

The CEC Primer - The Many Branches of Community Economies

By Marcus Renner

“Community economies” encompasses a broad range of strategies that prioritize relationships, with one another and our environment, in organizing the economic aspects of our lives, as individuals, communities, and nations. Here are some of the different dimensions of a community economies framework:

Context - Community economies is a response to and exists within the context of neoliberal, post-industrial, and racial capitalism as well as the reality of climate change and loss of biodiversity and the stress it will place on all life;

Rationale – Advocates for community economies share a belief that economic structures and thinking is a primary driver of what happens within society;

Values – As a framework, community economies is based upon a distinct set of values, including interdependence, personal connection, care, and many others;

Activities – The most visible aspects of community economies are various projects and activities, such as cooperatives, community land trusts, farmers’ markets, fair trade networks, and “buy local” campaign, to name just a few;

Process – Community economies flourish through the implementation of particular processes, such as the reinvestment of surplus into the commons or the transfer of ownership to workers;

Logics – Community economies operate according to specific logics, such as networking, collaboration, and a decoupling economic growth and well-being;

Geography – Community economies form particular relationships across space and time that manifest in phenomena such as slow food, buy local campaigns, and fair trade networks;

Subjectivity – Community economies generate multiple subjectivities, such as democratic participant, prosumer, and worker-owner;

Language – There is a still emergent and shifting discourse within community economies, hence terms such as food security, food sovereignty, food democracy, and foodshed co-existing with the lexicon;

Purpose – Advocates for community economies frame the ultimate purpose of their work in different ways, which are generally aligned though not always compatible; a sample of these purposes include deliberative democracy, sustainability, racial equity, and decolonization;

Theory of change – With a community economies framework comes several pathways to change, such as working through anchor institutions, cultivation of pollinator businesses, reparations, and repatriation of land to Native Americans

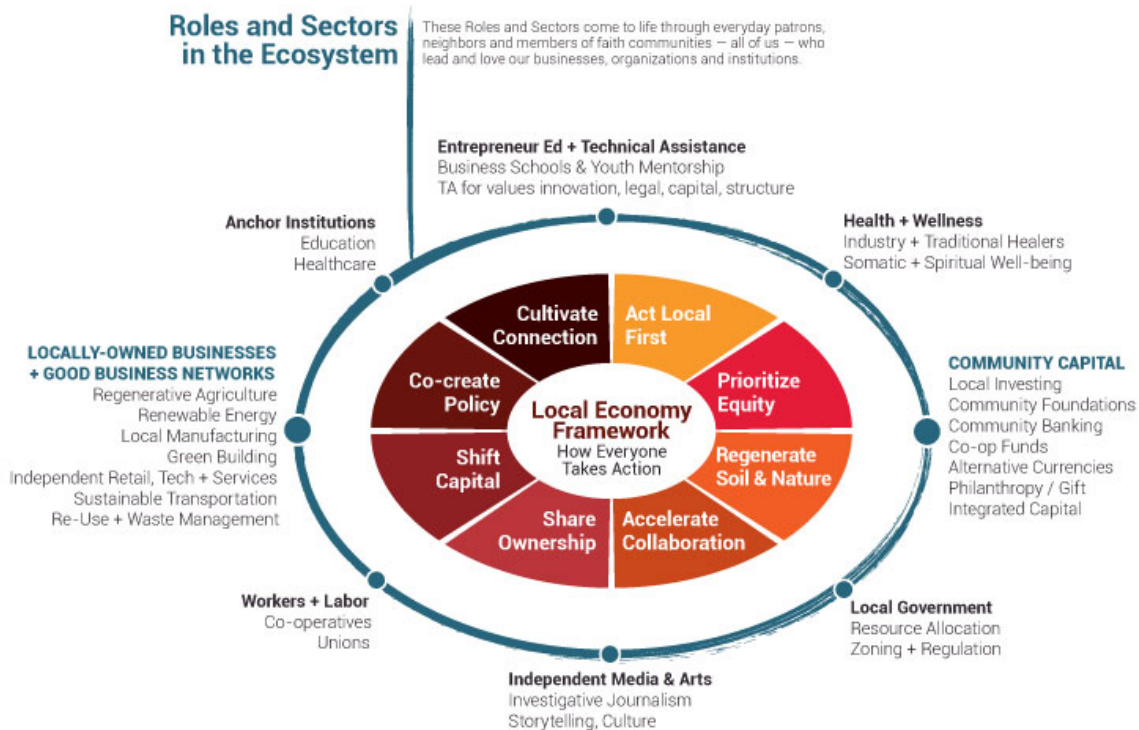
The Community Economies Collaborative chose this term to create an explicit link with the work of J.K. Gibson-Graham, the joint pen name for two economic geographers, Katherine Gibson and Julie Graham, who advocate for this wider perspective of economic life. Gibson-Graham's work, however, is only one articulation of alternative economic thinking. Below is my attempt to summarize the various branches within the community economies framework we are using for the collaborative.

Commons – The “commons” typically refers to natural resources owned and managed by a community. Economist [Elinor Ostrom](#) won the Nobel Prize in economics (the only woman ever to do so) in 2012 for her work on common pool resource management. Her work stands in contrast to Garret Hardin pessimistic formulation of the “tragedy of the commons” and gives hope that communities can, under certain conditions, cooperatively manage their resources for the public good. As such, “commons” or “commoning” is at the root of a wide array of cooperative economic activity such as community land trusts and time banks. A key organization advocating for the commons in the United States is the [Schumacher Center for New Economics](#), named for the economist E.F. Schumacher, author of *Small is Beautiful: Economics as if People Mattered*. Schumacher advanced the idea of Buddhist economics, which relates closely to Gandhi's vision for the economy of postcolonial India, and was a protégé of John Maynard Keynes, the world's leading economic thinker from 1930 to 1970, before neoliberal ideologies began to dominate policymaking in the 1980s.

Localism – “Localism” has many different meanings within academic literature, but recently, the [Business Alliance for Local Living Economies \(BALLE\)](#) has adopted the term to advocate for economic development rooted in community-based enterprises. Their primary argument is that local ownership and control of economic decision-making allows for more democratic and ecological accountability. The term “local living economy” comes from author [David Korten](#), who wrote the bestseller *When Corporations Rule the World* in 1994. David's thinking influenced [Judy Wicks](#), a Philadelphia activist who owned one of the first restaurants in the country to seek out locally-sourced ingredients. Judy joined with David and a handful of others to found BALLE in 2001. Their original framework described several building blocks for a local living economy: sustainable agriculture, renewable energy, zero-waste manufacturing, green building, independent retail and media. Over the last five years, BALLE has transitioned from an organization supporting networks of locally-owned, independent businesses to a more holistic organization focused on leadership training and capacity building. This has coincided with a greater focus on equity. Below is their latest formulation.

Local Economy Ecosystem

How to Build a Healthy, Equitable Local Economy



Anti-Globalization Movement – The takeover of several towns and villages in the Mexican state of Chiapas by the Zapatista Army of National Liberation on January 1, 1994 was a protest against the North American Free Trade Agreement (NAFTA), which went into effect on that date. The uprising became a rallying cry for civil society groups around the world that protested global trade negotiations many felt were dominated by multinational corporations and global financial institutions at the expense of local communities. These decades-long negotiations resulted in the creation of the World Trade Organization (WTO), which has the power to invalidate laws protecting workers and the environment as “trade violations.” Following Chiapas, the wave of anti-globalization protests reached another flashpoint in 1999 during the WTO meeting in Seattle. The violent police response to the protesters captured worldwide attention. Beyond protests, this branch of community economies connects to grassroots community development work in the Global South, the rise of the fair trade and the slow food networks, and, more recently, “buen vivir,” a holistic set of economic and spiritual practices arising from Indigenous communities of South America.

Sustainability – “Sustainable development” came into wide use after the 1987 publication of Our Common Future, a report by a United Nations commission on the deterioration of world’s environment. Sustainability as a framework emphasizes flows of energy, water, food, and waste. The focus on climate change overtook other concerns within the sustainability framework in the early 2000s after the Bush Administration withdrew the United States from the Kyoto Climate

Accords. The concept of “Peak Oil” also gained public attention during this period and says that after a certain peak, extraction of oil will reach a point of diminishing returns. Past the peak, oil extraction will become increasingly expensive necessitating a transition to a low-carbon society. This realization sparked the “transition town” movement in Great Britain and then the United States. More recently the concept of “resilience” has emerged as new way to think about how to respond to climate change. Naomi Klein’s recent book and film [This Changes Everything](#) directly links the climate crisis to capitalism and the need for re-localization. Klein argues for paying close attention to the economic frameworks coming from indigenous peoples and argues for self-determined economic futures.

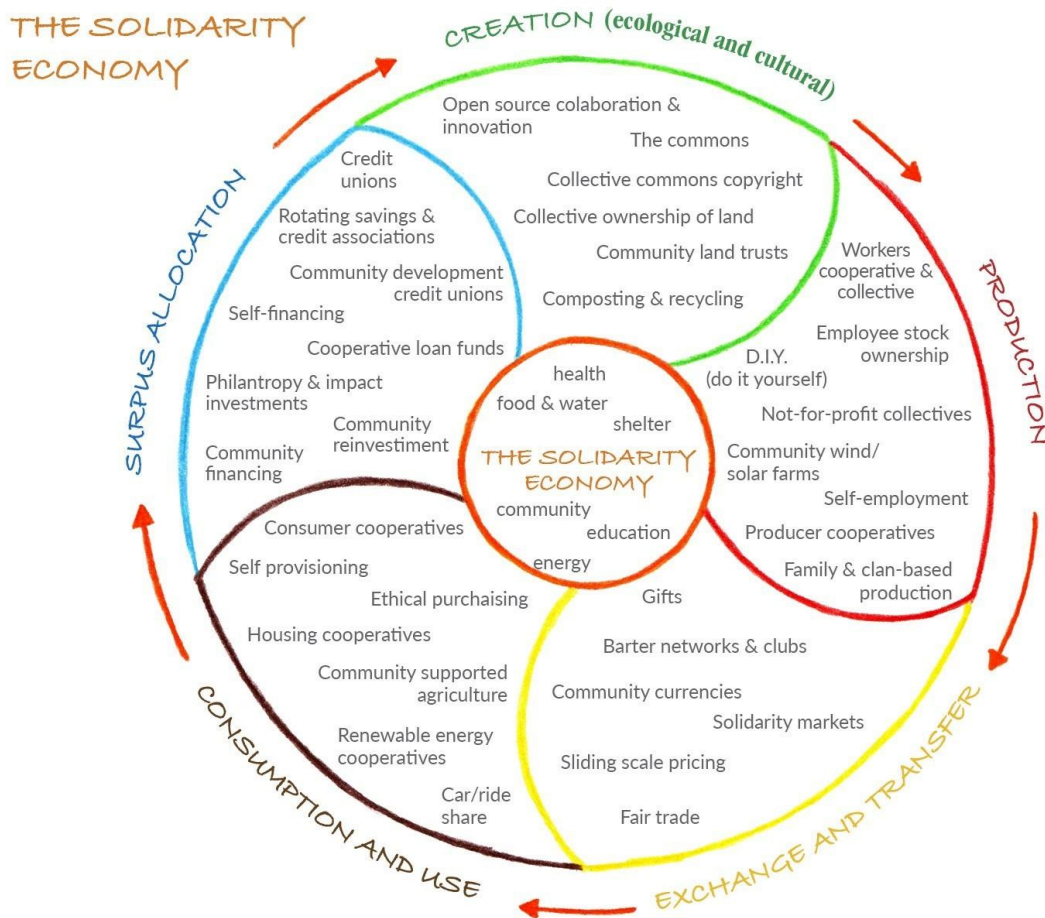
Ecological economics – Herman Daly was once the Senior Economist for the Environment Department of the World Bank. He co-founded the journal [Ecological Economics](#) and has argued forcefully since the 1970s against using gross domestic product to measure economic well-being. Daly and others began advocating for a steady-state economy, with some calling for de-growth in order to avoid environmental disaster. This is absolute heresy to the economic establishment, and there are still very few ecological economists in university departments. The leading organization advancing these views is the [Center for the Advancement of the Steady State Economy](#).

Diverse economies – Katherine Gibson and Julie Graham met as Ph.D. students in geography at Clark University in the 1970s. They were Marxist geographers but decided that strict Marxist conceptions often conflated “the economy” with “capitalism” and ignored other types of economic activities. They advocated for “diverse economies” as a way to open up people’s imagination to the diverse economic practices all around us. They suggested the real economy is like an iceberg. What’s most visible is capitalist exchange, but most economic activity happens informally below the surface. Their main theoretical book is *A Postcapitalist Politics*. Their more applied book is *Take Back the Economy*. They have tried to apply their ideas through a series of action-research projects in the United States, Australia, the Philippines, and other locations. The hub for their work is the [Community Economies Collective](#) and the [Community Economies Research Network \(CERN\)](#) that connects scholars around the world researching diverse economies.



Figure 1: from Community Economies Collective - <http://www.communityeconomies.org/key-ideas>

Solidarity economies – Whereas localism bases their model around geography, “solidarity economies” focuses on democratic governance. There is an international network of organizations and researchers exploring this idea. The [U.S. Solidarity Economy Network](http://www.communityeconomies.org) is the hub for activity and exchange in this country. Cooperatives are central to this framework. Cooperatives around the world adhere to the [seven principles](#) of cooperative ownership to guide their activities. Internationally, the [Mondragon Corporation](#) in Spain is a widely cited example of taking cooperatives to scale. In the United States, [Evergreen Cooperatives](#) in Cleveland is an attempt to replicate the Mondragon model of a diversified set of linked cooperative enterprises. Evergreen is connected to [The Democracy Collaborative](#), a think tank working to advance community economy ideas in the public debate. They have coined the term “community wealth building” to describe the idea of leveraging the purchasing power of large “anchor institutions,” such as hospitals, universities, utilities, and other large structures to create local economic opportunity. One of their initiatives, [The Next System Project](#), is an explicit effort to create a paradigm shift in the public debate over the economy.



Source: Designing Regenerative Cultures, 2016 - www.danielechristianwahl.com; Graphics: www.flaviagargulio.com

Corporate Social Responsibility – Intersecting with community economies is a more mainstream push for corporate social responsibility. Less political, this movement advocates for corporate reform. A leading initiative has been gaining legal recognition for “benefit corporations,” corporations that legally must balance shareholder interests with public benefit. [B corp certification](#) is an attempt to build the public profile of these companies. Other community economy work connected to this stream is industrial ecology, socially-responsible and impact investing, financial reform, and the more radical [divest-reinvest movement](#) spearheaded by college students around the country.

Decolonization and Indigenous Economics – Many believe community economies must draw from the wisdom of Indigenous people, who while diverse in their economic heritage and practices, generally share a belief in the embeddedness of economic relationships within a reciprocal relationship with the Earth. Indigenous economics emphasize the land as the source of all wealth and that the importance of repatriation of lands to Indigenous peoples. Helping Indigenous communities achieve greater self-determination through strengthening governance, legal reform, securing subsistence rights and land tenure are all aspects of Indigenous economics. While some argue for “economic reconciliation” with mainstream society, others argue that anything short of repatriation to Indigenous communities of land, as the ultimate source of wealth, is inadequate. One organization to explore these ideas is the [Alliance for Renewing Indigenous Economies](#)