middle Class, NY Times
AVERAGE CEO PAY VS. AVERAGE WORKER PAY

CEO
(185 times bigger)

WORKER

2009 data. Source: Economic Policy Institute
Research Confirms Wage Stagnation

Average Real Income of bottom 99% and top 1% in the United States
1913-2008 (in 2008 $, excluding capital gains) (Source: Piketty & Saez)

Bottom 99% average income
(< 341,000 $ in 2008) - Left Scale
Top 1% average income
(> 341,000 $ in 2008) - Right Scale

© Olivier Berruyer, www.the-crises.com, December 2010
In 2013 just 400 Americans have more wealth than half the population of the United States.

Graphic from the movie “Inequality For All”
## Half a Degree of Warming Makes a Big Difference: Explaining IPCC’s 1.5°C Special Report

<table>
<thead>
<tr>
<th></th>
<th>1.5°C</th>
<th>2°C</th>
<th>2°C Impacts</th>
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</thead>
<tbody>
<tr>
<td><strong>Extreme Heat</strong></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Global population exposed to severe heat at least once every five years</td>
<td>14%</td>
<td>37%</td>
<td>2.6x worse</td>
</tr>
<tr>
<td><strong>Sea-Ice-Free Arctic</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of ice-free summers</td>
<td>at least 1 every 100 years</td>
<td>at least 1 every 10 years</td>
<td>10x worse</td>
</tr>
<tr>
<td><strong>Sea Level Rise</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amount of sea level rise by 2100</td>
<td>0.40 meters</td>
<td>0.46 meters</td>
<td>.06 M more</td>
</tr>
</tbody>
</table>
The New Jim Crow
Mass Incarceration in the Age of Colorblindness

*The US has 5% of the world population and 25% of the world’s prisoners.*
US Comparative Data

- Life Expectancy – 21/21
- Mental Healthcare – 20/21
- Infant Mortality – 21/21
- Maternal Mortality – 21/21
- Obesity – 18/18
- Income Inequality 21/21
- Child Poverty – 20/21
- Gender Wage Gap 19/20
- Gender Inequality 21/21
- Transgender Politics 20/21
- Public Social Spending 18/21
- Homicide Rate 21/21
- Voter Turnout 16/21
- Maternity Leave 21/21
- Annual Leave 20/20
- Math Scores 20/21
- Science Scores 15/21
- Reading Scores 14/21
- Environmental Outcomes 20/21
- Carbon Emissions 21/21
- Military Spending 21/21
The Labor Movement!
The Folks That Brought You...

- Over-time
- Living wage laws
- Child labor laws
- Parental leave
- Paid sick leave
- Disability insurance
- Retirement benefits
- Civil rights
- Grievance procedures
- Workplace power
- Minimum wage
- Workers' comp.
- Farm labor rights
- Unemployment insurance
- The weekend
- Equal pay for equal work

Power Concedes Nothing Without a Demand. It Never Did and It Never Will. — Frederick Douglass
Capitalism is Broken…

Gar Alperovitz

WHAT THEN MUST WE DO?

Democratizing wealth and building a community-sustaining economy from the ground up
Government should do more  Government does too much

<table>
<thead>
<tr>
<th>Age Group</th>
<th>0%</th>
<th>25</th>
<th>50</th>
<th>75</th>
<th>100</th>
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</thead>
<tbody>
<tr>
<td>Ages 18-29</td>
<td></td>
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<tr>
<td>Ages 30-49</td>
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<tr>
<td>Ages 50-64</td>
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<tr>
<td>Age 65 and older</td>
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Source: WSJ/NBC News telephone poll conducted April, 2017 of 900 adults. Margin of error is +/- 3.27 pct pts.
Community-Sustaining System Elements

- Democratized ownership forms
- Local democracy, community culture, and the non-sexist city
- Scale and regionalism
- Climate change, growth, and the environment
- Liberty and reduced work hours
- Both planning and markets
Democratized Ownership
Local Democracy, Community Culture, and the Non-sexist City
Scale and Regionalism

[Map showing bioregions and biotones in North America with a left panel highlighting regions like Arctic, Boreal, and Forest, and a right panel showing a map of the United States divided into regions like North West, Mid-West, South West, South, and North East.]
Climate Change, Growth, and the Environment
Liberty and reduced work hours
Both Planning and Markets
How do we Implement Pluralist Principles in Cayuga?

**Inclusive, Local Hiring**

Building the Pipeline to a Healthy Community

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**Inclusive, Local Sourcing**

Purchasing for people and place

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**Place-based Investing**

Creating Sustainable Returns and Strong Communities
COMMUNITY WEALTH BUILDING: 8 BASIC PRINCIPLES

1. Labor matters more than capital.
We need a local economy in which people matter more than just maximizing profits. For instance, when a crisis hits we need to act to preserve jobs rather than bailout the corporate bottom line. We can’t let capital alone call the shots if we really want to build community wealth.

2. Local, broad-based ownership matters.
A thriving local economy requires local ownership, where the control & economic advantages of that ownership are spread broadly (for instance through cooperative, community, or employee ownership). Without concentrated and absentee ownership, the economy works to extract wealth on behalf of those at the top.

3. Active democratic ownership & participation matter.
The neoliberal model sees communities as isolated individuals, engaged in civic life only as passive consumers. To build real community wealth, we need to build the fabric of active community, with opportunities for real participation and collective decision making at all levels of the economy.

When a purchase is made locally, that money stays in the community longer, because local businesses are more likely to spend locally. This translates into greater local prosperity, greater community stability, and a tighter-knit network of local people and businesses—all key to building community wealth.

5. Localizing investment matters.
There are vast pools of capital in the investment portfolios of local anchors, in personal and institutional bank deposits, and in our pension funds and retirement plans—imagine what’s possible if these investments were put to work locally building community wealth, rather than fueling Wall Street and The City’s extractive casino economy?

Building community wealth isn’t just about more money locally—it’s about the power that comes from building lasting relationships of mutual support. Fostering effective collaboration between anchors, local government, and neighborhood residents isn’t just a matter of convenience or capacity, it’s intrinsic to the project of community wealth building.

7. Place really matters.
Don’t expect wealth to trickle down. Without an intentional place-based strategy to make sure local assets work to build local wealth, there’s nothing stopping wealth from leaving your community. And you need an intentional strategy to make sure that locally the hardest hit parts of your community are first in line for new opportunities: inequities won’t undo themselves.

8. Community wealth is where the next system begins.
This isn’t about one or two good projects, or a small corner of a procurement budget getting earmarked for local vendors while everything else remains business as usual. It’s about taking the first steps towards truly transforming our economy so that it works for the many, not the few.

WWW.DEMOCRACYCOLLABORATIVE.ORG
Commonwealth for Cayuga Anchor Institution Strategy

• Nonprofit or public institutions
• Rooted in place- “sticky capital”
• Economic engines- large purchasers, employers & investors
The Anchor Mission

A commitment to intentionally apply an institution’s long-term, place-based economic power and human capital in partnership with community to mutually benefit the long-term well-being of both.
Something important is happening in Cleveland: a new model of large-scale worker- and community-benefiting enterprises is beginning to build serious momentum in one of the cities most dramatically impacted by the nation's decaying economy. Find out more about how low-income neighborhoods, anchor institutions, community foundations, and local governments can work together to build a new economy: community-wealth.org/cleveland
Catalyzed by local government action, the city of Preston in the UK has developed a comprehensive strategy to use local economic assets to revitalize their local economy. This diagram illustrates how new public and cooperative institutions are working with existing anchor institution stakeholders to build community wealth.
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