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## EOF 2023 Fall Funder Series Q&A

### Building Worker and Community Power for an Equitable Economy

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Distance between those who set the rules and those who work by, live by, and are impacted by the rules creates an opportunity for distrust, disengagement, and potentially abuse. Amid a decades-long decline in union power, erosion of worker protections, and a widening pay gap between executives and employees, worker influence in workplace decisions may be at an all-time low.

At the same time, the voice of everyday people is increasingly undermined by the influence of money in our political system. At all levels of government, elected officials face pressures from paid lobbyists representing corporate interests, while people in communities lack both the resources and transparency in the process to weigh in on critical decisions over public resources. Co-governance and shared ownership models allow people to directly participate in decision-making at their workplace or in their community.

During this Q&A, experts share innovative solutions being implemented across the country to counter decades of declining power and engagement among workers and citizens. This Q&A is part of the [EOF 2023 Fall Funder Series: A Vision for Democracy in Our Economy](#) and has been edited for length and clarity.

- [Shari Davis](#), Co-Executive Director, Participatory Budgeting Project
- [Lauren Jacobs](#), Executive Director, PowerSwitch Action
- Alex Papali, Director of Regional Economies, [Center for Economic Democracy](#)

#### **EOF: Why is building worker and community power important to an equitable economy?**

**Lauren Jacobs:** I start with understanding where we are now and what the structures are that define the inequitable economy we currently have. We know from both anecdotal observations and social scientists that this current economy vastly under-develops people. We have brilliance and talents that are untapped within our communities because we have a sense of scarcity. This isn't just a scarcity of resources or products, but also a scarcity of the community's ability to contribute to development.

We need to organize communities, organize workers, and create structures and organizations in which people can come together. These communities can then start to exercise power and also start to exercise control over parts of the economy, which I think is critical.

For too long, low-wage workers have been told that topics such as workplace governance, city budgets, and neighborhood design are too complicated for them to figure out. We need to challenge this myth. We've trained people to go on boards and commissions so that there can be more folks of color from working-class communities making decisions and driving the direction of the economy.

**Shari Davis:** A lot of folks, especially Black, brown, and low-income folks, are focused on just surviving capitalism. This movement requires a shift in ways of being, and realizing an equitable democracy is practice.

We need to practice a different kind of dialogue. We need to practice a different kind of organizational structure. We need to practice democracy, and this requires moving away from the individual practice of democracy toward something that is far more collective. Unions, organized spaces, and member collectives are important places to build that practice and shepherd our vision of an equitable democracy.

**Alex Papali:** We need to think about the meaning of power. We're used to a small segment of people making the critical decisions that impact all of society. However, we can strengthen the impact of those decisions by including direct stakeholders, workers, and community members. Empowering workers and community members—particularly in communities that have been left out in the past—can't come soon enough.

We should be moving as quickly as possible toward new infrastructure that facilitates the voice of people who have been underrepresented. We need new infrastructure that facilitates their voice in policymaking, budget decisions, and the governance of community assets. We can do that by creating democratic and accountable structures that change how these decisions are made. This can change our economic system from one that's only based on profit to one focused on more holistic outcomes.

### **EOF: What does the work to build worker and community power through co-governance and shared ownership models look like in practice?**

**Shari:** Radical imagination isn't just a nice thing to do, it is a necessary component of doing the work of building community power and co-governance. In order to move away from systems that aren't working, we have to first envision the shared goal we're working toward. This creates an opportunity to start asking what is possible with how we participate in budget decisions.

Governance is a call to practice – it's about making decisions together. Participatory budgeting is a democratic process where community members come together to make direct decisions about public budgets. Participatory budgeting started in Porto Alegre, Brazil, in 1989 and has spread to over 7,000 cities around the world, including dozens of communities in the United States. Across the country, there is a growing movement of participatory budgeting and community members coming together.

In 2014, in Boston, a [participatory budgeting initiative](#) was launched to give young people power over one million dollars of the City's capital budget. This has translated into critical projects in their communities, such as park renovations and school equipment. Now, Boston has a city charter that mandates participatory budgeting. [Seattle](#) has participatory budgeting for about \$27 million of its city budget. This process resulted in a divestment in the Seattle Police Department and was an opportunity for community members to drive their investments toward health and healing, such as for community programming for Native youth.

**Alex:** We need the space to develop the muscle of how we run our society and how we run our economy with an eye to the collective benefit rather than to the benefit of a few stakeholders who are motivated by profit incentives. We've been conditioned our entire lives to accept decisions made by other people. We need to rethink our role and our agency in our workplaces and in society.

In worker-owned collaboratives, for example, workers have a direct stake in their workplace. As we've seen in crises and in the COVID-19 pandemic, these workplaces tend to be more stable and share profits more fairly.

We are seeing people slowly shifting their consciousness to understand their potential power and understanding that there's a role for them to play.

When you have a more horizontal workplace, you have to understand your role and the critical need for your participation. In Massachusetts, [the movement for worker-owned cooperatives](#) is growing through an expanding ecosystem of groups. There are a lot of folks who are starting to see the benefit from direct participation in workplace decisions.

**Lauren:** Our system of governance is structured for a scarce few elites who make decisions for everybody. We need to use these structures in ways so that we can shift power to the people. We have to be unafraid of challenging them and setting up new systems of governance. We have to consider how we are re-democratizing private assets. This can be through labor unions as well as private sector collective bargaining campaigns.

For example, one of our affiliates in Silicon Valley, Working Partnerships USA, had a recent accomplishment. Google built a mega-campus in the middle of downtown San Jose, which displaced hundreds of families. The activism resulted in a multi-million dollar community fund that has to go to the community members who were displaced.

## **EOF: How do recent historic federal investments provide a real-time opportunity to build worker and community power and build a more just, inclusive, and democratic economy?**

**Alex:** There's a significant amount of funding that could go in a good direction. A lot of it has to do with who's at the table making those decisions, so we need to make sure that the folks who've been left out in the past are at the table to advocate for their own interests. We need to create the infrastructure that allows us to practice governing our economic lives. If there are new assets being built with this federal money, why not have the communities that are being served by these funds get involved with making the decisions?

It takes time to build these systems, but I encourage funders to take a little risk and try some new strategies. We're not going to move forward if we don't try something new.

**Lauren:** We need to break out of the existing box of a band in our society that believes that we just need to get back to the post-World War II economy. However, that's an erasure of the reality that that economy was built and structured around a vast swath of people being excluded.

We need to start talking about community education, what the different governance roles are, and how to build accountability structures. We need to think about how we're bringing up and influencing the young people who may one day decide to run for office.

**Shari:** It's important to note that none of these concepts are new. For generations, leaders have brought forth these ideas and practices. There are Native American intellectuals that we can look to who have modeled community-led decision-making. [The Haudenosaunee Confederacy](#) is a great example of participatory democracy.

Our work is to learn from these examples to build community structures that put us in beneficial relationships with each other and with the planet. Radical imagination isn't about starting from scratch with our democracy. It's about using the resources, examples, and practices that say our current systems are failing and that they are inequitable and then using known evidence along with lived experiences to chart our path forward.

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### **Additional Resources:**

- [Giving Communities the Power](#), By Lauren Jacobs, Democracy: A Journal of Ideas, Summer 2023.
- [Co-governance doesn't just mean electing people](#), By Lauren Jacobs, The Forge, October 21, 2021

- [Coalition for Worker Ownership and Power](#): The Coalition for Worker Ownership and Power (COWOP) is a growing statewide network that aims to bring together worker co-ops and developers, grassroots organizations and labor unions, and funders and investors to resource and coordinate the advancement of a worker ownership movement across Massachusetts.
- [Participatory Budgeting Project](#): We are a nonprofit organization that works with communities to enable them to decide together how to spend public money. We create and support participatory democratic processes, such as participatory budgeting, that deepen democracy, build stronger communities, and make public budgets more equitable and effective.
- [Dollars and Democracy: PBS Laura Flanders Show](#): In this podcast, Laura Flanders speaks with Shari Davis and Kristania De Leon, co-directors of the Oakland and NYC based Participatory Budgeting Project, and Shaun Glaze, research director of the Black Brilliance Research Project in Seattle.