

Beyond Reform or Revolution: Economic Transformation in the U.S.: A Roundtable Discussion (Sponsored by Guramylay: Growing the Green Economy)

Julie Matthaei, Moderator

Emily Kawano (Center for Popular Economics)

Dan Swinney (Center for Labor and Community Research)

David Korten (Co-Founder, Business Alliance for Local Living Economies)

Stephen Healy, Worcester State (Community Economies)

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WORKSHOP DESCRIPTION: This session will be a roundtable, with short comments by and dialogue among activists from a variety of groups working on economic alternatives and transformation, and discussion with the audience. The session has a two-fold focus: 1) to identify and discredit the facile dismissal, by the traditional U.S. Left, of actually existing transformative economic values, practices and institutions such as worker coops, socially responsible economic decision-making, green enterprises, and the like, and 2) to discuss ways to work together across our organizations to support movement towards more fully egalitarian and democratic economic forms which are free of race, gender, sexuality, disability, environmental, and international domination and exploitation.

We hope the participants will come away with an appreciation for the diversity of actually existing alternative economic values, practices, and institutions in the current US; their role in undermining neoliberalism and bringing economic transformation in the US; and the fact that our larger movement for economic transformation can benefit from finding constructive ways to educate and support each other with the goal of broadening our activities to address ALL forms of oppression.

WORKSHOP TRANSCRIPT:

Julie Matthaei, Guramylay: Growing the Green Economy and TransformationCentral.org; Professor of Economics, Wellesley College, MODERATOR

Welcome to our panel on “Beyond Reform or Revolution: Economic Transformation in the U.S.: A Roundtable Discussion.” And to this first workshop period at the historic, first-ever US Social Forum!!

I am Julie Matthaei, and I organized this panel. I am a professor of Economics at Wellesley college, and I work with Guramylay: Growing the Green Economy, and TransformationCentral.org. We want to videotape this panel for the website – is that a problem for anyone?

I also am part of the Solidarity Economy Working Group for USSF2007; we have organized a series of workshops on economic alternatives and the social/solidarity economy, here at the USSF. I have a program here, (Hand it out). I ALSO INVITE YOU TO VISIT THE SOLIDARITY ECONOMY TENT, NEXT TO THE CIVIC CENTER, more literature, groups working on economic transformation.

I have spent over 30 years studying and writing about the economic history of the US, trying to understand the present moment and possible future – focusing especially on gender and race.

To introduce you to this panel, I want to read to you from a pamphlet that I prepared for this conference, called “The Transformative Moment: An Introduction for Activists.” (I have these available for you here after the panel)

We are living in one of the most exciting times in history. It is a time of crisis and breakdown, and a time of potential transition to a new and more evolved economic and social stage. Diverse and vibrant movements for social transformation are springing up all around the world. The United States, while playing a reactionary role through its imperialist state policies and globalizing corporations, is also a locus of significant post-modern transformation. We call this time in the U.S. “the Transformative Moment,” to emphasize its potential for paradigmatic and systematic economic and social change.

The Transformative Moment can be understood as a deep-seated and many-faceted response to the imbalances, inequality, and lack of freedom created by the reigning economic and social paradigm, a paradigm which we call the Hierarchical Polarization Paradigm.

My coauthor, Barbara Brandt, and I have identified seven distinct transformative processes that various U.S. social movements are participating in now, processes which are beginning to construct a new, more balanced, free, equal and sustainable paradigm of economic and social life.

I welcome you to visit our website, transformationcentral.org, to read more about different aspects of the transformative moment, and contribute your stories. I have brochures from TC here as well.

A key aspect of this transformative moment in US and world history is that new economic forms are arising – economic transformation is happening.

When I was first radicalized, in college in the late 60s, leftists/Marxists were always dismissing organizing activists and people as “reformist” – not revolutionary enough. Attacked burgeoning feminist movement for being “reformist”, dividing the revolutionary working class.

We've come a long way since then, but still there tends to be a dismissive attitude among many on the left towards the many exciting new transformative forms of economic life that have been emerging and growing recently in US. At the same time we can ALL learn from opening our practice to constructive critiques from our comrades in the movement towards economic and social transformation towards another and better world – whether it be from peoples of color, the worker's movement, feminists, environmentalist, lesbian-gay, disability, the global south, etc

I organized this panel to create a dialogue on the important subject. It's purpose is to establish the fact that many transformative economic practices currently exist in the US, which have been ignored by both the mainstream and the Left. At the same time, the panel's aim is not to decide which alternative/transformative practices are the best. Rather, the idea is to “let many flowers bloom,” in the spirit of the Social Forum process, and to apply constructive critical thought to these “flowers” of economic transformation.

There are five panelists; I will be moderating. The panel is a “roundtable.” I will ask a series of questions which I want each panelist to answer in turn.

I will be a heavy handed chair to be sure that all have time to answer the question – and to discuss.

-- go-around in which each panelist will take 3-4 minutes to briefly introduce themselves and their organization, and talk about how their organization is involved in economic transformation. (10:45-11:05)

-- go-around in which people take 3-4 minutes to talk about the biggest challenges they have encountered in their own work, and how they have been working to solve them. (11:05-11:30)

-- open up for a first round of comments and questions from the audience. (11:30-11:50)

-- go-around in which each panelist takes 3-4 minutes to comment on the overall process of economic transformation in the U.S. and in the world, in terms of opportunities and challenges, including solidarity economy networking (11:50-12:10)

-- open up for second round questions and comments from the audience and panelists (12:10-12:30)

FIRST QUESTION: -- briefly introduce yourself and your organization, and talk about how your organization is involved in economic transformation

1) David Korten, Balle, Yes, International Forum on Globalization:

Development : rich expropriate assets of the poor

BALLE: 2002, grew out of social ventures network; entrepreneurial, owned by founders, can bring values into the business; entrepreneurs committed to economic justice and environmental sustainability; build economy of responsible businesses – are against absentee ownership, publicly traded corporations: 52 chapters, 15,000 business chapters, doubling each year; form around buy local or local first, keep money in the community; as members participate, opening of perspective to embrace other environmental and social values

Basic change strategy, large social change is like forest ecosystem, from bottom up; lets us withdraw our energies from local suicide economy to local living economy; think about business not for financial profit, return from living in healthy community

2) Emily Kawano; Center for Popular Economics

Our work is to demystify economy, we should all have input into economic decisionmaking; help people understand how economic system works, participatory methodology, build up from people's experiences; 30 yrs. 60-70 staff economist members, good at teaching critique of Keynes and neoliberal capitalism ; people getting a bit hopeless; now thinking more on what economic alternatives exist, ways to make systemic change; worked on putting track together and discussions on solidarity economy

3) Dan Swinney:

We at CLCR work at building solidarity economy in traditional economy, around 25 years, lots of work in field of manufacturing; 80% of jobs lost in chic could have been kept if labor and capital and communities working together; key to opposing neoliberal low road Keynes is promoting a high road alternative. Chic manufacturing renaissance council – top labor, business, gov. educators, community-based org – around strategy of leading race to the top, based on social partnership, high valued added industries, socially environment sustainable.

Recent project launching high school; 40% of manufacturing co's are going to lose their labor force; pay 15-50/hour for jobs; opportunity to intervene in forms of production; after America, 3 kinds of type of positions trained for – high skilled, ownership – partnering w/ 25 manufacturing co's local, pledging internships and summer jobs, including problem of manufacturing succession – school is preparing subjective competence to take over means of production

4) Steven Healy, teaching at Worcester state, working with community economies since 1996; academic research based organization in US, Australia, SE Australia, I am speaking on behalf of JK Gibson Graham, Julie Graham, ill; .he'll summarize it; trying to think about to research at local level that rethinks economic development; disseminate vision of economy that isn't just reflective of interests of Keynes class – it is a heterogeneous space, economy is diverse, types of exchange and property (like different races, genders) – if you produce a different representation of the economy where every facet is up for

grabs and can teach people that they're part of this, relations span into home, community, relations w/ neighbors – helps people engage in it, participate. Mondragon started over dinner conversations with 5 people; precursor to imagining a different world. Exist long histl tension between acadm and community group – Julie graham has been in community, how can we direct our academic research to serve local econ development. EX. Caroline Murray, anti-displacement project, trying to retain affordable housing in spite of college student pressure; own 30 million of housing for low income residents; formed worker coop to do landscape and maintenance. In collaboration with unions, founded alternative hiring hall and labor education center. Exists link between voluntary efforts, this social institutions, labor unions, market economy. Labor education center transforms people who would go to temp organization. He came out of sectarian Marxism movement – local movements can be spread from local to national/global. Collective copies, born of strike, Kists left, community provided loans, is worker coop, over 1 million sales, donate and give back to community. Link

5) Germai Medhanie, Guramylay and TransformationCentral.org: we're just new, not lots a lot to report, talk about what we'd like to do. Transformation central is new. Trying to tell people about positive things going on within our movement. What little thing is happening, have people tell their stories to other people so that other people would like to do it. Story of common people, don't have to be Marxist; something that benefits others. Immigrant experiences, we want to talk about those; how immigrants come out of hidden life, many can't tell their story, tell the good and bad side of living here. Very hard for today's immigrants to make it. Create a way to bring them up, build self-confidence, instead of living in the shadows. We want to work on vendors using public space. How do we bring producers/vendors to an alternative market, instead of going to mall, go to a park, find people doing businesses differently—make a connection between consumers and producers.

QUESTION 2: CHALLENGES: talk about the biggest challenges you have encountered in your own work, and how your group has been working to solve them.

David Korten :

BALLE's barriers; racial composition of BALLE is like this room, very white. Is serious issue, across progressive movements. Depth of change that needs to happen can't happen without more communication/cooperation across races; need to find and ally with groups in communities of color that are working on parallel initiatives.

Social Ventures network was odwalla, ben and jerry's – went public, sold shares, were bought out, thought were infiltrating capitalism – in fact, were sold out, absorbed. Problem: business needs to transfer from original owners to new owners in way that maintains independence and values of business.

How channel investment funds into these ventures. Economy is structured for increasing returns to people with money. Need to reverse so money transfers ownership to people who weren't previously owners. Want to move to more toward equality

Emily Kawano:

TINA, there is no alternative to neoliberalism, but this is a transformative moment, and there's lots of cracks in that model, in US we're less likely to perceive these cracks, but all over world, movements, WTO etc under siege, failure of model to deliver economically, sustainability issue; challenge in US, people tend to be resigned that this neoliberal model is here to stay; we need to get with the rest of the world. The model is coming down; govts in LA that have ridden to power on language of neoliberalism. We need to use that term, thinking ter is alienating to , it is patronizing; people can understand it

Antoehr challenge—they've trained thousands of activists – challenge of single-issue approach and fragmentation, there's a going together; solidarity economy framework has potential of unifying lots of these single issue movements

Dan Swinney:

Challenge; small organization, doing lots of projects. Also renaissance council. How to manage growth. If we're about fundamental change rather than comfortable oppoints in large system, we have to anticipate growth, go after major assets; his idea do with partnership, chic federation of labor. Illinois manufactures association 4,000 manufactures, ceo's of schools – don't want to be marginalized in the process.

Challenge – maintain sophistication of vision. See manufacturing as central to our vision, how will it be in 20 years, role of envir, how change products and proceses; keep pace with ideas that could sabotage us. What kind of language. We don't use anti-corporate language, CLCR is corporation. 8 million privately held companies – and some high road corporations. We don't want to turn them off in our discussions.

Problem of incompetence of govt. Public school system pathetic. City college for manufacturing is like high school; money is pool of patronage money. Even though defend public sector, show how it can intervence in private sector, take over means of production; many in public sector aren't competent.

Foundations don't support their work, don't want to end poverty, like to help poor – 60% from fee for service.

Steven Healy:

teaching is a big challenge, 2 years at Miami U, teaching rich students. Students won't take in concepts of ethical economics; read wendy brown, neoliberalism and end of liberal democracy. One key component, educative, tries to produce people who think of themselves as risk calculative subjects. With choices. Experts take this on. Makes us passive participants. Students he teaches aren't thinking about anything but themselves, challenge people's investment in their own passivity. Hard for him as well to stay active.

Germai:

How to use public space? It's public space, need to get permits, insurance, policy, and politics. Choosing right space – security, police, cost. Challenge of how to raise funds.

Trust issue; what we're doing not acceptable to the left. Convince them that this will also bring change, communicate well. Limits of our size. Can't do everything, how sustain it, what to prioritize.

COMMENTS FROM THE GROUP:

How get the political clout; need political alliance – of people who hold to solidarity views in every party. Hardest is defeating corporate model.

Need to keep critique of corporate paradigm as build solidarity economy. Corporate rights not human rights.

Collective copies is a democratic, for profit corporation that is consensus run – how do you reconcile that with anti-corporate.

Korten; corporation means broadly any institution with legal id. Problem is language, we need a way to distinguish these.

Dan: There are also noncorporate structures that are corrupt. Unions can be. We need a movement that understands limits and possibilities. Lots of corporations are really thinking in new ways.

James, nw Bronx; we have to take a step forward, will give us further horizon to shoot for; have large city owned property, wanting to develop it in a positive way; use union labor; Bronx is poorest urban county in US. Members want movie theater, bookstore, ymca; that's what they want; have to go out of Bronx to buy a book. Want to win jobs, living wages, hope that that campaign will lead them to further things. Work closely with electeds, Bronx country boss, need to engage in present world politics and desires of their members. Nw Bronx community and clergy coalition

Nedda: in our history, corporations are seen as citizens with rights, we need to challenge that; we can move within existing structures; but part of solidarity econ should focus on challenging corporate personhood. This is reason for lots of abuses. See democracy tent, democracy unlimited of Humboldt County.

LLP model; doesn't anyone know, in Britain; limited liability partnerships; revolutionary model of partnering, Limited LLC, is a partnership with limited liability clause, if in debt won't lose your house. www.opencapital.org. David K: limited liability is one of worst aspects of corporation. Speaker: is b
Socialeconomycoalition.uk -- have worked to change laws, have committee in govt. on social enterprise; public interest company, people can have shares. Gets special status.

Liverpool (Yvon) – create lots of nonprofits, coops, (social enterprises) – very run down region. City council only serves fair trade coffee and tea.

Comment: can't have economy without production. We need to change status of corporations of subsuming everything; old concept; requires major political mobilization. Doesn't have to be a new party.

Community economies; something exciting; re collective coops; cooperatives across us cooperating, supporting each other financially, buying from each other, equal exchange, is solidarity economy in action. collective coops has in its mission to promote workplace coops. Start selling products made from other worker coops. Start with equal exchange, sell 20,000 chocolate bars at tiny margin that makes everybody happy. Live your beliefs with your money. Inside the solidarity economy concept, promote local leadership and ownership == who owns it. Doesn't just want one owner. When possible, try to create cooperatives, people who can believe in themselves where they work.

We won't achieve political democracy until we get economic democracy. We have to build it up from the grassroots, people doing this daily, that develops democracy political awareness.

Economy and peace – boycott to stop the war. Money talks. People who are devastating world won't stop until they have to. Boycott walmart etc. is a new movement. Global Coalition Coalition for Peace, has info on boycott. Lew brown, gcpf@earthlink.net. Is planning boycotts for back to school. If we make an impact, people will lose their jobs, conscious level of sacrifice – need to spend it on the good things. Move money into sustainable local economies, where things cost more, but benefits.

Question about legal corporate personhood – is bad bec. limits liability of corps to take responsibility for damages, monopolizes resources, ecosystems. How crucial is it.

Korten, should corporations have same rights as living persons

QUESTION 3: OVERVIEW: comment on the overall process of economic transformation in the U.S. and in the world, in terms of opportunities and challenges, including solidarity economy networking

Stephen: they've been talking about solidarity economy for at least 10 years; was seen as "crazy talk" --= left wanted to take on behemoth of capitalism, critiqued them as small, interstitial, unimportant – but photosynthesis is small, and important. Now big explosion of interest in these things, lots to do, much less lonely, so much interest. Town-gown thing has gone away; adp anti-displacement-project, was against them, dynamic has totally changed.

Dan: NANSE< north American network on solidarity economy, us, Canada, mexico. And we're trying to create network here.

He's not happy, scared to death, is crisis and opportunity for decades of darkness OR opportunity for fundamental change. We're way behind. We need principled political change. We need a program for how to reorganize economy, privilege grassroots and address large scale/power centers. Shape platform. Political coalition around this vision is large, includes republicans, democrats, greens --- if we do our work well, we can transcend these divisions.

Environment and poverty crises, force us to do work.

Is continuum, small to large projects. Even in privately held firm, if make it more democratic, develops competence to take it over – as well as equal exchange, good in all aspects. So work in all areas is important.

EMILY: echoes, we're on the verge of a crisis – cracks in neoliberalism; has hope, but we could go into dark ages. It's so important to build a base of practice and solidarity. For those not familiar with term solidarity economy, isn't bandied about in the U.S. is more a framework than a model, no blueprint or rigid prescriptions, solidarity cooperation egalitarianism sustainability democracy. Is new, in beginning stages of being defined. Lots of debate about it. Not lots of currency in the US.

Values issue – we can't transform corporations by appealing to their values – some corporations are greedy – but it's a systematic problem, system drives them to do bad things, they're answerable to stockholders. We need to address the values underlying the System.

Germai: is hopeful. Hoping for upswing. What do we do plant a seed and make it grow. New haven bioregional group. No people of color. Walkabouts. Find a neighborhood, Hispanic or black neighborhood, meet each other. Also working on small local business development, bring together to talk. Small businesses should be privileged in tax law. What do they talk about during walkabout?

David: lots of potential to solidarity economy initiative. We're all involved in our own initiatives, great to look at the broader picture.

Key piece of his analysis. Combination of global warming, collapsing US dollar, and peak oil will dramatically shift power from global to local == good to be organized and read there.

Dan's right—let's not confine ourselves to a part of the political spectrum. Part of far-right conservatives who are our enemies – but their conservative values aren't what Americans see as conservative values. More priority to family, community, children, environment – most people agree with this. We have enormous potential to draw in people who would identify as conservative/republicans.

Stats – 90% of population think co's have too much power.; sides with Emily, need to deal with structural issues around corporations; public trading, perverse form of absentee

ownership, short term + limited liability – lack of accountability in the system We're pitting highly organized investors vs. highly unorganized consumers, etc. We fundamentally need to change the rules, where rules make doing the right thing, the natural thing.

Isn't just the system. He's more focused to personalities, Bush and Lay, we're dealing with highly dysfunction personalities, fit profile of psychopaths, sociopaths, incapable of making moral judgements. Article in FAST COMPANY, is your boss a psychopath. Combination of dysfunctional individuals who are drawn to power that high positions give them, and system itself. System

DISCUSSION:

Another challenge: difference between potential in urban and rural setting. Urban areas, have communities. These ways of creating new enterprises, we have to think about where is it not working. Rural areas. One-town cities.

Carl; old new leftist as well. Values or politics, which comes first? Should derive politics from values; spoke against anti-corporate line, is an anticommunist. Publicly traded corporations are small minority, high road vs. low road. Speculative vs. productive capital. To move forward to classless society we need to form these alliances. We have to envision things from point of view of an entrepreneur. Find a need and meet it. Economy is environmental disaster – someone needs to make wind turbines – etc. – govt needs to punish low road, Exxon mobil, war as part of costs.

We have to get outside of the anticorporate box.

An economy based on growth is big source of our problems. Emily; can't grow in stuff; need to redefine growth, in education, art, leisure time, social time; among economists she works with, exist acceptance that growth is good. At least say need it in poor countries.

Video on line for free, money as debt, on google video – addresses what money is and where it comes from. Created by banks, charge interest on it. And not enough money for people, need growth.

In developing countries, we don't need that type of growth we had that in venezuela. Had growth with oil, 80% poverty. Economics needs to be changed; say start with scarcity, greed goes out of it. We are spiritual people.

Investors who want to support solidarity economy; sr investing, shareholder economy. Other possibilities. Community development credit unions.

System is all geared to maximizing returns to those who have money –

We need to move beyond a society divided between owners and workers – we should all be owners and producers. International association of investors in the social economy
INAISE

Steven: so much to say. On point of scarcity. Freud said don't be stingy with affect because the fund itself is renewed in the spending. True in caring. ¼ of adult popl is involved in informal adult care. Twice the size of nursing home and visitng nurse. Real health care reform needs to support these informal markets. Chance to exercise some solidarity.

Autonomista movement in argentina, graciela monteagurro, started before crash, alternative currencies, radio programs, during mid 1990s during boom year,s in place, for collapse in 2001.

Conditions to grow solidarity economy; after civil war among repressed minority using catholic language – mondragon did that.

Group and magazine, post-autistic economy – online. Great critique of mainstream econ in their newsletter.

MARGLIN – now orthodox economics destroys community