

Assets in Common

Stories of business and community leaders remaking the economy from the ground up.

Written by:

Charity May

Jay Standish

Chelsea Robinson

Zoe Schlag

Derek Razo

Edited by:

Chelsea Robinson

Produced by:

Infrastructure for Shared Ownership (sharedownership.us)

Common Trust (common-trust.com)

Purpose Foundation (purpose-us.com)

Supported by:

One Project (oneproject.org)

© 2024 Infrastructure for Shared Ownership

All rights reserved. No part of this publication may be reproduced, distributed, or transmitted in any form or by any means, including photocopying, recording, or other electronic or mechanical methods, without the prior written permission of the publisher, except in the case of brief quotations embodied in critical reviews and certain other non-commercial uses permitted by copyright law.

Please contact the authors to discuss repurposing or using these materials.

Print ISBN: 979-8-35095-654-2

eBook ISBN: 979-8-35095-655-9

Table of Contents

Part I – Opening	1
Foreword.....	3
Introduction.....	7
How to Read This Book	15
A Glimpse into the Future.....	19
Part II – Living Proof:Case Studies.....	25
The Calvert Community Investment Note	27
Clegg Auto: A Steward Ownership Transition.....	37
Credit Union Service Organizations	45
Enspiral’s Financial Commons.....	55
Goodworks Evergreen: A Rural Rollup	73
The Industrial Commons.....	79
Mondragon Corporation	91
Obran: A Cooperative Holding Company.....	113
Rotating Savings and Credit Associations.....	123
Sardex: A Complementary Currency.....	133
Savings Pools: A Mutual Lending Practice	147
Sumitomo Group: A Keiretsu.....	159
Urban Wealth Funds	177
Part III – Patterns, Mechanisms, and Challenges:	
An Analysis.....	189
Purpose & Stewardship	191
Structures, Governance & Ownership.....	197
Shared Services	213
Holding Companies	225
Liquidity, Resource Sharing & Risk	235
Marketplaces & Value Chain Integration.....	249
Relationships, Capacity & Culture	261

Part IV – Opportunities for Action 271

- Launching Shared Services Cooperatives.....273
- Building a Steward-Owned Holding Company.....287
- Opportunities for Funders 303

Part I -

Opening

Foreword

Zoe Schlag & Derek Razo – Common Trust

Dirt Under Our Nails

Business owners work with us every day to define the structures and processes that shape the destiny of their businesses and communities. We at Common Trust have worked with everyone, from farmers to financial institutions. We believe the American economy is overdue for structural changes that put people and communities first, and we have been using an innovative set of legal instruments and financing models to make it happen one business at a time.

We have directly managed the financing and deal structuring of companies from the seed stage to going public while retaining their mission and values. We have had the privilege of supporting community leaders and nonprofits to put privately held assets into the commons. We have worked on protecting and creating some of the largest affordable housing projects and food system businesses in the country. Furthermore, we have designed and deployed funds as fund managers, LPs, and grant makers. We have pioneered legal and tax research that led to the adoption and scaling of new ownership models, sector-wide. We made an investment in Organically Grown Company that enabled their steward ownership transition in 2018. Recently we were privileged to lead Clegg Auto's shared ownership roll-up process, establishing the nation's first employee ownership trust (EOT) holding company. We also conducted Text-Em-All's steward ownership transition. We're deep in the work we do, and so as we explain why this book is such an important read, keep in mind that we're not in the business of selling ideas, we are in the business of making real progress in our field. We rarely consider a research and writing effort to be as valuable as this one.

Ideas Worth Devoting Your Career To

We at Common Trust greatly respect the team behind this book and the supporting organizations, Purpose US¹ and One Project². We believe these topics will only grow more relevant as this field matures. This book showcases the next wave of opportunities for growing the shared ownership movement. Transitioning ownership structures one by one is not the only path to economic change. There is a long history of evidence demonstrating that when networks of individuals and businesses collaborate, leveraging their assets, they can outcompete financial actors over the long term. This takes shared ownership to another level. The enmeshment of multiple entities that share values and vision can offer real efficiencies, resilience, and assets to each other over time. The alternative economic future outlined here is not a hobbyist's intellectual stimulation or a passing fad, but something that has quietly existed in our communities for generations, and we're dedicating our lives to scaling it. You will not be disappointed by the quality and diversity of possibilities spelled out here.

Our excitement extends to the caliber of this book's authorship. We've had the pleasure of working alongside Charity May, Jay Standish, and Chelsea Robinson. In their careers, they have led income-sharing pools, real estate portfolios, and cooperatives, as well as impact funds and startups, and consulted to organizations undergoing structural change. They have discovered insights and opportunities by studying long-running case studies. They have revealed both cultural history and practical recommendations for the current economy. They have given us all the gift of this book, which we see being required reading for our teams, clients, and allies for years to come.

Scaling What's Working

The rationale for this book emerged in the thick of running the Emerging Fund Manager Fellowship at Purpose US in 2021-2022. We supported these leaders to raise new funds to invest in stewardship and shared ownership

1 Purpose. <https://www.purpose-us.com/>

2 One Project. <https://oneproject.org/>

growth, and it was challenging. While there are many courageous and generous donors and investors pioneering this field, every dollar raised is done so in negotiation between existing ideologies and those not yet widely accepted. What's needed next is a roadmap that enables shared ownership to get to scale while building resilience.

While today's capital structures optimize for greater returns by shifting risk, time-tested models of shared ownership prioritize long-term success and resilience. Today's capital structures optimize for greater returns while shifting risk onto companies and their workforce. This is all done without taking into account any negative externalities to the company, community, or planet as long as those materialize beyond the life of a fund. This is simply not compatible with shared ownership structures that are designed for the long haul.

Many business owners and investors maintain the belief that real operational examples of shared ownership at scale don't exist yet. This couldn't be farther from the truth. There are full-scale shared ownership business networks that have existed for hundreds of years. Many are stuck thinking there are no valid examples because instead of raising an eye-popping round, they might acquire new businesses into their shared ownership holding company off their balance sheet or hit 200 years of private, profitable operations while giving back to their community. Success looks different.

This book showcases a diversity of approaches to inspire your thinking around alternatives, and we believe these examples are just the beginning of a Cambrian explosion of new shared ownership models.

Bring an Open Mind

When reading this book, you should expect to be challenged by what seems achievable and invest-able. Although many shared ownership structures may seem new, untested, or risky to you, it does not mean that they are. In comparison with recent creations such as LLCs and mortgages, some case studies in this book illustrate approaches that have been well-used for many generations, on many continents.

We showcase examples that already work at scale, led by people who had the odds stacked against them. These leaders have taken risks few have been willing to take, and have done so at the rugged interface between communities in need and modern regulatory environments. Expect to be inspired by their ingenuity, and to learn new ways of thinking.

We urge you to consider how this book could influence the work you do. Many of the principles here are not only suitable for many sectors, but they also apply even more broadly across multiple asset classes. Reflect on the transferable insights from each story, and pull yourself out of the details of their specific use case to transpose the concepts into your use cases and communities.

Let's Get Into It

We see groups of 'builders' and 'doers' around us who are ready to identify a shared opportunity to build something collectively and dig in. This is a call to action for those of us with assets or communities ready to operate differently.

Furthermore, we know that it's possible to get started without waiting for permission, and without waiting for norms to change on their own. We know that there is a community of leaders who don't need to see large institutions writing shiny reports to make this approach feel de-risked and credible.

Let's connect, and start trying some ideas in this book with the assets in our control today. We don't have to wait for thirty years, or for any one particular group to give the green light. We can look to our left and our right and see who's next to us, and start.

Talk soon,

Derek & Zoe.

Introduction

Chelsea Robinson

Infrastructure for Shared Ownership

The United States economy is overdue for a shift towards equity and democratic wealth building. As authors, we set out to reveal lesser-known corporate forms and financial structures that leaders can use to enable widespread transformation. We have compiled a curated selection of case studies that demonstrate outstanding examples of an alternative economic paradigm in action. In particular, we are excited about the potential of using shared ownership forms as the core instrument for business ownership and community asset stewardship.

This body of work is an attempt at figuring out how to scale steward ownership and shared ownership. Given that many leaders are already aware of the potential of tools such as trust-owned corporations to protect their values long-term, this work offers a next step; to grow this movement through infrastructure that connects assets for greater resilience and competitiveness. Throughout this book, we describe this in several ways. We use language like ‘connective entities’ and ‘networked businesses’ to describe what we call Infrastructure for Shared Ownership.

Shared ownership and steward ownership are key concepts throughout the book, so let’s define them for you up front:

- Shared ownership refers to business and property ownership structures that distribute equity and control among a wider group of stakeholders, such as employees, customers, or community members. Shared ownership models create more equitable and engaged economic participation through structures like cooperatives, employee stock ownership plans (ESOPs), and community land trusts.

- Steward ownership is a corporate governance model that ensures enduring independence and mission-driven focus by placing a company's shares in a trust or foundation. This preserves the organization's purpose and values beyond the involvement of any individual leaders. Central to steward ownership is the strict separation of economic interest and governance. Rather than being privatized, profits are either reinvested in the business and its stakeholders or donated to charity.

When shared and steward ownership are combined, we protect assets and businesses for the long term, align financial interests with mission and values, incentivize reinvestment instead of extraction, and build wealth for all stakeholders.

This book extends the powerful concepts of shared ownership and stewardship by envisioning the integration of these units into something greater. If we work together to build infrastructural institutions between our entities and assets, we can create competitive ecosystems that more and more entities can opt into. Building infrastructure for shared ownership will promote the development of an economy running on different incentives and principles. If matured, these kinds of ecosystems could offer resilient, scalable alternatives to the default financial system.

Leaders face enormous friction when prioritizing reinvestment over extractive incentives. Business owners and community leaders are often ready to prioritize the health, well-being, and wealth of their people and places. Even after leaders restructure their community assets or company into a stewardship format, they still experience the hostile pressures of the extractive economy. Because of this edge effect between shared and steward ownership formats and the rest of the economy, this book shows how we can build corridors of connection between institutions.

Unlocking mutual support between entities can buffer against adverse pressures to place profit above all else. It is possible to build and share banking systems, currencies, employer-of-record companies, no-interest loan pools, warehouses, and heavy machinery libraries. It is

also possible to run entire value chains within collaborative networks of allied organizations. Competitiveness can thrive alongside interdependence. Together, networks of institutions operating on different economic principles can buffer each other from the winds of the default economy as it crumbles.

The groundswell of attention on good governance in finance and corporations is driving a movement towards shared ownership and stewardship forms. Perpetual Purpose Trusts, Employee Stock Option Plans, Cooperatives, and Employee Ownership all share a big tent: Corporate models for an equitable economy. This book contributes to the next step in scaling up these modalities by emphasizing connectivity. This movement needs infrastructure to help these shared ownership models grow, become resilient, and eventually outpace the existing economy.

In this book, we not only break down the nuts and bolts of real examples, but we also elaborate on the patterns, success factors, and nuanced issues across each. Though an individual case study may seem relevant to some audiences and less so to others, the principles from each specific instance can be transferred and reapplied in many other environments. We hope that between all the stories you'll see the big opportunity.

A Highlights Reel

We've collated some key ideas up front. We hope this can be an enticing starting point and a point of reference. You may want to come back to this once you've read more of the book to allow these key points to sink in deeper. The following is a selection of patterns and concepts. We believe that combining these concepts in practice could help you successfully build infrastructure for shared ownership from the bottom up. These concepts can foster economic revitalization and build shared surplus for communities, regions, or sectors suffering from the long-term damages of over-extraction, and growth at all costs.

Conscious
Consolidation

Many leaders are aggregating assets into unifying entities like holding companies or multi-stakeholder cooperatives. Achieving this via typical structures can be a slippery slope to monopoly and cartel behavior. However, when designed with shared ownership and stewardship, these can create value for stakeholders and long-term missions. Conscious consolidation can help with efficiency gains and greater influence in the market.

Shared Balance
Sheets

Pooling assets in shared legal containers can create mechanisms for resilience and liquidity at scale. Putting many buildings, employees, business units, funds, or loans onto shared balance sheets enables pre-tax internal trade. These larger balance sheets can be leveraged for growth, acquiring capital, extending credit to allies, or buffering against losses and layoffs.

Pragmatic
Leaders

A motivated, practical leader is often behind infrastructure for shared ownership. These leaders typically have an operational mindset and a vision to create win-wins for their people, customers, and stakeholders while staying in line with regulators.

Companies
Cooperating

Connected entities create infrastructure for shared ownership. Methods like cross-shareholding, or co-investment in co-owned services companies create connective tissue between businesses and assets. Entrepreneurship typically focuses on developing and leading one project, but infrastructure projects require entrepreneurial creativity in managing relationships between entities.

Monetary Policy and Sovereignty

Monetary policy is typically considered the role of the state. It determines how the central bank controls the money supply and promotes price stability. It involves managing interest rates, setting bank reserve requirements, and influencing credit availability in the economy. These kinds of policies can be generated within networks of businesses with shared resources. Complementary currencies or internal network trade can be opportunities to redefine the role and value of money. Sovereign economic spaces can encode new incentives and imbue meaning to money itself.

Municipal & Civic Integration

Municipalities and citizen-led initiatives can benefit from infrastructure for shared ownership. Connected business networks enhance worker empowerment and agency. Empowered people participate more actively in local developmental efforts. Community leaders can use shared ownership and stewardship for community assets, while local governments can aggregate regional resources onto shared balance sheets. These concepts are relevant and beneficial for regions and cities alike.

Regionalism and Place

Each locale has a history of how economic and cultural development occurred in that area. These historical drivers, such as settlements created among mining, shipping, or fabrication, can be sources of economic revitalization. Looking at the endogenous sources of economic development in a region can inspire a purpose for networks of business activities to grow from. Linking the past activities of a place to its desired future state can provide a strategy for developing infrastructure for shared ownership.

Trust and Purpose

A culture of trust and mutual support often helps networked entities thrive. While the motivation to aggregate assets for resilience can stem from desiring efficiency gains, it is strongest when driven by parties that have a desire to help each other succeed over time. However, if mutual care consistently outweighs purpose, the culture can stagnate and become an 'in-crowd'. Cultures that balance trust and purpose, individuation and mutualism, are generative and can take risks together.

Pools and Closed Circuits

Infrastructure for shared ownership frequently emerges within walled gardens. Limiting participants can help mitigate the downside while generating shared benefits. In the default economy, this is achieved through systems like credit scores. In contexts of shared ownership and stewardship, there may be criteria of 'fit' for participating in a pool. One business' performance profile may make it more or less suited to joining a group of other businesses.

Shared Economic Destiny

Relationships of long-term interdependence are a strong bedrock for operating network infrastructure. While short-termism is transactional, long-termism is purposeful and relational. Many of our case studies showcase business-to-business or intergenerational relationships, which prioritize the strength of the long-term relationship over short-term profitability. This does create tension; however, it is a developmental approach. Investing in the person, company, or relationship is expected to pay dividends indirectly over time. This is couched in a deeper stance that collective flourishing leads to individual flourishing.

Well-Managed Commons

The opposite of a tragedy of the commons is a well-managed commons. Rather than seeing cooperative enterprises as a cost center, co-investing in shared services and utilities can protect against challenges and accelerate growth. Investing in the management and governance of the shared systems is necessary for their success. Just as a building needs a facilities manager and a budget, projects bridging entities need leadership.

Reciprocity Mindset

Enlightened self-interest helps people understand that they will receive dividends on their generosity to shared pools of resources. Reciprocity is often thought of as a direct trade. However, in many cases of infrastructure for shared ownership, reciprocity is indirect. Fostering a mindset that places value on processes of indirect reciprocity aligns day-to-day acts of generosity with individual gain and overall collective thriving.

Seed Assets

In multiple case studies, people have used a seed company or an asset base to start a network of entities. Seed assets may be a fully functioning, existing entity such as a profitable business or a piece of land. Seed assets may already have monetary value in the default economy, which allows them to convert that value into starting a shared utility. Seed assets may also be of sufficient size and stability to invite other smaller entities to join their fray. Many business owners could consider whether their business can play this role. Many municipalities could consider whether their public assets can be carefully financialised for regional development.

Shared Services Groups of people or organizations often set up services between them to share costs. This can take the form of setting up an accounting company that is dedicated to back-office services for a network of businesses. It is important to differentiate between privately owned services companies that are extracting value from a network and shared services that have been structured to ensure the network benefits from the success of that shared services venture.

Diving in

We anticipate that you are reading this book because you are interested in stories of cooperative and shared ownership models. You might be a business owner, community leader, or an enthusiast within the movement. There are many examples of businesses that, individually, have demonstrated alternatives. Beyond the 'one business at a time' model, how do we snowball the positive effects of shared ownership and stewardship?

This book focuses on how businesses and communities can work together to scale impact through coordination. We explore how to create connective entities that offer resilience and growth to shared and steward-owned institutions. We see a path to transform the entire economic system by building interconnected networks wired for reinvestment. We see the potential of building coordinated infrastructure to protect and advance shared ownership and stewardship.

How to Read This Book

Chelsea Robinson

Navigating the Sections of this Book

This book has four sections. This outline can help you decide which parts interest you most. You can read this chronologically or jump around and dip into different topics and case studies at your own pace.

Part I – Opening

The opening is an orientation. We provide a framing narrative and explain our motivations. You will get important key concepts from the opening which you won't get elsewhere. Even if you read only a handful of other chapters, the opening is necessary for understanding the other sections.

Part II – Living Proof: Case Studies

Twelve in-depth case studies demonstrate diverse examples of infrastructure for shared ownership. We have focused on the mechanisms and gritty details of how these operate internally. We have also captured their context, history, and use case. Almost all case studies were informed by those directly involved in the projects. These are stories of pragmatic leadership and succeeding against the odds.

Part III – Patterns, Mechanisms, and Challenges: An Analysis

Our analysis covers topics that have recurred across case studies. We unpack issues like mitigating the downsides of cooperation and explicate success factors like governance and culture. We have outlined trends such as shared service provision and liquidity through resource pooling. The analysis discusses the nuances of the case studies and also adds more examples.

**Part IV –
Opportunities for
Action**

We identify valuable strategies worth adopting. In this section, you will find recipes for action. We cover how to build a shared services company and how to design a holding company founded on stewardship. Finally, we advise on how funders can invest wisely in this space.

Our Bias, Angles, and Ideologies

Here, we describe our decisions regarding the ideas represented. We explain our emphasis on the untold side of stories and our pragmatism.

For Builders, Alongside a Wider Movement

The work builds upon the efforts of countless individuals and communities who have pioneered alternative economic models for decades. We acknowledge and celebrate the leadership shown by economists within underrepresented groups, who have long been at the forefront of these discussions. In recent years, the ecosystem of alternative ownership and finance has experienced tremendous growth, with many organizations and individuals playing vital roles in its development. We know that our contribution is just one part of an ongoing, multi-faceted dialogue taking place.

Our contribution is to coalesce the ideas presented in this book as a platform for action, particularly for business and community leaders seeking pragmatic steps to build infrastructure for shared ownership. The case studies and concepts explored in this book draw from various ideological influences. We believe that no single paradigm or belief system holds a monopoly on truth, and we adopt a pragmatic focus on the mechanisms and practical “how-to” aspects of building alternative economic models. As a book written by builders, for builders, we recognize the crucial role played by individual and small group leadership in driving change.

A Spectrum of Economic Worldviews

The sociopolitical contexts of the case studies span both Western and Eastern countries, encompassing a mix of immigrant, indigenous, and colonial cultural concepts. For some communities, mutualism is a way of life and a default mode of operation. For others, private gain and extraction

are the norm. Writing primarily for U.S. audiences, we use terms like “typical,” “default,” or “normative” to refer to the currently dominant extractive economic system prevalent in the United States. Some examples may be unconventional or surprising, while others may invite healthy critique. There is an inherent tension between market forces and coordination and a tendency in Western colonial viewpoints to perceive cooperation as anti-market behavior. However, for communities that have experienced oppression, suppression, and systematic extraction, shared ownership, and resource sharing have served as vital means of protection and survival in the face of economic violence. The Keiretsu case study illustrates this tension. Some view Keiretsu as having been set up for the Japanese elite to circumvent anti-monopoly policies. Others see it as a culturally coherent defensive move against American imperialism during the post-war restructuring of the Japanese economy for international market integration. As authors, we believe that valuable insights can be gained from every example, even if they may not align perfectly with our preconceptions.

Nuance Over Narrative

We have deliberately chosen to focus on aspects that may have been overlooked in other analyses, seeking to add value to the existing ecosystem of knowledge. Rather than rewriting the well-known and sometimes romanticized elements of case studies like the Mondragon Cooperative, we’ve aimed to dig deeper and uncover the underlying factors contributing to their success or challenges. This has led us to surprising findings, such as the intergenerational job guarantees within Mondragon — a testament to their long-term perspective — as well as the reasons why some of their companies chose to leave the cooperative.

Our selection of case studies represents a diverse range of approaches and concepts. Spanning from contemporary U.S. examples like Obran and the funder-driven stewardship model of Goodworks Evergreen, to ancient international practices like loan pools. By highlighting these, we hope to demonstrate that the ideas of shared ownership and alternative economic models are not foreign or impossible but are operating

successfully around the world. While the examples included in this book are not exhaustive, we believe they provide a compelling cross-section of the possibilities within this space. Our aim is to catalyze further interest and exploration rather than suggesting that these specific instances are the only ones worthy of attention. As the movement toward infrastructure for shared ownership continues to grow, we eagerly anticipate the emergence of many more inspiring stories and innovative models.

Finally, most of our case studies have been informed by direct interviews and discussions with project or company leaders. We worked to produce the most realistic and detailed information we could achieve.

A Glimpse into the Future

Chelsea Robinson

Change happens faster than you might think. If something seems impossible today, it does not mean that it will remain that way. Keep in mind that LLCs, perhaps the most common legal entity in the country, were only invented in 1977³. Do not forget that 30-year mortgages only became legislated and widely used in the 1930s. Until the Great Depression, loans beyond 5-10-year periods were unthinkable⁴. A new financial product was designed to meet the day's needs, creating a new normal within just decades. We can build new legal and financial products that serve today's needs, and if done right, they do have the potential to generate transformative change for the American economy.

When trying to make changes in society, it can be easier to point to the fact that we're trying something 'different' rather than naming what we're building. The tendency is to say 'alternative economics' or "new economy". This can be problematic. Equitable economic infrastructure isn't just an "alternative", and it's not all "new". There are plentiful implementations of these models being competitive, lasting, and scalable. What is harder is to give it a name and a compelling story. We will offer some brief framing of how to conceptualize the bigger picture economic future that could be possible if we scale up infrastructure for shared ownership and unlock its widespread positive ripple effects.

3 Feldman, S. (2022, September 30). Understanding LLC law: Its past and its present. <https://www.wolterskluwer.com/en/expert-insights/understanding-llc-law-its-past-and-its-present>

4 Highfield, M. J. (n.d.). A brief history of the mortgage, from its roots in ancient Rome to the English 'dead pledge' and its rebirth in America. The Conversation. <https://theconversation.com/a-brief-history-of-the-mortgage-from-its-roots-in-ancient-rome-to-the-english-dead-pledge-and-its-rebirth-in-america-193005>

Beyond Cooperative Commonwealth to Stewardship Commonwealth

During our research, we were delighted to explore the work of political economist Jessica Gordon Nembhard⁵. We will briefly explain her work and ideas and how they offer a relevant vision. We will then add another dimension.

Nembhard is a scholar and activist whose work focuses on cooperative economics to empower marginalized communities and promote racial and economic justice. Her research highlights the often-overlooked history of African-American cooperative economic practices and their role in the struggle for civil rights and equality. Nembhard advocates for the development of cooperative businesses, credit unions, and other forms of collective ownership as strategies for fostering resilience. We appreciate how practical and urgent her voice is about what's possible: "One of my pet peeves is that we keep thinking we don't know what to do, but we do know because we have lots of models that have succeeded over the centuries, even over the last 20 years. There are lots of examples of cooperative solidarity economics that work, that deliver to people, that provide people a say, a piece, that operate in a business model that can make money for people. What we don't have is enough will and enough education about how to do it."⁶

One of her proposals is the vision for a Cooperative Commonwealth. The Cooperative Commonwealth is one of the few 'full stack' visions for a networked, equitable economy that we've found to be aligned with our ideas. The cooperative commonwealth implies many levels of society incentivized towards democratic participation, wealth building,

5 Wikipedia contributors. (2024, April 4). Jessica Gordon Nembhard. Wikipedia. https://en.wikipedia.org/wiki/Jessica_Gordon_Nembhard

6 Gordon Nembhard, J. (2015, September 28). Thinking about a next system with W.E.B. Du Bois and Fannie Lou Hamer. TheNextSystem.org. <https://thenextsystem.org/thinking-about-a-next-system-with-w-e-b-du-bois-and-fannie-lou-hamer>

reinvestment, and stakeholder control. To paraphrase Elias Crim⁷, the Cooperative Commonwealth includes financial reforms such as the development of public banking and the widening of credit unions, processes to convert existing businesses to shared ownership, networks of affiliated businesses, and a lifestyle that “gives people time for caregiving, volunteering, and continuous learning.”

In Nembhard’s own words, “Risks are collectivized, skills are perfected, learning is continuous, and surplus is shared in equitable ways, through real democratic decision-making. In a system of shared prosperity, shared decision-making, and collective economic activity can spill over into other social and political spaces, and enrich civil society, families, and individual wellness. We do have examples of some of this. We have examples of sort of cooperative commonwealths where you have interlocking systems: a credit union that helps to develop worker co-ops and gives the first loan to the co-op store to buy its own building. And then the co-op store deposits its money in the credit union. And the credit union also helps the neighborhood to start a housing co-op. And the housing co-op members run their own security company and maintenance company as worker-owned companies that also service the credit unions and the co-op stores. The residents also have a co-op sewing factory, catering company, child care center, etc. So that’s the kind of idea we have: that everybody is part of several different co-ops, which service each other and provide products and alternative financing. Some of the surplus from one co-op venture can then be put into something else, like affordable housing or other kinds of provisions, like collective utilities. So the notion is that we don’t really have any one group, or one person running off with all the

7 Crim, E. (2024, January 16). Three Guides to navigating 2024 (#3). Solidarity Hall. <https://solidarityhall.substack.com/p/three-guides-to-navigating-2024-3>

spoils, right? The spoils are truly recirculating in the community. And the community itself is the one who decides what happens to those resources”⁸

The risk here is an over-emphasis on the ‘cooperative’ legal structure. We’re advocating for a wider variety of legal structures. The interconnect- edness of entities in Nembhard’s vision is aligned with ours. However, we believe that although coops have been a popular choice for shared own- ership, they are not without issues. For example, coops are structurally incentivized to serve the wealth and health of their own members due to their governance arrangements. In our vision, we would like to see the vitality and resilience of communities and landscapes become part of the success criteria of business activity. Rather than the priority being the wealth-building of worker-owners, we see the priority as being an economy that generates public goods.

For this reason, there is immense value in utilizing steward owner- ship. If a local utility company is owned by a trust that legally requires it to provide high-quality services and advance the environmental protections of the region, that business will extend its mission far beyond optimizing for profit share of its members. We admire and want to highlight Nembhard’s extensive work in this area and also use this as an opportunity to distin- guish the differences between a cooperative economy and a stewardship economy. For this reason, we offer the phrase ‘stewardship commonwealth’ as a possible iteration on this framing. We’re not claiming this concept to be the most memorable or memetically powerful phrase, but it could be a useful description in the interim as we all collectively articulate a vision for a better economy.

A Better Monday

This next segment is a short story. It’s a painting of how infrastructure for shared ownership can create positive effects on quality of life. It can

8 Gordon Nembhard, J. (2015, September 28). Thinking about a next system with W.E.B. Du Bois and Fannie Lou Hamer. TheNextSystem.org. <https://thenextsystem.org/thinking-about-a-next-system-with-w-e-b-du-bois-and-fannie-lou-hamer>

connect local, regional, and national institutions. It can normalize ethical and equitable conduct. We can add human and planetary health into the purpose of our economic logic. The result? A better Monday.

Imagine you wake up on a Monday morning in a house that you own and bought with low-interest rate community mortgage fund assistance. You roll out of bed and eat a breakfast of food products created by companies whose farmers, processors, and management all have a stake in those corporations and take pride in their work. You take a shower knowing your water company is a regionally owned and operated, municipality-co-funded company with a trustee board representing diverse community members. There's a bill to pay on the kitchen table from the power company, but it's only a small amount because your dividend covers most of the cost this month. You shudder to think how gas and electric companies used to cause wildfires through neglected line maintenance and cost-cutting. Never again.

You're getting ready for work, combing your hair, tying your shoes. You're commuting to a company you've worked with for eight years, where you've been accruing an increasing profit share every year as part of your compensation package. At work today, there will be a lunchtime discussion to input into the plans for a new regional warehouse via the employee representatives on the board of the holding company. You were rotated into the committee last year, but now you know someone else is handling the board process, and you're grateful to defer to them and just give them your two cents.

One of your projects at work is going incredibly well because of a partnership with a local bank that is backed by the public bank of your region. The bank is co-owned by a few large trust-owned companies in your area and a larger banking group. The bank's governance includes a set of stakeholders with a balance of interests. Their loan terms will allow you to invest in more environmental sustainability measures for your project because the municipality has set up a muni-bond product to offer subsidies to businesses that invest in environmental impact mitigation. A healthy

balance sheet backs the bond due to the creation of an Urban Wealth Fund at the local government level.

To end the day, you have a doctor's visit at 4 pm, so you'll leave early. Your healthcare package is managed by the HR company within the broader HoldCo. Your healthcare provider is structured as a purpose trust, and their number one priority is quality of care. Paying a portion of your premiums doesn't feel like extortion like it used to because your profit share in the HoldCo's insurance scheme means that when the shared services do well, you do well.