Escaping Corporate Capture

ORGANIZING THE SOUTH:
How Black Workers Are Challenging Corporate Power

The Power of Debtor Organizing
Envisioning a New Organizational Landscape

Whose Capital? Our Capital!
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Corporate Capture: Can We Find a Way Out?

“[O]ver time, the for-profit corporation has occupied more and more social space; its tentacles reach into politics, our economy, our daily life, and—perhaps most insidiously—our culture and ideas.”
by Steve Dubb and Rithika Ramamurthy

They Need Us More Than We Need Them: The Power of Debtor Organizing

“For tens of millions of people, the American dream is no longer owning a house with a white picket fence; it is getting out of crushing debt. Our economic system leaves many if not most of us no choice but to borrow for healthcare, housing, education, and other basic needs.”
by Astra Taylor and Hannah Appel

Corporate Economic Blackmail and What to Do about It

“[W]elcome to the land of economic development subsidies. It’s trickle-down economics on steroids—in which some of the biggest corporations...extract huge sums of public money for corporate and personal profit.”
by Arlene Martínez and Greg LeRoy

Organizing the South: How Black Workers Are Challenging Corporate Power

“The goal is to build an authentic base from which to call on the current administration to facilitate discussions between Black workers and labor and industry leaders across fields. Is it almost too big to wrap our minds around? Perhaps. Yet we do not have the luxury not to try.”
by Erica Smiley

From Corporate Culture to a New Organizational Landscape: A Conversation with Steve Dubb, Rithika Ramamurthy, and Ananda Valenzuela

“I fundamentally believe that the change we want is going to take a lot of people running in—generally—the same direction. And the more effectively we can organize and collaborate, the more movement we’ll make in that direction. I believe that culture is far more important than structure, but structure is where we get stuck. We spiral around questions of power, decision-making, and leadership.”
**Challenging Corporate Influence in the Nonprofit Sector**

“In the maze of advocacy and issue-based organizations, the tendrils of corporate influence grip tightly, shaping the contours of the sector in ways that stifle innovation and perpetuate inequities, particularly for Black women leaders.”

*by Anne Price*

**Economic Justice: Nonprofit Leaders Speak Out**

“How do we confront corporate capture in our work? Corporate capture can be found throughout our economy and society, but how it shows up differs depending on where one sits. In [these] essays... three leaders consider the question in the areas of housing, climate work, and higher education.”

*by Tara Raghuveer, Johanna Bozuwa, and Davarian L. Baldwin*

**Whose Capital? Our Capital!: The Power of Workers’ Pensions for the Common Good**

“There is no way to protect existing pension funds from the slow strangulation of the tentacles of finance capitalism unless workers take more control over the uses to which their deferred compensation is being put.”

*by Sara Myklebust, Bahar Tolou, and Stephen Lerner*

**Building Solidarity Economies: Stories from Worker Co-op Members**

“Now in its twentieth year, the United States Federation of Worker Cooperatives has witnessed strong, transformational leadership within its member co-ops via the worker-owner model—leadership that is strengthening both the workplaces and the communities in which they are embedded. The stories that follow provide a window into the lives of three worker-owners in this field.”

*by Sabiha Basrai, Yvette Beatty, and Andrew Gansenberg*
Scrubbed provides comprehensive financial and accounting services specifically designed to meet the unique needs of nonprofits. With a dedicated team that ensures clarity, accountability, and seamless compliance, Scrubbed empowers mission-driven organizations to focus on their core purpose while managing their finances efficiently.
In *Building a Pro-Black World: Moving beyond DE&I Work and Creating Spaces for Black People to Thrive*, a team of dedicated nonprofit leaders delivers a timely roadmap to building pro-Black nonprofit organizations.

Moving the conversation beyond stale DEI cliches, Cyndi Suarez and the *NPQ* staff have included works from leading racial justice voices that demonstrate how to create an environment—and society—in which Black people can thrive.

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Building a Solidarity Economy in the South (and Beyond): Cooperation Jackson

“May Day 2024 marked the 10-year anniversary of Cooperation Jackson—a network of worker cooperatives and solidarity economy institutions whose mission is to build a vibrant and ecologically regenerative solidarity economy in Jackson, MS, and throughout the southern portion of the United States, as a prelude to a democratic transition toward eco-socialism.”

by Kali Akuno

Transcending Racial Capitalism: A Conversation with Steve Dubb, Rithika Ramamurthy, and Saqib Bhatti

“Those who work closely with community organizations, labor unions, and advocacy groups that work on such issues as housing, policing and surveillance, education, healthcare, and so on know, because of the way that our economy functions, that the harms in the system across each and every one of those fields fall most heavily on communities of color. And they do so by design.”

Liberating the Media

“The American media is a morbid affair of late. Publications ranging from the Washington Post to the Wall Street Journal to the Intercept are laying off reporters by the droves.... The sometimes nasty-as-its-name VICE is laying off hundreds, citing dwindling figures that conveniently overlook executives’ golden parachutes; Sports Illustrated said it was hanging up its swimsuits and jockstraps, and laid off most of its workforce. Welcome to the media extinction die-in.”

by Alissa Quart

Wait Let Me Get My Mask

“On the Cover . . .
“My Vision Is Bright”
by Yvonne Coleman Burney/www.artbyyc\olemanburney.com
Dear Readers,

The far-reaching tentacles of corporate capture are currently front and center as the world experiences a rapid expansion of intersecting crises impacting how we live. Corporations have a profound influence on our economy, politics, culture, and even our sense of self. Understanding the scope of that influence—and developing strategies to build more democratic institutions for a liberated world—is more critical than ever.

Organized workers are front and center in the movement to escape corporate capture. “If there is a chicken-or-the-egg question as it regards working class politics in the year 2024 and beyond, some of the boldest labor leaders in the United States have a very unified response: organized workers come first and then—and only then—can the progressive vision of a healthier democracy and more equal nation that meets the material needs of all its people finally come to pass,” writes Jon Queally of Common Dreams, in the June 15, 2024, article “There Has to Be a Fight: How Workers Can Start Winning the Class War in 2024 and Beyond.”

And nowhere is this more consequential right now than in the US South. As Erica Smiley notes in these pages, “[l]oading broad-reaching organizing efforts in the US South that emphasize the leadership and economic equality of Black workers against multinational corporations might just launch the nation’s most significant effort in the movement to build democracy.” Smiley continues, “Organizing [such] efforts in the region...would not only lead to victories that would support the people of the South—it would also strike a blow against corporate control and authoritarian rule. This is why we must organize the South: to set the country back on a path toward building a multiracial democracy. To finally win the Civil War.”

As the country prepares for a pivotal election, movement leaders recommend not paralysis and pessimism but rather action and vision: “We have an extraordinary opportunity to unite our movement, fight for a multiracial democracy, and win transformational political and economic change,” write Sara Myklebust, Bahar Tolou, and Stephen Lerner, within. “Imagine that in 2028, millions of people from community, labor, and racial justice groups join together in marches, demonstrations, and mass strikes demanding pensions and control of workers’ capital to ensure our current and future financial security while transforming our communities. As a result, we will not only hope this is possible but also start to taste, feel, experience a world in which our money is used to build affordable housing, fix our schools, and heal our environment instead of lining the pockets of Wall Street financiers and billionaires. Such a world is within our reach—if we dare to fight for it.”

Cassandra Heliczer
Magazine Editor
NPQ
Corporate Capture
Can We Find a Way Out?

by Steve Dubb and Rithika Ramamurthy

The aircraft manufacturer Boeing, granted the authority by the Federal Aviation Administration in 2009 to self-certify compliance, uses that authority to cut regulatory corners—with tragic results.¹ A 10-person advisory panel convened by the Federal Drug Administration in 2002 looks at an alarming rise in prescriptions for a Purdue Pharma drug known as OxyContin, but half of the members have ties to the company and no action is taken, allowing opioid overdose deaths to continue to climb.² A United Nations–sponsored Conference of the Parties, the world’s leading climate gathering, is led in 2023 by Dr. Sultan al-Jaber, a “state oil company chief executive,” who, notes the Associated Press, “got the world to agree to transition away from fossil fuels while still being able to pump ever-more oil”—the horrifying effects of which can already be seen in mounting climate-related disasters.³

This is corporate capture, whereby agencies meant to control corporate behavior instead are controlled by corporate leaders to advance their economic interests.⁴ But considered more broadly, corporate capture extends far beyond the capture of a few government agencies; indeed, over time, it has developed a stranglehold on our economy and life.

Corporate capture is evident not just in regulatory agencies but also in elections, the halls of government, the media, music, art, and any other cultural sites corporate elites can get their hands on. Corporate capture is visible too in the names adorning the walls of nonprofit university and hospital buildings. It can even be found in the thinking of nonprofit and movement activists and leaders.

Indeed, the scope of resulting corporate control and influence has been astonishingly broad. Decades ago, Philip K. Dick asked if androids dream of electric sheep.⁵ We won’t hazard a guess as to the psychology of androids, but we can say with certainty that corporate messages have entered human dreams.
LIFE AS COMMODITY

In 1848, Karl Marx and Friedrich Engels observed that the capitalist class was “like the sorcerer who is no longer able to control the powers of the nether world whom he has called up by his spells.” Today, approaching two hundred years later, the modern corporation has amassed and harnessed spellbinding and mythmaking powers that Marx and Engels might scarcely have imagined.

More and more of society has been converted into commodities—that is, items that can be bought or sold. But the corporate form, per se, is not the problem—the corporation is just a creature of law that limits individual liability. Rather, the primary challenge is the accumulation of wealth and power that the corporate form has enabled a small number of owners of private, for-profit corporations to accrue. And, over time, the for-profit corporation has occupied more and more social space; its tentacles reach into politics, our economy, our daily life, and—perhaps most insidiously—our culture and ideas.

Politics. These days, it is often noted that US democracy is in peril. And it is true that a rising authoritarian tide threatens civil liberties and democratic institutions like Congress. But even absent open dictatorship, US government today is less a democracy than a plutocracy, ruled by the wealthy few. This is neoliberalism, which is best understood as a politics in which the state acts to support the concentration of wealth among an elite few through its taxation, spending, and regulatory policies. In 2014, political scientists Benjamin Page and Martin Gilens published a study that asked a simple question: Do policy choices reflect elite preferences or those of the people at large? Their empirical findings were clear: “[B]usiness interests have substantial independent impacts on U.S. government policy, while average citizens and mass-based interest groups have little or no independent influence.”

Decades earlier, another political scientist, Thomas Ferguson, came to a similar conclusion, developing what he called the “investment theory of politics.” Ferguson’s main finding was that the US Democratic and Republican parties are best thought of as “blobs of major investors who coalesce to advance candidates representing their interests.”

Going even further back, in 1977, Charles Lindblom, onetime American Political Science Association president, authored Politics and Markets: The World’s Political-Economic Systems, in which he argued that in capitalism, business occupies a “privileged position” that offers business elites disproportionate policy influence. Lindblom wrote this more than 30 years before the US Supreme Court’s decision of Citizens United, which removed many restrictions on corporate political spending. Lindblom’s point was that without spending a cent, corporations, by dint of their mere economic power, tilt politics in their direction.

Economy and Daily Life. A 2021 study by McKinsey Global Institute found that, globally, “The business sector overall contributes 72 percent of GDP [gross domestic product]” and, further, that “corporations with more than $1 billion in revenue...increased their global value added by 60 percent relative to their home countries’ GDP since 1995.” In other words, corporate GDP is growing much faster than the economy as a whole. More broadly, the data show more and more corporate wealth concentrated in fewer and fewer hands. A long-term study of US corporate concentration from 1918 to 2018 by three economists (published in 2023 by the University of Chicago) found, “Since the early 1930s, the asset shares of the top 1% and top 0.1% corporations have increased by 27 percentage points (from 70% to 97%) and 40 percentage points (from 47% to 88%), respectively.” Put differently, a subset of one in one thousand companies currently owns nearly ninetenths of total corporate net worth in the US economy.

Additionally, corporate influence in daily life is growing, as many parts of the economy that once existed outside the corporate sphere are now incorporated within it. One heartbreaking example can be seen in how children are raised. Hours spent in unstructured play are declining; hours spent in structured corporate social media consumption are rising. A 2016 United Kingdom survey found that children’s playtime had fallen from 8.2 hours a week in their parents’ generation to just over 4 hours a week; US data are similar. Relatedly, a 2021 survey by the US nonprofit Common Sense Media found that daily screen use was 5 hours and 33 minutes—49 minutes higher than just two years earlier.
As nonprofits attempt to solve social problems, they must solicit both government funding and private funding from philanthropy and, occasionally, even from corporations. What this means is that progressive agendas depend on funding sources that are ultimately invested in preserving the profit motive.

While establishing direct causality is complicated, the two trends do appear to be connected. More broadly, in terms of the theme here, much of what used to be childhood outdoor play existed outside the corporate sphere. By contrast, nowadays, youth are much more likely to be consuming multinational corporate products and services via mobile apps.

**Culture and Ideas.** Corporate power has invaded our thoughts and dreams. To take one example, the phrase “the American dream” has come to be defined in ways that emphasize the individual pursuit of wealth. This is ironic. James Truslow Adams, the person who is credited with coining the phrase in 1931, was referring to “well-being that is held in common and therefore mutually supported.”

Adams, writes Sarah Churchwell, a professor of American literature, created the notion of “the American dream” as a critique of a nation that he saw as having in the 1920s “lost its way by prizing material success above all other values.” Churchwell adds, “The American dream was rarely, if ever, used to describe the familiar idea of Horatio Alger [–inspired] individual upward social mobility until after the Second World War.”

Nonetheless, as Alissa Quart demonstrated in her book *Bootstrapped: Liberating Ourselves from the American Dream*, the idea that success should be defined in economic terms and is determined by one’s own efforts alone is now deeply ingrained in US society. And the effects have often been politically demobilizing. “The cult of individualism,” Quart writes, has led to a “nagging sense that our failure is ours alone.” This myth, she adds, “drops the blame for inequality in our laps, while our flawed systems get off scot-free.”

**WHAT ABOUT NONPROFITS?**

The ethos of individualism that Quart describes has its corollary effects in the nonprofit sector, and even in social movements that are seeking to advance economic justice. First, as Quart explains, the emphasis on self-reliance undermines support for public sector provision of public goods. This results in what Quart calls a “dystopian social safety net,” with many nonprofits placed in the position of putting together “do-it-yourself, taped together programs.... Stuff that shouldn’t exist but does because we have to rely on ourselves.”

The role of the nonprofit sector since the 1960s has been to try to fill in the gaps of austerity created by the decline and privatization of the welfare state. The result of this explosion is that nonprofits are subject to the same neoliberal pressures that plague the social welfare state. As nonprofits attempt to solve social problems, they must solicit both government funding and private funding from philanthropy and, occasionally, even from corporations. What this means is that progressive agendas depend on funding sources that are ultimately invested in preserving the profit motive. In an interview with *Jacobin*, Melissa Naschek sums up the fact of corporate capture in nonprofits succinctly: “This leaves nonprofits trapped in an inescapable contradiction: politically they are beholden to the very class that is hoarding the resources necessary to expand social spending.”

Additionally, as Quart has pointed out, not just failure but also success is seen as “self-made.” This encourages heroic notions of individualized leadership at the top. Law professor and activist Dean Spade has noted that the students he teaches often seek to be “nonprofit executive directors” even as they lack a clear idea of what they want to do. “The form predates the content,” Spade observes. “That is worrying; it is doing something to the imagination.”

The field of nonprofit management, in short, has been deeply harmed by corporate capture. This affects not just nonprofits but also movements for liberation today. As Maurice Mitchell of the Working Families Party powerfully argued in a 2022 essay, movements face a yin and yang between exaggerated notions of individualism that can make effective management impossible and exaggerated notions of collective governance that can make effective organizing exceedingly difficult. Writing a year later from the standpoint of solidarity economy organizing, Nicole Wires, network director of the Nonprofit Democracy Network, noted a similar dynamic, pointing out that the first stage of activists moving away from
corporate models of management and leadership often leads to what she calls “counter-solutions,” which she defines as “oversimplified solutions that are the obvious opposite of the issue at hand.” Wires adds that if movement groups fail to move beyond these binaries, they can get stuck in a destructive loop that undermines their liberatory goals.

**FINDING A WAY OUT**

If the goal is liberation from these tentacles, then finding a way out from corporate capture is imperative. This is not an easy task, but both movement groups and nonprofits across the country are dedicated to imagining a world beyond. The results can be seen in growing efforts to empower workers, design democratic and effective management and leadership, and build economies rooted in values of solidarity.

*Empowering Workers*

Erica Smiley of Jobs with Justice noted, in 2023, that there has been a “great awakening,” in which “what is possible changed overnight as workers showed us how to effectively hold global corporations accountable.” The consequences of this wave have been significant. For example, in February 2024, after resisting unionization for over two years, Starbucks management pledged to negotiate a national agreement with the union that would set wage and working conditions for an estimated 10,000 workers and 400 stores across the country.

At a broader level, the idea that corporations are the culprits behind mass inequality is starting to take hold and transform movements that have been suffering from demobilization and defeat. We can look to the recent rise of the United Auto Workers for a good illustration of this dynamic. Since its founding, in 1935, the United Auto Workers has been a bastion of progressive policies and programs that have helped millions of working-class Americans achieve incredible economic benefits. In 1945 and 1946, the union staged a historic 113-day strike against General Motors—the longest that it had ever undertaken against a major manufacturer.

But during the Reagan era, this union succumbed to concessionary contracts due to aggressive union-busting and the ongoing effects of Chrysler’s 1979 bankruptcy, as manufacturing moved abroad. This pattern of concessions continued for decades, until a democratic caucus within the United Auto Workers gained power in 2023 and rekindled its radical flame, reengaging the power of the rank and file to elect leadership that identified the real enemy behind bad deals: multi-billion-dollar corporations.

In September 2023, the union recalled its history with a “stand-up strike,” taking on all three of the major car manufacturers in the United States at once. Led by its newly elected president, Shawn Fain, the union accomplished this not just by putting power back into the hands of the membership but also by bringing class politics into the center of the narrative around economic inequality. Two days before the strike began, Fain put the conflict plainly: “People accuse us of waging class warfare. There’s been class warfare going on in this country for the last forty years. The billionaire class has been taking everything and leaving everybody else to fight for the scraps.”

By relentlessly repeating the message that corporations are to blame for the state of economic inequality in this country, and galvanizing membership to stand up with their union in a strategic strike to take on the corporate-rigged economy, the UAW not only won a historic contract for their members but have also repositioned themselves as a political powerhouse. Since then, they have already begun to organize nonunion automakers in the South and champion eco-social measures in the production of electric vehicles, and they have called for a ceasefire in the ongoing war in Gaza.

*Envisioning New Forms of Leadership*

Earlier, we mentioned the dilemmas for corporate capture that Wires and Mitchell detail. Fortunately, they both offer solutions, which involve developing new forms of leadership. Mitchell calls for leadership centered in a “movement-accountable governance” that finds a middle path between corporate models of command and control and the reactive rejection of what Mitchell labels “anti-leadership.”

Wires labels this process “a maturation from reaction to vision.” In the process of solutions and, initially, reactive
There is an oft-repeated saying: “It’s easier to imagine the end of the world than the end of capitalism”—which is why it is so important to, as the folks at Art.coop say, “remember the future.”

counter-solutions, Wires believes that, in the best case, a process of synthesis will emerge. As she puts it, “[W]hen we try to change systems and see their very re-creation within our alternatives, we gain greater insights into how capitalism and its ideologies live within us and around us, and what is needed to transform them.”

For Mitchell, one thing this middle ground requires is that movements drop their fear of unionization. Too often, unionization is seen as a sign of managerial failure and as a development to be resisted, rather than as a sign of an empowered workforce. As Mitchell writes,

Managers should support and recognize unionization efforts inside movement organizations as a reflection of our values.... Collective bargaining agreements can increase clarity, promote equity, foster accountability, and provide a common language across an organization. And, most importantly, healthy labor/management relations can bridge gaps and serve as an ongoing resource for managers and unit members to tend to collective goals.

Mitchell also emphasizes the need to replace the corporate-dominated economy with an economy rooted in values of solidarity. As Mitchell has said,

We spend too little time thinking about nonextractive revenue generation, owning the means of production, owning the means of political production, and building economies that can support people’s organizations. We need to ensure that our organizations provide real, material benefits to the people they serve, and that a mass base of people own and direct these organizations.

The Value of Solidarity

Meanwhile, the solidarity economy—a movement that seeks to make community ownership of the economy a daily reality—continues to gain momentum. This movement has multiple facets. One of these is an effort that emerged—both within the nonprofit sector and beyond—to adopt a solidarity economics frame.

As one group of solidarity economy leaders wrote last year,

a growing number of nonprofits, including their own, have become “movement organizations,” by which they mean they “are making the journey to embrace systemic change that seeks to move us beyond capitalism and have embraced the solidarity economy as their North Star.” They add that they see the three organizations that they help lead as “a micro-cosm of a shift that is occurring across hundreds of movement organizations nationwide.” Additionally, worker cooperatives, once marginal in the world of public policy, have since 2018 won an impressive string of legislative victories at both the federal and state level.

IT’S THE END OF THE WORLD AS WE KNOW IT

In short, unions, movements, and nonprofit organizations can create actual political change when they remake themselves according to the values and vision they want to see in the world. A world free from corporate capture would look quite different from the one in which we currently live, which is why we must keep imagining it in order to make this alternative formation a reality. What would such a world look like? There is an oft-repeated saying: “It’s easier to imagine the end of the world than the end of capitalism”—which is why it is so important to, as the folks at Art.coop say, “remember the future” and dare to envision a different world.

Some aspects of this vision remain to be developed, but we can sketch out a few key elements here: In this future world, worker democracy, community ownership, and collective enrichment would be central to the organization of our economy. Oil and gas industries would not be destroying the planet and displacing and endangering millions of people, because fossil fuels would be banned, renewable energy production greatly increased, and environmental health restored. Nobody would have to move across the world to
The path beyond the current status quo will be paved with brave commitments to democratic and distributive models at every level of civil society. Take low-paid domestic work because their local economies were destroyed by companies overfishing their oceans. People would be able to fly on planes and be sure that the people building and piloting them were well-compensated and encouraged to do the best they could to make air travel safe for everyone. Private jets and yachts would be vestiges of the past. Instead of privatized travel, travel would be something that everyone could enjoy for low prices and with low emissions. Those who build houses would not struggle to put a roof over their heads, because private equity companies would not be buying up the majority of housing stock. Housing would be made widely accessible through public and community ownership, and would cost a small portion of monthly income. Single-family homes would be retrofitted to be sustainable. Farmworkers who cultivate our food would have a say in what is grown and produced, with environmental sustainability and community health, rather than profits for agricultural conglomerates, prioritized. Millions of children would be able to go to well-funded public schools with plentiful, well-paid teachers and staff to help them learn and grow, because public education would not be starved at the expense of private and charter schools. Millions of elderly people would grow old with dignity in clean and comfortable facilities, and the people who take care of them would be fairly compensated and have sustainable workloads.

We could go on describing this world, because to build beyond corporate capture means transforming every aspect of our economy that is currently controlled by the drive to enrich corporations at the expense of everyday people. This means that a world free of corporate capture is everywhere, in plain sight.

The path beyond the current status quo will be paved with brave commitments to democratic and distributive models at every level of civil society. These efforts have already begun, so understanding the shape and trajectory of these struggles is the best way to keep our escape routes within our sights. We dedicate this article to the organizations that have already begun trying to create this world, and to the sea change that can come with this new era of struggle against corporate capture and for liberation.

NOTES


19. Ibid.


24. Ibid.

25. Dubb and Quart, “America’s Broken Safety Net.”


34. Prescod, “UAW President Shawn Fain Is Showing How to Build Working-Class Struggle.”


39. Ibid.


44. Emily Kawano et al., “Stories of Organizational Transformation: Moving Toward System Change and a Solidarity Economy,” *Nonprofit Quarterly Magazine* 30, no. 2 (Summer 2023): 76.

45. Ibid, 78.


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"IN DEEP WITH NO WATER" BY YVONNE COLEMAN BURNEY/WWW.ARTBYYCOLEMANBURNEL.COM
For tens of millions of people, the American dream is no longer owning a house with a white picket fence; it is getting out of crushing debt.¹ Our economic system leaves many if not most of us no choice but to borrow for healthcare, housing, education, and other basic needs.²

Starting in the 1970s, the United States (and much of the rest of the world) moved from a tax-funded welfare state (albeit one that primarily benefited White men and their heteronormative families) to a debt-funded welfare state—a “debtfare state”—that forces ordinary people to access what could and should be publicly financed goods through individual debt obligations.³ As a result of this shift toward the financialization of the social safety net, household debt has become a key vector of economic, gender, and racial inequality in today’s asset economy.⁴ Over the last half-century, formerly public (as in, taxpayer funded) higher education became ever-more expensive, healthcare costs skyrocketed, and housing became a speculative asset rather than a roof over peoples’ heads.⁵ This left people in debt not because they lived beyond their means but because they were denied the means to live.

If debtors are on one side of financial contracts, creditors are on the other. All debts are someone else’s assets. Privatization and financialization of housing and medical care in particular (not to mention the huge tax breaks for corporations and the wealthy that also define this era) have meant that wealth has concentrated at the top while the majority of households scramble to stay afloat, with historically marginalized communities the most likely to be weighed down by unpayable debts and exploited by predatory lenders.⁶
Together, debtors can wield leverage over the economic and political systems not only to abolish debts but also to demand reparative public goods.

Household debt driven by financialization is a set of unevenly held liabilities—but taken together, this debt is also potential leverage. Mass indebtedness presents an opening for a new form of resistance to exploitation. As in the words often attributed to J. Paul Getty: “If you owe the bank $100,000, the bank owns you. If you owe the bank $100 million, you own the bank.” Adding up household debt—or, more specifically, organizing household debtors into debtors’ unions—turns the tables: organized debtors can own the banks.

**THE DEBT COLLECTIVE**

This is the work of the Debt Collective, where we bring debtors together to turn individual economic burdens into collective power. How? My individual student debt might be $60,000, with monthly payments I can’t afford. But student debtors together—organized—owe nearly $2 trillion! That is $2 trillion of leverage with which to push for the economic systems we need, including free public higher education. Indebtedness can form the basis of a formidable and strategic coalition that unites people across race, age, gender, and geographic divides while also centering and uplifting those most impacted. Together, debtors can wield leverage over the economic and political systems not only to abolish debts but also to demand reparative public goods—the forms of social provision that would not only stop people from falling into debt in the first place but also guarantee each and every one of us a dignified life.

The Debt Collective organizes debtors toward consciousness and power—bringing together grassroots resistance work, political education, narrative change, and policy expertise to build the momentum and leverage necessary for meaningful structural change. Our tactics include direct outreach, creative legal and policy intervention, public education, high-impact media, coalition building, and bold collective action, including protests and debt strikes. To understand this last tactic, it is helpful to think of the analogy between labor unions and debtors’ unions. Just as a labor strike—or the threat of one—can bring employers to the bargaining table and radically change the conditions of workers, so too can a debt strike—or the threat of one—bring creditors to the bargaining table and radically change the condition of debtors.

Like employers, creditors have enormous power over people’s lives. We debt-finance our healthcare, education, housing, and even our own incarceration! And when debtors can’t pay, we are disciplined with steep penalties, high interest rates or loan denials, and damaged credit scores—not to mention poverty when unpayable bills come due. State power is often deployed to enforce unfair financial contracts through court judgments, garnishments, and even jail time. The Debt Collective does not advise financial suicide—individual refusal to repay debts—but rather, coordinated and strategic campaigns of resistance: *individual default is not a debt strike.* As with any organizing campaign, there is no guarantee of success. Bosses retaliate against workers, and creditors can be expected to do the same to debtors who dare to throw down the gauntlet. But it is worth the risk, because the present situation is unbearable.

Because education, healthcare, and housing have been three of the key areas ravaged by privatization and financialization, unevenly indebting people for the basic things they need to survive and thrive, the Debt Collective’s work to date has focused on those three areas.

**Education**

For more than a decade, the Debt Collective has been helping lead the fight to cancel student debt and advance the cause of free higher education. Our work has pushed demands once seen as radically fringe into the mainstream. We got our start organizing student debtors who had been defrauded by predatory for-profit colleges, in 2014. Thanks to our organizing, hundreds of thousands of defrauded for-profit college borrowers have been granted tens of billions of dollars in life-changing debt relief—relief that is still being granted today.

Our work brought to light the president’s statutory authority to cancel student debt (a legal authority that doesn’t require going through a gridlocked Congress). We used this leverage to build a multiracial and multigenerational organizing campaign that successfully pressured President Biden to promise and deliver on student debt relief. The Biden administration has canceled $153 billion in student debt for over 4 million
With the dream of home ownership out of reach and housing ownership increasingly concentrated in the hands of corporate landlords, more and more people are realizing that housing must be decommodified and democratized.

people and counting. When the Supreme Court struck down President Biden’s attempt to cancel student debt in summer 2023, Debt Collective members forced the Biden administration to make plans for future cancellation using other legal authorities our research helped uncover. Today, Biden’s Plan B has a fighting chance—but only if we keep organizing.

Meanwhile, we are also expanding our fight to the next frontier: undoing the dismantling of public higher education—which has been so rampant that it is dubious to even call it public higher education anymore—and creating the conditions in which we can make college free. This is particularly important, given current and ongoing political attacks on all aspects of academic life, which has been painted as elite, corrupting, and urgently in need of defunding.

Healthcare
The national crisis of medical debt is growing at an explosive pace. “More than 100 million” Americans—over “40% of all adults”—actively struggle to pay unaffordable healthcare bills, and many more postpone critical care for fear of the cost, often resulting in far greater expense. The massive scale of the medical debt problem presents a unique organizing opportunity: it is a deeply and widely felt issue that crosses traditional lines of division. People of all political persuasions, races, and geographies scramble to finance their healthcare without having to make extreme, life-threatening sacrifices in other areas of life. Some, of course, more than others. Debt Collective’s strategy harnesses the collective potential this creates, approaching the immediate experience of medical indebtedness as a catalyst to build the power and political will necessary to win a system of publicly funded universal healthcare.

Housing
With the dream of home ownership out of reach and housing ownership increasingly concentrated in the hands of corporate landlords, more and more people are realizing that housing must be decommodified and democratized; and tenant organizing is on the rise. Alone, our rent payment is a burden; but collectivized, our rent payments give us power over landlords. And a novel form of COVID-19 rent debt has only heightened the organizing potential of this moment. At the onset of the COVID-19 pandemic, as millions lost wages and work, a patchwork suite of protections emerged to safeguard tenants from losing housing. Many jurisdictions temporarily decoupled rent owed from eviction. While millions of tenants stayed housed under these protections, they also accumulated debt owed to their landlords in the process. The 2023 sunsetting of these rent-related eviction protections means that, as of March 2023, tenants across the United States owe nearly $11 billion in back rent. Millions again face eviction, with new debts to landlords in tow.
Can debtors take on privatization and corporate power alone? Definitely not. But we believe that debtor organizing opens up a valuable new front in the fight for equality, and that ordinary people cannot afford to leave power on the table.

And the data are clear that rent debt disproportionately burdens Black and Latinx households. As a team at the New York City housing justice nonprofit Community Solutions writes, “The evidence shows that people of color in the U.S. are disproportionately likely to be extremely low-income renters (i.e., at or below the poverty line or 30% of area median income), putting them at greater risk of suffering from rental debt. Findings also demonstrate that the majority of renters behind on rent in the U.S. are people of color (65%) and low-income (80%).”

In response to these developments, the Debt Collective partnered with the Los Angeles Tenants Union, the Anti-Eviction Mapping Project, and other allies to build the Tenant Power Toolkit. The Tenant Power Toolkit consists of two primary resources: our Eviction Defense Tool, which enables any tenant in California to file a legal answer to their eviction for free, multilingually, and within a larger organizing ecology (launched in July 2022); and a national rent debt questionnaire that will help us understand who and where rent debtors are, and which landlords they owe (launched in April 2024).

Since launching the Eviction Defense Tool, usage has climbed steadily, from 136 users per month when we first launched to over 500 monthly users as of March 2024. To date, more than 8,000 “Eviction Answers” have been prepared by our Toolkit. This has allowed approximately 21,600 tenants (over a third of them children) to avoid default evictions. With the new data and insights we gather about national rent debt, we believe we can identify corporate targets and organize renters to build power to take housing out of the hands of corporate conglomerates and put it back within the reach of everyday people.

Debtor organizing is complementary to other forms of organizing, which is why we work closely with allies in the labor and tenant movements and elsewhere. Debtor organizing is a matter of economic justice—a large portion of people’s wages gets eaten up by debt payments, and burdensome loans make people more susceptible to exploitation on the job. It is a matter of racial justice, given the history and prevalence of predatory lending, redlining, racialized credit scoring, inequality vis-à-vis who does and who does not have intergenerational wealth to pay down debts, and other forms of structural discrimination in this country. It is a matter of gender justice, since persistent wage gaps make it harder for women to pay back what they have borrowed. And it is a matter of democracy and civic engagement: today, creditors are well-represented in the halls of power, and they wield that power to advance a deregulatory corporate and financial agenda that harms people and the planet.

Can debtors take on privatization and corporate power alone? Definitely not. But we believe that debtor organizing opens up a valuable new front in the fight for equality, and that ordinary people cannot afford to leave power on the table. Indeed, debtors need to get organized, and fast. Together, we can challenge narratives and systems that enshrine austerity as inevitable and privatization as preferable to investing in public goods. We can also prove that creditors—be they the Federal Student Aid office or a Wall Street landlord—are not, in fact, all-powerful. They need us, and our monthly payments, far more than we need them.
NOTES


10. There is a nearly limitless list of fines and fees attached to incarceration. Because Black men are disproportionately incarcerated, it is the women in their families who shoulder these burdens: bail, court fines and fees, telephone and internet access, medical care while caged, probation fees, restitution fees. The list goes on and on. See, for example, Joshua Page, Victoria Piehowski, and Joe Soss, “A Debt of Care: Commercial Bail and the Gendered Logic of Criminal Justice Predation,” *The Russell Sage Foundation Journal of the Social Sciences* 5, no. 1 (February 2019): 150–72; and Saneta deVuono-powell et al., *Who Pays? The True Cost of Incarceration on Families* (Oakland, CA: Ella Baker Center for Human Rights, Forward Together, and Research Action Design, 2015).


17. Conway, “Biden’s Student Debt Cancellation.”


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The billionaire owners of the Kansas City Chiefs and Kansas City Royals ran an election campaign this spring, seeking more than $6.4 billion for stadium upgrades and a low-cost lease that would last until 2071. In exchange, the teams touted their “community benefits agreement” offer of $266 million, a measly 4 percent of what they’d get in subsidies from area residents. But the so-called CBA was fake: no community groups were signatories to it. The Missouri Workers Center, the Heartland Center for Jobs and Freedom, and MORE2—among other groups—all left the negotiating table because the billionaires refused to help with affordable housing and guaranteeing that stadium workers earn a living wage. Only the teams and the city agreed to this “historic” deal. And within the CBA was a laundry list of the owners’ philanthropy—making it clear that they see the deal as charity, not justice.

Never far from the surface was the implied threat—it often does not even need to be uttered—that the sports teams might move elsewhere if they didn’t get their way, as recently occurred when the Oakland Raiders became the Las Vegas Raiders.

If the Kansas City story sounds all too familiar, welcome to the land of economic development subsidies. It’s trickle-down economics on steroids—in which some of the biggest corporations (usually led by White men) extract huge sums of public money for corporate and personal profit.
The federal government has largely left each state on its own to compete against other states for jobs and tax revenues. The result has been an imbalance of power.

Business basics, not subsidies, are what almost always drive such site-location decisions. Companies may throw a bone to communities, but it’s nowhere near the money they take and not enough to enable taxpayers to ever break even. And when costs and benefits are crunched by race, income, and geography, such deals worsen racialized inequality.

In short, what passes for “economic development” is too often little more than politician-abetted corporate extraction of public resources.

WHY “INCENTIVES” ARE USUALLY CORPORATE WINDFALLS

Economic development incentives, as their name suggests, are supposed to be used to make something good happen that isn’t happening—and that wouldn’t happen without public dollars that reduce private investment risk: individuals and companies want significant returns on their investments. Think neighborhoods long redlined, industrial areas left contaminated, historically disadvantaged groups of workers, and so forth.

But that textbook definition became roadkill long ago, thanks to the corporate capture of the jobs debate.

Outside of military procurement, and until the very recent Biden administration efforts to support microchip production and carbon reduction, the federal government has done little to implement “industrial policy” to set common standards for business nationally. Instead, the federal government has largely left each state on its own to compete against other states for jobs and tax revenues. The result has been an imbalance of power. Corporations have benefited—using rigged, secret auctions designed to make state and local governments bid against each other and overspend for jobs. All told, states and localities spend an estimated $95 billion per year on company-specific awards—mostly in foregone tax revenue. In 2022, eight individual factory packages averaged $2 billion each.

This process began in the Great Depression, expanded in the postwar period, and has only gotten more severe over time. Famously, Business Week dubbed the resulting competition the “Second War between the States”—48 years ago!

Even today, as five federal bills pump several trillion dollars into the economy, Uncle Sam makes little effort to rationalize the distribution of funding—allowing companies, both domestic and foreign, to locate far from poor communities and in right-to-work states, where public officials brand themselves with wage suppression.

“South Carolina’s low unionization rate, competitive labor costs and rapid population growth create a strong and dependable workforce,” South Carolina’s Commerce Department brags. When Volkswagen factory workers first tried to unionize in Chattanooga, TN, the governor, speaker, and former mayor joined anti-union groups in an all-out Vote No campaign. Ten years later, the workers voted two to one to join the United Auto Workers.

Filling this federal policy void, footloose companies and the many transactors who profit from capital mobility have eagerly built a tax-break–industrial complex. Central to its power is the constantly reinforced dogma that tax breaks create jobs. Not markets, not innovation—tax breaks.

Politicians seeking reelection are just as eager to play the game: Georgia Governor Brian Kemp and Michigan Governor Gretchen Whitmer awarded three of the biggest auto factory subsidy packages in US history during their first terms in office, and went on to win second terms. Appearing to be active on jobs is a proven winner at election time.

As the Center of Economic Accountability’s John Mozena likes to say, economic development subsidies “don’t really exist to create jobs. Instead, they exist to make voters believe that politicians are responsible for creating jobs.”

But just how exactly did this powerful bipartisan dogma come to be?

SITE-SELECTION CONSULTANTS: AN ORIGIN STORY

In 1934, a disgruntled industrial real estate salesman named Leonard Yaseen left Chicago for New York. He’d grown impatient with his father-in-law and boss, Felix Fantus. The old man wasn’t just helping corporate clients buy and sell real estate—he was also giving companies...
that sought to relocate factories information not just about land and buildings but also about transportation and utilities, local wages, and taxes.

Fantus was giving this valuable information away for free, but Yaseen thought they should be charging. Unable to convince Fantus to commodify his insights into a business, Yaseen left and founded the Fantus Factory Locating Service.

For the next four decades, Fantus dominated the site-location consulting industry, helping companies relocate thousands of workplaces—mostly factories moving out of the Northeast and Midwest to the far less unionized South.\(^{19}\) By its own count, it helped engineer more than 4,000 relocations by the time Yaseen retired in 1977, and 2,000 more in the next decade. Starting in the 1950s, the firm also helped companies hunting for sites in at least a dozen foreign countries. Over time, other players entered the field; today, there are more than 500 active US site-location consulting firms.\(^{20}\)

Despite that fragmentation, the industry still deploys the information-control system Fantus invented. The identity of corporate clients is still held confidential until late in the process. The real reasons a company chooses a place are never revealed. Cities and states are still “whipsawed” against each other in secret auctions to maximize subsidies. That is, officials are told about competing incentive offers, and what they are told may or may not be truthful; and officials have no way of verifying anything they are told, because the Fantus-created system strictly prohibits public officials from communicating with their peers in competing locations—if they even know competing sites, which they usually don’t—lest they be blacklisted by site consultants next time for trying to break out of the prisoner’s dilemma.

Many site locators work on commission, taking 30 percent or so of the discretionary incentives they negotiate.\(^{21}\) Many have both private- and public-sector clients, claiming no conflict of interest. The elite service Site Selectors Guild hosts getaways for public officials, so that governments pay for face time with these investment-decision gatekeepers.\(^{22}\)

It’s not just the Fantus process that lives on—its philosophy does, too. Fantus shaped the nation’s economic geography and our belief system about what constitutes a good “business climate.” The net result of those relocations was anti-union, anti–Rust Belt, anti-city, and anti-corporate tax.

Publicly reinforcing this secret auction system are decades of “ politicized grab-bags of data” known as “business-climate reports.”\(^{23}\) Long issued by the accounting firm Grant Thornton for the Conference of State Manufacturers Associations, they live today in publications such as the American Legislative Exchange Council’s *Rich States, Poor States* report and the Tax Foundation’s *State Business Tax Climate Index*.\(^{24}\)

**THE REAL MATH AND WHAT REALLY MATTERS**

What the site locators and business-climate barkers don’t discuss openly is the decision-making math. For the typical company in the United States, all state and local taxes combined come to just 1.9 percent of their overall cost structure. The business basics—labor, occupancy, raw materials, logistics, energy, IT, and other inputs—make up 98.1 percent.\(^{25}\)

So, tiny variations in those big-cost items dwarf anything a tax break can do. That’s why business basics—not subsidies—almost always drive location decisions.

Of course, costs are only part of the equation. Benefits—what a company gets in exchange for its costs—are more important. Head and shoulders atop that list today is the supply of skilled labor, and as the Baby Boom generation finishes retiring, it will remain the number-one site-location advantage—that means good schools from which a company can recruit and into which it can transfer managers’ families.

Amazon has proven the business basics argument twice over. In its rare public auction for a second headquarters, it ended up choosing the smallest of the subsidy bids by far from its 20 “finalist” cities: Arlington, VA. And after pulling out of Queens, NY, due to community protests, Amazon continued to expand in New York City anyway, growing its footprint and payroll in Manhattan.\(^{26}\)
Promisingly, there have been great strides when it comes to more equitable development. Transparency is foundational and especially critical to counteract the corporate secrecy that hides the tax-break dogma.

Long before that, Amazon had cut its subsidy-grubbing teeth on warehouses. As its business model evolved from sales tax avoidance to rapid delivery, it realized it could tout itself as a “job creator.” (Of course, those hundreds of warehouses drove many other retailers into bankruptcy.) In 2012, Amazon hired a site locator and birthed its “economic development” office.27

Since then, the company has been awarded more than $6.6 billion in state and local subsidies. Most of the deals are for warehouses, plus data centers and office complexes.28 The warehouse deals, as revealed in an interactive map, are invariably located near highways close to affluent zip codes where the most Prime subscribers reside.29

FIGHTING FOR NEW MODELS OF ECONOMIC DEVELOPMENT

Promisingly, there have been great strides when it comes to more equitable development. Transparency is foundational and especially critical to counteract the corporate secrecy that hides the tax-break dogma. Only with clear disclosure of subsidy awards and deal outcomes can anyone judge whether a company delivers.

By 2010, Good Jobs First found that 37 states had some type of company-specific, deal-specific disclosure. We launched a Subsidy Tracker to aggregate what had been a data Tower of Babel. By our 2022 report,30 48 states (plus the District of Columbia) were disclosing—all but Georgia and Alabama posted at least some information online. That list is now up to 49, after Alabama passed the Transparency in Incentives Act in 2023 to disclose the names of companies that had received economic development subsidies.31

Disclosure empowered the most significant state reform campaign, by the faith-based Together Louisiana. Stumbling upon eye-popping data a decade ago, the organization’s leaders began investigating how one unelected state board controlled local tax abatements that impoverished school districts, parish councils, sheriffs’ juries, and library districts. Working with then-Governor John Bel Edwards, the Louisiana activists won a set of reforms that by 2021 were returning over $280 million to public services every year.32

Those reforms added a requirement that the companies actually create new jobs, and also required affected local governments—not just a single unelected state board—to approve each deal.

Cities and counties nationwide have lagged behind the states in disclosure, but a wonky accounting rule is rapidly changing that. While Good Jobs First surveys found that only a third of big cities and counties were disclosing specific deals online, an obscure body that writes the rules for how governments keep their books finally woke up to tax breaks’ ruinous impact on some public budgets.

The Governmental Accounting Standards Board issues rules known as Generally Accepted Accounting Principles for the public sector. Updates to GAAP are known as “Statements.” In 2015, after hundreds of organizations and experts commented in favor,33 GASB issued Statement No. 77 on Tax Abatement Disclosures.34

Statement No. 77 requires most local governments—cities, counties, independent school districts, and so on—to add a note to their annual audited spending report on how much revenue they lost to any tax abatement programs. Even if the loss is passive—such as school districts losing huge sums to abatements that are awarded only by a city—the losing body must disclose the loss.

Tackling effect in most places in 2017, Statement No. 77 has now generated six or seven years of data. So we can look for trends and mash up the data with variables such as race, income, and student demographics.

A small cottage industry of activists, academics, planners, and public agencies has begun using the abatement disclosure data, and the results are damning. While it has long been an axiom in economic development that “the poor pay more,” now we can measure that inequality precisely.

In the two largest school districts in the Greater St. Louis metro area, the majority students of color and 100 percent free-and-reduced-price meal students of St. Louis
Of course, disclosure does not make a subsidy justified, fair, or effective. That takes organizing.

Public Schools lose 91 times more money to abatements each year than the 75 percent White, 9 percent free-and-reduced-price-meal children in the Rockwood School District/Rockwood R-VI. On the opposite side of Missouri, the Kansas City School Board seized upon the Statement No. 77 data by 2020 and mounted a campaign—which is still ongoing—demanding that the city council reduce the size and duration of tax abatements. Losing a staggering $1,925 per student per year—mainly to development projects on the White side of the city—the then-school superintendent denounced abatements as “systemic racism.”

**ORGANIZING FOR COMMUNITY BENEFITS**

Of course, disclosure does not make a subsidy justified, fair, or effective. That takes organizing. Alongside gains in transparency is the major new coalition model, community benefits agreements. Pioneered by the Los Angeles Alliance for a New Economy in the early 2000s, CBAs are a historic evolution of community and labor organizing. These agreements are comprehensive rather than one-offs. Tailored to the impact of each project and the needs of the affected community, they may include local hiring preferences for both construction and permanent jobs, living wages, affordable housing, environmental and open-space provisions, and space set-asides for local merchants or social services such as day care or a health clinic.

Popularized by the network now named PowerSwitch Action, the framework is increasingly common, and not just for use in single development projects—even some midsize cities such as St. Louis and Cleveland have enacted community benefits ordinances/agreements that apply to many new projects.

The community benefits frame is also woven deeply into recent federal legislation, such as the CHIPS and Science Act, the Inflation Reduction Act, and the Infrastructure Investment and Jobs Act. 

**DEMOCRACY IS THE ANTIDOTE**

The tax-break–industrial complex being challenged by these disclosure and community benefits victories is, at its core, profoundly antidemocratic. By denying people access to the information and rights they need to shape their economic future, the corporate-dominated jobs narrative has contributed greatly to the nation’s rising racialized inequality—indeed, the biggest all-time deals have gone to companies led by White men.

So while transparency and organizing are essential, governance also matters. Some states relegate tax abatements to unelected agencies, such as New York State’s industrial development agencies, which derive 80 percent of their operating budgets from tax abatement transaction fees—a perverse incentive to do needless deals and bigger deals. In other states, localities use public dollars to pay chambers of commerce to recruit new businesses, creating a system outside the reach of freedom of information or ethics laws.

Occasionally, voters get to weigh in. Back in Kansas City, where our story began, public outrage over a 40-year sales tax extension to subsidize two sports stadiums forced the Jackson County Legislature to put the proposed tax subsidy on the ballot. As we go to press, voters there dealt a “blowout loss” to the billionaires, defeating the tax by 58 percent to 42 percent.
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3. Ibid.

4. Ibid.


10. The five bills are the CARES (Coronavirus Aid, Relief, and Economic Security) Act, the American Rescue Plan Act (ARPA), the Infrastructure Investment and Jobs Act, the CHIPS (Creating Helpful Incentives to Produce Semiconductors) and Science Act, and the Inflation Reduction Act. Even with pandemic emergency spending, their economic impact persists. For example, the CARES Act, passed in March 2020, was used to suspend student loan payments until September 2023 (see Laura Rodini, “What is the CARES Act? Is it still in effect?” The Street, September 14, 2023, www.thestreet.com/dictionary/what-is-cares-act-is-it-still-in-effect). Funds from ARPA are still being spent in 2024 (see “Accessing Remaining COVID Relief Funds Before It Is Too Late,” National Council of Nonprofits, webinar, YouTube video, 1:00:31, January 31, 2024, www.youtube.com/watch?v=B3WkgcQVnI).


22. See, for example, the web page for the Site Selectors Guild Annual Conference, which emphasizes, regarding their April 2024 conference, that for every eight attendees from economic development organizations, there was one site locator. “Network at the Guild’s Most Popular Event,” Site Selectors Guild, accessed June 30, 2024, siteselectorsguild.com/events/about-annual-conference/.


25. The 1.9 percent number is from an Internal Revenue Service data series, and this passage is adapted from Greg LeRoy, “Site Location 101: How Companies Decide Where to Expand or Relocate,” in LeRoy, The Great American Jobs Scam, 47–67.


28. “Amazon Tracker: Discover How Much the Public is Subsidizing One of the Largest Retailers,” Good Jobs First, last modified February 6, 2024, goodjobsfirst.org/amazon-tracker/.


35. Anya Gizis, with Judith Barish and Greg LeRoy, Overarching Disparities: How Black and Poor Students are Disproportionately Impacted by St. Louis-Area Tax Abatements (Washington, DC: Good Jobs First, 2024). Data are from Missouri’s Department of Education (apps.dese.mo.gov/MCDS/Reports/SSRS_Print.aspx?ReportId=6c5b805c-5af7-4c33-be41-dc2b83ded4aa), and show that the percentage of students getting FRPM was 8.5 percent in 2022, rounded to 9 percent.


ARLENE MARTÍNEZ and GREG LEROY are the executive director and deputy executive director/communications director, respectively, of Good Jobs First.

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About the Artist: Yvonne Coleman Burney

I am a native of California, and a self-taught artist who is passionate about collaging, the organic flow of torn paper elements, street art, and the Universe. The delicacy and strength of being a woman, the many situations we rise from, and the colors and beauty of the world around us are the essence of my inspirations.

My first love is what is seen as street art, but to me it’s the urban stories of my life’s journey. I grew up in the city of Los Angeles, looking at graffiti walls and torn posters. To me, these spoke of possibilities and dreams. I am devoted to exploring the many possibilities that are always available, with a keen eye and an open imagination.
From Corporate Culture to a New Organizational Landscape

A Conversation with Steve Dubb, Rithika Ramamurthy, and Ananda Valenzuela

“I would like to stress the importance of walking more liberatory paths and imagining different futures. When we get out of the box of what’s possible within these cultures and structures that we’ve inherited from the corporate world, we open up into a totally different landscape of different formations, of different ways of operating.”

In this conversation, Steve Dubb, senior economic justice editor at NPQ; Rithika Ramamurthy, former economic justice editor at NPQ and now communications director at the Climate and Community Project; and Ananda Valenzuela, consultant and professional interim executive director, talk about how to move the nonprofit sector from corporate culture and practices to healthy, joyful, liberatory ones.

Steve Dubb: Can you begin by telling us a little about your background and how you came to be a consultant around issues of leadership and equity in the nonprofit sector?

Ananda Valenzuela: I grew up in Puerto Rico. The experience of growing up in a modern-day colony shaped my orientation toward social and racial justice, and kept me curious about how to weave those strands of work together. Enacting progressive social change in the world requires both an equity lens and an understanding of the nuances and complexities of American history and how they continue to show up today.

I became interested in student activism when I was at Hampshire College, where I was involved in pedagogical change and movement-building work. I sat with the question, How do you get a group of people to change? As in, How do you most effectively organize, operate, and move toward transformation within entities like organizations? What are the formations in which we can work together most effectively? It was an interesting conundrum, and one that I had the unique opportunity to explore as a student—building out a thesis project on facilitating organizational change, in parallel with student activism that resulted in major changes to the academic program.
These questions have continued with me in my career over the years, becoming central to my consulting work. Because I fundamentally believe that the change we want is going to take a lot of people running in—generally—the same direction. And the more effectively we can organize and collaborate, the more movement we’ll make in that direction. I believe that culture is far more important than structure, but structure is where we get stuck. We spiral around questions of power, decision-making, and leadership. So my consulting practice focuses on how to move quickly and thoughtfully through questions of structure, land that, and then work to build a healthy, joyful, liberatory culture. These days, I do a lot of consulting work in that realm, as well as interim executive director work focused on transition as a time of transformation.

Rithika Ramamurthy: To bring this to the economic context—the nonprofit sector has grown tremendously in past decades even as economic inequality has also grown rapidly. Do you think there is a relationship between these two facts? And even if there isn’t, why do you think that nonprofits have been so ineffective at preventing the growth of inequality?

AV: I think it’s a purposefully built ineffectiveness. I’m thinking back to that great article NPQ published last year about Claire Dunning’s new book Nonprofit Neighborhoods—and how, at that pivotal moment in the 1960s, when we had an explosion of growth in the nonprofit sector, there was an active, conscious choice by government and foundations to fund localized self-help instead of funding antipoverty and anti-racism. We have had an entire sector whose theory of change is one that’s fundamentally flawed and doesn’t actually attend to the systemic issues that we face in our society. Of course, here we are now all these years later, and we haven’t solved any of these problems—because we weren’t meant to solve these problems.

SD: What do you see as some of the leading ways that corporate culture—in which we mainly mean the logic of for-profit corporate America—influences the culture of the nonprofit sector?

AV: So many ways. Corporate culture intersects deeply with White-dominant culture, White professionalism. In the US, there’s a focus on rationality that’s divorced from emotion. And that mentality sits alongside the assumption the sector inherited from the corporate world that the right and most efficient, most impactful way to operate is that classical, rigid hierarchy with a visionary, charismatic leader at the top who’s grossly overpaid. Those fundamental guiding beliefs of “professional,” White-dominant culture have been inculcated into every aspect of what we call “best practices” in the nonprofit sector.

There are a million different ways that this shows up in our assumptions and day-to-day work. And it causes a lot of unnecessary pain and puts people into boxes where they don’t have the landscape of imagination to envision an organizational culture outside of those boxes. That is such a limiting factor for much of the sector.

There are many incredible organizations that have broken out of these boxes, which is inspiring; but it’s often an uphill climb, especially when it comes to boards—because boards are a concept that we inherited from the corporate world. And fundamentally, again, there is the classical idea of hierarchy, by which I mean the concept, in the nonprofit sector, of the top of the hierarchy being the board—which is a group of volunteers who aren’t in the work and who don’t actually know what’s happening day to day in the communities the nonprofit serves. And in the US context, boards have historically been older, wealthy, White men, for the most part. They bring their corporate-culture mindset to the sector, because many of them have made their wealth from classic corporations, and they judge the success and viability of the nonprofit by those standards. So there are these weird power dynamics at play that reinforce this ongoing orientation in the sector toward White professionalism and top-down hierarchical thinking—because the folks who are instilled with this power over the whole, including legal power, are so attached to those ways of working and being.

SD: The nonprofit sector has had government functions thrust upon it—so much so, that government is the leading funder of nonprofits. This means that in some ways, the structure of nonprofits encourages the offloading of public responsibility. How prevalent is that influence, do you think? And are there ways of righting the ship a little so that there’s...
“As long as we continue to cycle around this mentality that philanthropy and privatized giving are going to solve our social ills, we’re never going to get there.”

an important civic role the nonprofit sector plays, but that the role doesn’t devolve into a means of, essentially, patching over inequalities rather than addressing the systems that are creating those inequalities in the first place?

**AV:** If we look back historically, the US concept of charity came from England, from back in the late 1500s, early 1600s, when Queen Elizabeth I noticed that there were a lot of poor people out there. She decided that the easiest way to fix the problem was to put into place a system whereby rich people were rewarded for doing charitable works and devoting some of their money to the common good. In this way, the queen outsourced societal good to the charitable sector. And we simply brought that right on over here to the United States—along with many other aspects of colonization.

When I’m traveling outside of the US and I tell people that I work for nonprofits, they’re like, “Oh, that’s what our government does.” Many of the examples that I give of what nonprofits do are what they experience as social services coming from government. Fundamentally, we’ve created this system where, instead of having a strong social safety net from our government, we’ve outsourced that responsibility to the nonprofit sector. Now there’s another corporate cancer: we’ve outsourced our social safety net to nonprofits, and it’s just this tattered net—this really messy array of nonprofits that are just struggling along, trying to do these things that need to be funded in a really fundamental way.

I recently learned about PCORI [Patient-Centered Outcomes Research Institute]. They were created out of the Affordable Care Act. Often, when I do consulting projects with organizations, I hear, “We have five staff,” or “We have 10 staff.” PCORI said, “We have 400 staff. We are a 501(c)(1), directly funded by the government, but an independent entity.” And I’m thinking, Oh, so this is what it can look like when government properly and directly funds core social services! It could be abundant, and it could be beautiful—but instead, we have this mess. And it gets me thinking about just how fundamentally broken it is. As long as we continue to cycle around this mentality that philanthropy and privatized giving are going to solve our social ills, we’re never going to get there. We need our government to provide a strong social safety net. We need universal basic income and universal healthcare. And then the nonprofit sector can stop struggling to provide basic social services and instead engage in art and creativity and beautiful things, because we’ll all be abundantly supported in our basic needs directly by the government, as opposed to having all of that done in this patchwork way by nonprofits in which White people and wealthy people are deciding who deserves to be served.

**RR:** So we have nonprofits in the United States working to build this social safety net that we’re not supposed to be building. How has competition for philanthropic support among nonprofits impeded solidarity in that work, and how are efforts that you have supported, such as the coalition of BIPOC executive directors in Washington State, built solidarity despite those constraints?

**AV:** One of the strategies of the nonprofit–industrial complex is to make us compete with each other, and that has its roots in our racist US history—having White and Black working-class people competing with each other. These are very smart tactics that are used very successfully over and over again. Solving this requires us to start at a high level: there’s a philosophical shift needed from scarcity to abundance. A core orientation of the BIPOC Executive Directors Coalition is the question of how to embrace and live in the mentality of abundance—because paradigm shifts are the most transformational way to engage in systems change work. And if we can have a paradigm shift from scarcity to abundance, then that is truly transformational, because the wealth is abundant. Robin Wall Kimmerer beautifully invites us to shift to an economy of abundance, in her essay “The Serviceberry”; we need to learn from the natural world. What this looks like in action is that foundations should be giving out far more than the traditional 5 percent that they do. And that’s why the BIPOC ED Coalition started with the demand to philanthropy to change their ways—to embrace a paradigm shift that says that giving 5 percent is just not enough. That is not an abundant orientation; foundations are the ones making us compete with one another. The BIPOC ED Coalition is helping our sector to see and name this mentality together—that the problem is not one another but rather the system and the way it’s not funding us; that we’re
“[We need] to step back and understand how we want to make decisions, what we want leadership to look like, what our values are, and how all that shows up in the culture of how we want to operate together.”

relegated to scrabbling over a tiny piece of the pie, when instead the norm should be that rich people are properly taxed and that foundations sunset—in fact, that we don’t even need the foundations in the first place, because the money is coming directly from government to nonprofits.

SD: This speaks to the idea of the nonprofit–industrial complex—that nonprofits are locked in a system with foundations, governments, and corporations in a way that perpetuates inequality and constrains grassroots activism. Do you see this system of control as being effective? And if so, what can be done about it?

AV: Yes, it’s been effective; otherwise, we would have made many more systemic changes by now. I’m a big believer in the both/and of abolition and reform. As in, let’s work toward abolition and let’s find better strategies for operating within this broken nonprofit–industrial complex in the meantime. And I think that the kind of thought leadership that NPQ offers is a key part of this approach. I want to see us all continuing to build our muscle in understanding and talking about the nonprofit–industrial complex and what it takes to actually tear it down—which includes things like the government properly and directly funding services. That represents a huge shift. It is no longer giving tax benefits to the rich for donations and instead is taxing the rich directly—far more. I do think that education and smaller strategies can help us to better navigate this trap that we’re in, but there are some really big shifts that we need to make at a systems level if we’re really going to solve this.

RR: You consult with nonprofits regularly regarding their governance and management practices. We’ve talked a little about how corporate culture affects boards and how it creates competition among nonprofits. Can you talk more specifically about how corporate ideas of good governance and good management have influenced—in good and not-so-good ways—nonprofit governance and management?

AV: One thing I’ve noticed is that people often come to me with the complaint that their hierarchical structure isn’t working for their organization. They say they want something different. And there are a couple of things I’m noticing about that. Obviously, as we’ve talked about, the classic hierarchical organizational structure was inherited from the corporate world. Now, personally, I don’t believe that hierarchy is bad or inherently inequitable or anything like that. But because we’ve inherited this hierarchical concept from the corporate world, and because it’s very much tied to this corporate culture of White professionalism, people in the nonprofit sector are having this reaction of, “We need the opposite!”—right? “We need to get as far away from this crappy corporate culture and structure as we can get!” And often, when people say they want something different from hierarchy, they go directly to flat, to circle, to we’re all equal—we make decisions in groups. That’s as far away as you can get from one person at the top deciding everything. And I think that this reflexive reaction of going toward the opposite causes its own harm.

I get it—we are having that negative reaction because of what we’re experiencing that we inherited from the corporate world. But the management–leadership path forward that I coach folks through is to step back and understand how we want to make decisions, what we want leadership to look like, what our values are, and how all that shows up in the culture of how we want to operate together. We shake that out and choose a structure that reflects the answers to those understandings instead of a structure that is chosen in negative reaction to how crappy the dominant culture is.

I think that’s where some of the really interesting energy lies, when we’re trying to break out of one way of being that is so deeply steeped in our sector. Because it’s really hard to break out of where we are in a way that doesn’t create its own problems and then its own backlash. For example, a lot of focus these days is on co-EDs—with ensuing debates on whether or not coleadership works. But that’s simply one structure option, and in fact it works really well for some people and not at all for others. Engaging in black-and-white thinking, in which you either have co-EDs and everything shared or you have your typical hierarchy, is unhelpful. We need to stop falling into that kind of binary thinking.

RR: As an aside, I think the same is true in the political context of some movements, generally speaking. There is this allergy to hierarchy and leadership. And it doesn’t have to be “bad” just because it didn’t work the way it was
“Loving accountability is a pathway we can walk together that gets us to a more generative set of options for how we do right by one another.”

operating. You don’t have to throw it away altogether. There are other forms of power sharing that still involve leadership and delegation.

AV: Honestly, it really scares me in this moment—the fact that we’re so stuck in these spirals around things like governance and decision-making and how we organize together—it’s a really bad place to be in an election year. I get contacted by some of these organizations, and their stories about the struggles they’ve been in around power and decision-making just break my heart. We’re stuck in these limiting narratives about what is right and what is equitable and what is wrong and inequitable.

SD: You have advocated loving accountability as an alternative framework for nonprofit governance. How would adoption of that framework address some of the problems you’re seeing with nonprofit governance?

AV: First, a shout-out to Aja Couchois Duncan and Kad Smith, who wrote that wonderful article “The Liberatory World We Want to Create: Loving Accountability and the Limitations of Cancel Culture.” I think this is another example of paradigm shifting, right? Accountability has been so tied to policing, which is incredibly harmful. And we have got to let go of that kind of equation. It’s another binary that doesn’t help anyone. I just talked about some of the organizations that are struggling. But I also get contacted by a lot of organizations that are just so inspiring. I was on a call the other day with an organization that is doing really deep work around feedback and anti-oppression and has a thriving team that’s moving in really creative and cool ways. And they’ve solved some of the core problems we’ve been talking about with this paradigm shift of loving accountability: “If you want to go fast, go alone; if you want to go far, go together.” We know that we have to build these deep, trusting relationships, and part of operating in that space of deep trust is an orientation toward loving accountability, of knowing that, at the end of the day, we are messy, imperfect humans who have our own unconscious biases and don’t know what we don’t know. And so if we want to be in these kinds of authentic relationships together, we’ve got to be able to invite each other into difficult conversations, into feedback, and invite each other to grow—to, fundamentally, have an orientation toward one another that is an adult–adult relationship, as opposed to a parent–child relationship.

And if we can crack that nut on building cultures of loving accountability, then we have an entirely new landscape to be in—because now accountability is no longer fundamentally bad. And boards, if built properly, can be a beautiful tool for loving accountability—for asking challenging questions, for inviting nonprofits into serving their communities well. We don’t have to overcorrect to zero power only to re-create that dominant–submissive power dynamic in the other direction—so that instead of the board being in charge, now the staff are in charge. It doesn’t have to be that binary. Loving accountability is a pathway we can walk together that gets us to a more generative set of options for how we do right by one another.

RR: You’ve written about the need to rethink the nonprofit CEO or executive director role. What alternatives to this have you found, and which have you found most effective? And what cultural changes are needed to make that shift effectively?

AV: First of all, it’s about rethinking leadership on a high level. I really appreciate shifting the frame from executive director/CEO to executive leadership. There are realms of executive leadership that need to be energized in an organization: overall strategic direction; high-level financial management (directionality in terms of budget and fundraising); being a public face of the organization. There are certain aspects that are about the organization as a whole—its mission, its ongoing evolution—and those matter! I’ve worked with some organizations that, in their efforts to overcorrect away from hierarchy, have wound up with fuzziness around who is holding the whole and thus who to turn to in crisis. They have done away with that person, and that opens the door to, among other problems, invisible emotional labor—a situation in which some people wind up providing care to staff but it’s not honored or compensated. So I think it’s important for any organization to emphasize that executive leadership—holding the whole of the organization—is critical, and to identify and name the people who hold those realms of executive leadership and are, ultimately, accountable for making sure that those realms are attended to well.
And then in terms of success stories—I don’t have any beliefs in or attachments to any one structure. I think you can have really beautiful co-ED formations; I think you can have beautiful ED and managing director designs, or deputy director and senior leadership team configurations. Any design can be healthy in some instances and terrible in others. So I appreciate that when you ask the question you’re asking about the culture that accompanies it—because that is the fundamental part, right? These executive leadership formations work when there’s deep trust in the leadership, they’re sharing the right values with the rest of the team, and there’s a culture built that’s healthy and joyful—that’s liberatory for everyone involved. And fundamentally, I think it really matters to have one person who is (or a few people who are) officially responsible for setting that kind of culture, setting that direction in a collaborative and meaningful way—but to have that work well. And so the success stories I’ve seen have been ones where folks have gotten really clear on roles and responsibilities and on who’s doing that holding of the whole work—and who see it as important work and make visible that emotional labor as well as hold those leadership folks accountable to doing right by the mission, the values, and the directionality of the organization in a generative way.

**RR:** I have a background in the labor movement, so I have some ideas about ways to distribute decision-making power and that kind of accountability. But I think that one of the challenges can be that sometimes it’s not really clear who holds the whole, because there’s a leadership vacuum. And there’s a lack of discussion about what actually needs to be done to lead. So I’m wondering if you have any insights about the problem of deciding mission and then the problem of people taking, or not taking, that mission up.

**AV:** I think this is another example of where we can overcorrect in our reactivity to how crappy corporate culture can be. A leadership vacuum is a real thing and a real problem. And I do think it’s important to center and say, again, that executive leadership matters greatly. There does need to be someone (or someones) holding the whole with respect to mission and direction. And we don’t need to be stuck in this box that says one person holding the strategic direction means one person deciding alone. There are all kinds of collaborative approaches to decision-making, in which one person holds the whole on directionality but deeply engages others. We need to not have an allergy to deferring to other folks’ leadership. I love the concept of natural hierarchies: You’re really amazing at this; I’m really amazing at that. I’m a leader in this, and you’re a leader in that. Some people are going to be really amazing at setting strategy, vision, and direction, and we should celebrate that—how they can do it in a way that weaves it all together and brings people along, and that still has that utter clarity around their organization’s North Star. Because if we overcorrect too far in the other direction, then we get these squishy strategic plans that are just a giant laundry list of to-do items. We do need folks who are able to coach and support everyone in moving in the same direction. It just doesn’t need to look the way that the corporate world tells us it needs to look—where one charismatic, visionary leader is telling everyone what to do.

I like the concept of *evolutionary purpose* from Frederic Laloux’s *Reinventing Organizations,* that there can be a core this is what our organization is, this is how it lives and breathes as an entity—and that all of us have the ability to tap into that, to understand the core and make strategic decisions. There needs to be clarity about that whole, so that everyone can build that muscle.

**SD:** You were talking before about the need to shift paradigms and so forth. What factors do you think hold nonprofits back from full-throated advocacy that challenges systems of power? And what can nonprofit leaders do to address those barriers?

**AV:** Lately, I’ve been thinking about what a wonderful strategy of the nonprofit—industrial complex’s it was to create 501(c)(3) versus (c)(4) designations. Right? Like, let’s make everyone’s lives miserable by having a completely different entity that you now have to build if you want to move outside this very constrained realm of acceptable advocacy and movement work. I was managing director, and then interim ED, at RVC—Rooted in Vibrant Communities—in Seattle,
“The systems are so utterly opposed to movement-building and organizing work that, every step you take, the nonprofit–industrial complex is trying to tear you down and get in the way of that.”

which does capacity building for BIPOC-led-and-serving grassroots nonprofits. I remember when we were trying to get an insurance provider just for general liability insurance, and they told us that they weren’t going to cover us because we had a photo of a protest on our website!

The systems are so utterly opposed to movement-building and organizing work that, every step you take, the nonprofit–industrial complex is trying to tear you down and get in the way of that. So there’s a paradigm shift in there somewhere around our attitude toward the political in this country. And there’s just something really strange about how the systems of government that shape the direction of this country have somehow been put in a separate box that you don’t get to engage with unless you do it in this very constrained, approved way. This is a huge problem, when politics are where we’re actually going to change these systems and accomplish the much bigger things that I’m naming.

I’m glad that there are organizations like New Left Accelerator that are trying really hard to help nonprofits have both (c)(3)s and (c)(4)s—that there are folks working within our broken systems to help people access the levers. But it does really worry me that we are so dependent on 501(c)(3)s when they have limited capacity to engage in systems change. The vast majority of funders will only fund 501(c)(3)s, which means that there are scant resources available to other types of entities that have more flexibility to engage in changing our political landscape. So I see a lot of that both/and tension. We need to get every dollar we can through philanthropy right now to solve the problems that oppress us right now. Which means continuing to rely on 501(c)(3) structures to access those funds. And at the same time, we need our own 20-year plans to get out of this place that we’re trapped in that’s never going to get us to where we want to go.
SD: There has been a rise in unionization in the nonprofit sector. And I think that’s often seen as a threat to nonprofit management. But could nonprofit unions provide leadership that would empower some of this shifting around power?

AV: When I run my organizational structure options workshop, a unionized workplace is one of the options I always put on the table for folks to consider for how they want decision-making power to be held. And I think unionized workplaces are another example of a structure that can be great for some and terrible for others—because yes, when you have an unhealthy hierarchy, unions can be a great way for workers to have more power to make sure their needs are heard, to make sure they’re paid well. From that perspective, I think that is an excellent organizing tool for building more power in our sector. But like I was saying earlier, I don’t think that any one structure solves all our problems. I had a client whose staff had decided to unionize before they hired me. And I was really struck by how it had jammed them into this small box of possibility when it came to how they would be structured and how they could make decisions—because now they had to follow the legal rules of a union. And it left me thinking that I hope unions don’t get seen as the one solution to fix our sector. I hope that they can be used as an excellent tool in the toolbox—but that the toolbox has an array of organizational structures that we can look to and choose from in a really thoughtful way, weighing the pros and cons of each option.

So that really weighs on me, because I think unions are one of the most powerful tools in the corporate world. And the current rise of unions in the corporate world is an incredibly transformational thing that I’m so excited we are a part of. But in my world, where I work with a lot of small nonprofits, it’s not always the right tool—it can create this big divide in a small team. So I want to find better ways for us to be able to fully understand the beauty of unions and when they’re great in nonprofits, while also understanding when they’re not the right match for a nonprofit. I don’t think we should be automatically assuming that unions are the one right and equitable way forward.

RR: I agree that unions emerged from a context of opposing corporations, so maybe that makes them seem unsuited for every workplace. But I think they’re the best tool for people to protect themselves and make their workplaces better.

AV: Again, I think unions are an incredibly important tool in the toolbox. What I get tripped up by is that if you have an organization that’s truly engaged in a paradigm shift toward a very different liberatory way of walking—where salaries and budgets are public, and decision-making is distributed (and by this I’m not even talking about shared executive leadership but rather distributed leadership, which is a totally different thing)—then everyone is on the same side, walking together. And there are amazing organizations out there in which all staff are engaged in these big questions about equitable pay and benefits and the direction they’re going in and what they can accomplish. It’s a united front of all staff together. I think if you have liberatory organizations that are walking a very different path in terms of how they organize and make decisions internally, unions aren’t always going to be the right tool for them, because everyone is on the same side as opposed to needing a union to balance power between the opposing sides of senior leadership versus workers. But there are certainly nonprofits out there that are enormous and very stuck in corporate culture—and for them, unionization could be the best tool in the tool kit, for sure.

SD: Is there anything else you would like to say before we close?

AV: I would like to stress the importance of walking more liberatory paths and imagining different futures. When we get out of the box of what’s possible within these cultures and structures that we’ve inherited from the corporate world, we open up into a totally different landscape of different formations, of different ways of operating—like self-management and distributed leadership. That then opens up a different plane of conversations, right? When I get called into an organization that is dealing with some really difficult stuff, I’m struck by how in healthy, self-managing organizations, the hard stuff still happens but there’s a way in which it doesn’t escalate in the same way as with unhealthy organizations, because they’re playing by a fundamentally different set of rules. When you play by a set of rules that says, for example, We give each other feedback in a direct and timely way, then this whole huge box of deep tensions and drama...
and conflict—problems that require mediation—rarely gets created. Because you talk about things as they happen. You trust, you heal, you’re vulnerable with each other, and there’s a fundamentally different cultural fabric weaving you together. There are many incredible organizations already doing that work, and they may not even look different, because some are operating in a hierarchy. But there’s a way in which their staff are so joyful, which is inspiring. In particular, I want to underline that these organizations are often BIPOC-led—particularly BIPOC women-led—organizations.

So I think it’s an interesting both/and moment, because yes, we need to critique and we need to continue to undo the limitations of these inherited corporate structures and ways of thinking and I hope that we lift up and celebrate the many incredible organizations that are operating in a completely different paradigm and don’t even need to focus on tearing down these corporate cultures, because it’s not even where they are anymore.

NOTES


6. Proverb of unknown origin.


To comment on this article, write to us at feedback@npqmag.org. Order reprints from http://store.nonprofitquarterly.org.
Imagine your outrage if you were a public school teacher and your pension fund invested in a company that supported and lobbied for vouchers and charter schools. As a result of their actions, your neighborhood school was closed, devastating the community—particularly the low-income, mostly Black and Latinx students who live in the area; and, after years of paying into the pension fund, you lost your job, benefits, and healthcare coverage because your pension fund invested in this anti-public education corporation. Or consider if the retirement money of our prestigious public universities and their medical centers, where cleaners, cafeteria staff, and medical assistants care for students and patients, was invested in one of the largest corporate landlords in the country, and this landlord doubled their rent or evicted their families.

It leads to the obvious question—why in the world is workers’ pension money invested in companies that hurt the very people who are paying into the pension plan?

Workers’ pension funds, like so many aspects of our society, have become captives of Wall Street. Pension funds were created through struggle by workers, but the financial sector has figured out a way to exercise outsized control of those funds to serve their interests. This is the reality today—but workers and communities have an opportunity to align around their shared interest in thriving communities and to steer where their money goes: affordable healthcare, housing, and education; just and sustainable environmental policies; and so much more.
Public employee pension funds in the United States have $5.99 trillion in assets—an amount that is larger than the economies of most countries. This money is workers’ deferred compensation—in other words, it is their capital.

**PENSION FUNDS: WHOSE CAPITAL? OUR CAPITAL!**

Public employee pension funds in the United States have $5.99 trillion in assets—an amount that is larger than the economies of most countries.¹ This money is workers’ deferred compensation—in other words, it is their capital. Every month, nearly 15 million workers contribute part of their paycheck to these funds to ensure they have enough income to retire securely.² (Many teachers and public sector workers, by the way, do not receive Social Security benefits, which only adds to the insecurity.³) Ironically, this money is often invested in corporations and billionaire-backed private equity companies that are destroying the planet in countless ways, fighting unions that form to empower workers experiencing toxic work conditions, and contributing to and profiting from the housing crisis.⁴ This enormous pool of capital could and should be invested in things that benefit workers and their communities, like affordable housing, renewable energy, and a just transition in terms of combating climate change.

It is a form of assisted suicide for workers’ money to be invested in billionaires and corporations that have eliminated pensions for their own workers, lobbied for tax cuts that threaten public services, and invested in fossil fuels that threaten the planet. Until workers exercise greater control over their own capital and how it is invested, their money will continue to be used to enrich corporations at all our expense.

When workers question the ways in which their money is invested, they are told that pension funds need to get the highest returns on investment in order to make adequate returns for the 14.9 million active working members and 12 million public employee retirees,⁵ because many pension funds are “underfunded.”

The Chicago Teachers Union popularized the phrase “broke on purpose” to describe a corporate and billionaire strategy: avoiding paying their own fair share of taxes and further enriching themselves while saying there is no choice but to make massive cuts to schools and public services, and then turning around and profiting off such “solutions” to the crises they have created through privatization and other financial schemes.⁶ (Central to the success of the CTU was naming this problem, refusing to accept the so-called solutions foisted on their schools by finance capital, and, ultimately, striking to push back against austerity-driven corporate strategies.) The same is true of pensions. Pension funds have been systematically underfunded because corporations and financial interests have pursued austerity policies that led to that underfunding. Once pensions are underfunded, their trustees are more likely to be compelled by the inducements of finance capital to lock up a larger share of their investments in private equity endeavors and pursue other risky investments that promise supposedly higher returns. All too often, this leads to workers’ capital being invested in ways that further enrich these finance interests at other workers’ expense and that are not in line with creating sustainable and safe long-term investments.

So, how do we fix this?

**TAKING CONTROL AND TURNING IT AROUND**

Over the last 40 years of union efforts, there have been attempts at addressing these problems—and some have had modest success. Past attempts—from creating new funds to instituting standards for investment decisions that are in line with the common good—struggled to have systemic impact, because they rarely organized significant numbers of union members.⁷ But we can no longer afford to settle for waging primarily defensive fights to protect the declining number of workers covered by pension plans. There is no way to protect existing pension funds from the slow strangulation of the tentacles of finance capitalism unless workers take more control over the uses to which their deferred compensation is being put. It is time to go on the offense by organizing union members themselves to take action and ally with community leaders to break this poisonous, self-perpetuating cycle.

For example, let’s look at housing. When workers had union jobs and pensions, they had the resources to own a home. Owning their own home meant they could retire more confidently. Now, because of the explosion in housing costs, it
The housing crisis and the lack of retirement security for most workers are intertwined problems. When workers can’t afford to buy a home and rents are too high, they become both housing insecure and retirement insecure. Most workers have neither a pension plan nor equity from their home to help fund their retirement. If we are to be successful in shifting pension fund investment to affordable housing, we can’t have a narrow approach focused on merely protecting our existing pension funds. Doing so will not address the propensity of pension plans to chase risky harmful investments in an attempt to make up for underfunding driven by corporate profiteering. Rather, we have to take control and turn around the harmful dynamic in which we are enmeshed.

To begin, what is needed is a campaign that has inspiring, audacious, concrete goals that capture people’s imagination and both describes their fears and speaks to their hopes for the future. That is why at Bargaining for the Common Good we are starting a campaign that calls for the following:

- **Winning pensions for all workers.** With record corporate profits and more and more wealth being concentrated in the hands of billionaires, it is the right time to say that workers need pensions and that there is money to pay for them.

- **Investing workers’ capital in ways that benefit workers and their communities.** Workers need to have greater control over how the trillions of dollars of their deferred compensation are invested, so as to protect their own beneficiaries, manage risk for sustainable returns, provide revenue for jobs that provide public services for communities, and ensure these investments don’t undermine workers’ rights or hurt the environment.

- **Investing in affordable housing.** Among the socially beneficial uses of workers’ capital, affordable housing is central. By investing billions in affordable housing, we can start to address the growing housing crisis and help workers acquire homes, thereby further building their retirement security while creating construction jobs and stimulating local economies.

- **Shifting investments away from things that harm the planet and the most vulnerable communities impacted by unsafe environments and events, including climate disasters.** Addressing climate change to protect the planet for everyone is, of course, the priority. But climate change is an existential threat to the financial viability of pension funds and their ability to have the sustainable returns needed to ensure retirement security for their members. Climate change is a major threat to public budgets, which impacts public pensions; and the pension funds themselves have noted that climate change is one of the greatest risks to the health and stability of their portfolios—if not the number-one risk. For example, officials from the largest education pension fund and second-largest pension fund overall in the United States, the California State Teachers’ Retirement System (CalSTRS), have declared, “We believe climate change is one of the greatest threats to our future, with undeniable links to business and financial investments.” By shifting investments, we can free up capital to invest in things for the common good. Pension funds should follow other institutional investors that are shifting from investing in fossil fuels to investing in clean, renewable energy.

The March 2024 strikes and week of action in Minnesota show what is possible when community and labor unite and fight around a broad and far-reaching agenda. More than 4,000 commercial janitors who clean high-rise and other buildings in Minneapolis and St. Paul struck and made a breakthrough when they won “a fully employer-funded retirement fund” for the first time, although they did not win a defined pension plan. Making sure that workers have access to a pension is the foundation for ensuring that it’s
Workers first need to understand that pension funds belong to them, if they are going to feel confident about demanding that the funds operate differently.

Invested in the right things—and these wins showed that workers can make dramatic breakthroughs when we align our contract expirations, develop powerful demands, and fight for the common good together.

THE BARGAINING FOR THE COMMON GOOD APPROACH

Bargaining for the Common Good is built around the idea that community and union members should partner around long-term visions for the changes they want to see, and use union bargaining as a critical moment in a broader campaign to win that change. This requires an alignment of organizations focused on racial justice, community, and labor committed to working together on immediate and long-term fights around a common vision of the world we want.

Our strategy is to go on the offense with a broad agenda, and there is much we can learn from local efforts already being undertaken through our approach. In Minneapolis, Chicago, and California, for example, campaigns have already begun to add a focus on pensions. In each of these cases, six key ingredients make up their campaign:

1. Educating and organizing union members. Many workers don’t know the ways in which their pension money is being invested against them; so BCG campaigns have been developing tool kits, slide decks, one-on-one discussion guides, and train-the-trainer materials to demystify and explain how pension funds work. Workers first need to understand that pension funds belong to them, if they are going to feel confident about demanding that the funds operate differently.

2. Making the investment of workers’ capital a central issue in collective bargaining. As unions head into bargaining, they should have fully developed proposals geared to moving pension money away from harmful investments and into good community ones. Bargaining is often the time when members are most involved in their unions, and these demands offer an important opportunity for members to be actively engaged in the fight.

3. Making pension-related bargaining demands bold enough to engage workers’ interest and imagination. If workers don’t come to see their pensions as a powerful tool that can increase their ability to shape central aspects of their and their children’s lives, they will be less likely to engage with the effort. Making bold demands—even if we don’t have the power to win them yet—helps workers to see why it is worth engaging in these struggles and indeed imperative that we do so.

4. Focusing on racial justice. It is often workers of color and communities of color who are most impacted by pension cuts, underfunding, and dangerous investments. By explicitly giving examples of the ways in which the misuse of pension funds produces racialized outcomes, campaigns are making pension justice an issue also of racial justice.

5. Identifying and exposing corporate actors. It is essential to give concrete examples of specific corporations that are profiting from the rigged pension system while lobbying against workers and community interests, and to actively engage and campaign around them. Exposing what they are doing, how they are doing it, and why they are doing it is crucial to the development of a winning campaign.

6. Connecting to broader fights and movements. To win these campaigns, we need to connect to, support, and fully engage community groups and allies who have long led fights vis-à-vis housing, racial justice, and the environment. Connecting pension campaigns to such efforts in a way that builds ongoing alignment gives a campaign much greater power.

Consider the following examples from recent and ongoing campaigns:
Local unions are fighting for demands in their contracts related to how their deferred compensation is being invested. In Chicago, the Chicago Teachers Union continues to demand and fight for housing for tens of thousands of unhoused students in their upcoming bargaining. In addition, CTU’s House of Delegates has approved the following bargaining proposal that calls for the school board to work with the union to move pension investments away from funds that contribute to climate change and otherwise harm their students and into ones that support affordable and sustainable housing. CTU’s proposal states:

The [school] BOARD and the UNION shall collaborate with the CTPF and MEABF [pension funds] to identify and move away from any investments of bargaining unit employees’ deferred compensation that are contributing to climate change and other forces that are harming our students and communities and put our money towards financially sound investments that further an equitable transition to a green future for the benefit of our students, staff and communities. This shall include but not be limited to investments in affordable green social housing that allow our students, their families and our members to live in our city.16

In California, American Federation of State, County, and Municipal Employees (AFSCME) Local 3299, whose members include public university cleaners, cafeteria workers, and medical center low-wage workers, has proposed that the University of California system divest from the giant private equity fund Blackstone—which is influencing public policy against public schools and universities and communities and driving up housing prices—and invest instead in affordable housing. Blackstone, which has been buying housing like monopoly pieces and raising rents as much as 200 percent,17 has spent tens of millions of dollars to block funding for schools to reduce class sizes and housing solutions to protect tenants, and toward a proposed policy that would give wealthy corporations a major loophole to avoid paying their fair share to go toward public education, public services jobs, and programs that provide critical community services.18 As AFSCME Local 3299 lays it out:

B. University Investment in Affordable and Responsible Housing

a. The University shall divest the UCRP and General Endowment Pool from Blackstone and other housing corporations failing to commit to responsible landlord standards of: freezing of rental rates, no "no fault" evictions, and safe and health [sic] properties.

b. The University shall invest the billions currently invested in Blackstone in truly affordable, social housing for students, employees, and community, including housing on UC land. Such housing shall include substantial allocations for individuals who fall into the “Extremely Low”, “Very Low”, “Low”, and “Moderate” income categories, based on household size, as updated annually by the United States Department of Housing and Urban Development.19

In Minnesota, the Minneapolis Federation of Teachers has proposed the following:

To address the urgent needs facing our school system, MFT59 wishes to partner with Minneapolis Public Schools on the following efforts [that call for addressing climate change and public housing]: …MPS and MFT shall collaborate with the TRA, PERA, and MSBI [initials for pension funds] to identify and move away from any investments of MFT members’ deferred compensation that are contributing to climate change and put funding towards investments that further an equitable transition to a green future for the benefit of our students, staff and communities.20

MFT and MPS shall convene a quarterly labor-management working group on MPS enrollment, with the express purpose of oversight and recommendation-setting for MPS policy regarding enrollment…. Topics to be considered may include but shall not be limited to:… Consideration of how MPS community resources including district investments and public pension funds can be directed toward public housing and other goods that offer stabilization to school-age families.21
We have an extraordinary opportunity to unite our movement, fight for a multiracial democracy, and win transformational political and economic change.

The United Auto Workers has issued a call urging other unions to align their contracts with UAW’s 2028 expiration dates. One of the UAW bargaining goals is to regain pension coverage for autoworkers who are no longer covered by pensions. This sets the stage for a four-year campaign that started in Minnesota this year and can build toward 2028, when the UAW national auto contracts expire. It is a campaign that lifts up and demands that all workers deserve pensions and that workers should have greater control over how workers’ capital is invested—the result of which should be pension funds investing hundreds of billions of dollars in things that benefit workers, their communities, and the environment, and divesting from things that cause harm.

Imagine if each year leading up to 2028 we had increasing numbers of campaigns like the Minnesota effort, in which community groups and unions align, create common demands, build to a common compression date, and march and strike in greater and greater numbers. Imagine if hundreds of thousands of union members learned that the pension system is rigged to enrich Wall Street, and joined the campaign. Imagine if environmental groups and racial justice and housing organizations joined the struggle, and supporting the campaign became a litmus test for politicians who want our votes.

We have an extraordinary opportunity to unite our movement, fight for a multiracial democracy, and win transformational political and economic change. Imagine that in 2028, millions of people from community, labor, and racial justice groups join together in marches, demonstrations, and mass strikes demanding pensions and control of workers’ capital to ensure our current and future financial security while transforming our communities. As a result, we will not only hope this is possible but also start to taste, feel, experience a world in which our money is used to build affordable housing, fix our schools, and heal our environment instead of lining the pockets of Wall Street financiers and billionaires. Such a world is within our reach—if we dare to fight for it.
NOTES

1. The Federal Reserve publishes data on state and local defined benefit assets on a quarterly basis. As of the fourth quarter of 2023 (December 31), aggregate public pension assets were $5.99 trillion, an increase of 7.9 percent from the $5.56 trillion reported for the prior quarter. This is over one-fifth (21.4 percent) of US gross domestic product. (Total US GDP is about $28 trillion.) See Public Pension Assets Quarterly Update (Q4, 2003), National Association of State Retirement Administrators, accessed April 30, 2024, www.nasra.org/content.asp?admin=Y&contentid=200#:--text=Quarterly%20Update%20(Q4%202023)&text=As%20of%20the%20fourth%20quarter,reported%20for%20the%20prior%20quarter.


3. Public employees were originally excluded from the Social Security Act of 1935 (SSA) because it was assumed they had existing retirement coverage. In 1950, Congress passed an amendment to the SSA, allowing states to extend Social Security to specified public employees. For teachers, some states have opted in to Social Security and others have not. See “Not All Teacher Retirement is Created Equal,” National Center for Education Statistics, accessed May 16, 2024, nces.ed.gov/programs/mapED/storymaps/TeacherSocialSecurity/index.html.


5. “National Data.”


15. Amy Schur and Sara Myklebust, “Want to Shift Power? We Need to Take on Real Estate,” NPQ, October 26, 2022, nonprofitquarterly.org/want-to-shift-power-we-need-to-take-on-real-estate/.

16. Chicago Teachers’ Union contract bargaining proposal. Approved by the House of Delegates in March 2024. (Source not publicly available.)

17. Alejandro Lazo and Wendy Fry, “Corporate landlord’s California buying spree alarms tenants: ‘I only earn enough to pay the rent,’” CalMatters, May 24, 2023, calmatters.org/california-divide/2023/05/california-renters-fear/.


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High-quality summer learning programs can produce meaningful benefits for students.

This guide can help district leaders, intermediaries, and out-of-school time providers identify federal funding streams to support summer and afterschool programs.
In March 2024, I found myself in an extremely contradictory yet familiar position with some of our national partners. Like many others, they had long supported broad declarations for organizing the South and lamented the lack of real momentum in confronting White supremacy and other systems opposed to democracy throughout the region. But also like many others, when presented with a bold strategy that would go beyond minor charitable interventions in one or more small communities or with specific short-term political wins, they were apt to balk.

In this instance, when confronted with the need for an urgent, industrial-level approach centering southern Black workers—given the influx of sustainable energy-based manufacturing to the region, spurred by federal investments—and presented with the proposition of a ragtag group of organizations brought together by the Advancing Black Strategists Initiative to make some initial inroads, they suggested that perhaps we were biting off more than we could chew. It wasn’t the first time I had heard this pushback (or similar variations) of a proposed long-term strategy being “too ambitious” or “someone else’s job.”

As is our way, we blaze on, undeterred—and we will continue to do so until we prove to enough people that the work is worth doing, and build the momentum to succeed. But this last experience got me thinking: maybe it was the nature of the location (the South) and the strategy (explicitly centering the fight against White supremacy and on expanding democracy through a struggle led by workers). And I thought about how much my movement ancestors must have struggled when
‘You have to do more!’
faced with even harder conversations denouncing their strategies. How many southern Black abolitionists, when campaigning to end forced labor, were told it was just too bold of an idea? How many were told to wait for some better resourced organization to come and save them? How many formerly enslaved Black workers and their families did Harriet Tubman have to smuggle across the Susquehanna River before those with means started to provide her with support for the next trip? And even before such escapes were successful, at what point did anyone realize that the effort alone was worth the money?

Hindsight is indeed 20/20. I realized that what bothered me was how such anxiety-ridden feedback demonstrates a stubborn shortsightedness vis-à-vis the importance of organizing the South. At best, some who organize money still hold a paternalistic view (if unconsciously), seeing it as their duty to provide temporary relief to the long-suffering people of the South when things seem too extreme to bear, such as after a hurricane or a police shooting. The more cynical among them view the region as a lost cause—the heart of the conservative enemy to be bypassed and/or defeated. One funder was blunt in clarifying that the only southern states they would move resources to were Georgia and maybe North Carolina. Maybe. (I guess we’ve lost Florida.) Still others have pet projects in key states but have yet to look at the whole. All these views are narrow, and they are blind to the economic engines of the South and the geopolitical influence they continue to assert.

However, there are some among us—both in philanthropy and, of course, within base-building organizations directly—who are attempting to focus on the political economy of the region: the industries that have organized and reorganized themselves in ways that have driven economic growth and development throughout the country and the world (mostly unrestricted except for a brief period during Reconstruction), and for whom the structure of government and the politics of those who govern throughout the South have been designed ever since. Because investing in broad-reaching organizing efforts in the US South that emphasize the leadership and economic equality of Black workers against multinational corporations might just launch the nation’s most significant effort yet in the movement to build democracy.

Organizing efforts in the region that emphasize the democratic leadership and economic equality of Black workers and catalyze communities into action would not only lead to victories that would support the people of the South—it would also strike a blow against corporate control and authoritarian rule. This is why we must organize the South: to set the country back on a path toward building a multiracial democracy. To finally win the Civil War.

“HOW WE WIN THE CIVIL WAR”

It’s not as complicated as it may sound. It started with the early rise of the agricultural industry built on chattel slavery, when cotton was king of the exported cash crops—although tobacco, sugarcane, and rice were good business as well. While cotton filled the pockets of the era’s 1 percent, the feeding frenzy was not isolated to the plantation owners in the South: It is well known that national insurance companies—New York Life, AIG, and Aetna—sold policies on enslaved Black workers or allowed plantation owners to put them up as collateral for loans; that national banks—parent companies of Bank of America, Wachovia, JPMorgan Chase—funded the expansion of plantation properties; that northeastern clothing companies—Brooks Brothers, for example—relied on cheap cotton from the South and then sold their wares to slave owners as clothing for their enslaved workers; and that national food companies—Domino’s Sugar, for one—processed and sold products grown by enslaved Black workers. Chattel slavery made a lot of people a lot of money. And not just in the South.

But then there was the Civil War (cue trumpets), and the gravy train ended, right? Not exactly.

Notwithstanding my feelings about Abraham Lincoln and his early eagerness to send formerly enslaved Black people back to Africa before and during the US Civil War, I do think his administration understood the political economy of slavery—and he eventually paid for this understanding with
Now, despite popular misconceptions, some of the most exciting and militant efforts to take on multinational corporations are happening in southern states.

As industries shifted and new clashes arose between the old ruling class and the new 1 percent, workers organized. Oil was replaced by textiles, which were then replaced by retail and heavy manufacturing. Today, manufacturing is the top industry in the South employing Black men—for Black women, it’s the healthcare industry. And new industries are growing at a record speed, including the film industry in Georgia, which is beginning to outpace Hollywood and reap big profits for industry leaders at the expense of Black workers in low-wage positions. As Georgia Trend described it back in 2018, “Y’allwood is No. 1 at the box office. In 2016, Georgia overtook California as the top location for production of feature films—17 of the top 100 grossing movies were filmed here.”

And now, despite popular misconceptions, some of the most exciting and militant efforts to take on multinational corporations are happening in southern states. The Georgia Film Imperative, a project of ABSI, seeks to create a pipeline for the inclusion and participation of Black and other underrepresented communities in the film industry. In September 2023, more than 1,100 workers—the majority of them Black—who manufacture electric buses at Blue Bird outside of Macon, GA, became members of the United Steelworkers (USW). In partnership with Jobs to Move America, workers in Anniston, AL, convinced another bus manufacturer, New Flyer, to sign a landmark community benefits agreement, committing to improved wages, training programs, and a reduction in pollution around their facilities. In November 2023, 700 call center workers at Maximus, organized with Communications Workers of America, walked off the job, led by Black women in Hattiesburg, MS, and Bogalusa, LA, in response to the company’s silence over issues of basic working conditions. In December, southern service workers, backed by SEIU’s United Southern Service Workers, launched drives at major brands like Freddy’s and Waffle House. And despite years of setbacks in southern drives, in January 2024, workers organizing with the United Autoworkers surpassed several thresholds to file for election at Volkswagen in Chattanooga, TN, and Mercedes in Tuscaloosa, AL—both with significant Black leadership. In March 2024, a supermajority of VW workers signed cards to support the union in

his life. With Lincoln out of the way, the muddier economic interests of the victorious North come into focus. Many have incorrectly suggested—including, most recently, Steve Phillips, in his book How We Win the Civil War—that Black people were betrayed by their supposed northern political allies in Congress when they began to roll back Reconstruction policy and to yield power to former southern Confederates, as if they had suddenly changed sides. But in fact, the business interests of the Union North had long been fair-weather friends to Reconstruction, being neither universally antiracist nor necessarily opposed to the exploitation of workers (Black or otherwise) for the benefit of the few. Envious of the wealth that the southern agricultural industries were able to squeeze from chattel slavery, some industry leaders funding the Union Army had been waiting their turn to exploit Black people—if not as enslaved workers then as undervalued wage laborers. So when the newly reenfranchised southern political establishment found ways to align its interests and allow northern industry access to exploiting southern and Black labor—perhaps masked in a new system of free labor that would seem more humane and digestible to the northern palate, such as prison labor—the allegiances of northern industry shifted. And that’s the political economy we still have in the southern region today.

I had a great-grandparent who “did time” laying railroad tracks in Virginia. I grew up in North Carolina, and I remember visiting the Biltmore Estates, a relic of Cornelius Vanderbilt and his post–Civil War railroad empire. How many southerners have ancestors who worked in a coal mine—either in a company town or as a convict laborer? How many of us had a great-uncle who tried to convince us that he knew John Henry while he was leased out to work for one of Andrew Carnegie’s subsidiary companies way back when?

And then of course there’s John D. Rockefeller, the “father” of modern philanthropy. He’s mostly associated with his contributions to the education and health of southern Black people, but within his Standard Oil monopoly, Black and Mexican workers were recruited to live near the environmentally precarious refineries and paid sub-wages to do some of the nation’s dirtiest and most dangerous work.

As industries shifted and new clashes arose between the old ruling class and the new 1 percent, workers organized. Oil was replaced by textiles, which were then replaced by retail and heavy manufacturing. Today, manufacturing is the top industry in the South employing Black men—for Black women, it’s the healthcare industry. And new industries are growing at a record speed, including the film industry in Georgia, which is beginning to outpace Hollywood and reap big profits for industry leaders at the expense of Black workers in low-wage positions. As Georgia Trend described it back in 2018, “Y’allywood is No. 1 at the box office. In 2016, Georgia overtook California as the top location for production of feature films—17 of the top 100 grossing movies were filmed here.”

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short order, signaling that they would win this time. According to CNBC, they reached their goal in just 100 days;19 and the VW workers won in April 2024.20 While the Mercedes workers lost in Alabama on May 18, 2024, on that same day workers from New Flyer ratified their contract represented by the International Union of Electrical Workers (IUE-CWA), the CWA’s industrial arm—one of two southern electric vehicle plants to unionize within a year.21 All of this comes in addition to workers already in motion from the previous year at Amazon, Starbucks, Apple, and other large multinational brands—including many nationally tracked efforts based in the US South, such as the Memphis 7, who were fired and then reinstated after public outcry.22

This momentum is not new. Southern workers have continuously stuck their necks out for dignity and respect. The difference now for working people in the South is that state governments throughout the region have long acted as an extension of corporate industrial interests, doing union-busting work on their behalf—for free—and acting as a barrier to democratic systems of governance so as to maximize the profits drained from the people of their state.

Why? Because, despite the political repression and culture that have suppressed the rights of workers from all backgrounds, the region’s placement in the country’s political economy still allots southern workers, particularly Black workers, a sort of dormant power that the political leadership of southern states lives in constant fear of (re)activating.

In January 2024, South Carolina Governor Henry McMaster named “big labor unions” as a “clear and present danger” to the prosperity of the state when outlining his desires to continue to build up South Carolina as a hotbed of industries that have relocated there in order to escape democracy in action.23 And on April 16, 2024, governors from six southern states released a joint statement opposing the unionization of autoworkers.24 They certainly have reason to be concerned, when so many manufacturers putting in bids for the Biden Administration’s infrastructure investments are abandoning their current union facilities in California (Proterra), Wisconsin (OK Defense),25 and even Great Britain (Arrival)27 in hopes of benefiting from a cheaper, Blacker, nonunion workforce in—you guessed it—South Carolina. So while the response of southern state political leaders in Tennessee was late and disorganized, worker–leaders must not underestimate what their opposition will do in what has become the epicenter of the electric vehicle expansion. It will require a well-organized state-, region-, and industrywide response across several unions to curb this new generation of industrial exploitation. And it is to that strategy that we turn next.

THE NEW INDUSTRIAL REVOLUTION: A SUSTAINABLE ENERGY INDUSTRY

As of the last Census, most of the Black population in the United States remains concentrated in the US South.28 Despite political wins in 2020, many movement leaders are divesting from southern states after Republican leaders went to extremes to limit access to political and economic platforms for democracy. During the 2021 legislative sessions, over 440 bills with provisions that restrict voting access were introduced in 49 states, with southern states like Georgia, Florida, and Texas delivering some of the most restrictive provisions via laws, according to the Brennan Center.29 And while state preemption of local laws is not new, its use by Republican state governments as a weapon to whip local democratic cities into compliance has expanded dramatically in the last 10 years. “According to the Local Solutions Support Center, 700 preemption bills were introduced in state legislatures in 2023, virtually all of them by Republicans,” and this is particularly true of the overwhelmingly Republican southern states.30 But those of us paying attention are witnessing a modern industrialization already in motion, driven by the goal to build out infrastructure for sustainable energy production and usage at scale. And along with it, we see a nascent industrial revolution brewing among working people organizing to leverage this new industry in ways that build democracy.

Fast-tracking the construction of a sustainable energy industry represents our era’s best shot at building a multiracial democracy that would sustain the planet and our descendants’ existence on it for ages to come. Again, manufacturing is the top industry in the South employing Black men, and the trend is only increasing.31 Given the dramatic move of
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many manufacturers to the US South, successfully incorporating workers, particularly southern workers, into standard setting (even in just one specific section of this new industry: auto manufacturing) would immediately and exponentially increase the number of US-based workers with collective bargaining power—a framework that in itself is a practice of democracy. It would also create a blueprint for industrywide negotiations for this and other sectors, which would pave the way for industrial democracy: a system of industrywide governance (sometimes facilitated by government leaders, though not necessarily), active across competing manufacturers, suppliers, and other key industry stakeholders, in which enforceable standards for the industry as a whole are determined and can be improved upon (but not weakened) via collective bargaining—and through which decision-making is equally and democratically shared among employers and employees. Further, given the disproportionate number of Black workers currently operating many facilities there, such an effort would represent the labor movement’s strongest chance to reverse racial inequality—specifically, the hyper-exploitation that southern Black workers have shouldered since the end of the Great Reconstruction and that was later re-enforced during the New Deal era, the New Deal having in many ways been excluded from labor protections.

We have a unique opportunity in this moment to align the goals of climate adaptation, economic and industrial democracy, and racial equality. Of course, there hasn’t been a way to initiate this all at once. But, through their unions, organizations, and regional academic institutions, a group of organizers engaged with the Advancing Black Strategists Initiative have begun organizing Black workers in and around some of the sustainable energy facilities and other sites related to electric vehicle production. The goal is to build an authentic base from which to call on the current administration to facilitate discussions between Black workers and labor and industry leaders across fields.

Is it almost too big to wrap our minds around? Perhaps. Yet we do not have the luxury not to try.

Steve Phillips was right to argue that the first step to winning a war is knowing you are in one. But if that’s the first step, then the second step is to know who you are fighting. “If you know the enemy and know yourself, you need not fear the result of a hundred battles.” Sun Tzu’s famous words can help our metaphorical frontline fighters pull off their blindfolds. While some of us are “inside,” searching for the perfect organization to drive the perfect strategy, we are actually most needed “outside,” leaning into the messy movements in front of us right now, and replacing the rapidly metastasizing antidemocratic practices in the United States with models of democratic decision-making that we can all get behind.

SETTING THE FOUNDATION FOR A HEALTHY 21ST-CENTURY DEMOCRACY

There is a reason why unions, in their broadest definition, have often been referred to as “schools of democracy.” They are a natural container for working people to come together across race, gender, and other demographics around shared self-interests, and a place to discuss and agitate each other on their values. It’s never been easy; but every generation of the labor movement has transformed its structure and its membership, sometimes in heated internal battles, to meet shared aspirations toward a multiracial democracy. As such, multiracial movements of workers are often the antidote to political forces opposed to democracy. Such anecdotal data have been validated several times over by quantitative analyses showing that a weakening democracy is far more likely when union membership is low. As Adam Dean, a scholar on global trade, labor, and political economy, has written, “…in pursuit of open economies, many democracies engaged in brutal repression to crack down on labor union resistance. In the process, they unleashed dynamics that now threaten the survival of democracy itself.”

Twentieth-century approaches to practicing political and economic democracy never fully made their way to the US South. The Hayes-Tilden Compromise of 1877 that reenfranchised southern Confederates and gave back to them the power of state legislatures completely stunted the forward gains of Reconstruction, including the promise of the 13th Amendment to the Constitution abolishing slavery and forced labor, which should have been the foundation of all American labor law. When the New Deal offered yet another opportunity to
Organizers must challenge the powerful economic forces of the region that impact democracy and economic equality far beyond the Black Belt. When movement leaders design campaigns based in the political economy of the US South, the barriers to democracy come into clear focus.

Organizers must challenge the powerful economic forces of the region that impact democracy and economic equality far beyond the Black Belt. When movement leaders design campaigns based in the political economy of the US South, the barriers to democracy come into clear focus. And those who invest in broad-reaching southern organizing efforts that emphasize the leadership and economic equality of Black workers against multinational corporations will offer a nation of people who previously turned the other cheek a chance at true redemption—collectively breaking a 400-year cycle of racist exploitation and leading the way for people of all backgrounds to the multiracial democracy our ancestors dreamed of.

Expand democracy into industry—and later, in the National Labor Relations Act of 1935—to at least ease the pathways to unionization for working people, southern legislators were about to exclude sectors dominated by Black, Mexican, Chinese, and (in some instances) Irish workers (domestic and agricultural labor) from the new labor protections. And later, some of the same southern districts went a step further in passing the Taft-Hartley Act of 1947, which allowed southern state legislatures to, essentially, exclude all workers in their state from federal labor protections, via so-called right-to-work laws. Unfortunately, many progressive social movements in the United States fighting against this erosion became too narrowly focused on a rights-based framework, positioning individual rights as the primary framework for issue setting. In doing so, we played into industry’s articulation of us as “special interest groups,” thus making it easier for them to perpetuate exploitative systems.

The good news is, we aren’t starting from scratch. The Advancing Black Strategists Initiative, a partnership between Jobs With Justice, Clark Atlanta University’s W.E.B. Du Bois Southern Center for Studies in Public Policy, and Black strategists across many unions, universities, and organizations around the country, is one of the key strategies emerging from the South that, if successful, could be the difference between a future resilient democracy full of hope that we can all imagine ourselves being a part of and one of the more dystopian realities offered by any number of Netflix series. Having surveyed the landscape, ABSI realized that, by combining resources and efforts to greater nurture the voices, thoughts, and actions of Black labor and economic justice scholars, intellectuals, and other students of social movements, they could help set the foundation for a healthy 21st-century democracy. Its approach is to teach, develop, place, and eventually collaborate with a new generation of Black organizers, lawyers, economists, government officials, journalists, and movement leaders who are aligned with a theory of change that centers the participation of working people in governing all aspects of life. It acts as a container for Black strategists to analyze and learn from the experiences of
NOTES

1. Because the nature of the underground railroad was stealth by design—the ways were literally written into quilts and songs, with cartographers trying to map it out after the fact—not all the routes have been charted. Harriet Tubman’s most common path was up the Eastern Shore. This is the narrowest section of the Mason-Dixon Line, and the only part that doesn’t really force you to cross the Susquehanna River. But most paths intersecting the Mason-Dixon Line are difficult to cross without coming into contact with the Susquehanna River. And in fact, we know that some of the more common paths to Philadelphia went across the Mason-Dixon Line right at the point where the Susquehanna directly intersects it (just southwest of Peach Bottom, PA) on their way to Philadelphia through Lancaster/York County, PA. It is here where we have some narratives about Harriet Tubman potentially leading a group there at least once, maybe twice. The narrative comes from a free Black resident who apparently housed Tubman during one of those trips. And reference to the account from the county’s historical society can be found at Scott Mingus, “How Pennsylvania became a safe haven for Harriet Tubman after she escaped slavery in Maryland,” York Daily Record, last modified December 11, 2019, www.ydr.com/in-depth/news/2019/10/29/harriett-tubman-underground-railroad-path-slavery-escape-pa/3863408002/; and Scott Mingus, “Meet the Underground Railroad conductors who hosted Harriet Tubman in Central Pa.,” York Daily Record, last modified December 11, 2019, www.ydr.com/in-depth/news/2019/10/29/harriett-tubman-underground-railroad-eliza-ezekiel-baptiste-central-pa/3863180002/.


3. Ibid.

4. Ibid.

5. Ibid.


12. Per author’s inside information.


14. As of the writing of this article, the initiative has not yet been made public.


20. In order to confidently file for an NLRB union election, leaders inside a facility like to know that they have more than just a majority of support, as a company’s campaign will often erode that significantly before workers vote. Workers at the VW plant in Chattanooga thought they’d hit their goals in the past, but they lost each time they attempted to win a union election. Hence, the importance of gaining a supermajority, as happened in this case (and in a similar case in Alabama). See “Volkswagen Workers File for Union Election to Join UAW,” UAW, March 18, 2024, uaw.org/volkswagen-workers-file-for-union-election-to-join-uaw/.


31. Pitts, “The National Black Worker Center Project.”

32. Definition of “industrial democracy” is the author’s. It is also important to make the distinction here between industrial bargaining and sectoral bargaining. While subtle, and perhaps used interchangeably by many, a sector is more general and can represent various fields of work in the economy: the service sector; the healthcare sector; the fast-food sector; the entertainment sector. Industry, on the other hand, typically references manufacturing, or the production sector. Both sectoral bargaining and industrial bargaining cut across employers, as do others (bargaining with the 1 percent, supply chain bargaining, global brand bargaining,
bargaining across migration corridors). But industrial bargaining is unique and more significant in that if you consider a Gramscian theory of political economy—that societies have a fundamental base economy capped with a political structure, topped off with a hegemonically reenforcing (cultural) superstructure—and if you thus understand the strongest part of that economic base to be what a society “produces” (or in late-stage finance capitalism, how a society might benefit from production), then bargaining in an industrial setting (i.e., in the production sector) has implications for society (economics, politics, and culture) far beyond simply the wages and conditions of workers in that sector. So, incorporating democratic governance in the sector of production (i.e., industrial democracy) would significantly improve conditions for expanding multiracial democracy overall.

34. Phillips, How We Win the Civil War.
40. The labor policy of the Reconstruction era is arguably the most powerful still in effect today: the 13th Amendment to the United States Constitution. However, it is rarely evoked as an anchor to modern labor law due to what many southern leaders saw/see as the defeat of Reconstruction in the US South. Most scholars refer to the end of the Reconstruction era with the Compromise of 1877. In How We Win the Civil War (cited earlier), Steve Phillips elaborates on this framework by describing the Hayes-Tilden Compromise of 1877, by which, in exchange for conceding the presidency to Rutherford B. Hayes, southern Confederate leaders regained control of their state apparatus, and federal troops were withdrawn. Phillips wrote, “The result, as Lerone Bennett Jr. wrote, was the ‘funeral of democracy’” (p. 46). A similar compromise was made during the New Deal Era, this time with the so-called Dixiecrats representing the southern states in Congress. In his definitive book on the period, Fear Itself: The New Deal and the Origins of Our Time (New York: Liveright, 2013), Ira Katznelson wrote that the Taft-Hartley Act of 1947 amended the historic National Labor Relations Act of 1935 when it “authorized states to pass ‘right to work’ laws.” He noted, “By the early 1950s, Alabama, Arkansas, Florida, Georgia, Mississippi, North Carolina, South Carolina, Tennessee, Texas, and Virginia had passed such laws, effectively bringing labor organization to a halt” (p. 394).

ERICA SMILEY is the executive director of Jobs With Justice and coauthor of The Future We Need: Organizing for a Better Democracy in the Twenty-First Century (ILR Press, 2022). A long-time organizer and movement leader, Smiley has been spearheading strategic organizing and policy interventions for Jobs With Justice for 20 years.

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Building Solidarity Economies
Stories from Worker Co-op Members

The United States Federation of Worker Cooperatives (USFWC) is the grassroots labor organization serving worker-owned and -governed businesses. Now in its twentieth year, the USFWC has witnessed strong, transformational leadership within its member co-ops via the worker-owner model—leadership that is strengthening both the workplaces and the communities in which they are embedded. The stories that follow provide a window into the lives of three worker-owners in this field.

FINDING JOY AND DIGNITY IN OUR WORK
by Sabiha Basrai, Design Action Collective

As a young Muslim activist coming of age in the antiglobalization movement surrounding the World Trade Organization 1999 protest in Seattle and the antiwar movement of the early 2000s, I had been searching for ways to work at the intersection of graphic design and social justice organizing. I found my way to Inkworks Press and Design Action Collective in 2003, having discovered that many of the campaign materials that were part of my own political education had been designed and printed by these shops. I knew that this was where I wanted to be. I worked toward an ownership position at Design Action Collective, and I joined as a member of the cooperative in 2006.

At first, I took it for granted that social justice values are baked into the worker co-op model; but I soon learned that reflecting shared values in the way we work with one another and how we serve clients requires daily practice. I and my fellow Design Action members leaned into the necessary challenging conversations about the ways in which systems of oppression, such as White supremacy and cis-hetero patriarchy, were manifesting in our operational policies and shop culture.

Being part of a worker-owner company is beautiful. Being a worker-owner means that I have a voice—I can share my opinions and I can make decisions for/with my organization. It also means receiving a level of support not normally available at non-co-op organizations.

—Yvette Beatty, Home Care Associates
We committed to planning from a place of abundance instead of scarcity, to articulating policies that see us as whole people and not just workers, and to staying accountable to the changing needs of the social justice movements we serve. We invested in anti-oppression trainings for all members that support the lifelong work of unlearning unjust systems. And we joined political formations, such as Grassroots Global Justice Alliance, Third World Resistance, and the Design Justice Network, so that we could develop the long-term relationships that make our movements stronger. (It is these relationships of trust that enabled Design Action Collective to work on such projects as the original Black Lives Matter logo and the “No Ban No Wall Sanctuary for All” poster, an answer to Trump’s Muslim travel ban that went on to anchor the immigrant rights protests of the Trump era.)

My colleagues at Design Action Collective have supported my personal and professional growth over the years, which helps me to see myself thriving here for many more years to come. They have helped me to develop my skills in conflict communication, democratic decision-making, and project management through compassionate feedback and intentional accountability processes. These skills transfer to all aspects of my life, inside and outside of the cooperative. Collaborating on projects for nonprofit organizations dedicated to such issues as environmental justice, labor rights, racial justice, and queer liberation has helped me to embody our shared political points of unity. As I reflect on the aspirations I had at the beginning of my career, I am overwhelmed with gratitude for this co-op. The design industry can be very exploitative of young workers—I hope more designers today will embrace the worker co-op model and find joy and dignity in their work.

SABIHA BASRAI is a worker-owner at Design Action Collective—a worker-owned cooperative dedicated to serving nonprofit organizations and grassroots movements with strategic visual communications, graphic design, web development, and video production.
LEADING CHANGE IN OUR COMMUNITIES

by Yvette Beatty, Home Care Associates

Being part of a worker–owner company is beautiful. Being a worker–owner means that I have a voice—I can share my opinions and I can make decisions for/with my organization. It also means receiving a level of support not normally available at non-co-op organizations. At my co-op—Home Care Associates—for example, I received free training to excel in my career and was provided with the tools to become a homeowner, put my daughter through college, and be self-sufficient overall.

Worker co-ops include employees in their strategic planning and decision-making processes; they also provide opportunities for their employees to grow in their industry and contribute to the community. At Home Care Associates, we have many committees managed by the worker–owners, and through these I serve a number of roles: mentor, community ambassador, policy-action group member, safety committee member—roles that empower me to go into the community and learn what people need from the industry and what we can do to better support them. Worker–owners are shown why the company makes certain decisions, and we are given space to share our opinions.

At Home Care Associates, worker–owners promote and help to enable independent, healthy lifestyles. We run errands, assist with personal care, and organize social activities. We also recruit community members who are interested in joining the co-op and receiving a quality of home care service not offered by non-co-op home care organizations. And co-ops help to change their industries for the better. During my tenure as a worker–owner in home care, I have seen come into being better pay, better benefits, and better support for our communities.

Working for a co-op is like having an extended family of people who are like-minded when it comes to success and supporting our communities. Employees are helped to achieve both their personal and their professional best.

—Yvette Beatty, Home Care Associates

Home Care Associates has given me options that I thought I would never have as a single Black woman. My co-op supported me when I was struggling, and provided me with a loan and taught me about managing my finances so that I won’t be in that struggle again. I’m proud of the success in my life gained through working in a co-op, and it means a lot to me to now be able to reach out my hand and give my time to people in a moment of need.

YVETTE BEATTY has been with Home Care Associates for 27 years. Home Care Associates is a worker-owned home care company in Philadelphia, PA, where Yvette is a home health aide, worker-owner, and board member.
BRINGING A HUMAN FOCUS TO OUR WORKPLACES
by Andrew Gansenberg, New Frameworks Natural Design Build

In every company I worked for prior to New Frameworks Natural Design Build, there was an implicit (if not explicit) focus on the business as the primary entity: employees had to fit into the roles that the business required. The company might adapt and change its products and services to stay competitive in the market, or it might try to implement new, more efficient business processes, and as a result, employees’ roles would change. A few companies I worked for tried to bring more of a human focus to their workplace—offering to learn what new available roles might interest me, for example, and providing professional-development opportunities to support working toward those roles—but their overall design remained the same.

At New Frameworks, however—a worker-owned natural design, manufacturing, and construction cooperative—I saw the dynamic of the company as primary and workers as secondary flipped on its head. Here, there is a recognition of the company as a collection of people—and the interests, skills, and capacities of each worker are elevated as primary with respect to informing and shaping the work that we do. We are here together, building a business around the careers that we want.

In their seminal book *Built to Last: Successful Habits of Visionary Companies* (Harper Business, 1994), Jim Collins and Jerry Porras—well-recognized thought leaders in business strategy and management—present the concept of “preserving the core and stimulating progress.” The idea is that visionary, long-lasting, successful companies have a relatively fixed core ideology and are willing to change every other aspect of their business, including culture, location, products and services, strategy, and so forth. I think Collins and Porras come close to recognizing that a democratically owned and controlled business is structured in a way that encourages this visionary approach—they go so far as to say that “the drive for progress arises from a deep human urge—to explore, to create, to discover, to achieve, to change, to improve”; it is this human-centered approach that I have experienced with New Frameworks, and it is one that has driven our innovation and success.

I don’t want to give the impression that when you join a cooperative, you get to do whatever you want and you will be successful. A cooperative provides an advantageous structure for workers, but market forces must still be considered and members’ work must be complementary. Since I joined New Frameworks almost five years ago, I have had many transparent conversations with my coworkers about my interests and the type of work I want to be doing. I have learned that my ambitious individual interests are very well-aligned with our collective core ideology, and that there is support from the co-op to figure out how to work toward creating new offerings that would allow me to pursue those interests. This has been a slow process in which the primary challenges are ensuring that I have the capacity to hold the roles I am already in while developing strategies that not only meet my interests but are also sound business decisions. We have found potential roles for me that are a compromise of what I want and what the company currently needs. I trust that the intent is there and I see progress actively happening, even if my more
far-reaching goals do not yet fit what we are doing (examples of support of other workers’ interests can be seen in the approximately 20-year evolution of the co-op).

Much like my interests becoming integrated into New Frameworks’ ever evolving strategy, looking back, I can see how the interests and skills of the founding members formed a core ideology of social, ecological, and environmental justice and steered the strategic direction of the co-op toward transforming the construction industry, leading them to more scalable and shareable business offerings—for example, prefabricated straw-bale insulated panels (a natural/nontoxic building assembly). Now, other architects and builders have been reaching out to us, expressing interest in developing their own businesses around the panelized systems we have developed. The work I have been wanting to do—which includes cooperative and business development—is now finding a home in my new role as the Seed program manager. Our Seed program offers training for straw panel design, manufacturing, installation, and business plan development, including exploring cooperative approaches—and we recently launched our inaugural cohort with mission- and values-aligned collaborators around the country. This, of course, is not the end of the story—and we continue looking forward to the many possible opportunities for what else may sprout from this work.

ANDREW GANSENBERG is a worker-owner at New Frameworks Natural Design Build.

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Learn How Timely Ideas and Nonprofit Alliances Helped Government Retool

The Nicholson Foundation has been dedicated to addressing the complex needs of vulnerable populations in New Jersey’s urban and other underserved communities for over 20 years. Learn how timely ideas and nonprofit alliances helped government retool. In Changing Systems, Changing Lives, The Nicholson Foundation recounts stories and lessons from improving New Jersey’s social and human services perfect for scholars, researchers, and consultants.
When asked to think about corporate capture’s nefarious impact in the world, I don’t have to look very far: Consider my own industry—the nonprofit sector. In the maze of advocacy and issue-based organizations, the tendrils of corporate influence grip tightly, shaping the contours of the sector in ways that stifle innovation and perpetuate inequities, particularly for Black women leaders.

Corporate elites, whose focus is on markets and who profess contempt for what they term an “overreaching” government, have continually pushed for (and succeeded in their efforts to achieve) not only massive tax cuts for the rich but also deregulation, financialization of social needs, and the dismantling of our nation’s social safety net. The results of their efforts have allowed corporations to take over government programs, privatize them, and begin working in spaces formerly held by nonprofits. Additionally, in the aftermath of the Enron scandal in 2002, Congress enacted legislation with the aim of fortifying governance practices within corporations and discouraging fraud in the private sector. Nonprofits subsequently embraced numerous provisions from the resulting Sarbanes–Oxley Act to modernize their own governance protocols—leading to a governance culture that, all too often, is at odds with organizations’ practices and goals.¹

As the cofounder and copresident of the Maven Collaborative,² whose mission is to dismantle racial and gender inequality within our economy, I am in a perfect position to bear witness to the subtle yet pernicious ways in which increasingly problematic status quo are maintained in the sector—hindering transformative change and
Nonprofit experts have been saying for years that boards are rarely substantively helpful to an organization’s actual work and sometimes are useless or even actively harmful.

Driving talented leaders from our midst. At the heart of this tension is the mirroring of corporate structures within the nonprofit realm—and two in particular: boards and funders.

Nonprofit experts have been saying for years that boards are rarely substantively helpful to an organization’s actual work and sometimes are useless or even actively harmful. A 2015 Stanford Business School study found that board directors often lack the skills, experience, and knowledge about the communities served, as well as a solid understanding of their organization’s mission and strategy to address the communities’ needs. To be sure, oversight and accountability are important, but boards rarely have enough insight into an organization’s daily operations to handle these duties effectively.

Nonprofit boards often mimic the hierarchical power dynamics found in corporate boardrooms. And the inclusion, over the years, of corporate board members (in the name of “professionalization”) has acted as a conduit for the integration of corporate-sector practices into the nonprofit boardroom. Instead of experts deeply attuned to the organization’s mission and inner workings, such boards often comprise individuals more closely aligned with the interests of the private sector.

These corporate dynamics not only compromise the autonomy and effectiveness of nonprofit organizations but are also contributing to a forced exodus of Black female leaders who dare to push back against the entrenched corporate behaviors.

I experienced this firsthand in my former position as the first Black female president of the Insight Center for Community Economic Development, when the actions of a board misaligned with and uninterested in the important racial justice work of the organization led to my—and then the entire staff’s—resignation. While this was a powerful statement against adhering to a corporate-influenced structure that was acting directly against the interests of the nonprofit, such battles disrupt and can even be the demise of an organization.

When the most powerful and privileged individuals—whether they be foundation trustees, donors, or CEOs—promote beliefs grounded in corporate culture (such as competition and toxic individualism) and are dismissive of racial and gender equity, this not only bumps up against the bold ideas and approaches of nonprofits but also minimizes the dreams, hopes, and needs of communities of color and women. It also tethers the nonprofit landscape to the preferences and changing whims of funders. Nonprofits can only be funded for the work that philanthropy is willing to support. For example, when the Ford Foundation, a pioneer funder in supporting racial wealth gap efforts, decided to drop this as a program area in their portfolio, the field suffered immensely. No other philanthropic organization stepped in—leaving many organizations scrambling to continue this very important work.

Even the funders who receive accolades for their “disruptive” approach to giving fall into the traps of the corporate world. Known for her surprise donations to small nonprofits, MacKenzie Scott’s Yield Giving open call effort took an entire year and resulted in a Hunger Games–style clamoring of 6,000 nonprofits for just 250 grants. Meanwhile, much of Jack Dorsey’s so-called philanthropic donations went to his famous friends.

We also see more than just influence, with corporations actually stepping into the role of funder and thus directly shaping the direction of work in the nonprofit sector. Corporate funders often promote the language and strategies of individualism and personal responsibility, which distracts us from reckoning with the systemic economic decisions that are driving racial inequities, and addressing their root causes.

And often, corporations are steering the direction of the work with the intent of stymieing transformative change. This can be seen with Goldman Sachs breathlessly announcing more than $2 billion in funding for its One Million Black Women campaign with a vague promise to give to organizations that positively impact the lives of Black women. The company claims it’s building an inclusive economy and co-opts the language of social justice movements: as Goldman CEO David Solomon stated, “By investing in businesses that help Black women advance, we can build a stronger economy for everyone.” Another way to look at this: the financial firm that admits it defrauded investors through its fueling of the subprime mortgage market that tanked our economy and resulted...
At a recent meeting with a seemingly progressive funder, I was told that the SCOTUS decision had led the foundation to not even mention the phrase “Black women” when referencing its investments.

In the greatest fleecing of wealth among Black Americans in modern history now believes it is in a credible position to decide which organizations offer the most help to the people it ripped off.\(^\text{11}\)

Recent events, such as the Supreme Court’s affirmative action decision spearheaded by a White lawyer named Edward Blum, is an example of political corporate capture that, down the line, impacts nonprofits regarding funding dynamics. First, and obviously, such events further exacerbate the challenge of empowering Black leaders and implementing innovative racial justice work. But second, it directly connects to nonprofit funding: the American Alliance for Equal Rights, established by Blum, filed a lawsuit against the Fearless Fund, an Atlanta-based venture capital firm created to empower Black women entrepreneurs, alleging discriminatory practice. Black women are the fastest-growing group of entrepreneurs in the nation, and Blum’s lawsuit was intended to derail the economic progress of Black Americans and further entrench White supremacy.\(^\text{12}\) Blum is buoyed by millions from DonorsTrust, dubbed “the dark-money ATM of the right,”\(^\text{13}\) which advertises itself as a partner for conservative and libertarian donors and includes corporate megadonors from the Koch and DeVos families.\(^\text{14}\)

Despite the affirmative action decision having been limited to college admissions, Blum’s efforts have already wielded significant influence over the nonprofit sector, sowing seeds of fear and inspiring retrenchment among both funders and organizations in the wake of the decision. At a recent meeting with a seemingly progressive funder, I was told that the SCOTUS decision had led the foundation to not even mention the phrase “Black women” when referencing its investments. The recent decision on the Fearless Fund will most likely exacerbate funders’ reticence to support race-specific work.

These recent court decisions have not only undermined the ability of nonprofits to engage in critical racial justice work but also allow corporations to continue to shirk their promised commitments of $50 billion to equity made in the wake of George Floyd’s murder.\(^\text{15}\) (It is also important to note that many of these pledges were actually in the form of loans from which the banking industry stood to profit—further evidence that corporate influence in the nonprofit world is far from altruistic.\(^\text{16}\) Even corporations’ own efforts to advance racial justice work are coming under attack due to the affirmative action decision, with DEI programs and diverse hiring facing lawsuits from conservative activists intent on taking our country back to the pre–Civil Rights era.\(^\text{17}\)

In the face of these challenges, it is imperative that we confront and dismantle the structures perpetuating corporate influence within the nonprofit sector. We must reject the narrative of fear and instead embrace this moment as an opportunity to fight for justice and equity.\(^\text{18}\)

There is reason to remain optimistic, with bold leaders pointing the way forward. The San Francisco Foundation’s trust-based philanthropic model, for instance, prioritizes building authentic relationships with grantees, centering their expertise and autonomy.\(^\text{19}\) Similarly, the Monarch Foundation’s efforts to dismantle status quo funding structures, such as lifting bans on unsolicited contacts and ending grant reporting requirements, offer a blueprint for fostering more equitable partnerships between funders and organizations.\(^\text{20}\) The Maven Collaborative was also the beneficiary of a generous grant from PolicyLink’s Michael McAfee during our inception, a crucial infusion that allowed us to lay the foundation of an organization that would attract more traditional funders.\(^\text{21}\)

But true transformation will require more than just incremental change; it demands a fundamental reimagining of the nonprofit sector. We must move toward a society where corporations and the wealthy pay their fair share, ensuring that the nonprofit industry ceases to serve as a money-laundering scheme to provide tax-free funding for the pet projects of the rich.\(^\text{22}\)

For nonprofits, it means moving from colonized and White-centered structures, relationships, and mindsets to liberated ones. In “Decolonize Your Board,” author Natalie Walrond describes colonized relationships as those in which “one person or group of people prioritizes hierarchy and power over equitable relationships, outcomes, and sustainability.” She continues, “On colonized boards, members may ignore or
devalue the expertise, knowledge, and guidance of the leadership team,” and they may become entrenched in a scarcity mindset. Organizations committed to equity must recognize “whose values, histories, and aspirations set the [overarching] vision [and direction] of the work.” Moreover, nonprofits should embrace alternative structures that share accountability and power, such as co-leadership models and worker co-ops. By empowering staff and leaders of color, these models not only disrupt traditional power dynamics but also foster a more inclusive and equitable organizational culture. And for funders, it means a radical reimagining of power dynamics and how success is measured. Organizations should be evaluated for their ability to think outside the narrowly defined box, and actively encouraged to take risks and pursue bold thinking. Those of us in the business of making the world a better place are acutely aware that anything less means a certain death for the liberties we’ve been fighting for all these years: justice, equity, shared prosperity.

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24. Ibid., 31.


ANNE PRICE is the copresident and founder of the Maven Collaborative. Price focuses on centering Black women in the advocacy for economic justice that benefits all Americans.

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How do we confront corporate capture in our work? Corporate capture can be found throughout our economy and society, but how it shows up differs depending on where one sits. In the essays that follow, three leaders consider the question in the areas of housing, climate work, and higher education. Tara Raghuveer, who directs the national Home Guarantee campaign, describes how the corporate capture of housing has helped to drive the nation’s current housing affordability crisis. Johanna Bozuwa, the executive director of the Climate and Community Project, details how the corporate capture of climate policy has impeded the public’s ability to respond effectively to the climate crisis. Davarian Baldwin, a professor, urbanist, historian, and cultural critic who has written widely about universities, delineates how the corporate capture of higher education has harmed university life and culture.

They offer solutions. For Raghuveer, the key institution that will help us move beyond corporate capture is federal regulation and tenant unions. Bozuwa sees great promise in continuing to develop countervailing power—as demonstrated over the years by the climate movement—and developing institutions and change at the level of community, the workplace, and the public sector. Baldwin, like Raghuveer, sees unions as playing a critical role in escaping corporate capture, but he also points to a growing coalition at the grassroots level of students, adjunct faculty, researchers, service workers, tenants, and taxpayers.

The overall vision that emerges from these essays is hopeful—marked not just by a growing awareness of the problem of corporate capture but also by a growing resolve to confront it and construct a more democratic economy.
Tenants are confronting [corporate] capture by organizing toward a world in which housing is guaranteed as a public good.

CORPORATE CAPTURE AND THE PROMISE OF TENANT UNIONS
by Tara Raghuveer

Today's housing market is a catastrophic failure, shaped by the relentless prioritization of those who make money from our homes. This market forces millions of tenants to make impossible choices, such as between paying the rent and feeding their kids. The rent is too damn high: median rent is now $2,095, rent was 34 percent of average income in 2019 and 40.6 percent in 2023, and 11.6 million tenant households are extremely cost burdened, spending over half their income on rent.¹

The conditions we experience in today's housing market are in large part the outcome of ongoing corporate capture. Institutional investors have consolidated the rental market, buying up single- and multifamily housing across the country. Private equity is the dominant form of financial backing for the 35 largest owners of multifamily properties.² The flood of capital has led to both large and small acquisitions, concentrating the market and maximizing landlords’ profits.³ RealPage, a corporation that sells software to the nation’s largest property managers, has colluded to artificially increase rents, using a price-setting algorithm.⁴ Many landlords have raised rents beyond the rate of inflation, rent gouging at every opportunity.⁵

To protect their market position and fend off regulation, the industry lobby has made itself a fixture in Washington. The National Association of Realtors regularly spends more than any other lobby group: they dropped $82 million in 2022 and $52 million in 2023, mostly to oppose regulation and to advocate for federal support for their industry through financing and subsidies.⁶ The National Multifamily Housing Council, National Apartment Association, and other industry groups spend less than the National Association of Realtors but often align with their positions. Together, these industry groups buy the outcome that suits their bottom line. This excessive market consolidation threatens tenants, hyper-commodifying one of our most basic needs. Corporate landlords treat our homes as investments and our lives as line items in their budgets.

We should be regulating corporate capture; instead, our government has enabled it. The nation’s biggest “affordable housing” programs, such as the Low Income Housing Tax Credit, rely on the private sector to house the poorest people, the result of defunding public programs for decades. The government-sponsored enterprises Fannie Mae and Freddie Mac do $150 billion in business with landlords every year—financing their loans, and often with debt obligations that essentially, and sometimes explicitly, require landlords to hike rent in order to make mortgage payments.⁷

Tenants are confronting this capture by organizing toward a world in which housing is guaranteed as a public good,⁸ by campaigning for a regulatory agenda,⁹ and by building durable tenant unions¹⁰ to intervene in this business-as-usual. And tenants are organizing to win federal rent regulations, among other protections, as conditions of federal financing.¹¹ Recently, tenants won the first of such regulations from the Biden administration: 10 percent annual rent-increase caps in the context of LIHTC-financed properties.¹² This protection will apply to over a million tenant households. The LIHTC cap itself, much higher than the 3 percent cap that tenant groups favor, is less significant than the regulatory mechanism used to implement it, which sets a precedent for similar conditions across other federal subsidies and financing programs.

Beyond a regulatory agenda, tenant unions are the most effective tool for combating corporate capture and securing homes for everyone.¹³ Tenant unions are not a new concept. Unions are an intuitive arrangement: knowing our neighbors, sharing our resources with one another—this has been a means of survival across cultures and through time. But today, tenants are up against more potent forces than...
ever, and tenant unions must commit themselves to experimentation and refinement, developing new methodologies to wield a new kind of power. Tenant unions in places like Kansas City, MO, and Louisville, KY, are beginning to do just that, establishing strategies to meet the scale of the crisis and evolving challenges. There is a lot of work to do to develop a practice of tenant organizing that meets the needs of our moment. But unions, like those named here, are working to change that, uniting across geography and aligning methodology to manifest their fullest potential.

TARA RAGHUVEER is a cofounder of KC Tenants—based in Kansas City, MO—and is the director of the Tenant Union Federation, a national union set to launch in summer 2024. TUF is founded by five tenant unions and organizes with more than 50 tenant groups across the country.

**LOSING THE CARBON ECONOMY: CORPORATIONS’ GRIEF CYCLE AS THE CLIMATE MOVEMENT ADVANCES**

_by Johanna Bozuwa_

Corporations have deeply influenced the contours of the climate crisis and the world’s collective response. The primacy of profit and growth in the world economy—stewarded by corporations—has been the great driver of ecological breakdown, ever-higher emissions, and expanding numbers of communities counted as sacrifice zones. However, the climate movement is gaining ground in fits and starts, pushing for more action as the effects of the climate crisis become all the more real. Faced with losing their carbon economy, corporations are in a grief cycle—but a new, more just economy can be born.

**Up first in the grief cycle is denial.** Corporations, in particular fossil fuel corporations, have waged fierce—and effective—climate denialism (and delayism) campaigns over decades, building a muscular network of universities, scientists, political figures, and front groups to sow doubt about the climate crisis and stop climate legislation and regulation. One of the best-known examples of such outright denial strategy is that of ExxonMobil, which in the 1970s already knew about the adverse impacts of its business operations on the climate, yet, and to this day, actively fights against climate advocacy.14 In 2021, Greenpeace released videos of Exxon’s senior director of foreign relations speaking about the company’s strategy to undermine the climate elements of the infrastructure bill.15 The plastics industry and corporations like Coca-Cola also work to stop regulatory and/or other more comprehensive action against the ecological damage of their single-use plastics—running the Keep America Beautiful campaign, for example, which redirected the responsibility of the impact of their products on the environment onto consumers.16

**Next, anger.** As climate activists have become more effective at shutting or slowing down gas pipeline development, corporations have countered by using their political and monetary power to discipline activists with litigation and criminalization. For example, after Standing Rock, the Indigenous-led pipeline resistance camp against the Dakota Access Pipeline,17 the American Legislative Exchange Council18 and fossil fuel companies banded together to develop and pass legislation in 19 states that makes interfering with “so-called critical infrastructure” like gas pipelines a felony charge.19 And fossil fuel companies are disciplining whole countries trying to limit extraction via new policies by suing them for their potentially lost profits.20

**Then comes bargaining.** Here, corporations bargain with the public by putting into place schemes designed to trick people into believing that these companies are taking action against climate change
We can build our own pillars of power that have the ability to discipline corporations and facilitate an economy fixed on the wellbeing of the planet and its denizens instead of on one that profits corporations.

and giving them a pass. One way they’ve done this is via net-zero carbon plans, which allow corporations to offset their carbon emissions (by planting trees, for instance) instead of eliminating or at least minimizing their emissions. These offset schemes have been exposed as just another new way for companies to finance the transition from fossil fuel.

Last, there is acceptance. Corporations have begun to accept that the green transition is happening and therefore want to profit from it. An example: The car industry got a massive boost in the most recent infrastructure package, with major incentives for electric vehicle production. The Big Three automakers have used this as an opportunity to locate their EV operations in southern right-to-work states, and attempted to erode the union power that the United Auto Workers have built through decades of organizing (though the union’s recent win in a Tennessee plant shows that workers won’t take this lightly). Another example is the increasing number of corporations that are profiting via greenwashing—the art of cultivating a green façade with the aim of placating people’s environmental and climate concerns. This allows them to take not only the shallowest of structural actions but also to profit—by bringing more sustainably minded consumers into the fold. An example of this is when a company advertises a product as being “green” without any proof via third-party testing.

The grief cycle is not linear; in fact, one can go through more than one stage at a time. And that is what is happening with corporations. They are trying to prove that climate change is a fiction (denial), making deals with policymakers and the public (bargaining), fighting against climate legislation and frontline activists (anger), and, after not succeeding in quashing the true state of affairs, touting themselves as green actors and profiting from both the carbon and green economies at the same time (acceptance).

So, how does a movement contend with this pernicious influence of corporations on the future of our habitable Earth? We can build our own pillars of power that have the ability to discipline corporations and facilitate an economy fixed on the wellbeing of the planet and its denizens instead of on one that profits corporations. We can build political power by eliminating corporate influence in politics that allows corporations to regulate their regulators. For instance, the No Fossil Fuel Money Pledge became a major litmus test for Democratic presidential hopefuls in 2019, and it continues to be a useful disciplinary tool in the present.

We can build community power that creates communities of care in lieu of isolated individualism. For example, across the United States, renters are rising up and fighting for better, greener, more affordable housing, and a new movement has emerged to decommodify green housing.

We can build public power that counteracts the decades of austerity that have emaciated public institutions. The SAGE Development Authority, for example, a 100 percent Native-led public power administrator dedicated to “self-determination for the Standing Rock Sioux Tribe,” is building a wind farm to power their community.

We can build worker power that regulates corporations’ relationship to workers and communities and ensures that the jobs of the green transition are good jobs. The United Auto Workers, for example, has won protections for GM’s battery plant workers.

In short, the key to counteracting corporate capture in the climate crisis is building a multiracial working-class base that is unwilling to entertain corporations’ grief cycle over losing their carbon economy. We can birth a new kind of economy—one that prioritizes decommodified basic services, self-determination, collective care, and worker solidarity.

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THE CORPORATE CAPTURE OF HIGHER EDUCATION

by Davarian L. Baldwin

Higher education’s “corporatization” has been a topic of discussion and debate for quite some time. As early as 1967, Senator J. William Fulbright railed against what he called the “military–industrial–academic complex,” during the growing wartime intimacy among government, the defense industry, and university life. And the impact of industrial or for-profit ambitions on university life would only accelerate and intensify in the years to follow.

Public and private schools receive public support, whether it’s the direct infusion of capital for annual budgets and federal research grants or the indirect support from tax exemptions on endowments and campus land, alongside once heavily subsidized student loans. But starting in the 1970s, we witnessed a broad process of defunding, this time for a sociopolitical rationale that would accelerate the corporate capture of higher education. School leaders and lawmakers began to ring the alarm about the growing presence and politics of women, the working class, and students of color, fearing what Ronald Reagan’s education adviser called the “danger of producing an educated proletariat.” Part of the response was to increase selectivity by both charging tuition and having tuition assistance come through federally insured private loans.

At the same time, we witnessed an enormous reduction in state contributions for the annual operating budget of public universities, from 70 percent in the 1970s to as low as 4.3 percent in the 2020 to 2021 academic year, leading some to call these schools “public” in name only. This period of privatization has led some schools to not only look for other revenue streams but also to take on a for-profit, corporate outlook in their broader priority setting of higher education as an institution.

Today, the corporate capture of higher education takes many forms. The drop in government funding encourages schools to find ways to make profits or reduce costs, which means courting higher-paying out-of-state and international students, which betrays their charter agreements for schools to serve citizens in the state. This has left students prey to a series of private loan companies with much higher interest rates than those once offered by federal loans (and now often offered by federally insured private loans). At the same time, higher education has taken a for-profit approach to its hiring and support of university teachers, by drastically reducing tenure-track positions that could provide not only greater financial and employment stability but also the potential for a more robust academic freedom in politically turbulent times. The cheaper salaries and limited security that come with contingency have destroyed the security of tenure and converted almost 70 percent of university instructors into glorified gig workers. And during the current political moment, the gross reduction of tenured faculty has produced a chilling effect on political dissent with the greater option of immediate termination without cause. The increased desire for corporate funding, to offset diminished government contributions, also prioritizes STEM education (science, technology, engineering, and mathematics) over the humanities and social sciences, and steers classroom instruction almost singularly toward career readiness.

Schools also take on their own debt to compete with each other in an increasingly stingy student marketplace. Classrooms and laboratories are overshadowed by pricey five-star cafeterias, rock-climbing walls, and luxury townhouses as part of what has been called the “amenities arms race.” In the process, credit rating agencies, like Moody’s and Fitch, have become de facto governors whose rating scales have not only provided financial lifelines but also shape the highly coveted school rankings that attract paying students. And the metrics for these almighty ratings have less to do with teaching and learning than with the more profit-centered focus on branding strength, the ability to unilaterally raise tuition, and the weakness of faculty unions and tenure protections. Schools are also expanding their
physical footprints, so that their nonprofit, tax-exempt properties become innovation corridors that shelter profits for private investors and extract labor from underpaid graduate students who bring their research to market through university-controlled technology transfer systems.\textsuperscript{41} To service and maximize the profits of these noneducational priorities, schools have become top heavy with vice presidents, CFOs, and executive staff, sometimes drawn directly from the corporate world.

But higher education’s explicit desire to become more entrepreneurial has also galvanized an increasingly coordinated series of responses that understand college campuses as vital sites of struggle for more democratic futures. We have witnessed a series of “strike waves” among university workers, from faculty and graduate researchers to support staff and even undergraduate students.\textsuperscript{42} There is a growing analysis around the intentional manufacturing of debt, both student and institutional.\textsuperscript{43} Communities are calling for various forms of university compensation, especially considering the wealth hoarding that comes from the tax-exemptions afforded both campus properties and multi-million-dollar endowments.\textsuperscript{44} And of course, the recent protests around US complicity in the Israeli destruction of Gaza further amplify the connections. It is hardly incidental that demands for a ceasefire are tied to growing calls of “disclose and divest” vis-à-vis university endowments invested in Israel and war-related production supporting the current genocide.\textsuperscript{45} The connections are further amplified by the overwhelming police force deployed to stomp out student dissent and their physical encampments, because this all upsets Zionist donors as well as the largest fundraising period for universities: graduation. The common thread here is that capitalism and democracy are at odds, and while such values as critical thinking, faculty allyship, ethical investing, and so on are encouraged by higher education, they get in the way of universities serving as a vehicle for unhindered capitalism.

Ultimately, the growing tentacles of higher education’s corporate capture are actually making more and more visible the coordinated extractive power of today’s knowledge economy. And through this exploitation, students, adjuncts, researchers, service workers, tenants, and taxpayers are visualizing a common cause and a common enemy. Therefore, the corporate exploitation of higher education has become its own classroom for visioning labor and debt strikes, the common-ing of campus land, community-based planning and zoning boards, campus police abolition, democratically accountable financing and land-use assessments—and yes, the return of free education. It is in exposing the corporate capture of higher education that we find not a training ground for a careerist future but the staging ground for understanding and fighting against our current conditions and creating new pathways for social transformation.

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NOTES


27. “Our Purpose,” SAGE, accessed June 5, 2024, sagesrst.org/our-purpose/; and “Help us leave a legacy on our native land,” Anpetu Wi Wind Farm, accessed June 5, 2024, anpetuwi.com/. (Also, New York passed the New York State Build Public Renewables Act in 2023, which emboldens their statewide public power provider, the New York Power Authority, to become a leader in the state’s energy transition.)


35. We have seen a drastic reduction in federally subsidized loans and a dynamic uptick in both private and federally insured private loans, with much higher interest rates and financial demands (i.e., the rates are not fixed). But the interest rates are still higher than with federal loans and the rates are not fixed on private loans, federally insured or not.


40. Ibid.


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Building a Solidarity Economy in the South (and Beyond)

Cooperation Jackson

by Kali Akuno

May Day 2024 marked the 10-year anniversary of Cooperation Jackson—a network of worker cooperatives and solidarity economy institutions whose mission is to build a vibrant and ecologically regenerative solidarity economy in Jackson, MS, and throughout the southern portion of the United States, as a prelude to a democratic transition toward eco-socialism.¹

Cooperation Jackson is the outgrowth of a strategy and plan of action—the Jackson-Kush Plan—that I and several other key organizers and strategists within the Malcolm X Grassroots Movement and the New Afrikan People’s Organization developed between 2004 and 2009.² In essence, the plan prescribed a “dual power” methodology that combined municipalist and regionalist organizing objectives to build economic and political power for the Black working majorities in the city of Jackson and the Delta regions of Mississippi, Louisiana, Arkansas, and Tennessee. The core components of this strategy called for three fundamental programmatic engagements: (1) building independent people’s assemblies to both hold governments accountable for their policies and actions and autonomously address the various needs of the people through mutual aid and solidarity initiatives; (2) developing and deploying independent electoral vehicles to wield state power and enact non-reformist reforms to further democratize society and enable greater social movement space and maneuverability;³ and (3) employing solidarity economy tools and techniques to radically transform the local and regional economy by socializing the means of production, democratizing productive decision-making.

[W]e could create an autonomous value chain and build a coherent movement for economic democracy that would serve as a transformative agent on all scales and scopes of social life in the United States (and beyond). It would not be without its challenges, and it would not be welcomed by many of the dominant economic and social forces in this country—but it would be a force to be reckoned with.
Our accomplishments are minor in comparison to what we would have achieved had we had the full support of the municipal authorities and institutions, buttressed by a beneficial set of policies and procedures that supported local labor, procurement, and production.

and resource mobilization, and centering the needs of the Black working class majority.

Over the course of 10 years, Cooperation Jackson has developed, and is in the process of developing, many projects. It established the Fannie Lou Hamer Community Land Trust, centered in the Capitol Neighbors and Poindexter Park sections of West Jackson, which currently stewards over 45 properties, including 5 housing units, a community center, 2 commercial units, a shopping plaza, and 12 farming plots. Cooperation Jackson has also shepherded the creation of 6 local cooperative enterprises: Freedom Farms Cooperative, the Green Team Landscaping Cooperative, the Community Production Cooperative, Zero Waste Cooperative, the Eversville Design and Print Shop Cooperative, and the Catering Cooperative. And currently, we are in the process of facilitating the development of the People’s Grocery Cooperative, Chisa Medical Cannabis Dispensary, Chisa Farms (focusing on medicinal cannabis and hemp cultivation), the Black Coffee Cafe and Library Cooperative, and the Ewing Street Ecovillage (also local).

Despite all of these accomplishments, it should be noted that Cooperation Jackson was born prematurely, and the effects of this premature birth have stunted critical aspects of our development over the years. Our accomplishments are minor in comparison to what we would have achieved had we had the full support of the municipal authorities and institutions, buttressed by a beneficial set of policies and procedures that supported local labor, procurement, and production—all of which we would have had access to if Chokwe Lumumba, the mayor of Jackson from July 2013 through February 2014, had lived to usher through the city’s planned development of a solidarity economy.

Unfortunately, Mayor Lumumba died, from obscure causes, on Tuesday, February 25, 2014. This date sadly lives on in infamy in Jackson’s social movement circles, because it stunted an emerging solidarity economy in Jackson and deepened our city’s water crisis. On this fateful day, the city council was set to approve Mayor Lumumba’s selection of the city’s public works director, who had been deliberately chosen to focus on Jackson’s water crisis by developing an extensive network of public–community partnerships to bypass various state-level limitations and launch a program of autonomous self-taxation to overcome the fiscal challenges confronting the city; it was also set to approve the following policies and programs comprising my operations plan for the development of Jackson’s solidarity economy, distilled from the Jackson-Kush Plan and framed for policy implementation in my capacity as the mayor’s special assistant in the role of the director of special projects and external funding:

- The establishment of a cooperative division within the city’s economic development department, to provide training and professional development to individuals and groups seeking to develop cooperative enterprises.
- The establishment of a cooperative development fund through the institutionalization of a public–community partnership with various credit unions within the municipality. This was intended to provide assistance and low-to-no-interest loans to developing cooperatives, particularly those representing traditionally underserved and underresourced communities.
- The reformation of the city’s procurement policies, mandating that the city supply a minimum of 50 percent of its resource needs from local vendors, to both stimulate the local economy and reduce the city’s overall carbon emissions.
- The reformation of the city’s contracting policies, mandating that the city grant more than 50 percent of its contracts to local contractors, particularly from business entities drawing from underserved and underrepresented communities.

Had Cooperation Jackson, or an entity like Cooperation Jackson, been able to access these policies and conditions, the scale of our economic and material operations would have had a regional character, as originally intended, instead of the more localized impact we have at present. Why? For starters, if the training institution had been in place, there would have been exponentially more people trained in the
The fundamental premise of the Build and Fight Formula is that we must abandon our deficit-based perspective of scale and pivot to a perspective of bounty—one that appreciates the value of a multitude of autonomous organizing projects.

basics of how to start and operate a cooperative enterprise than what we have been able to do with our scant resources over the past 10 years. Without an endowment, there is only so much a grassroots organization like Cooperation Jackson can do when it comes to training thousands of people relying on grants and member dues. Further, if we had had access to a locally operated and controlled development fund supporting cooperative initiatives that supply locally produced goods to the municipality—and that provided them with essential labor and services under the aforementioned policies—there is no question that the scale of our projects would be significantly larger than what we have been able to launch and sustain over the last decade.

We note this, because we think our experience provides some key lessons we would like to share with the field regarding how to build a solidarity economy to scale. We also believe that our methodology, which we have called the “Build and Fight Formula,” is unique, in that it both serves to build a solidarity economy to scale and challenges aspects of the employer-versus-employee and owner-versus-nonowner relations that structure the capitalist system of production in which we are currently embedded. (Our arguments—still in formation—are drawn directly from our experience over the past decade as well as from the experiences of numerous other entities in the mutual aid, solidarity economy, trade union, and social justice movements.)

The Build and Fight Formula is fundamentally an argument for building eco-socialism via the democratic practices and tools of the solidarity economy, through the federation of countless self-organized and autonomous projects organized around practices that aggregate power and capacity through broad democratic planning mechanisms on national and international scales. These mechanisms are intended to operate on multiple levels but center on advancing the principles and practices of decolonization, ecological regeneration, material circularity, appropriate technology, and locally focused bioregional production.

The fundamental premise of the Build and Fight Formula is that we must abandon our deficit-based perspective of scale and pivot to a perspective of bounty—one that appreciates the value of a multitude of autonomous organizing projects engaged in meeting people’s material and social needs and stimulating their productive capacities. We do not need uniformity in the practices and structures that enable our material and social life; rather, we need their coordination along democratic lines of equity and equality.

THE DEVELOPMENT OF BUILD AND FIGHT

The development of the Build and Fight Formula was inspired by the critical events of the spring and summer of 2020, the following in particular:

- The mass explosion of mutual aid and solidarity efforts that emerged in direct response to the market and to medical shortages created by the COVID-19 pandemic
- The wave of wildcat strikes triggered by the combination of corporate and government responses to the pandemic
- Social movements’ political responses to the pandemic
- The historic events of the George Floyd rebellion

These incidents demonstrated not only that the attempt to eviscerate social solidarity during the neoliberal period (the 1970s) was not completely successful but also that the social movement writ large has more connections and capacities than its actors may realize. And most important as it relates to this work, the events of 2020 demonstrated that many of the critical skills, practices, processes, and technologies that we need to transform the relations of production (i.e., place ownership of capital into community hands) and social relations overall are in fact in our collective possession and being practiced on a mass scale.

That said, these practices have not been as impactful as they can be because they are not being strategically connected—at least, not in a deliberate and intentional way—due to an all-too-human lack of a shared transformative vision, mission, objectives, and program between and among this large number of partisan actors. As a result, we are proposing not a call for ideological or political unity but rather for
This does not mean that we aren’t advocating the need for revolutionary ideology and theory; on the contrary, we are arguing for a practical way to get there—through shared practice.

**programmatic alignment toward a set of shared objectives and principles.** Because, as it has been said, it is easier to act your way into new ways of thinking than to think your way into new ways of acting. This does not mean that we aren’t advocating the need for revolutionary ideology and theory; on the contrary, we are arguing for a practical way to get there—through shared practice.

To this end, we have positioned the Build and Fight Formula as a transitional program—one that puts forward a set of practices toward building collective power in the here and now, based on the dynamics of our current space, time, and conditions. At its root, the core aims and objectives center on the following:

(Stated in the negative)
- Ending the regime of private ownership of the means of production
- Ending the regime of commodity production
- Ending the regime of wage labor
- Ending the regime of labor segmentation
- Ending the regimes of hydrocarbon extraction and dependency
- Ending the regimes of settler colonialism, land commodification, imperial extraction, and unequal and undemocratic exchange

(Stated in the positive)
- Socializing production and reproduction
- Democratizing society
- Socializing all land and housing
- Localizing governance and direct democracy

We believe that if the adherents of the core practices outlined in the Build and Fight Formula can agree on these basic aims and objectives (being mindful that these are only starting suggestions), we can develop a comprehensive political force and social movement that could consciously and deliberately shift and redirect many of the fundamental relations of production that shape our lives.

To do so, we have to start by anchoring ourselves in practices that will enable us to directly assess people’s needs, and work from there to develop systems of production that are based in need, premised on care, and structured around democratically determined roles of social reproduction and adequate energy production and consumption, in order to address issues of ecological scale and impact.

**THE FORMULA**

Millions of people throughout the United States regularly engage in the following practices:

- Community relief and mutual aid work
- Community gardening, community-supported agricultural programs, and small-scale farming
- Worker self-organizing in the form of unionizing drives, radical union reform campaigns, worker-center organizing drives, and worker-cooperative operations and organizing drives

Hundreds of thousands of people throughout the United States are regularly engaged in the following:

- Time banking practices
- Bartering and moneyless exchanges
- Using alternative currencies, including some nonspeculative blockchain experiments
- Enabling community production through tool-lending libraries, volunteer construction brigades, makerspaces, and fab (fabrication) labs

This motley assortment of millions, we argue, comprises the primary organic base for the construction of a grassroots eco-socialism. This preliminary base in and of itself is not sufficient to accomplish the task and complete the mission, but it is a critical starting point, for the following reasons:

- These practices and arenas of struggle comprise some of the most autonomous yet systemic activities self-organized by working-class, oppressed, and marginalized people.
- The practices rely on dynamics of collective care and social reproduction that are not primarily compelled by subjugation to the law of value within the capitalist system.
The self-directed and self-managed dimensions of these practices point to logics and methods that could upend the law of value: the ceaseless quest for profits and the accumulation of capital.

However, for this base to realize any dimension of this potential, its constituent forces and the practices in which they are engaging must be linked programmatically. Forging these links is the primary challenge of the Build and Fight Formula. Doing so will no doubt require a major recruitment and education drive. The first major task is reaching a sufficient number of these actors and introducing them to our programmatic vision. The second major task is convincing them to adopt the program and the pursuit of its long-term strategic aims and objectives. Following this, the program would require the actors to expand the scale and scope of their productive activities and base of operations, and be willing to forge links with allied forces participating in the broad range of strategic practices associated with the program.

**THE PROGRAM**

The basic programmatic elements of the formula are as follows:

**Mutual Aid and Social Reconstruction**

Purpose: Collectively meet our material and social needs, build relations of care and accountability, and access our concrete needs.

**Food Sovereignty**

Purpose: Organize autonomous, self-organized food-production networks capable of producing enough food to address the caloric needs of the people identified through the activities of our mutual aid networks, and transform these networks into self-sustaining entities of noncommodity exchange.

**Worker Self-Organization**

Purpose: Gather as many workers as wanted/makes sense in trade unions, cooperatives, worker centers, and so forth into networks of worker-managed, collectively owned means of production—so as to construct a new commons (i.e., places of collective stewardship of the resources provided by Mother Earth) that can produce and provide the goods and services we need.

**Community Production**

Purpose: End our dependence on monopoly manufacturers, energy producers, big tech, and Big Pharma, and autonomously manufacture the appropriate technological instruments required to meet our basic material and social needs within the ecological capacities of our communities and environments.

**Self-Defense**

Purpose: Defend our autonomous production networks and the gains of our collective labor, as well as our peoples, communities, and environments, from the forces of extraction, exploitation, and authoritarian imposition. Defend against those who seek to keep us embedded in commodity relations and various hierarchies of value that don’t serve us—by, for example, forming
Copwatch and anti-Klan/skinhead/neo-Nazi units and outreach brigades.

**Peoples’ Assemblies and Planning Councils**

Purpose: Determine, through the exercise of direct democracy, the governance of our productive networks and all of the affairs of society, particularly those pertaining to production and reproduction that have been removed from our collective control by capitalism.

● ● ●

If we can democratically link all of the social forces that are engaged in these activities, we could create an autonomous value chain and build a coherent movement for economic democracy that would serve as a transformative agent on all scales and scopes of social life in the United States (and beyond). It would not be without its challenges, and it would not be welcomed by many of the dominant economic and social forces in this country—but it would be a force to be reckoned with.

### NOTES


4. For more on the solidarity economy, see “Solidarity Economy,” *NPQ*, April 17, 2023, nonprofitquarterly.org/solidarity-economy/.

5. For more details, see *Building a Transition City* (Jackson, MS: Cooperation Jackson, 2019), cooperationjackson.org /announcementsblog/buildingatransitioncity.


9. This knowledge is directly derived from my time serving as the director of special projects and external funding for the Lumumba administration from July 2013 until April 2014. See also “The Jackson Rising Statement: Building the City of the Future Today,” in *Jackson Rising: The Struggle for Economic Democracy and Black Self-Determination in Jackson, Mississippi,* ed. Kali Akuno and Ajamu Nangwaya (Quebec: Daraja Press, 2017).


KALI AKUNO is a cofounder and executive director of Cooperation Jackson. Akuno served as the director of special projects and external funding in the mayoral administration of the late Chokwe Lumumba of Jackson, MS. He has also served as the codirector of the US Human Rights Network and the executive director of the Peoples’ Hurricane Relief Fund, and he was a cofounder of the School of Social Justice and Community Development—a public school serving the academic needs of low-income African American and Latinx communities in Oakland, CA.

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Transcending Racial Capitalism

A Conversation with Steve Dubb, Rithika Ramamurthy, and Saqib Bhatti

“When I think about the world we’re trying to build, it’s one where communities have what they need to thrive. They’re the ones in charge of deciding which things get funding, what services they need.... It’s one where people feel like their kids can play out in the street and be perfectly safe.... It’s a world in which we don’t have borders, and in which we have shared prosperity.”

In this conversation, Steve Dubb, senior economic justice editor at NPQ, Rithika Ramamurthy, former economic justice editor at NPQ and now communications director at the Climate and Community Project, and Saqib Bhatti, cofounder and coexecutive director of Action Center on Race and the Economy, explore how to move toward an economy that is both racially just and free from corporate capture.

Rithika Ramamurthy: What is your definition of racial capitalism? And what does the concept mean to—and in what ways does it motivate—the movement activists with whom you collaborate?

Saqib Bhatti: Capitalism requires endless growth and profit for the capitalists, and it requires extraction in order to produce that endless growth and profit. In our society, this is inherently racialized: people of color, particularly Black folks, Indigenous folks, and immigrants, more often than not bear the brunt of the extraction. The system requires structural racism, in short. We know that this has been true especially within the history of this country, going back to the transatlantic slave trade and the colonization and genocide of Indigenous folks living here, and also in Europe, where this has always been a core part of how their capitalist system functions.

Those who work closely with community organizations, labor unions, and advocacy groups that work on such issues as housing, policing and surveillance, education, healthcare, and so on know, because of the way that our economy functions, that the harms in the system across each and every one of those fields fall most heavily on communities of color. And they do so by design.
“We know that the only way we can address any issue we’re facing in our communities is by looking at the role that structural racism and White supremacy have played in providing the framework for the extraction, and looking at how corporate actors, elected officials, have used race in order to actually extract that wealth and deliver that harm.”

When it comes to housing, historically there was, of course, redlining and denying of credit to, particularly, Black families who lived in certain neighborhoods. But we also see, now, the systematic displacement of Black and Latine communities from the neighborhoods in which they live, as private equity firms buy up housing stock en masse. When it comes to policing and surveillance, we see a development of technologies that are supposed to keep us safe, like ShotSpotter, that instead are actually doing racial profiling—these are massive racial-profiling machines that, essentially, are a provider surveilling BIPOC folks, assuming that they’re inherently guilty. And those machines are being sold to city governments for millions of dollars, even though their accuracy rate is less than 10 percent. As concerns education, we’ve seen over and over again that school districts systematically defund education in BIPOC communities. When Chicago closed dozens of schools, 90 percent of the impacted students were Black. We’ve seen this over and over again. And we also see it with privatization. Where do charter schools come in? They come into BIPOC neighborhoods the most, right? That’s where you see these attempts at profit making and extraction. So for ACRE [Action Center on Race and the Economy] and the partners that we work with, what it means to have an analysis of racial capitalism in our campaigns is that we don’t pretend that race is separate from these issues or that we can actually fight these issues in a race-blind way. We know that the only way we can address any issue we’re facing in our communities is by looking at the role that structural racism and White supremacy have played in providing the framework for the extraction, and looking at how corporate actors, elected officials, have used race in order to actually extract that wealth and deliver that harm.

Steve Dubb: What led you and Maurice BP-Weeks in 2017 to cofound ACRE? And what was your vision for the organization?

SB: Maurice and I had both worked for a long time—separately—at organizations that traditionally had been doing economic justice work. And we worked often in partnership as allies from our different perches: although I was working with labor unions, such as SEIU [Service Employees International Union], and Maurice was working with community organizations, such as ACCE [Alliance of Californians for Community Empowerment], the work we do is primarily with BIPOC members. And we had kind of presumed that the fact that we were doing economic justice work with BIPOC communities meant that we were doing racial justice work. And that just wasn’t the case.

So Maurice organized a retreat in fall 2016 that brought together economic justice and racial justice activists to strategize about how we can bridge the gap between those two sectors of organizing. And what we very quickly came to realize was that we needed to have a broad intersectional analysis of how these things sort of layer on top of each other. It’s not enough for us to say that bad things happen and they disparately impact BIPOC communities; we need to name why. It’s by design. A lot of it is the legacy of structural racism, slavery; but it also has to do with the fact, because of racialized capitalism, it’s easier to make bad things happen if you can show that the impact is going to be disparately on BIPOC communities.

For example, when we think about the foreclosure crisis (which Maurice and I both did a lot of work around), the way that it’s painted in the broader narrative of the history of the United States is that it was a bunch of irresponsible BIPOC families who got in over their heads with the reckless loans, and that the foreclosure crisis was a crisis of BIPOC families. About two-thirds of home foreclosures took place in predominantly White communities, though. It’s true that the foreclosure crisis disparately impacted BIPOC folks, but most of the people who were impacted were White, because there are a lot more White people than there are BIPOC folks in the country. But the fact that the banks, their lobbyists, and their champions were able to operationalize this—were able to racialize the issue in the minds of people—meant that it was easier for them to block meaningful relief. Meaningful relief would have meant loan modifications with principal reduction, forcing banks to eat the losses on those loans—with which they had primarily targeted BIPOC folks, by the way, knowing that those loans could not be paid back in most cases. But instead of being made to pay the
One of the things that we see in racialized capitalism is that if you target the harm to disproportionately fall on BIPOC communities, you can get away with harming a lot of people, even if who you’re mostly harming is White folks.\footnote{“One of the things that we see in racialized capitalism is that if you target the harm to disproportionately fall on BIPOC communities, you can get away with harming a lot of people, even if who you’re mostly harming is White folks.”}

consequences of their predatory lending, by framing this as an issue of irresponsible BIPOC folks, they [the banks, their lobbyists, and their champions] were able to essentially tap into racist tropes of irresponsible BIPOC folks who get in over their heads. And that, in the end, was extremely harmful to all of the families who lost their homes as a result of the foreclosure crisis, the majority of whom, by far, were White families.

So one of the things that we see in racialized capitalism is that if you target the harm to disproportionately fall on BIPOC communities, you can get away with harming a lot of people, even if who you’re mostly harming is White folks, right? So in 2016, we had a lot of people asking why poor White people vote against their interests. The reason is, if you can convince them that their racial interest is more important than their economic interest, then you can get people to vote that way. We shouldn’t presume that economic interest is paramount—for some folks, it’s racial interest.

We understood—going back to the retreat—that doing economic justice work with communities of color in itself is not racial justice work unless we’re directly addressing racial capitalism and the ways in which race is part and parcel of how bad things are allowed to happen, why they keep on happening, and the impact that has on everyone else. And that became the starting point for ACRE. Coming off that retreat, we decided that one of the key next steps was to start an organization focused on achieving economic justice by taking on the financial sector and doing so with an explicit racial lens.

RR: Over the past seven years at ACRE, what, if anything, do you see as having evolved and changed in your strategy to combat racism in the economy?

SB: The biggest change that we’ve seen is when we first started. We were focused exclusively on corporations in the financial sector. We were looking at banks, private equity firms, hedge funds—looking at the ways in which Wall Street, the financial sector, was driving harm in communities of color, because that’s who controls capital. If we look at the financialization of the economy over the past 50 years, what we’ve seen since the mid-seventies is just the financial sector becoming larger and larger and getting power beyond its size—coming to control aspects of not just our economic system but also our political system, and informing decisions about where people live, when they have families, what kinds of jobs they take. All those things being informed ultimately by their finances and the debt that they’ve taken on.

And then we were seeing not only the financial sector emerging as one of the largest campaign contributors and biggest lobbyists, but also, over the last decade or so, the trend of financial executives themselves running for office. For example, from 2015 to 2019, the governor of Illinois (where I live), Bruce Rauner, was a private equity manager. And so that was all a big part of what was driving our analysis initially. What shifted is that there has been a change in our economy since the financial crisis, in which tech generally and big tech firms have risen up to become another major pool of capital, and have also become extremely powerful, and powerful beyond their size. And their size is mammoth, right? So we’re talking about Amazon, Facebook, Google. (And also the billionaires who’ve made their money in any which way.) So we’ve expanded beyond Wall Street to focus on all the major actors that control capital and ultimately inform the decision-making in our societies.

We work closely with the community organizations and labor unions; we work at the state and local level. So at the level of any given city or state, we want to understand who the corporations are that actually, ultimately, control the most levers of power. We want to know how those corporations and their executives wield power against communities of color. And we want to figure out the intervention points based on that.

SD: It can be difficult to imagine an economy that’s beyond the one we have today. What does an economy that transcends racial capitalism look like for you? And what do you see as comprising some of the key elements of what we might call a “postracial-capitalism” economy?

SB: I think for me it’s a society in which people’s needs are met. It’s where communities can make their own decisions about the allocation of human capital and resources—are in charge of making the decisions that impact their lives. And
If someone is worried about the consequences of dismantling racial capitalism, worried that it will undermine progress and productivity, there’s the question of who’s benefiting from that productivity and progress and who’s being left out. And the truth is, the majority of people are left out.

that they can do so not from a culture of scarcity but a culture of abundance, and with an eye toward repairing past harms—past racialized harms, in particular. When I think about the world we’re trying to build, it’s one where communities have what they need to thrive. They’re the ones in charge of deciding which things get funding, what services they need, what kind of educational programming they need. It’s one where people feel like their kids can play out in the street and be perfectly safe. It’s a world in which we don’t have climate disasters wreaking havoc on us multiple times a year, especially in BIPOC communities. It’s a world in which we don’t have borders, and in which we have shared prosperity.

And in order to build that world, we need to help build a collective understanding of what it means for our societies to thrive, right? And we should build that across racial lines. We need to build that across all sorts of lines. And I think as part of that, we need people—and particularly White folks, folks who enjoy or have enjoyed privilege in the past—to see why equity is in their interest. Why it’s in their interest to repair past harms. Because that’s the only way we can build a society in which we don’t have to have a scarcity mindset and understand that having an abundance mindset frees us all.

And if we have an abundance mindset, you understand that me gaining something isn’t you losing it, and vice versa. That way, we can repair past harm while also providing everyone with the resources they need to thrive.

RR: Very few readers of NPQ would argue that our present economic system is fair. But some might argue that our present economic system is productive, and be fearful that it would be difficult to transcend the problems of racial capitalism without undermining production. What would you say to such skeptics, and how do you envision creating an economy that’s productive, sustainable, and just?

SB: I struggle with that question because I reject the frame that production is what we should be after. I think we’ve convinced ourselves that productivity, defined only a certain narrow way, is what should be the hallmark of success, when perhaps instead it should be sustainability. Perhaps we can have both. But we can’t have endless production of things in a sustainable way. By definition, those things are contradictory. I think ordinary people actually understand this concept in a way that perhaps economists could learn from—that there’s more to the economy than growing profits or the production of goods. That actually, there are other things that have value as well. Racial equity has value—is a value. And not everything that should be valued is monetary.

SD: There are eight billion people on the planet. That’s a lot of mouths to feed. Putting aside cell phones and automobiles—and the commodity fetishizing of consumerism overall—there are basic needs: food, clothing, shelter. How do you assuage concerns that there’s going to be starvation if we don’t maintain our present economic system?

SB: I think the level of progress we have right now and the innovation in production has led to a vastly unequal society, both within the US and globally. And the benefits of it right now fall to many people, including anyone who is middle class and above, in the US, right? But who’s left out? If someone is worried about the consequences of dismantling racial capitalism, worried that it will undermine progress and productivity, there’s the question of who’s benefiting from that productivity and progress and who’s being left out. And the truth is, the majority of people are left out. So we need to figure out how to take a view of having a system that values and improves the lives of everyone in the world. Or at the very least, the majority. And if that means that I have to hold on to my iPhone 13 for another 10 years—well, maybe that’s something that I should do, right?

RR: Because the phone companies build your phone to break early, right? They don’t use sustainable materials. We don’t have to have phones that break every two years.

SB: And if we have to go slower to benefit more people, that’s ultimately also better for the planet—and it makes for more sustainable progress. That also gets us closer to that vision of an abundance mindset—that in the long term we will have what we need to thrive. Because it’s not enough for us to keep raising the ceiling if the floor is bottomed out. We need to figure out how to raise the floor as well.
"I think a key component of racialized capitalism is that corporations figure out what all the things are that people need and find ways to extract profit from those needs, and people who have the least money, of course, are least able to afford those things they need."

SD: Are there specific areas where you see postracial-capitalist practices emerging? And if so, are there any examples that you’d like to highlight that show glimpses of a more just and sustainable economy?

SB: I think one of the key things is having more things that are provided by the state. Having more social housing, for example—more public housing, but also within the public housing having the communities who live in those houses determining the kinds of services they need and providing them. We’ve modeled this around schools—there’s been a big push in many cities in the US, and there are pilots in places like Chicago and LA, to provide wraparound services: on-site healthcare, ELL classes and job-training programs for parents, and so forth—so, looking at schools as a hub of activity in a neighborhood. So I think that broadening the public sector and having direct community control are some great examples. Another example is the movement for public banks. And I think this is a really important one, because if we’re saying that one of the key problems in our economy right now is the financialization of the economy and the outsized role the financial sector plays, then one of the most effective ways to combat that is by having basic financial services provided directly by the government. That way, we aren’t leaving people at the mercy of predatory banks for having their basic financial needs met. A third example is free broadband for all communities, rural and urban. We have to sidestep the grasp of big tech.

I think a key component of racialized capitalism is that corporations figure out what all the things are that people need and find ways to extract profit from those needs, and people who have the least money, of course, are least able to afford those things they need. Some of the experiments we’re seeing are part of the fight against that—so that we can produce the things that we need without profiting corporations. I think these experiments help us to think about what a global post-racialized capitalism could look like. Of course, the challenge is that capitalists are great at figuring out how to make money off of the public provision of goods, as well. So we need to figure out how to stay one step ahead and with an eye toward a broader horizon, instead of always playing catch-up.

RR: You’ve worked on local campaigns in many places, but most notably in Chicago, and I know that you had a big victory with the ShotSpotter contract recently. What does a positive agenda for transcending racial capitalism look like at the community level?

SB: If we want to think about what it takes for communities to really be free and to really thrive, then real public safety is incredibly important—especially in this moment, when across the country, crime panic is being used to drive backlash—the backlash against the Black Lives Matter movement, for a key example. We’re seeing the crime panic being used to drive surveillance—like ShotSpotter. We need to figure out what it actually looks like for communities to be safe. Where does real safety come from? Why are areas that are considered “high crime” in that state of being? What are the underlying causes? And when we look at that, we see over and over again that it’s underinvestment. Underinvestment is the reason why we have areas that are experiencing high poverty and all that goes along with that. We need to invest in those communities, not police them. Policing and surveillance don’t curb crime in a substantive way, because they don’t address the underlying causes.

Public safety isn’t about, for example, punishing the person who stole someone’s package. Public safety is addressing the underlying conditions that drove that person to steal that package in the first place. Policing doesn’t actually serve to make us safe—it doesn’t prevent crime, at least not in a societally healthy way. It provides some punishment for crime, in some cases. But if we really want to be safe, what we actually need to be doing is investing in communities.

It’s exciting that, after a yearlong campaign, the city of Chicago is finally going to cancel their ShotSpotter contract. We’re also glad to hear that Mayor [Brandon] Johnson is not planning on replacing ShotSpotter with an alternative gunshot-detection technology. What we need now is for the money that’s been going into the ShotSpotter contract, and money that goes toward holding up a very brutal and over-reaching police department—policing in Chicago is roughly 40 percent of the city’s budget—to go toward investing in
“The truth is that we don’t have a democratic system; we have a plutocracy. We have a plutocracy dressed up as democracy. Even if people elect who they want to elect, they still end up having a very hard time getting their interests represented in the halls of Congress and in city halls and state houses.”

communities that have been left languishing for a really long time. We need to see investments in after-school programs and mental health clinics. We need to see investments in programs like Peace Book, which is a very effective violence prevention strategy, in Chicago. We need to see yearlong youth jobs programs. We need to make sure that libraries are open into the evenings, on the weekends, around the clock. Those are the types of things that actually help curb crime and help make communities truly safe. If we invest in these things, we address the underlying causes of crime, and then communities can really be safe instead of having to rely on policing and surveillance technologies like ShotSpotter that, ultimately, help put people behind bars but don’t actually make our communities safer.

SD: You mentioned Mayor Johnson. What difference does Johnson becoming mayor of Chicago make at the local level in terms of the longer-term progressive agenda of transcending racial capitalism for which you are advocating here?

SB: Mayor Johnson has been in office for less than a year, and we’ve already seen a number of important victories around priorities that for years progressives have been fighting for. There’s the victory around the ShotSpotter contract, as mentioned. There’s Bring Chicago Home, an initiative to increase the tax on properties worth over a million dollars, which will be used to fund homeless-prevention services. It was on the ballot earlier this year because Mayor Johnson got that over the line at the city council. Unfortunately, it failed at the ballot, but Bring Chicago Home remains resolved. We have movement to get cops out of CPS [Chicago Public Schools]. Finally, that’s going to happen. Mayor Johnson cast the tie-breaking vote calling for a ceasefire resolution in Gaza. Treatment Not Trauma, which basically redirects some of the police departments to have non-emergency responders for mental health crises, is going forward. We’re rolling back school vouchers. So yes, there’s been a bunch of different priorities that progressives had fought for for a long time in Chicago that we’re seeing come to fruition under the Johnson administration. That’s really exciting, and I think bodes well for helping set us up to push back against this system that we currently have.

SD: You and Bree Carlson wrote an article for NPQ last year in which you called for “a broader national conversation about the allocation of power and resources in our economy.” Now, in 2024, what does that conversation look like to you?

SB: It starts by acknowledging who actually has wealth and power in our communities and in our country right now—which, as we know, is major corporations. That our government is controlled by the wealthy, and not by people who are elected officials who are supposed to represent their constituents. Really looking at the various ways that those who are actually in charge get their way—not just through legislative power but also economic power. That corporations, major transnational corporations, particularly in the finance and tech sectors, control every aspect of our society. And if we want to ever get past that, we need to both chip away at their power and build power—build the power of ordinary people by organizing people one-on-one, through one-on-one conversations. Organizing people, moving people into action, and trying to assert control over what’s supposed to be our democracy. The truth is that we don’t have a democratic system; we have a plutocracy. We have a plutocracy dressed up as democracy. Even if people elect who they want to elect, they still end up having a very hard time getting their interests represented in the halls of Congress and in city halls and state houses. We’ve seen over and over again that the overwhelming majority of the country wants a ceasefire in Gaza. We’re not seeing that translate into policy. The overwhelming majority of the country wants common-sense gun regulations. We’re not seeing that translate into policy. The majority of the country is pro-choice. We’re not seeing that translate into policy. Why is that? Because our government is held captive by powerful corporate interests. And we need to figure out how we call that out and reverse it.
NOTES


5. How Community Schools are Transforming Public Education (Oakland, CA: In the Public Interest, the Network for Public Education, and the Partnership for the Future of Learning, May 2024).


7. Bradley, Rodriguez, and Ong, “Chicago will not renew ShotSpotter contract, Mayor Johnson says.”


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Liberating the Media

by Alissa Quart

As journalism struggles to survive, enormously rich owners behave like neglectful parents—often ultimately disowning the very news entities they’ve helped to prop up for years. We need to liberate ourselves from this corporate capture if we are to survive, and that rests on a shift in mindset: a recognition that good media is unlikely to be for-profit media.

The American media is a morbid affair as of late. Publications ranging from the Washington Post to the Wall Street Journal to the Intercept are laying off reporters by the droves. It’s a journalism Last Supper frag-a-thon every week. The sometimes nasty-as-its-name VICE is laying off hundreds, citing dwindling figures that conveniently overlook executives’ golden parachutes; Sports Illustrated said it was hanging up its swimsuits and jockstraps, and laid off most of its workforce. Welcome to the media extinction die-in.

We were always a precarious business, people like to say—and yes, in the 1990s, I fact-checked and peddled my own articles yet still ate my dinners off the crudité plates at book parties and lived close to the poverty line. The difference now is that it’s such a collective unwinding. Job losses have increased “by nearly 50 percent” in the media in 2023 alone, reports the Atlantic. A third of the newspapers that have been around 20 years or more will be gone a year from now, according to an Axios study. And in the meantime, billionaires are buying up media companies as hobbies.

All of this has created profound uncertainty as well as an aroma of treachery. Which billionaire media owner will be trusted to stay the course? And how do we, the reporters and editors and readers, stay sane, solvent, resistant, and, yes, able to fund—and be funded toward—telling the truth?

There are four solutions—or “media harm reductions,” as I call them—that give me some hope: mutual aid, media co-ops, journalism nonprofits, and trauma care.
We should not have to rely on these support structures to survive—thankful as we may be that they are available; rather, they are fixes that shouldn’t have to exist but do, because our infrastructure is threadbare and our business sector is greedy.

Together, I think of them as a “dystopian social safety net.” I see this shadow safety net as America’s armature of smaller-scale solutions that support citizens and institutions when the formal or governmental ones have let us down. We should not have to rely on these support structures to survive—thankful as we may be that they are available; rather, they are fixes that shouldn’t have to exist but do, because our infrastructure is threadbare and our business sector is greedy.

MUTUAL AID

The term mutual aid is over a century old. As the Center for Disaster Philanthropy’s Tanya Gulliver-Garcia put it, “At its most basic, mutual aid is the free or bartered exchange of goods between people. Its practitioners recognize that everyone has assets and needs.” It is a kind of interdependence, closer to altruism than to charity—a societal reciprocity. The Black Panther Party engaged in mutual aid: in 1969, members handed out breakfast to tens of thousands of public schoolchildren who would otherwise have gone hungry. Some “had never eaten breakfast before.” And during the COVID pandemic, mutual aids multiplied across the United States to ensure that elderly neighbors were fed and got their medicine.

A recent example of mutual aid as applied to journalism came about in 2022, when the Palm Beach Post, among other local newsrooms across the United States owned by the Gannett chain, was gutted by layoffs. In an interview, Kati Kokal, a Palm Beach Post reporter, described herself as feeling “helpless” when she received messages from colleagues who had been let go—so she put out what she called “random tweets” that said: “If you’re a @Gannett employee impacted by layoffs….DM me.” Immediately, 42 people wanted to donate—and thus was formed a mutual aid effort. People sent direct aid via Venmo, which included cash for things as granular as journalists’ medications and child care. Kokal started with a Google doc, in which those who were laid off could list their urgent needs, and another Google doc for those who wanted to donate money, time, or research to employees who had just been let go. The effort collected $10,000 dollars in emergency aid in six months, which they then distributed. They also connected those laid off with employment lawyers who could review their severance agreements and research unemployment in the reporters’ states. Inspired by Kokal, Emily Elena Dugdale started a similar mutual aid fund in 2024 for those who had been laid off by the Los Angeles Times.

MEDIA CO-OPS

From farms and pizza parlors to ride-share services, worker co-ops—in which a company’s workers are also the owners—are on the rise in the United States. Worker co-ops emerged in the late 19th and early 20th centuries, predominantly in the Black community. The New Deal era, too, encouraged a shared work ethos—and a wave of collective businesses were named “self-help cooperatives”—a truer version of self-help than what we have today. And lately, worker cooperatives have been adopted by the media. A recent example is Flaming Hydra, a new media co-op described as an ad-free, subscription-based journalism cooperative. Flaming Hydra has 60 writers, who used to be described on its site as “on fire and hard to kill.” True to the flattened hierarchies of the workers cooperative or platform cooperativism, there’s no masthead; rather, there are members—some of whom readers may recognize from past bylines in other publications. Flaming Hydra was inspired by the historic rural electrical cooperatives of Ohio, of which members own a share. At Flaming Hydra, subscribers pay a monthly fee, and then that cumulative amount is split 60 ways by the contributors. As for the hierarchy, it’s flat. “A lot of the decision-making is made over Slack or over email threads,” said David Moore, a member of Flaming Hydra and its tech lead, as well as cofounder of the member site Sludge. “Everything is so crunched in the media now, that we saw Flaming Hydra as an opportunity to stretch out and to breathe with rad writing and rad folks.” Another recent media co-op is Brick House—which hosts Flaming Hydra and its tech lead, as well as cofounder of the member site Sludge. “Everything is so crunched in the media now, that we saw Flaming Hydra as an opportunity to stretch out and to breathe with rad writing and rad folks.” Another recent media co-op is Brick House—which hosts Flaming Hydra and dates back to 2020, when it was founded as a democratically formed media group. And there are others: Hell Gate, Defector, Ground Zero: Aftermath!, 404 Media, and the Appeal to name a few.

JOURNALISM NONPROFITS

Journalism nonprofits are another bridge—if not to a flourishing new journalism then at least to one that survives.
We need this kind of independent journalism—not one functioning at the behest of billionaires, venture capitalists, and private equity.

run one—the Economic Hardship Reporting Project, which was founded more than a decade ago. It started as journalist Barbara Ehrenreich’s idea, in response to the 2008 recession and ensuing wave of media layoffs. Back then, nonprofit journalism tended to mean NPR and PBS, or nascent media nonprofits like ProPublica. In the years that followed, there has been an exponential rise of media nonprofits. In the United States, many of these groups are local reporting outfits that arose in response to the stripping of the news media in rural areas and smaller towns. EHRP has partnered with many of them—Arizona Luminaria, Barn Raiser, New York Focus, and Flatwater Free Press. In our case, EHRP covers a certain population rather than a locality—indeed reporters, many of whom are financially struggling, receive grants to report on inequality and poverty. The resulting articles are then copublished in mainstream publications. (Sometimes, the reporters are reporting on their own struggles.) Other new standout nonprofits whose ambit is, like ours, a population rather than a place, include the Prison Journalism Project, which trains and publishes incarcerated reporters.

TRAUMA CARE

The fourth form of media harm reduction for a media in free fall might sound a little Gen-Z snowflakey, but bear with me: it’s trauma care (or emotional support) for reporters who are dealing with uncertain professional and economic prospects as well as growing societal antagonism. To address this, we at EHRP have been looking into offering spaces where reporters can have honest conversations about their own conditions. Journalists undergoing this moment of extinction need therapy or its more casual cousins: peer support and moral support. EHRP is not the only organization that is considering offering such services. New York’s Dart Center and Puerto Rico’s Centro de Periodismo Investigativo, for example, have been providing trauma care to reporters for years.

A trauma-care harm-reduction method isn’t the easiest sell: reporters tend not to separate their work from their core selves. It’s our déformation professionelle: any professional setback can easily become a referendum on one’s personhood. Over the years, I have heard echoes of these feelings from EHRP contributors, who have written of the pain of being unceremoniously laid off in later middle age. But that’s part of what makes it so necessary. I am thinking also of help along the lines of the Gannett mutual aid’s moral support network, whose activities included letters of encouragement from people who still worked for Gannett to the laid-off reporters who no longer had a paycheck or a byline. One thing that Kati Kokal hoped reporters would gain from the mutual aid effort was knowing that although a layoff might be one of the worst experiences they’d ever had, at least they wouldn’t have to go through it alone.

THE WAY FORWARD

As I write this, a new bill has been passed in New York State, the “Local Journalism Sustainability Act”—which, as the News Guild reports, will provide “tax credits to consumers for subscriptions to local news outlets and to news organizations for the employment of local news journalists.” This is a promising direction. I can also imagine a future in which a good deal of local reporting is done by citizens who have been taught to tell stories about their own communities, rather than by professional journalists. And I can imagine the broadening of the practice of holding live journalistic events that are themselves a form of reporting. Across the country, these could transpire in local bars and offices where information that is hyperlocal is shared in real time. We need this kind of independent journalism—not one functioning at the behest of billionaires, venture capitalists, and private equity—so that readers can better understand what is actually happening in their local statehouses and community board meetings and what is happening globally.

As journalism struggles to survive, enormously rich owners behave like neglectful parents—often ultimately disowning the very news entities they’ve helped to prop up for years. We need to liberate ourselves from this corporate capture if we are to survive, and that rests on a shift in mindset: a recognition that good media is unlikely to be for-profit media.
NOTES


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