2013 Summer Institute—The Care Economy: Building a Just Economy with a Heart

The Summer Institute was, as always, an inspiring event, both for the participants as well as for CPE. The special track was the Care Economy: Building a Just Economy with a Heart. We partnered with Caring Across Generations, Civil Liberties and Public Policy based at Hampshire College, the Center for Women’s Global Leadership, at Rutgers University, and the Caring Economy Campaign, who helped shape the program, do outreach and provide speakers.

We had a wonderful and diverse group of participants from community and labor groups, as well as student activists, educators, and care givers. The teaching teams—Lisa Saunders and Thomas Herndon for the US class, and Kiaran Honderich and Riko Rosete, with an assist from Zhongjin Li, for the International class—received high praise from participants for their clarity, creativity, responsiveness, and hard work. In addition to the classes, the week included concurrent workshops in the afternoon, guest speakers in the evening, an open mic (special shout out to our super high energy emcee, Olivia) and a solidarity economy tour of local worker cooperatives/collectives, a community-owned farm and CSA, and an award winning permaculture garden at UMass.

We were fortunate to be able to draw on the expertise of Gerald Friedman, Professor, Department of Economics, UMass Amherst and CPE staff economist.

In a recent posting, Bloomberg ranked the United States health system as the 46th most efficient of 48 countries considered, putting the United States below Iran, Algeria, and Peru as well as affluent economies like Japan, France, and Canada. While this low ranking is no surprise—it is consistent, for example, with the World Health Organization ranking—because it comes from a respected business source, it is a valuable corrective to those who persist in a jingoistic belief that the US has the world’s best health care.

Even at 46, Bloomberg may be placing the United States health care system too high. Bloomberg ranks national systems according to a weighted average of three measures: life expectancy at birth, spending per capita, and spending as a share of Gross Domestic Product. By giving countries a better ranking for longer life expectancy and a worse ranking for spending, Bloomberg does rank systems higher for being “efficient,” i.e. producing more life expectancy for any level of spending; but their ranking measures efficiency only indirectly and through an arbitrary weighting system. Instead, a more direct system would compare each country’s life expectancy to their

(Cont’d on page 4)
CPE Happenings

June 14: SCORAI Conference, Worcester, organized by the Sustainable Consumption Research and Action Institute. Emily did a presentation about the solidarity economy. There was considerable overlap with SCORAI’s framework.

July 18: Teach Radical, NYC. This was a workshop with CPE and Brooklyn Institute for Social Research that explored strategies to provide access to education outside the traditional university setting.

August 4-10: Summer Institute—see page 1

August 18-20: Solidarity Economy Teach-in, World Fellowship Center, NH. Three days of talks and discussions about the solidarity economy, farming and the commons, solidarity economy and ecology, and sustainable livelihoods, plus a showing of Shift Change, a new documentary about worker cooperatives in the U.S. and Mondragon, Spain.

November 9-10: Worcester SAGE (Solidarity and Green Economy) Conference, Worcester, MA. CPE is co-sponsoring this two day conference to explore statewide solidarity economy campaigns, including mapping, an SE Fund, re-claiming vacant land and housing for community use and using consumer power to impact supply chains.

Central Africa Popular Economics (CAPE) collaboration—see page 5

Jamaica Care Economy Collaboration—see page 5

Wellspring Cooperative Initiative—CPE was an initiator of this effort to build a network of worker cooperatives in Springfield, MA. The Wellspring Upholstery Cooperative is just starting up. Our second business, a hydroponic greenhouse is in the pipeline and we just received a grant from the John Merck Fund to develop this co-op.

Transition and Reflections

Emily Kawano, CPE member

For the past nine years, it has been my privilege to serve as the Executive Director of the Center for Popular Economics. As often the only staff person, I have served as the proverbial chief, cook and bottle washer. While this job has been profoundly rewarding, I am also excited to be moving on as of the end of October. I look forward to being able to focus more exclusively on programmatic work and less on bottle washing.

I came on board as Executive Director in the fall of 2004, during another transitional period, when CPE was operating without staff and had cancelled our cornerstone Summer Institute. Since those precarious times, I am proud of CPE’s many accomplishments:

Institutes: We have held our Popular Economics Institute every year, with the exception of 2007, when we organized a ‘track’ of popular economics workshops at the first U.S. Social Forum in Atlanta, and in 2010 we did the same for the second U.S. Social Forum in Detroit. We initiated a new model of partnering with other groups and institutions to organize the Institutes, which often took us to locations away from our home base in the Pioneer Valley of W. Mass. In 2008, the Institute was in Chicago, hosted by Roosevelt University and in partnership with immigrant rights and community-labor groups; in 2009, the Institute was hosted by the World Fellowship Center, NH in partnership with NH American Friends Service Committee; in 2010, the Fall Institute was hosted and co-sponsored by the Highlander Center, TN; and in 2012 the School of International and Public Affairs at Columbia University hosted the Institute and we organized it with various groups involved in Occupy. In 2011 and 2013, we were back in the Pioneer Valley and partnered with groups working on media justice and the care economy respectively.

Workshops: CPE has done hundreds of workshops and presentations from coast to coast, on a multitude of topics, drawing on the impressive breadth of expertise to be found within the CPE collective.

Field Guide to the US Economy: Thanks to the hard work and dedication of Jonathan Teller-Elsberg, Nancy Folbre, and James Heintz, we published the 4th edition of the ever popular Field Guide.

Economics for the 99%: In solidarity with and in support

(Cont’d on page 4)
The Wrong Deficit: Full Employment Requires More Spending and More Borrowing, Not Less

By Tim Koechlin, Director of International Studies, Vassar College. Re-printed from Huffington Post, 10/15/2013

These are grim economic times, for sure. Even after three years of "recovery," one in seven Americans who would like full-time work can't find a full-time job. Millions of Americans have lost their homes, and millions more are at risk. Since 2007, the median wealth of African American and Latino families has fallen by more than half. In the midst of all of this suffering, US corporate profits are at an all-time high. The richest 1 percent of Americans have enjoyed soaring incomes for more than three decades.

The U.S. economy and the human beings it ought to serve are suffering, first and foremost, from a Jobs Deficit. Closing this gap -- facilitating the creation of good jobs -- should be the very top priority of Congress and the White House. But it isn't. Instead, our leaders remain engaged in a terribly misguided squabble over how best to lower the federal budget deficit. The current impasse -- the government shutdown and the Republicans' refusal to raise the debt ceiling -- is just one (especially appalling) episode in a long-running drama.

President Obama's vision for the budget and the country differs substantially from that of the GOP, for sure. But President Obama has, unfortunately, embraced the faulty premise that deficit reduction should be a top priority. He, along with a chorus of deficit hawks, longs for a "grand bargain" that would get the debt and the deficit "under control."

Here is the problem: in a stagnant economy, cutting spending is a terrible idea. Cutting spending during a recession is like blood-letting an anemic patient (or invading Iraq to avenge an attack by Al-Qaeda): it is precisely the wrong intervention. The U.S. economy needs more spending, not less. Check your economics textbook.

This is indeed the worst downturn since the Great Depression. How did the Great Depression finally come to an end? After nearly a decade of mass unemployment, stagnation, foreclosures, bankruptcies, and muddled policy (sound familiar?) the US government massively increased its spending to pay for the War; that is, it ran enormous budget deficits. War spending put people to work; these newly employed workers spent their income, and this spending created jobs for others. Between 1939 and 1945 the national debt increased by a factor of six. Was this a "burden for future generations"? Hardly. The post-war generation and their Baby Boomer kids benefited enormously from this debt-financed recovery. They inherited some debt, sure, but they also inherited an economy that provided them with vast economic, educational and personal opportunities -- and higher incomes. The three decades following WWII brought rising incomes for every class of Americans; the income of the median U.S. household doubled! By any measure, this debt-financed spending was a wildly successful investment.

The most effective way to reduce the current Jobs Deficit, and to provide opportunities for our kids now and in the future, is for the government spend more -- for schools, teachers, universities, infrastructure, alternative energy, mass transit, safe workplaces, and safe food and water. This spending would create jobs today, lighten the load of

(Cont'd on page 6)
CPE members Nancy Folbre, Randy Albelda and Kiaran Honderich, to develop a four session curriculum on the Care Economy which was integrated into the Summer Institute. The first module of the Care Economy curriculum was Nancy Folbre’s talk on Monday evening which provided a great introduction to *The Economics of Care* (available for viewing on our website). Both the U.S. and the International Classes built on this introduction to explore the interplay between the care economy and race/ethnicity, class and gender and then looked at the care economy, policies, and organizing at the U.S. and International levels respectively.

In addition to Nancy’s talk, the evening panels covered a range of topics related to the care economy including:

*Organizing for Care* covered issues from the worker’s and consumer’s perspectives. The panel included Amber Martin and Donna Clayton from SEIU 1199, John Bennett from Mass. Senior Action and Martina Carroll, from the Stavros Center for Independent Living.

*Global Dimensions of the Care Economy* was a fascinating panel with CPEers Kiaran Honderich who explored the joint impact of neoliberalism and AIDS in Africa and Jerry Friedman who looked at U.S. healthcare in comparison with the costs and outcomes in other countries. Natalicia Tracey from the Brazilian Immigrant Center talked about the complex relationship between care work and immigration/migration.

*Reproductive Rights, Immigration, and Counting the Care Economy*. Kim Otis from the *Caring Economy Campaign* spoke on the linkages between paid and unpaid care labor and why it is important to develop social wealth indicators. Jennifer Su, from the Civil Liberties & Public Policy Center talked about the relationship between

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**Transitions (cont’d from p. 2)**

of the Occupy movement, we wrote and published the *Economics for the 99%* booklet and distributed 3,000 copies for free to Occupy hotspots around the country.

**Economic Finds**: we created a collection of graphs with easy to understand explanations on a wide range of topics. You can find these on our website.

**Curriculum development**: We have worked on numerous curriculum and capacity building projects including partnerships with the American Friends Service Committee, the Community Education Project, WMass Jobs with Justice, and the US Solidarity Economy Network, including two online courses on the Solidarity Economy. We also developed curriculum on the Economics of the Media which we used in the 2011 Summer Institute.

**Solidarity Economy**: CPE is one of the founders of the US Solidarity Economy Network, which emerged out of a series of meeting at the 2007 US Social Forum. SEN works to build the solidarity economy (SE) in the US and connect it up with the global movement. We organized the first US Forum on the Solidarity Economy and published a book from it. CPE has integrated SE into our trainings and we organize an SE tour as part of our Institutes. Participants have been enthusiastic to learn about existing economic alternatives and understand how we can build on these practices to develop an economy for people and planet. As the solidarity economy continues to gain ground and recognition throughout the world, CPE can be proud to have played a major role in the birth of the movement in the US.

**Wellspring Cooperatives**: CPE is one of the initiators of this solidarity economy project. It is an example of integrating theory and practice.

I am so grateful to have had the opportunity and good fortune to work with the many fine folks in CPE and the CPE community. I look forward to continuing to be an active CPE member and connecting with many of you, particularly on work related to the solidarity economy. Thank you.

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“I’ve learned a lot of economics in school, and I’ve even learned the critiques, but learning the alternatives...that was the most realistic application that I took away from this week.”

- Kathleen Fitzgerald
immigrant domestic workers and reproductive justice.

Cooperative Models of Care provided an interesting look into models of cooperative care provision. Dr. Michael Grey talked about the history of cooperative health insurance and current initiatives to create such systems in 24 states. Vanna Gonzales, Arizona State University, talked about the 7,000 thriving Italian social cooperatives that provide health, education and social services, or jobs, especially for people with a disability, for around 500,000 people. Daphne Berry, University of Hartford presented the case of Cooperative Home Care Associates in the Bronx, a successful direct care co-op with 2,000 worker-owners, the largest worker cooperative in the US.

The week was fun and energizing—full of interesting stories and sharing, great people, and wonderful connections.

“…we tend to blame a lot on individuals...that person is oppressing me...that person is the man, but not really understanding what’s really going on...Who is oppressing us, what forces are against us? The international class gave me a clearer understanding of the global struggle”

– Hakim Cunningham, Boston Workers Alliance

Collaboration with Central Africa and Jamaica

The Center for Research and Rural Economy (CRED) in Burundi and CPE are partnering on the Central Africa Popular Economics (CAPE) project to develop popular economics training for community groups, NGOs, students and other members of civil society in Central Africa. This three year collaboration includes a Popular Economics Institute in Burundi in the Spring of 2014, curriculum development, training of trainers, and workshops. We were delighted that CAPE member Casimir Ngendanganya was able to journey from Burundi to attend the Summer Institute and meet with us about CAPE.

We are also excited about a collaboration with the Women’s Resource and Outreach Center (WROC) in Jamaica to develop a training on gender and the care economy. Long time CPE member Brenda Wyss helped to bring Dorothy Whyte, the director of WROC and Judith Wedderburn who works for the Friedrich Stiftung Foundation, to the Summer Institute. These two women, with their vast and deep experience in struggles for social and economic justice, were a powerful force in the International Class, and we look forward to working on this project with them.
Wrong Deficit (cont’d from page 3)

those who are hurting the most, and promote jobs and competitiveness in the long run. Serious, well-funded efforts to liberate home owners from their enormous debt burden would help to re-ignite consumer spending and the housing market. And what's more, increased spending would also be good for business. Rising demand means rising revenues, and an incentive to hire workers.

In stagnant economy, wise deficit spending should be understood as an investment.

The Republican response to our current economic crisis is as familiar as it is appalling: more tax cuts for the rich; more tax cuts for corporations; less regulation of Wall Street; attacks on public sector unions and immigrants; and cuts in programs that benefit the middle class and the poor, including Head Start, Medicare, Medicaid and Social Security. This is the essence of Representative Paul Ryan's proposed 10-year budget, which got unanimous support from House Republicans last year. This vision is not only appallingly mean-spirited, it is bad economics. (And, by the way: tax cuts do not reduce deficits!).

Right Wing fantasies notwithstanding, spending under President Obama has been remarkably stingy -- too stingy! Indeed, public sector employment has declined by 600,000 since President Obama took office. The "sequester" cuts $85 billion from the 2013 federal budget and $1.2 trillion over the next ten years.

Insufficient demand explains the Jobs Deficit, not "high" corporate taxes, not regulation, not immigration, not "uncertainty" about taxation and regulation, and not the budget deficit. To eliminate the Jobs Deficit, the government needs to spend -- and borrow -- more, not less.

The politics of the moment makes a bold economic stimulus plan unlikely. Still, at the very least, we need to recognize that an ongoing obsession with the budget deficit is misguided and dangerous. Further spending cuts will slow economic and employment growth, and inflict still more unnecessary pain on millions of Americans.

[For a more detailed discussion, see Tim Koechlin The Wrong Deficit, Challenge -- the Magazine of Economic Affairs, vol. 54, no. 6, 2011. This paper also appears as PERI Working Paper #264. http://www.peri.umass.edu/fileadmin/pdf/working_papers/working_papers_251-300/WP264.pdf]

Reflections from Manila:
The 5th Intercontinental Social Solidarity Economy Meeting

By Emily Kawano, CPE and RIPESS Board member for N. America

In mid-October, over 600 people from 31 countries came together in Manila, Philippines to share, network and strategize about how to build the social solidarity economy (SSE), an alternative model of economic development that puts people and planet front and center. This meeting, organized by RIPESS (Intercontinental Network for the Promotion of the Social Solidarity Economy), has taken place every four years since 1997.

It’s quite a challenge to forge agreements about action, vision and concepts among 600 people. Happily, we managed to come out of the meeting with concrete decisions and actions to advance all four of the thematic areas: SSE Global Vision & Definition, Communication & Visibility of SSE, SSE Networks, and SSE Local Practices.

We have made significant progress in raising the visibility and recognition of the SSE. On Sept. 30, 2013, the first meeting of the UN Inter-Agency Task Force on Social and Solidarity Economy was held to discuss ways to support and mainstream SSE in international and national policy frameworks. This meeting was spearheaded by Peter Utting, the director of the UNRISD (UN Research Institute for Social Development), who was highly engaged and active in the Manila meeting.

The ASEAN (Assoc. of SE Asian Nations) Leadership Forum was held in conjunction with the SSE Meeting. There was broad agreement that, as opposed to the neoliberal model which is so focused on profit maximization, blind growth, individualism, and consumerism, SSE provides a sustainable, democratic, and equitable alternative.

We have come very far and yet still have far to go. SSE has growing momentum from the level of the grassroots to international institutions and governments. As the world faces multiple economic, social and environmental crises, SSE is a pathway toward a saner world—Another World. It’s possible and it’s necessary.
spending on healthcare per capita. The line in the graph shows the average relationship between life expectancy and healthcare expenditures for the various countries. By this measure, the United States has 4.1 fewer years of life expectancy than the average for countries with our level of spending. This is not only a worse showing than the highly efficient health care system in Hong Kong, with 5.4 more years of life than would be expected from its spending, but it is the least efficient health care system in the world. Only Brazil with 3.9 fewer years of life than expected comes close, while Switzerland, with spending as high as the United States, almost exactly reaches the average with life expectancy of 82.7, over 4 years longer than the United States.

This way of assessing national health care efficiency is superior to that used by Bloomberg because it directly compares life expectancy with spending. Evaluated properly, the United States, the only system largely directed by market-forces and profit-incentives, is the worst health care system in the world. Were we as efficient as the world average, we could achieve our level of life expectancy for $6,800 less; or, for our level of spending, we should have another 4.1 years of life.

Which would we choose? $6,800 per person or 4.1 years of life? While I suspect that most of us would choose the years of life, our for-profit health care system denies us the choice. ✷
Thank you to all of our donors!

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