

# Community Wealth Building as health building:

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## How a local democratic economy can create healthy, thriving communities

GCPH Seminar Series  
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## Mission Statement

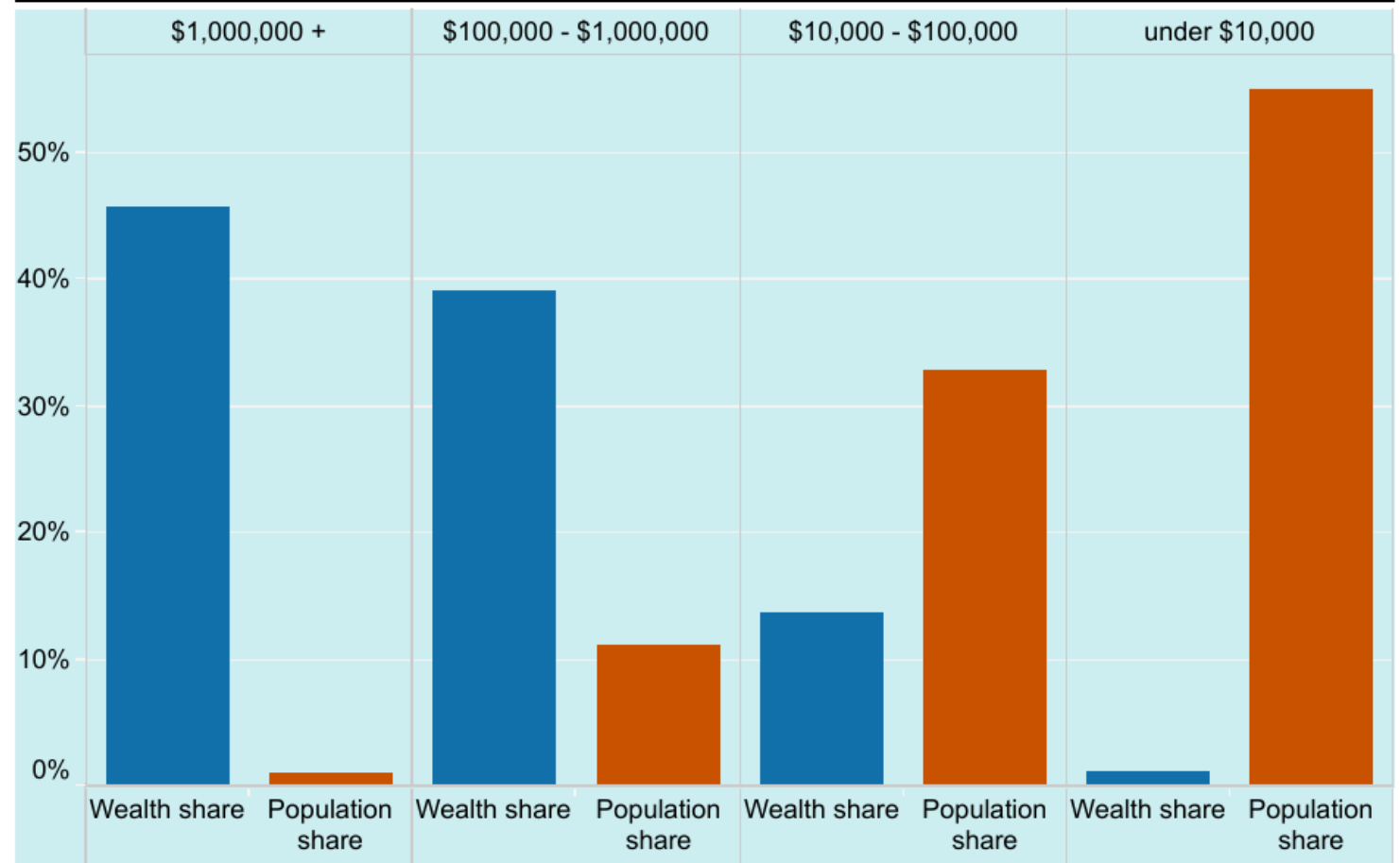
The Democracy Collaborative's mission is to demonstrate in theory and in practice the principles of a democratic economy, **offering a vision of what that economy can be, designing models that demonstrate how it operates, and building in coalition with others the pathways to a new reality.** By making the democratic economy conceivable, visible, and practical, we open minds, ignite hope, and inspire action.

# We have a wealth inequality problem

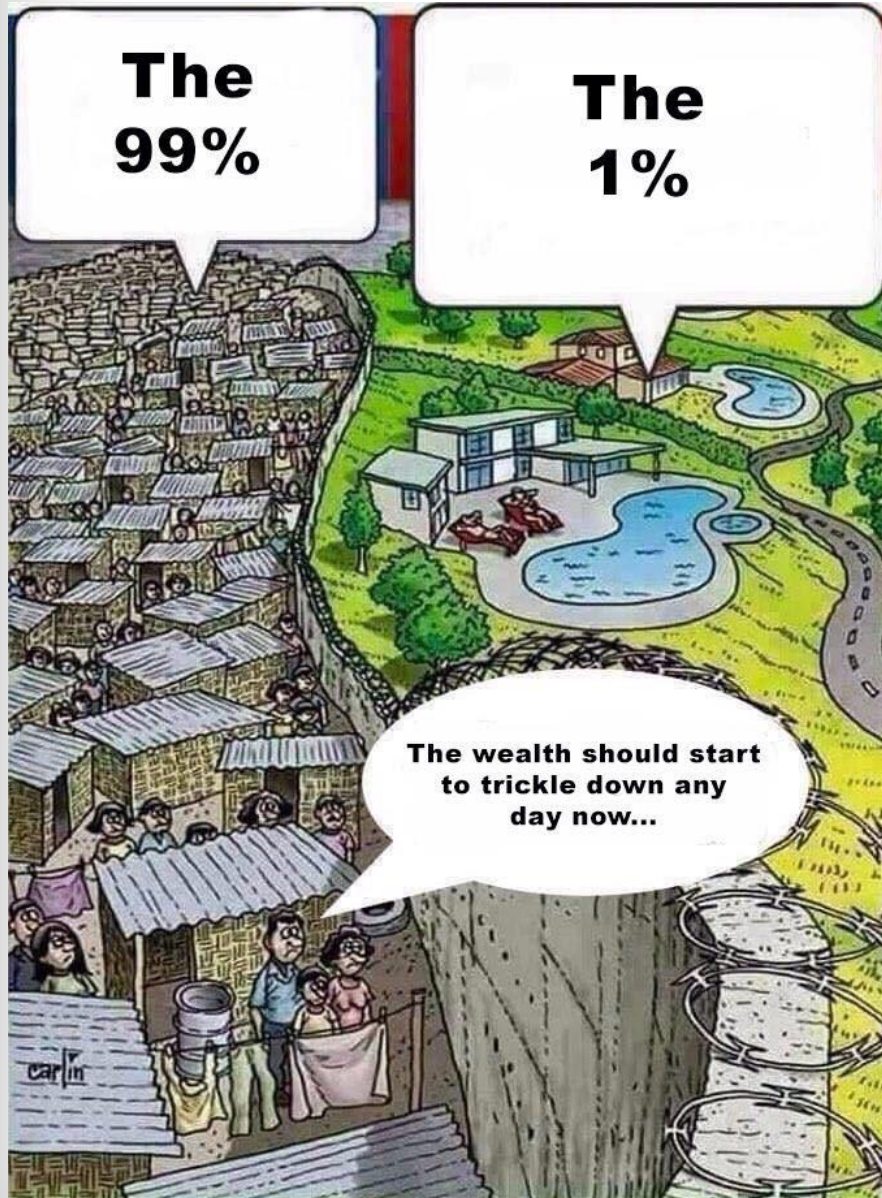


## The Richest 1% Own Almost 46% of the World's Wealth

*Global adult population and share of total wealth by wealth group, 2020*

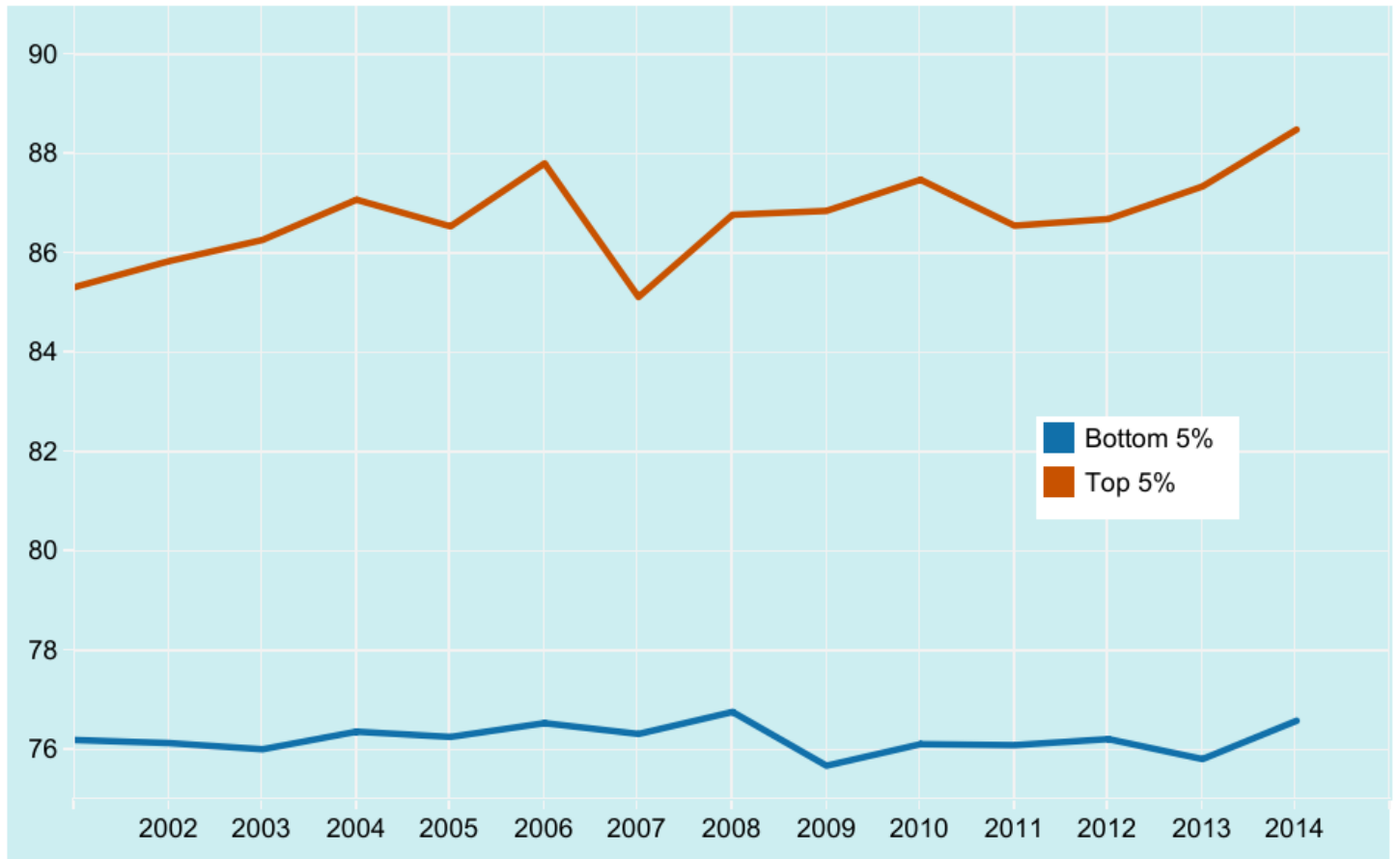


Source: Credit Suisse Global Wealth Databook, 2021



## High-income Americans Are Living Longer But Not the Poor

Male life expectancy, bottom 5% and top 5% of U.S. household income, 2001-2014



Source: Journal of the American Medical Association

# Inequality impacts all aspects of our life

- The higher the level of inequality, the higher the rate of cardiovascular-related deaths and hospitalizations.
- Inequality causes stress and anxiety and affects people's mental health and how they perceive their well-being.
- High levels of inequality are linked to economic instability, financial crisis, debt and inflation.
- Inequality increases property crime and violent crime.
- Unequal societies have less social mobility and lower scores in maths, reading and science.
- People in less equal societies are less likely to trust each other, less likely to engage in social or civic participation
- Inequality increases political polarization, disrupts social cohesion and undermines support for democracy.



## More equitable economies produce healthier populations



“Social environments that are less divisive, less undermining of self-confidence, less productive of social antagonism, and more supportive of developing skills and abilities are likely to contribute to the overall health and welfare of the population.”

*New Horizons in Health*

# Economic plumbing: redirect wealth



## Pre-distribution

The goal is to create an economy where wealth is broadly held and locally rooted, so financial resources recirculate locally. For the benefit of people, place, planet. **By design.**

The goal is to address wealth inequality at its core.





## Community Wealth Building

Community Wealth Building (CWB) is an economic development model that transforms local economies based on **direct community ownership and control of assets in place.**





**Progressive procurement.** Local governments and place-based “anchor institutions” should lead with procurement practices that re-localize economic activity, build local multipliers and end leakage and financial extraction



**Just use of land and property.** Cities should mobilize land and property assets to build real wealth in communities, bring local land and real estate development back under community control, and combat speculation and displacement.



**Fair work.** Every worker must receive a living wage and real power in and control of their workplace for decent work and conditions, and advancing trade union rights.



**Inclusive and democratic enterprise.** Cities should have multiple forms of worker and consumer cooperatives, social enterprises, municipal ownership/enterprise, and more, based on the recognition that the ownership of productive capital is at the heart of where power lies in any economic system.



**Locally rooted finance.** Cities and local institutions should redirect money in service of the real economy through public and community banks, credit unions, targeted public pension investments.

# CWB Activity Everywhere!



# Anchor Institutions

Large public and nonprofit institutions with a mission to serve. Economic engines: employer, purchaser, land and property owner, and investor.

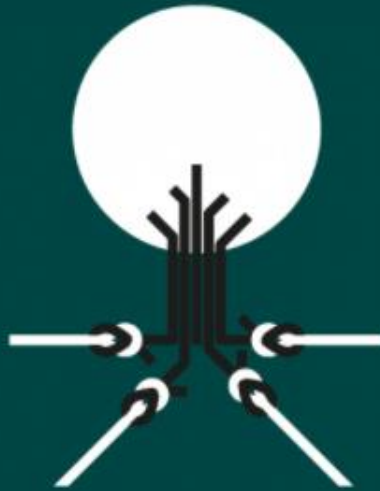
## Anchor Charter Mission Statement

To commit to long-term collaboration between Ayrshire Anchor Institutions, supporting shared Community Wealth Building goals to improve collective wellbeing and create a strong, resilient and inclusive local and regional economy. This includes a commitment to the embedding of Community Wealth Building principles and reporting on progress to the CWB Commission.

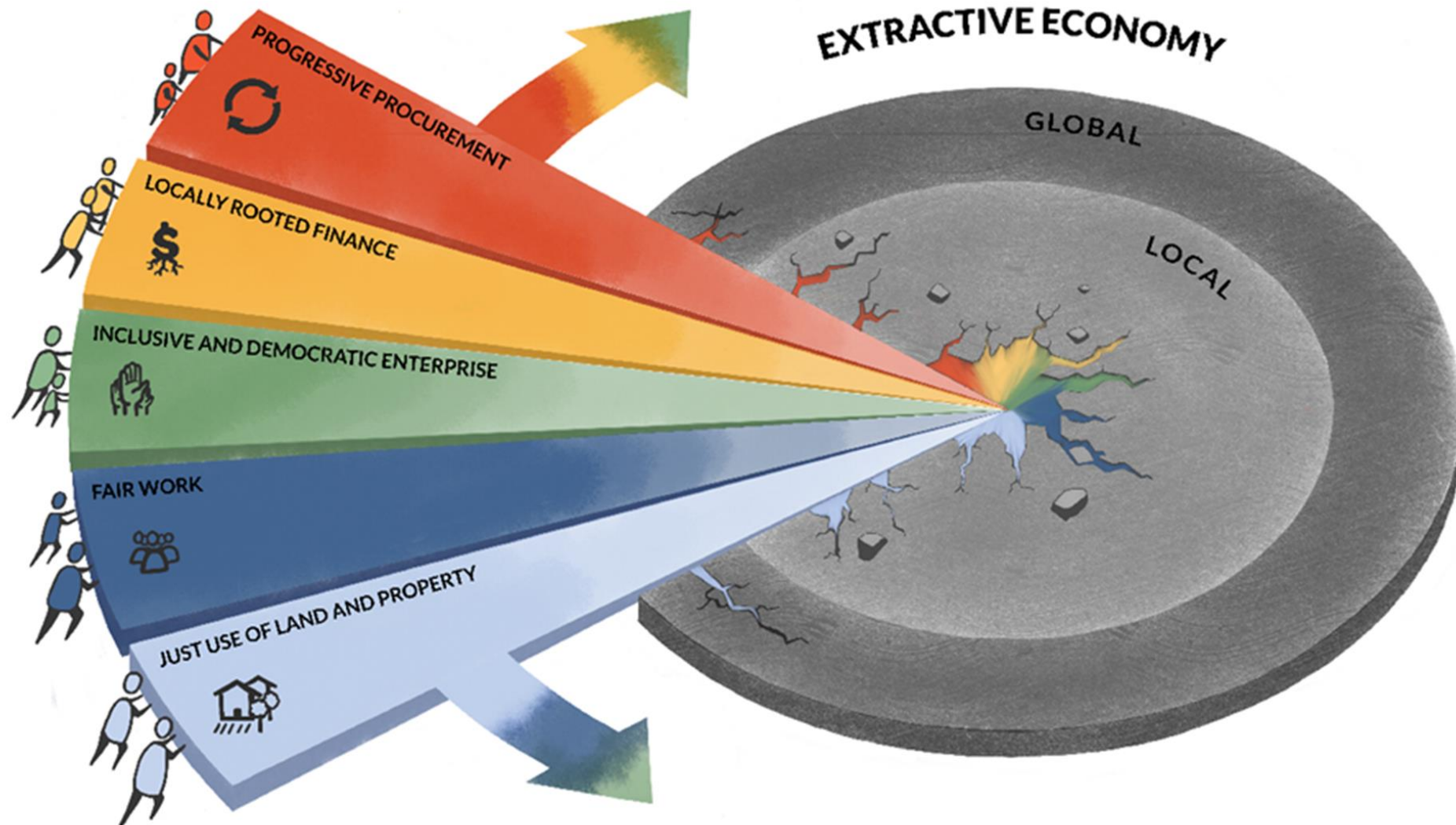
Research  
August 2019

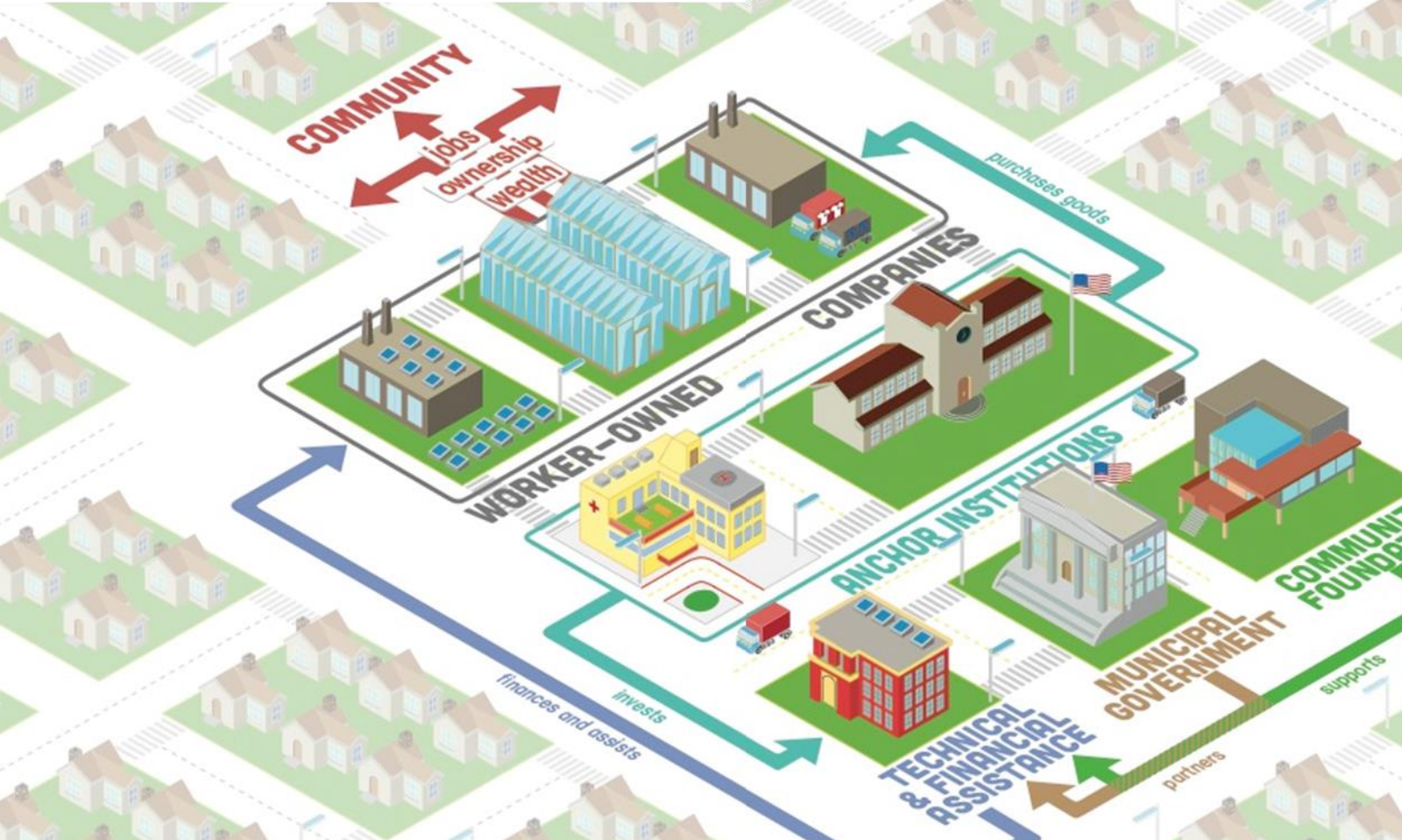
## Building healthier communities: the role of the NHS as an anchor institution

Sarah Reed, Anya Göpfert, Suzanne Wood, Dominique Allwood  
and Will Warburton



# Community Wealth Building “Wedge”





# Evergreen Cooperatives: Started 2009 by Cleveland Foundation and TDC

The Evergreen Cooperatives of Cleveland were created to hire the disadvantaged, do green development, model the role of anchor institutions.

- Evergreen Energy Solutions
- Evergreen Cooperative Laundry
- Conversion of existing businesses

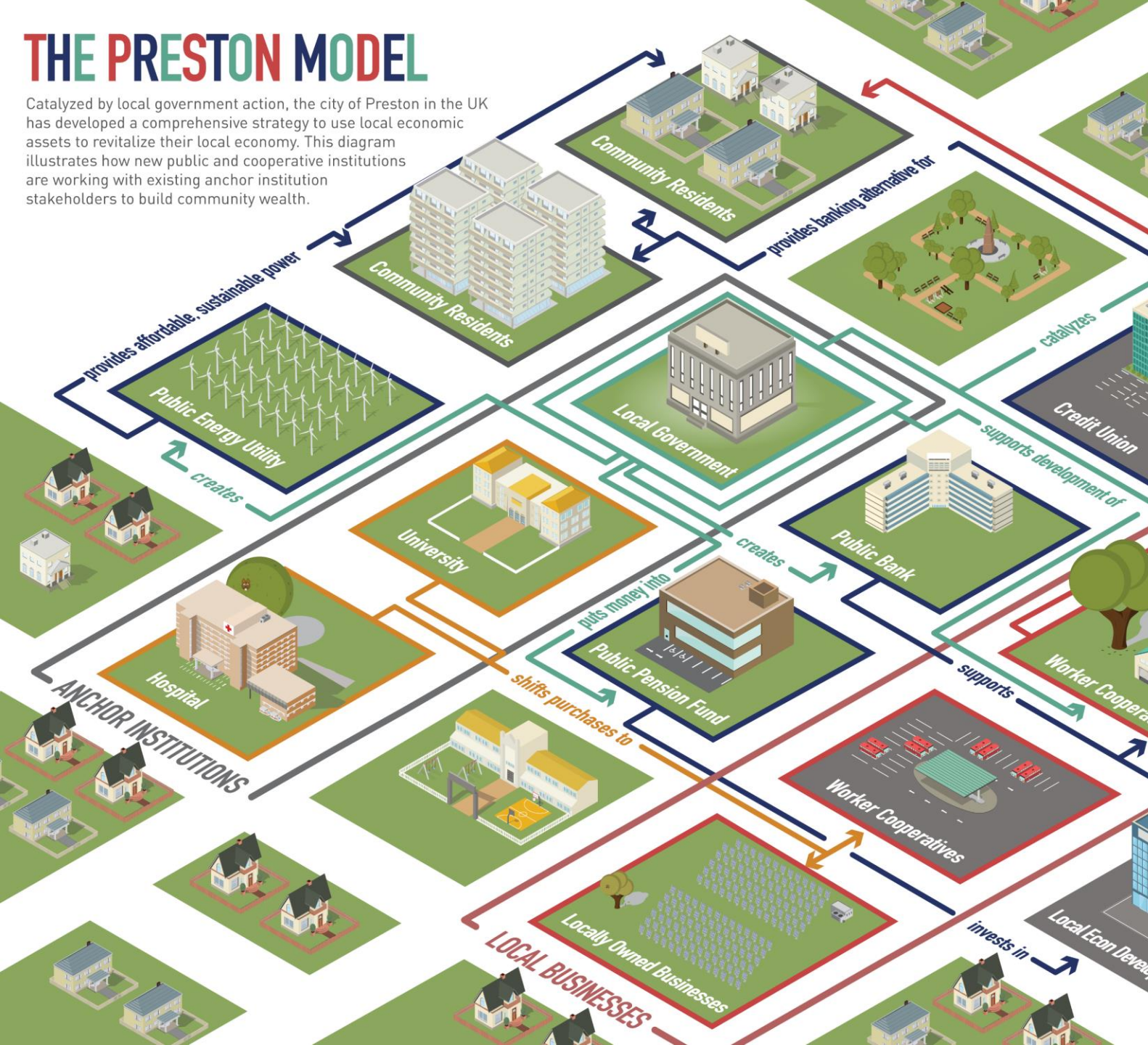


Employ approx. 400 currently  
About 40% formerly incarcerated.  
Living wage.  
Profit sharing 2022: \$10,000.  
Program to help employees buy homes.  
Fund for employee-ownership.



# THE PRESTON MODEL

Catalyzed by local government action, the city of Preston in the UK has developed a comprehensive strategy to use local economic assets to revitalize their local economy. This diagram illustrates how new public and cooperative institutions are working with existing anchor institution stakeholders to build community wealth.



- £70m more for city economy
- £200m more for regional economy
- Created 1600 more jobs
- 4000 more people - paid real living wage
- Cooperative development network
- Using local pension funds – local investment
- North West Community bank





COMMUNITY WEALTH BUILDING

An Action Plan for a Community  
Wealth Building Council

Let's be proud to



Support local businesses  
in North Ayrshire



To be a Fair Wage  
Employer in North Ayrshire



To invest in  
North Ayrshire



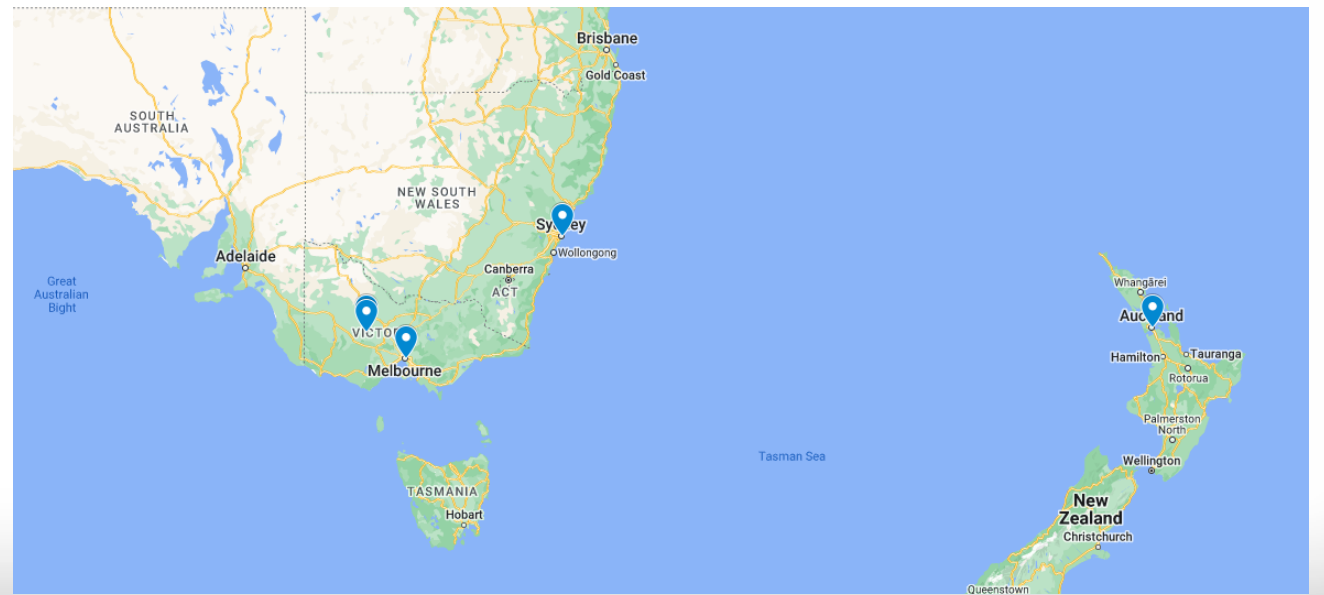
# North Ayrshire: Scotland's First Community Wealth Building Council

- Created 10 new CWB staff position;
- Established a CWB Commission with an Anchor Charter;
- Released a Covid Recovery and Green New Deal plan rooted in CWB;
- Working with other local authorities on a regional plan centering CWB;
- Capitalized a £10.2 million Investment Fund for green job transition;
- Using municipal land for solar PV farm & using surplus to seed a coop fund;
- Set standard for Living Wage employers.



## Positive Outcomes: Preston

“The introduction of the Community Wealth Building programme was associated with a 0.12 decrease in the SAMHI score [95% CI 0.062 to 0.17,  $p < 0.001$ ]– indicating a **11% improvement in mental health**, relative to the control group. During the same time period the local population **experienced a 9% improvement in life satisfaction** (95% Cr I, -1% to 18%), **11 % increase in median wages** (95% Cr I , 1.8% to 18%) and **7% increase in employment** (95% Cr I, -6% to 22%), relative to expected trends.”



# Thank you!

**For more information:**  
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