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Artist Credit: Darius C. Dennis

A RESTORATIVE AND REGENERATIVE ECONOMY

WE envision a future where the lives, leadership, expertise, goals and intelligence of low-income and Black, Indigenous, Latino, Asian and Pacific-Islanders and all people of color are supported and enhanced by an economic system that is democratic, just and adaptive. This economic system is based on abundance and communal self-determination for communities of color and all people. It acknowledges the restoration and healing necessary to repair relationships and create sustainable resilience that allows regeneration to be possible. This system recognizes the interrelationship between oneself, the environment, and the greater community and that advancing intersectional work is how we will achieve collective prosperity.

OUR CHALLENGE

Our current economic system requires hierarchy, oppression, and extraction to operate and maintain itself. It divides people according to race, class, ableism, and gender, and often treats Black and Brown people, people who identify as LGBTQ+, poor people, the differently abled and the natural environment as expendable resources. This treatment has an impact that causes not only emotional burnout and psychological trauma

for its victims but creates a system that perpetuates poverty, marginalization, poor health and an economic burden that hurts everyone.

The term **restorative economy** was coined by Nwamaka Agbo and is:

“an invitation for communities to come together and form relationships that allow them to reimagine a new way of being grounded in cooperation instead of competition, inclusion instead of exclusion, and abundance instead of scarcity.”

~Nwamaka Agbo





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Great results can be achieved when creativity is merged with an intention to serve communities in need. Using cultural and historic elements of an existing community to establish local circular economies not only reinforces local identity for the people and the place but has potential to restore health and well-being of that community, especially when diverse demographic groups in the community are intentionally connected for both economic benefit and social support.

Miné H Hashas-Degertekin,
Kennesaw State University, Atlanta



POLICY RECOMMENDATIONS

1. Build from the Ground Up with an Emphasis on Relationships

Hyper-local and community-driven solutions are essential to a restorative and regenerative economy. Community enterprises that build true community power and shared wealth, such as cooperative and employee ownership, will be crucial to recovery from COVID-19. This includes a number of tangible actions:

Supporting intergenerational spaces for connection, storytelling, and restorative activities that acknowledge and identify pain points, strengthen and build relationships and imagine new opportunities.

Supporting closed-loop economies that circulate financial and non-financial resources to serve basic needs and invest in housing, urban farms, grocery stores, community health centers, and community businesses.

Facilitating processes that support the creation of local cooperative businesses and conversion to co-op structures, especially in low-income and communities of color for sustainable wealth generation. This can be done by providing education, technical assistance, and investment to those businesses that are interested in developing or converting to cooperative structures.

Supporting owners and workers of existing and recently shuttered local businesses, with priority given to legacy businesses owned by people of color and the undocumented.

Creating programs meant specifically to assist businesses in generating capital to sustain operations and also to build out programs for tailored technical assistance that focus on building business plans, navigating bureaucratic systems, building management and leadership capacity, and developing products.

Supporting a cultural equity plan that maps assets, access to arts and culture resources, and lays out cultural investment and cultural preservation strategies. Developing a ground-up cultural economy plan enables investment that strengthens the cultural vibrancy of the local economy.

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One thing has become clear this year –entrepreneurs of color are essential to the fabric of our community and real efforts must be made to ensure they can adapt to the future. Whether it's an international pandemic or the closer-to-home effects of climate change and displacement, MHC partner efforts have included providing direct cash assistance, mobilizing business owners, and advocating for city action to drive local investment towards our community businesses.

Deya Zavala,
Mile High Connects, Denver



2. Increase Non-Extractive Lending.

Community lending and capital strategies should not harm nor place an undue burden of collateral or extractive debt on BIPOC residents and business owners. As a SPARCC network, our role is to both advance non-extractive capital strategies and lift up these strategies as capital partners. Activities should include:

Convening community leaders interested in understanding capital systems and translating community lending to credit-building efforts.

Supporting policy changes to allow micro-businesses, entrepreneurs and cooperatives to fundraise and develop other creative and regenerative community capital strategies.

Integrating lending resources to create healthy, green and climate resilient community structures using renewable resources without compromising affordability.

Accelerating work by community development financial institutions (CDFI's) to invest in technical and financial assistance to support emerging BIPOC banks and credit unions, as well as small community lenders.

Across the country we are seeing new models of community wealth-building strategies that are worth investing in to scale to increase their impact, such as:

- **Community investment trusts** (e.g. [East Portland Community Investment Trust](#) offers residents a path to collective community ownership of real estate from \$10 - \$100 per month. Residents must take the Moving from Owing to Owning class and work through a framework of learn, invest and profit.)
- **Community Owned Real Estate (CORE)** (i.e. a Los Angeles-based collaborative model to preserve small businesses in gentrifying neighborhoods.) This model is part shared equity and part community land trust which creates a pathway for tenants to join the ownership group of the property they work in. (Source: [Inclusive Action](#))
- **Community solar and cooperative models of renewable energy**, district water and district energy models and models of mixed-use community land trust with green space (see examples in [The Sustainable Square Mile Handbook](#), by Blacks in Green and the Natural Resources Defense Council.)

3. Center Restorative Justice and Other Healing Practices

Healing and restoration must be at the forefront of our way forward given the current toll on the earth's resources and human capital and capacity. This requires **allocating health care and arts funding to address trauma and health disparities. Arts and culture interventions are a powerful alternative to mainstream methods used to address systemic issues such as criminal justice and safety.** The use of arts and cultural engagements (e.g., drumming, talking circles, theater) to change the impact of scarcity, trauma and environmental degradation to prosperity, health and sustainability, especially at the local and hyper-local levels.



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2020 has forced us to reimagine all systems, so CCWB is taking advantage of this opportunity to accelerate action towards a regenerative economy that keeps our wealth in our communities. This means working with place-based institutions on helping them identify ways to use their economic power to support our local businesses and cooperatives in addition to supporting local businesses and cooperatives to not just survive this brutal year, but also build their capacity to adapt to a changing market. This is not an act of charity, but rather, the recognition that it makes business sense to invest in our communities.

Yessica Holguin,
Center for Community Wealth Building & MHC Partner



Photo Credit: Center for Neighborhood Technology

Artist Credit: Rahmann Statik

4. Re-orient Philanthropic Funds for Community Development

There are a variety of financial resources that can support community work, none of which currently stand alone, but each of which need to be right-sized from the hyper-local to regional scales. This includes a number of changes, including how philanthropy engages and prioritizes its resources. Among these are:

Influencing and diversifying the uses of philanthropic funds to serve as a catalyst for community wealth-building by investing in community-based and community-owned trusts.

Changes to grant scoring criteria among federal and philanthropic partners to center investment into Black, Indigenous and communities of color by organizations led by people of color.

Revising underwriting processes to allow for investment in shared governance and collective ownership of commercial and residential properties.

Providing targeted engagement and organizing funds to local and emerging artists and cultural organizations that are trusted in serving diverse language, cultural and disability communities.

Creating flexible funding guidelines that allow for innovation through cultural and artistic approaches.

Designating grant and capital funds to reflect demographics to ensure cultural services in all communities.

5. Expand Opportunities for Communities to Connect in Healthy, Vibrant and Green Spaces

Parks, plazas and open green spaces can serve as catalysts for social, artistic and educational enrichment and often serve as hubs for regenerative economic activities such as local food production.

Events and other programming in parks should provide the opportunity to tell the historical and cultural stories of the first Indigenous stewards of the land and underserved communities, and offer a platform for intercultural relationships.

Cultural and recreational assets can be linked through sidewalks, trails and bikeways that create safe access for low-income communities and communities of color.

At the local level, **cities and regions should prioritize infrastructure investments** that create circular, interconnected green systems to capture energy and water waste and reduce negative health impacts.

Local policies should include a focus on the health impact and economic value of green infrastructure in ensuring benefits reach existing community members and not cause displacement.





Photo Credit: Julie Jung

SPARCC provided some money to the Street Vendor Emergency Fund, which helped to support in total 1,296 vendors with \$400 unrestricted cash, all on these cash cards.

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Sidewalk vendors are an integral part of our local economies. Legalizing their businesses provides protection and integration into economic systems they have long been barred from. Investing in these entrepreneurs is investing in the needs of communities that have not received their fair share of goods and services due to historical disinvestment.

Lyric Kelkar,
Inclusive Action, Los Angeles



Photo Credit: Rudy Espinoza