# ACTUALIZING EQUITY

# Building Wealth, Building Power

For a prosperous and sustainable Twin Cities, decision makers must prioritize investment in under-resourced geographies and low-wealth communities. If we lift up equitable economic development practices that build on existing assets, especially in people of color, indigenous people, immigrants, and low-income communities, we can build and sustain wealth in our neighborhoods, creating healthy, thriving, and lasting communities.





The informal economy, which describes the exchange of goods, time and services outside of government regulation, is a powerful tool for survival in BIPOC communities. There are significant barriers to starting formal businesses—the process not only require specialized knowledge to navigate, but also can cost hundreds of dollars in fees and insurance costs. The informal economy allows BIPOC folks to build wealth outside of formal structures, and instead establishes community, trust, and relationships.

Investing in the unique assets of local community creates and drives local economies. Minnesota BIPOC communities have built and created culturally rich neighborhoods with deep senses of history and place However 67% of BIPOC folks are renters, making them vulnerable to displacement. Uplifting placemaking must advocate for local ownership and control to benefit the people who created the place.



WHITE FAMILIES

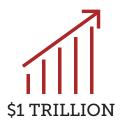
13x

BLACK FAMILIES

The average white family has 13 times more wealth than the average black family. Redlining, racial covenants, and other forms of discrimination that prevented black families from owning homes are part of the problem, but not all of it. The wealth gap persists even among non-homeowners—white non-homeowning families have a median net wealth of \$3,775 while the net wealth of black non-homeowning households is only \$120. True investments in closing the wealth gap must go beyond homeownership programs, instead taking into account the hundreds of years of government-backed racism that have stolen the wealth of black communities.

Most cooperative businesses are more community-oriented than investor-driven firms because they are owned and controlled by local residents. Coops are a powerful economic force as well--the 30,000 cooperatives in the US generate \$154 billion, create over 2.1 million jobs, and contribute almost \$75 billion to workers' wages and salaries.

30,000 COOPERATIVES



In 2018, it is estimated that BIPOC communities have over \$1 trillion in annual buying power, nationally and that power is growing. Between 2000 and 2014, 92% of total population growth was due to increasing BIPOC populations and by 2045, the US will be majority BIPOC. As BIPOC buying power increases, there are more and more possibilities to leverage it to support local businesses and grow community wealth.

# RESOURCES

## **Nexus North Star Black Cooperative Fellowship**

The North Star Black Cooperative Fellowship is a six-month fellowship focused on Black American Cooperative Economics. The North Star is centered on the history of Black cooperative economic thought and practice. We teach Black Cooperative Economic local and national history, analyze and rethink capitalism, and support and network new black coop enterprises and their leaders. We place priority on applicants who share the ancestry of Enslaved Africans in the United States and place value on their legacy of cooperative economics and collective care.

• <a href="http://www.nexuscp.org/our-work/north-star-black-cooperative-fellowship/">http://www.nexuscp.org/our-work/north-star-black-cooperative-fellowship/</a> •

#### Village Financial

Village Financial Cooperative is Community
Development Financial Institution with a mission to
pave a way towards prosperity for all people. We're an
emerging Black-led Credit Union based on the Northside
of Minneapolis sparking a financial renaissance within
the local Black community and beyond. Our members
believe in reversing the racial disparities of our state and
come from all backgrounds and walks of life including
anyone who lives, works, worships or goes to school
in Hennepin or Ramsey County. Pledge to move your
money now! http://villagefinancial.org/get-involved/

http://villagefinancial.org/get-involved/

## #SupportLocalHustle

#SupportLocalHustle aims to be a safer space for Black, Indigenous, People of Color (BIPOC). BIPOC are often unsafe, disrespected, or erased in spaces that do not explicitly center us. Support Local Hustle uplifts and celebrates BIPOC with pop ups that happen in our neighborhoods, featuring arts, crafts, and food made by us. One way to fight erasure is with these pop ups, where we celebrate our hustles in a fun and inclusive atmosphere, while raising money for causes that benefit our greater BIPOC community.

http://www.picklewitch.org/supportlocalhustle/

## The Black Women's Wealth Alliance (BWWA)

The BWWA was established as a working group in 2014 where we convened 20 Historical Black women. In 2016, BWWA was established as Minnesota's first Black woman owned Public Benefit Corporation. BWWA leverages Black culture as its core resource and educational tool to facilitate cooperative economics through wealth literacy, home ownership and cooperative & procurement business education. Our team brings more than 40 years of impactful community wealth building knowledge, skills, strategies and networks. We are experienced entrepreneurs, educators, grassroot and professional leaders working across the business, wealth and community development sectors...

http://www.bwwa-us.com/

#### **Cooperative Principal**

The Cooperative Principal provides start-up know how and on-going education to everyday people who come together to invest in a radically different, co-operative future. While the name investment club carries some baggage, as legal entities investment clubs are granted some benefits that we can actually use to change the status quo. Most importantly, they can reduce the financial hurdle that often exists if you want to do something interesting, outside of Wall Street with your money.

http://thecp.coop/

#### Danielle Mkali

