

RE-IMAGINING FUNDING STREAMS

Exploring Models to Combat
Reliance on Private Donations and
Public Subsidies for **Our Future**

CLEVELAND

VOTES

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Throughout the course of this paper, words or phrases displayed as underlined will link to a definition/expansion in the glossary at the end of the paper.

INTRODUCTION + PURPOSE

Introduction

As an organization, Cleveland VOTES strives to realize a vision of a more liberatory future, where accessibility is universal and opportunities are equal. We want more than just affordable housing or a seat at the table - we want to reverse decades of efforts to make decisions behind closed doors. We want to create a culture and norm of engaged community members who are treated with respect and that have the to chart our path forward.

Since our founding in 2014, our organization has held the values of equitable [civic engagement](#) and democracy. These values are central to our mission, and we understand that there has been a greater structure in place for centuries that actively combats those values. While the work of nonprofit organizations is impactful towards invoking positive change in many neighborhoods, cities, and communities, we must also recognize that many of those organizations' values are largely incompatible with historical systems. While we acknowledge we may not be able to revert those systems and trends entirely, we must reconcile with their existence and attempt to leverage them. One of the core pillars of our four-year strategic plan is shifting power; this paper explores the ways Cleveland VOTES may deviate from a traditional "top-down" nonprofit model rather than the social issues we strive to change.

Purpose

The purpose of this paper is both to explore ideas and examples of ways Cleveland VOTES may **reimagine** our business model, **evolve** our funding streams as a nonprofit, and to **understand** the historical reasoning as to why that evolution is important to a future liberated state. This paper will provide a research-based foundation of the history of the nonprofit structure in America, as well as its roles and limitations within our economic superstructure. While the goal of this paper is not to propose abolishment of those systems, we cannot move forward as a nonprofit without understanding that system's effect on the people we look to serve. We cannot move forward without contextualizing our place within it. By better understanding this history, we believe we can more productively critique it and use it as a framework to plan for our future.

After this historical background, this paper zooms in on Cleveland VOTES and our business model, both past and present. We explore different financial strategies that may deviate from traditional practices and give examples of organizations that may provide possible inspiration. We understand that many of the goals outlined throughout this paper are long-term and will be challenging for both us as an organization and our networks; therefore, **this paper's goal is simply to outline the preliminary research towards our vision for the future.** Cleveland VOTES has discussed wanting to get involved in the reimagining of funding for years, and we seek to use this paper to organize our ideas in a cohesive way, both to conglomerate our research internally and to present it to our networks.

Accountability

While we critique and strive to combat the system surrounding us, we fully acknowledge that as an organization we are playing an **active role in that system**. We are not critiquing other individuals or organizations, but rather calling ourselves out reflectively. We both understand and respect that we are not alone in this effort, and hope to connect and take **continuous inspiration** from those already exploring alternatives and using capacity to envision a more liberatory future.

We understand that Cleveland VOTES is a relatively small organization with limited capacity, and that in the future we may need to bring external support into our network in order to explore the funding alternatives laid out throughout this paper. In other words, this paper and effort as a whole at the moment serves merely as the **seeds of our future goals** as an organization.

HISTORICAL BACKGROUND

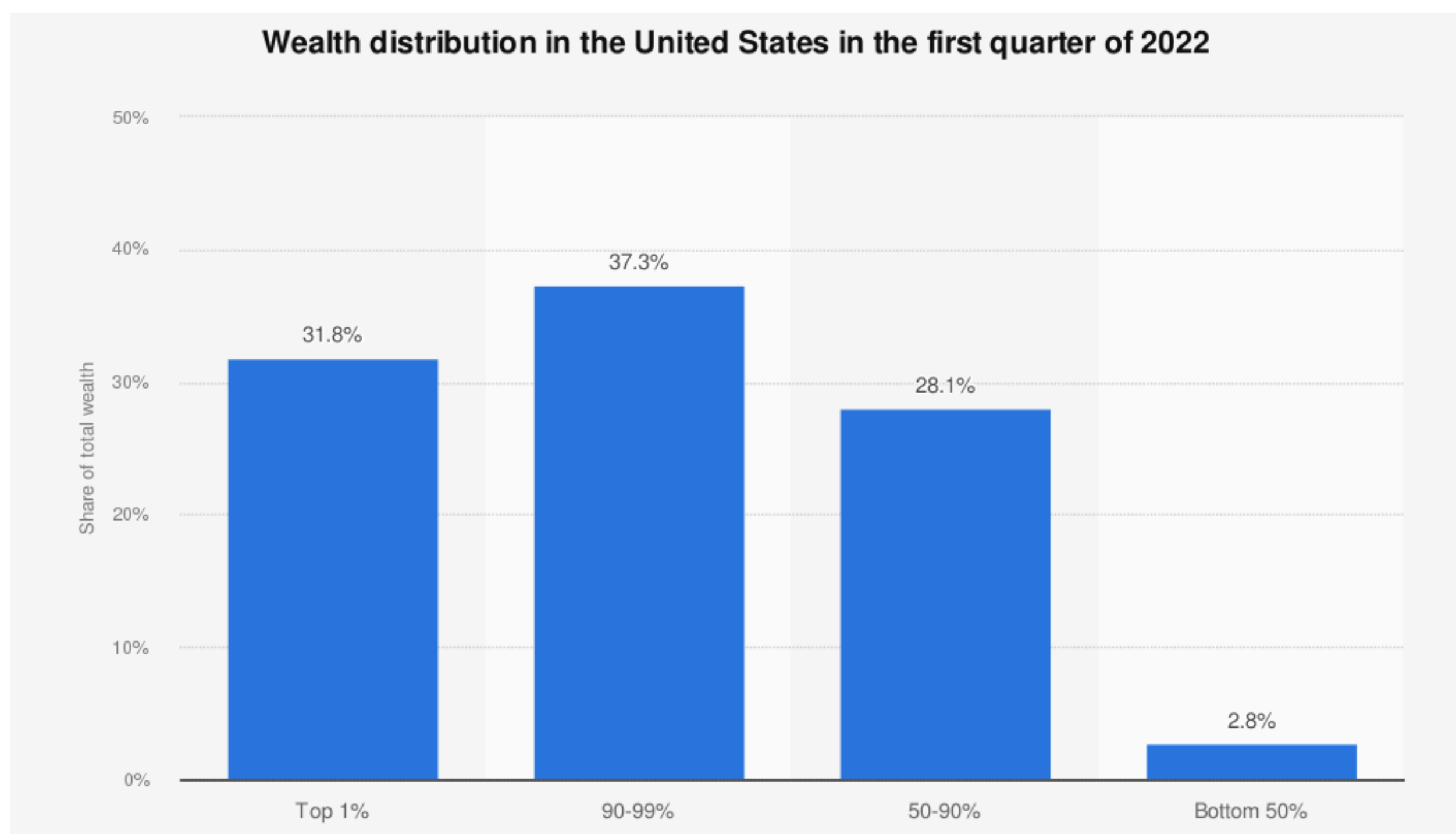
Why the Need to **RE**-Imagine?

Defining Capitalism

It is impossible to understand our need to re-imagine funding streams without first understanding our place in the capitalist system at large. Typically, capitalism is defined as a system in which industries and political infrastructure are in the hands of private ownership for the interest of general profit.

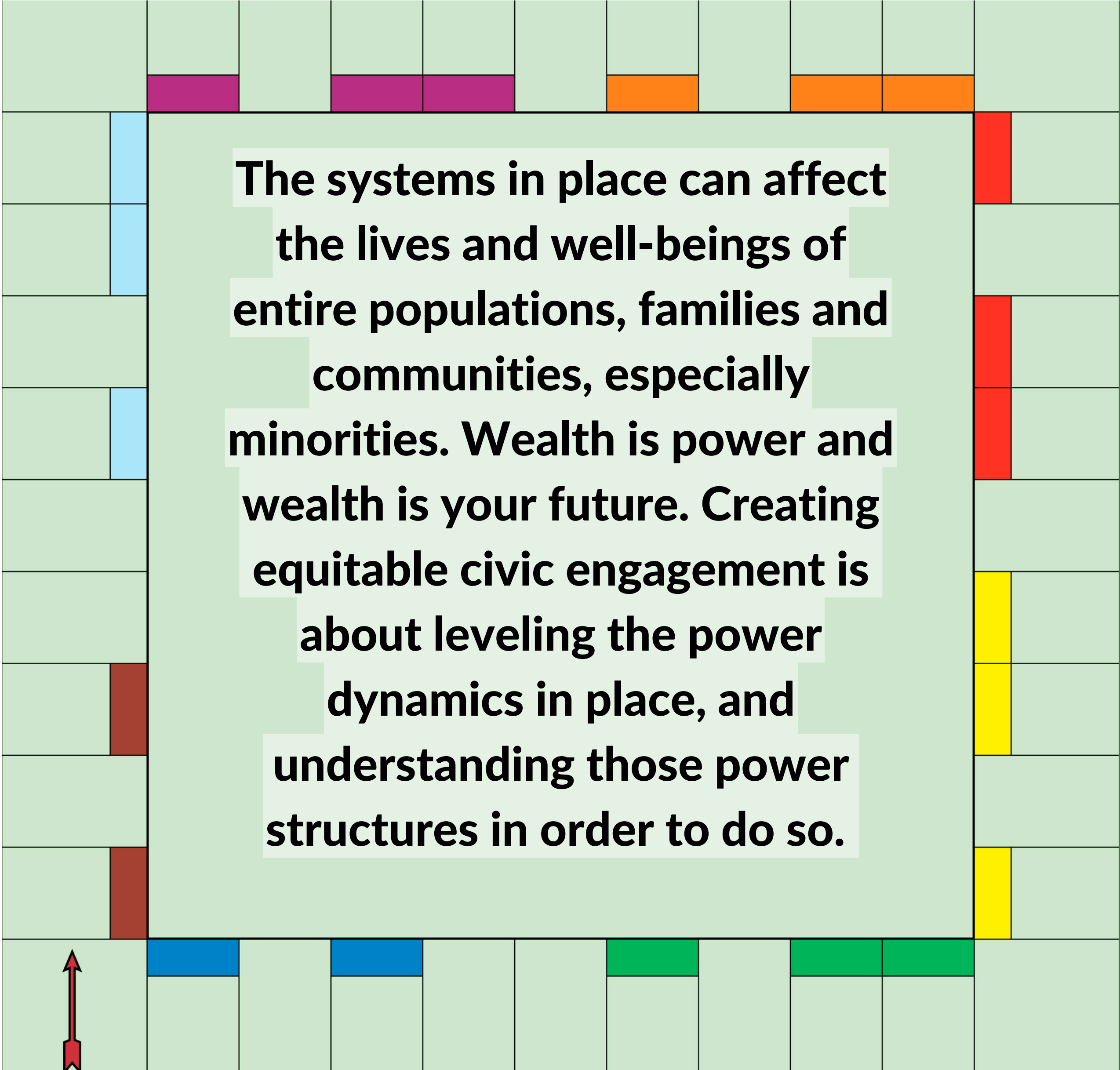
Profit

When we say capital, we do not just refer to profit in the form of money or disposable income. To have capital in and of itself and to gain wealth is to grow assets such as property and homes, trust, insurance, security, and education. We know that with many of these assets comes more opportunity to build more wealth, and therefore the wealth gap continues expanding further. And while there are many upsides to this free market with limited government intervention, this hands-off approach tends to also naturally allow the wealth gap and inequality to increase.



A strong metaphor is to think of the system like a fixed game of Monopoly, where oppressed communities began playing the game after the white population; historically oppressive institutions such as slavery meant those former populations were given access to the economy much later. White populations currently own most of the property and power; therefore, the longer that the game goes on, the more money those who began earlier make. While those who began later may be able to make some money, they will never accumulate nearly the same level of wealth.

For Cleveland VOTES, the reason we seek to grapple with this concept of power. While we know that while certain degrees of exploitation are inevitable in our society, we also know that they historically tend to fall primarily on the shoulders of minorities. While we are not a for-profit organization, non-profit organizations still must navigate for-profit motivations and structures, and seek to both expose and have a hand in combatting those structure's effects.



The systems in place can affect the lives and well-beings of entire populations, families and communities, especially minorities. Wealth is power and wealth is your future. Creating equitable civic engagement is about leveling the power dynamics in place, and understanding those power structures in order to do so.

Acknowledging Discrepancies

At Cleveland VOTES, we believe in critically acknowledging the extractive practices and inequities that are inherent to our economic systems. More specifically, we believe in addressing the ways those extractive systems have affected minority communities for hundreds of years, and that were built upon not just exploitation, but exploitation based on race.

Systems are set up to help those with cumulative wealth maintain that status, and to keep specifically those who are historically disenfranchised from accessing the tools needed to build equal amounts of wealth. Exploitation is a lot easier for a system to rely on when its entire population has racial biases and stereotypes embedded into its culture. These systems continue to function successfully because they are largely how the system began in the first place.

What follows is a timeline of oppressive systems that have existed and reinvented themselves since the time of slavery. These events only make up a fraction of legislation, barriers, and systems that have made up America's history. While broad, this timeline gives a general representation of the historical barriers that have created many of the discrepancies outlined above.

English Colonialism

From 1585-1776, America was colonized by England as they imposed taxation on Americans without giving them political representation and built an empire-wide system of white dominance and African oppression.

Trans-Atlantic Slave Trade

Beginning in the 1400s, the Transatlantic Slave Trade forcefully transported between 10-12 million Africans to the Americas. Slavery devastated Africa's economy and required Africans to endure inhumane, unpaid labor and deemed them "owned" by whites.

Jim Crow Laws

The Jim Crow Laws were statutes implemented after Reconstruction that legalized racial segregation. The laws were meant to marginalize Black people and denied them the right to vote, work, and get an education. Defiance of these rules led to harsh jail sentences and even death.

America's "War on Drugs"

The "War on Drugs" was a global campaign led by the U.S government to combat illegal drug use by increasing punishment and incarceration disproportionately in Black communities; this campaign brought forth a new era of mass incarceration and prison labor.



Black Disenfranchisement

Until the 15th Amendment was passed by Congress in 1870, Black people were denied the right to legally vote. It should be noted that Black women were not granted this right until 1920, and many state governments and systems intentionally prevented their political participation despite their federal right.

Legalized Home Ownership Discrimination

Until the federal Fair Housing Act of 1968, racial discrimination in the housing market for renting and buying was legal.

Mass Incarceration

In 1970, the US entered a wave of mass incarceration, in which policy was used to deliberately grow the prison population. The government deliberately targeted lower income populations and people of color and used over-sentencing and increased punishment to meet private prison quotas and use prisoners for unpaid labor.

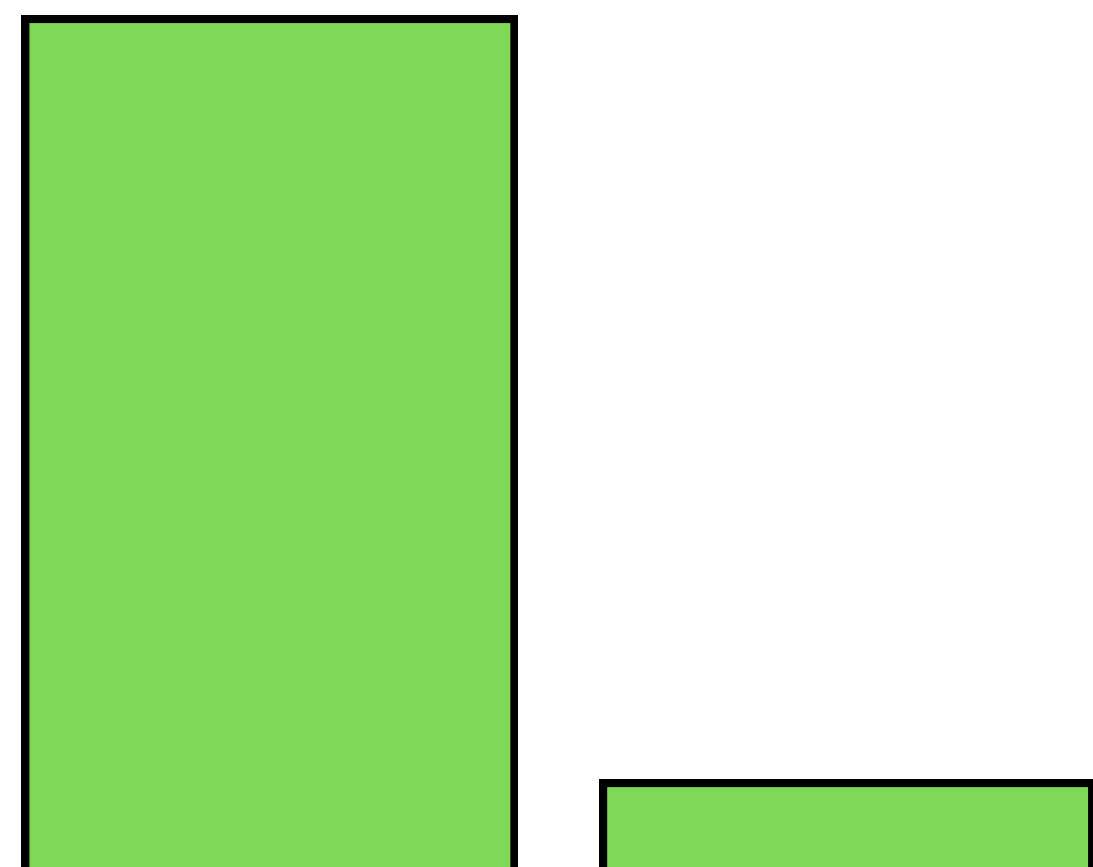
Whether it be racial bias in the workplace, redlining in cities via means of transportation, tax systems that disproportionately affect the working class, or a prison system that disproportionately immobilizes and devastates the futures of Black families, these systems have re-invented themselves since the time of slavery.

Today, these systematic discrepancies show themselves in the population's outcomes:

Top-down systems within this country have resulted in a world where the average CEO earns **264 times** more than the wage of the workers at their company.

The closest the racial wealth gap ever was to closing was in the 1990s when Black families had a national average of about **20% of the wealth** that white families did.

Today, for every dollar the median white household has, **Black households hold 10 cents.**



Furthermore, on the **local scale...**

Total salaries in Cleveland
represent approximately

69 Billion
Dollars

Of which **white workers** earn

57 Billion
Dollars.



What is an "Industrial Complex?"

An Industrial complex is a socioeconomic system of organizations that are inherently intertwined with the business or profit-motives of other institutions.

Therefore, while nonprofits themselves obviously do not seek direct return on investment, their futures are in the hands of organizations that do. In this way, nonprofits are inherently intertwined with the profit structure, because they are reliant upon support and resources from those with capital, rather than being able to sustain themselves.

Within the context of these critical discussions, the national system of nonprofit organizations is often referred to as the "Nonprofit Industrial Complex." While "industrial complex" is often associated with infrastructure that is built FOR profit, nonprofit organizations - while they are assumed to have nothing to do with profit -- are still largely victim to the profit structure as a whole.

Donations to nonprofit organizations also qualify large institutions for tax deductibility, raising the question of how equitable it really is for nonprofits to be reliant on a steady fiscal sponsorship and whether that money goes towards good or not.

What is an "Industrial Complex?"

The Nonprofit Industrial Complex is not entirely demobilizing, but it continues to leave the larger direction of nonprofits in the hands of those with capital power and therefore mirrors and continues the inequitable economic superstructure as a whole. This concept is evident in recent philanthropic outcomes.

In 2019, approximately **1/2** OF A PERCENT of the total **\$66.9B** given by foundations was given to support women of color.

The percentage of total philanthropic support for Black communities hovers just below **2%.**

Only **5%** of pandemic-response dollars and **12%** of grants were intended for communities of color.

Management Consulting firm Emergent Pathways describes aspects of philanthropic funding as "**Redlining by Another Name.**"

This research is not to suggest that there is a complete absence of funders involved in the work towards a more liberatory future.

We want to acknowledge that many funders have begun the work of reimagining their role within both philanthropy and a more equitable future at large. In fact, we believe that the networks

of innovative funding and equitable priorities in Cleveland will largely be what makes our vision possible. Our goal as Cleveland VOTES is both to look toward a more long-term way to generate funding that promotes more sustainability, but also to tap into efforts which already exist.

Today, the case is that those who decide are not the same people doing the work, and therefore the nonprofit's capacities are contingent upon those with the most capital accumulated.

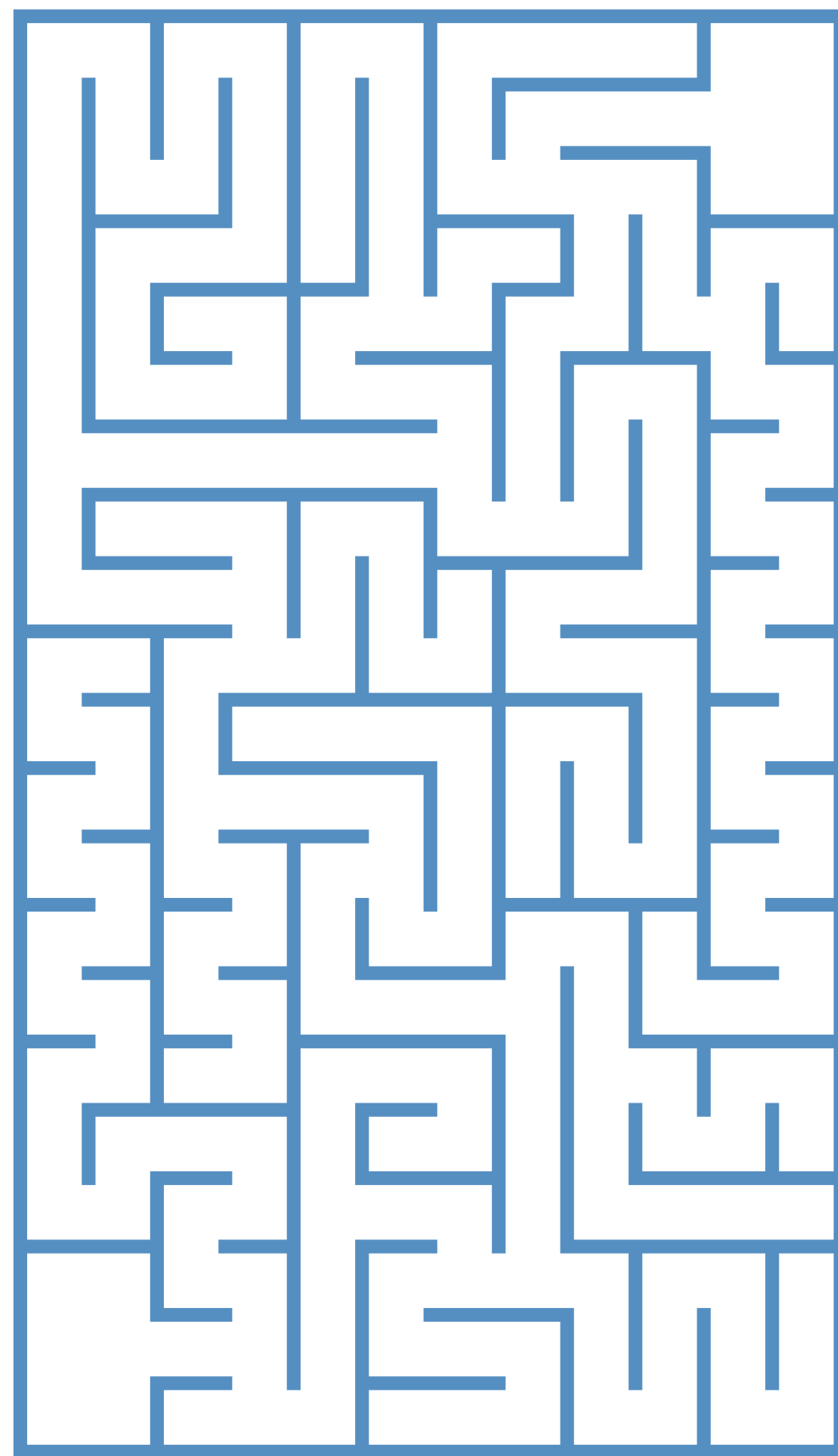
As we state on page 11 of our strategic plan,



“The values behind who receives funding and who decides are important. We will explore social movement investment and restorative economic strategies.”

Nonprofits are often not granted the liberty to explore their potential as one would go out and explore the wilderness, but often find themselves in a hedge maze.

While nonprofits enter paths that productively make change and cannot be discounted, these paths are often paved by **private and public entities**, and the maze ultimately leads the nonprofits to an endpoint that is at a large distance from any **radical change**.



As explained by our very own Co-Founder and Executive Director of Cleveland VOTES:



“There is a general perception that because of our 501(c)(3) IRS designation, nonprofits are deemed ‘charitable’ and therefore should not be generating capital to advance their goals.”

- Erika Anthony

Having served as the former Vice President of Cleveland Neighborhood Progress, former Executive Director of the Ohio Transformation Fund, Anthony has had remarkable experience working to combat inequity in the city of Cleveland.

CLEVELAND VOTES

History as a Nonprofit

Our Mission

In order to better frame the desire to re-imagining funding for Cleveland VOTES specifically, it is important to understand its unique history as a nonprofit organization. Cleveland VOTES serves in a unique role with the ecosystem of nonprofits in Cleveland. We are both a 'traditional' organization that is currently fiscally sponsored. And a grantmaker, leveraging the philanthropic funds raised to then redistribute small-dollar grants to local nonprofit organizations seeking to advance equitable civic engagement. As detailed in our 2022-2026 Strategic Plan, we are a democracy-building movement that works to reconstruct and strengthen power through active participation of our collective partners. Guided by a system of networks, we promote informed, action-oriented mobilization that shifts power towards Equitable Civic Engagement and Infrastructure. To that end, we know that "we must work to build new systems that are good for all people, and not just a few."

Brief History

In 2009, our co-founders Erika Anthony and Crystal Bryant met professionally while working at separate jobs, but their respective roles found them sharing similar passions of a more liberatory future for the population of Cleveland. By 2013 both Bryant and Anthony were members of the Greater Cleveland Reentry Coalition and co-chairing the Community Engagement Committee. The early years of our co-founders collective work also coincided with major governmental change in Cuyahoga County.

Prior to 2010, Cuyahoga County was structured under the Board of County Commissioners framework, and as a result of a charter amendment, the voters of our community voted to create a new structure made up of a County Executive and Councilmembers. When Bryant and Anthony noticed a need for more voter education during this pivotal shift, they leveraged the moment to elevate the voices of those persons impacted by the criminal legal system. Collectively with partners, they hosted candidate and voter education forums. This foundation was a catalyst to the founding of a project that has over the last eight years evolved into a full organization. Initially, our name was Ohio VOTES-Cleveland, working in partnership with partners in Columbus, Ohio and national partner Nonprofit VOTE. For the first few years, our organization operated with a \$25,000 budget, which helped support 3 objectives:

- 1) Host an annual training for civic engagement,**
- 2) Support national voter registration, and**
- 3) Provide small grants to other nonprofits.**

As time passed, Anthony and Bryant continued to gain support for their work and saw potential beyond being a branch of another organization. Although this project was never intended to grow beyond a sub-project, the founders felt that their parent organization was limiting their potential, and that there would be more possibilities for this project if run independently. Anthony and Bryant knew that separating from the 'home base' organization was a risk, considering at that time it was providing the bulk of the project's fiscal support and a place of foundation. However, it was a risk they were willing to take.

In 2014, the Ohio VOTES - Cleveland project became a separate organization known as Cleveland VOTES. However, the process behind actually becoming independent was far from simple. Erika Anthony believes this process was inherently unique to their situation and therefore required immense research on their own. For example, Bryant and Anthony were on their own in order to find a new source of fiscal sponsorship. "There is not a directory of fiscal sponsorships. There is no fiscalsponsor.com," Anthony says. The mechanics of operationalizing a fiscal sponsor and maintaining that relationship are largely different based on each sponsor. Anthony describes that as one of the most difficult aspects of becoming independent as a nonprofit.

While Cleveland VOTES' status as an independent nonprofit is relatively new, our desire to re-imagine funding streams is not. As Anthony explains, she and Crystal always knew that the traditional model of nonprofit funding would be difficult to sustain if Cleveland VOTES ever became its own entity. As Cleveland VOTES did become its own entity, most of this process was occurring for the first time for both Anthony and Bryant, and most of their understanding of independent nonprofit development was theoretical at the time. Upon its conception, fiscal sponsorship was necessary to sustain Cleveland VOTES as it began, and as founders were simultaneously learning about the work while doing the work.

Current Fiscal Sponsorship/Situation

Cleveland VOTES has had multiple fiscal sponsorships in the past. Currently, Cleveland VOTES is not legally a 501c3 or 501c4, but is fiscally sponsored by the Greater Cleveland Neighborhood Centers Association (GCNCA). GCNCA has created a subsidiary to manage its fiscal sponsorships, through which it prioritizes the alignment of values with its sponsorships. Cleveland VOTES has built a relationship of trust with GCNCA, as they not only support operations financially but also support our mission ideologically. Within this sponsorship, Cleveland VOTES pays a flat annual rate to GCNCA for their administrative services, such as financial accounting and payroll, and is not required to give GCNCA a percentage of grant intake as many other fiscal sponsors do require.

The need to re-imagine our business model and fiscal situation does not go to say that our current fiscal relationship is not efficient or strong, but is rather a goal of challenging the larger historical structures in place. In fact, Cleveland VOTES' current fiscal sponsor, GCNCA, is beyond supportive and uplifting to partner with. Erika Anthony describes them as what would be a model fiscal sponsor, due to the alignment of values they have with Cleveland VOTES and the trust that is shared between them. In short, fiscal sponsors can be a great source of assistance to a nonprofit, but as previously outlined, is a system of reliance that needs to be rethought.

Because of the nature of a fiscal sponsorship, almost all alterations and large decisions made by Cleveland VOTES need to be approved and signed off on by our fiscal sponsor.

Often expenses can be difficult to manage and complete through someone else, and at an organization such as Cleveland VOTES that is continuing to increase in capacity, things can get lost in translation. For example, the process of applying for grants is entirely through GCNCA, and boards of funding organizations initially see their name on the application instead of Cleveland VOTES. Getting boards to understand these technicalities is not always the easiest process, and often just adds another layer of complication.

At the end of 2022, we began laying the groundwork for our organization to incorporate. As of March 2023, we have received our EIN and Articles of Incorporation. We have identified members of our current Advisory Board that have agreed to serve as Officers for our Board of Directors. In the coming months, our executive director will work with them and our legal counsel to file the remaining paperwork. And while we intend to take this next step in our organization's structure, we intend to continue our contractual relationship with GCNCA to manage our administrative functions.

Zooming Out

While Cleveland VOTES is grateful for the uplifting and trustworthy relationship we have with our fiscal sponsor, we dream of a future where we can carve our own path through the hedge maze. It would be hypocritical of Cleveland VOTES to task ourselves with such priorities and fail to recognize our place within those very systems of power. There are hypocrisies embedded within the contradiction that nonprofits are expected to carry out, as they are tasked with serving communities without generating long-term wealth for their future.

**“We cannot continue to operate at the same level that nonprofits have been charged to do.”
- Erika Anthony**

It is often difficult to imagine tangible solutions to these issues. Those answers may not come to mind due to the fact that those structures largely may not exist yet. Trying to balance the daily responsibilities of operating our organization, while attempting to carve out time to explore exactly what our future could look like, proves to be challenging on most days. As we continue to iterate our organizational practices and mirror those of the future state we desire, we must compel our funders and partners to create the necessary space to explore these pathways.

This stance is not to say that solutions and re-imaginings do not exist. In fact, there are plenty of alternative funding examples that we hope to take inspiration from. We are prepared, though, for the possibility that our solutions in the future may be unique and initially challenging.

ALTERNATIVE FUNDING EXAMPLES

Again, while we'd prefer to not have to operate within many of the barriers and systems in place, there are alternative practices that may help us decrease reliance on a top-down system of donations and funding, and to promote our organization's sustainability despite those barriers. In other words, we recognize the difficulties of the hedge maze, but believe we can make changes to be able to develop our own paths within it.

Examples of Existing Alternative Practices Include:

**Social Movement
Impact Investing**

**Restorative
Economics**

**The Solidarity
Economy**

Social Movement Impact Investing

Social Movement Impact Investing, also known as “Social Justice Investing,” or “Socially Responsible Investing,” is the effort to invest in equitable social movements **without any expectation of return on investment or profit.**

The Principles of Social Movement Impact Investing are known as the 5 R's:

Relational,
Rooted,
Restorative,
Regenerative,
Revolutionary.

Investing Tactics

Social Movement Investing involves being deliberate about investments, and lack thereof, in order for those investments to align with and support the work of that organization.

Method 1: Exclusion

Divesting from harms such as fossil fuels

Method 2: Engagement

Stockholder resolutions, disciplining problematic cooperate action

Method 3: Conversion

Increasing employee/ community ownership of existing businesses

Method 4: Seed Investment

Investing in early stage community owned businesses and supporting their growth

Social Movement Impact Investing

While **Social Movement Impact Investing** may not be the most mainstream or familiar business structure today, it is far from impossible. The supply of investment dollars in America is far from limited. In fact, revenues by businesses owned by the Baby Boom generation exceed **5 Trillion dollars a year**. Furthermore, models of Social Justice Investing are far from conceptual, as there are many organizations taking part in Social Movement Investing today that challenge traditional 501c3 finance models and that continue to be successful.

The following pages outline a review of two examples of organizations who have adopted **Social Movement Impact Investing**.

SEED COMMONS



Lead by Ed Whitfield

Seed Commons is a national network of locally rooted loan funds that filters big finance into the **control of the community**.

Non-Extractive

- Seed Commons' fiscal reliance is spread out and networked rather than concentrated
- 100 separate non-extractive loans

Sustainable

- Takes guidance *from* small grassroots organizations and encourages them to have the keys to their success
- Gives the power of big finance to smaller communities for their own control

Equitable

- Distributes loans and funds for deployment across many different community organizations process done alongside those community organizations from the beginning



RIGHT TO THE CITY

Right to the City is a national alliance of housing organizations working together to **de-commodify housing** and stop gentrification. They centralize a need to look beyond just making housing affordable; these solutions help immediate crises but do not address the capitalist system that caused them.

Collaborative

- Right to the City contains 90 organizations within its alliance
- Currently working on a loan fund that is democratically governed by its members

Uplifting

- Right to the City helps organize community members in order to protest companies coming in to extract or seize land

Impactful

- Right to the City has helped multiple residents avoid getting evicted and given them the means to oppose inequitable landlords

Restorative Economy

Restorative Economy refers to the VISION of investing in infrastructure and resources for the **long-term restoration of communities to sustain themselves**. Specifically, those infrastructures include systems that honor humanity and invest in collective healing. Restorative Economy represents the transition towards a model of democratic governance where all communities can live and thrive together.

The Restorative Economy subscribes to the idea that:

“What is **possible is not reduced to what others are willing to give.”**

Economically oppressed communities need to be able to **control capital** and have agency, and not just wait to receive it.

Restorative Economy

We know that capitalist systems often have profit as their main priority. Whether it be voter suppression, lack of accessibility, corporate lobbyists with political power, or a prison system where forgiveness depends on your wealth, profit maximization can often cause and influence these issues.

As the NonProfit Quarterly Organization suggests, **there are decisions pushed by leaders to combat any opposition to that profit maximization, such as the 1971 “Corporate Blueprint to Dominant Democracy” memo given by the Supreme Court, which labels all opposition to American inequity as “attackers.”**

Therefore, as the name suggests, restoration economics prioritizes restoring resources and power back to those disenfranchised communities, and furthermore uplifting their voices rather than vilifying them.

A central aspect to restorative economics is reparations. Forms of reparation on the community level include investing in social programs and services, such as water management, preschool and elementary school education, or health care services. These are the kinds of investments that aid long-term capacity and skills to residents to be able to identify their priorities and devise solutions themselves.

Methodology of Restorative Economy:

**Community Stewardship
+ Community Governance
= Self-Determination,
Sovereignty, Economic Power**

Not all Restorative Economics are investments. Restorative Economics may also refer to financial support systems that are separate from any dominant economic system. Two examples include Sou-Sou Money Saving and the Non-Acceptance of Riba Practice.

Sou-Sou Money Saving

Sou-Sou Money Saving is a **communal financial practice** first adopted in West African traditions. Sou-Sou has remained in practice for many years and is commonly practiced today in many African and Caribbean countries. The practice helps advance toward saving up money with a group of people. It can essentially be thought of as a rotating savings club. A group of people will get together routinely and contribute equal amounts of money during their meeting. Then the total pool is paid to one single member of the club based upon a schedule that equally rotates. Members are encouraged and permitted to add more to their contributions if they wish, but as long as the rules are followed each member will always leave with the exact amount of money they've originally put in. **Sou-Sou was created for communities, families, and individuals who have trouble saving money overtime.** Although no one gains a net profit from the practice, people are able to conglomerate money all at once in this process for future needs.



Non-Acceptance of Riba Practice

The term “Riba” refers to the concept in Islam of growth or increase. The practice of not accepting Riba is a movement **forbidding interest or credit from loans and money deposits**. This practice is meant to make unequal exchanges illegal. Non-acceptance of Riba is actually a religious practice under Shari’ah law, and was created to promote genuine charity and contexts where people **loan money without interest**.



Both the Non-Acceptance of Riba and the rules of Sou-Sou help remind us that **not all financial interactions need to create profit** for them to be effective and beneficial. While these may be smaller-scale examples, their missions have been successful amongst trustful communities, and **we aim to take inspiration from their values**.

Restorative Economy



Another example of those who embrace Restorative Economics values is **Just Transition**; A Climate Justice alliance seeking to deviate from a traditional extractive economy. They describe their mission as to “actively work against and transform current and historic social inequities based on race, class, gender, immigrant status and other forms of oppression. Just Transition fights to reclaim capital and resources for the regeneration of geographies and sectors of the economy where these inequities are most pervasive.”

Just Transition outlines their work as follows;

- **Fight the Bad**
 - Organizing to shut down extractive facilities
 - Opposing extractive structures
- **Build the New**
 - Organizing grassroots efforts
- **Change the Rules**
 - Recognizing that alternative models are not enough
 - Identifying legal and structural barriers to a just transition
- **Move the Money**
 - Acknowledging that charity alone is not enough
 - Weakening the power of speculative markets
 - Placing power in the hands of the people
- **Build the Bigger We**
 - Joining social forces beyond the United States
 - Bridging concerns of worker rights and climate justice
 - Struggling together
- **Change the Story**
 - Changing the stories around the current structure to education

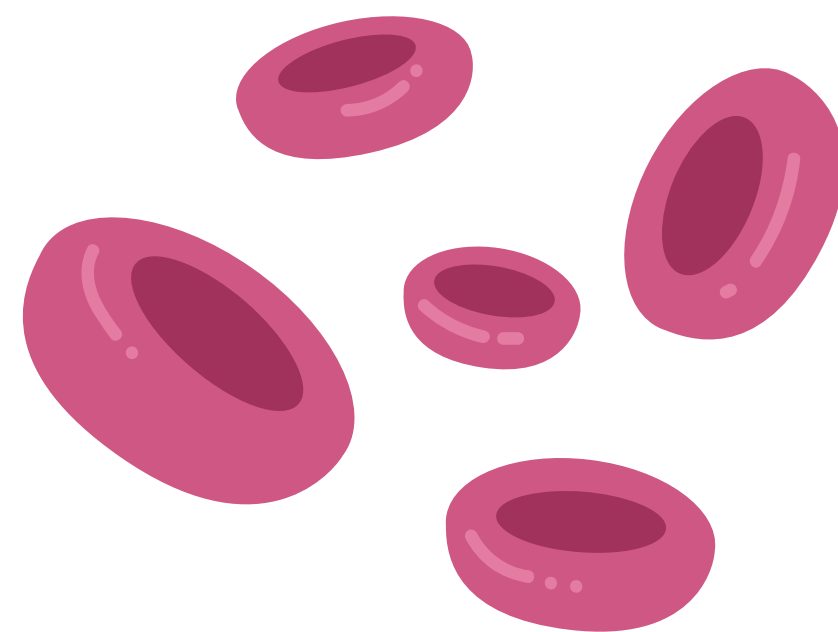
Solidarity Economy

Solidarity Economy refers to the tent of all postcapitalist economic visions. Solidarity Economy explores how arts and cultural grant makers can **address root causes rather than symptoms** of inequity, as Solidarity Economists follow the lead of BIPOC creatives with the goal of increasing community wealth rather than overall economic growth. The term “Solidarity Economy” itself emerged in Latin America relatively recently. It was spread globally after the first annual World Social Forum in Brazil in 2001, alongside the term “**Another World is Possible.**”

The Cell Metaphor

To better understand the meaning behind Solidarity Economy, we can use the metaphor of imaginary cells presented by Nonprofit Quarterly. The metaphor compares the foundation of Solidarity Economic practices to imaginary cells, and those cells currently under capitalism are in a dormant stage.

During crises, such as the recent pandemic, climate change, racial violence, etc., these cells can emerge in response. Therefore, many of the other concepts and examples discussed throughout this paper fall under the umbrella of Solidarity Economics. This network of “cells” requires a common vision and clustering. In other words, cooperation is necessary to integrate the discussed strategies and forge paths for them to emerge.



5 Principles of Solidarity Economy

Pluralism

Acknowledging that there may be multiple ways to a just world, rather than a fixed blueprint

Solidarity

A range of social interactions grounded in collective practices

Equity

Solidarity Economy opposes all forms of oppression and imperialistic practices

Sustainability

Living in harmony with nature, solidarity Economy upholds principles of sustainability and regeneration

Participatory Democracy

Enabling decision making and action to be as local as possible, and providing ways for people to directly have a say in the action

Strategies and Tactics for Deployment

Committing to long-term work and multi-year grants

- As an organization, Cleveland VOTES is already invested in long-term projects and partnerships, and it has a reputation of building loyal relationships with both our funders and grantees

Advocacy for policy that supports Solidarity Economic infrastructure

- Being that our work largely revolves around voting, we believe we can advocate for the solidarity economy while simultaneously being supported by it

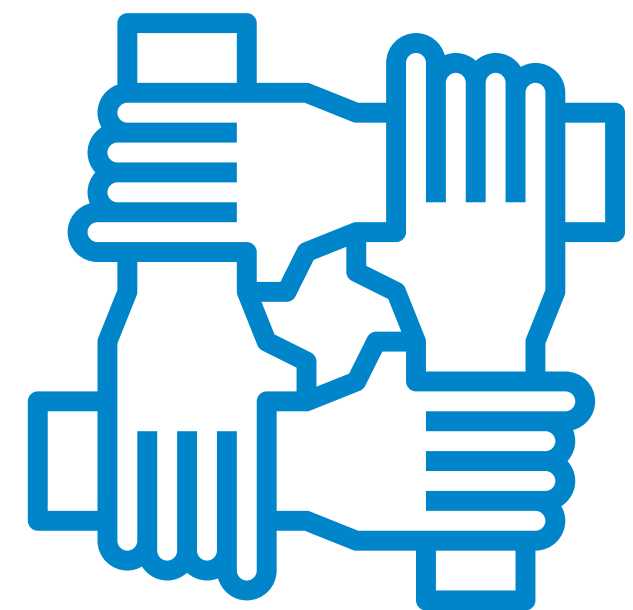
Participatory Budgeting

- CV has already partnered with the Participatory Budgeting organization - a national organization that carries itself out in different cities and has been brought to Cleveland

More Examples of Solidarity

Economics Include:

- Helping Develop Land Trusts
- Study Groups
- Credit Unions
- Arts Cooperatives



National Adaptations of Solidarity Economics, Along with Previously Listed Examples:

- Hewlett and the Omidyar Network raised \$9M for a two-year anti-monopoly fund.
- The New York City Council dedicated \$850,000 to the City Land Trust.
- NDN Collective Created a \$10M Covid Response Project to support Tribal Nations.
- The Candide Group in 2019 launched a fund that has raised 40M Dollars to address the historic lack of access to capital.
- Seattle demanded via participatory budgeting to defund the police.
- Cooperating in Jackson Mississippi is building a solidarity economy ecosystem forming a community land trust and community center.
- MASEN is the first statewide Solidarity Economy network in the United States (Massachusetts).

As an organization, our vision is for grant makers to **adopt the framework of Restorative Economics** to **take part in Social Movement Impact Investing**, ultimately starting the transformation for Cleveland VOTES to be a **part of the Solidarity Economy**.

A CALL TO ACTION

Cleveland VOTES has come a long way since it began and has recently developed a four-year strategic plan.

We have defined our mission as such:

Cleveland VOTES is a nonpartisan democracy-building movement that works to **reconstruct and strengthen power** through active participation of our collective partners. Guided by a system of networks, we promote informed, **action-oriented mobilization** that **shifts power** towards Equitable Civic Engagement and infrastructure.

Central to this mission and our strategic plan are our **four pillars** by which we set out to implement in our work:

Grantmaking
Realizing Equitable Civic Engagement
Movement Building Capacity
Shifting Power

We believe all four pillars would be supported and advanced with the reimagination of funding streams, especially our **Grantmaking** and **Shifting Power** pillars.

Grantmaking

We have outlined the pillar of grantmaking in our strategic plan with the goal of “Reflecting on the duality of our roles. We serve as a funder and an organization that is funded; we will work to advocate for thoughtful and equitable funding.”

Efforts to reimagine funding streams are critical to fulfilling our goals within the Grantmaking pillar and holding ourselves accountable as a nonprofit organization.

Shifting Power

Shifting Power is a critical pillar to consider as we reimagine funding. We define our goal to shift power as reevaluating and critiquing “**who decides;**” exploring non-traditional aspects of funding will combat the top-down model of decision making philanthropically.

GLOSSARY AND ENDNOTES

GLOSSARY

Capital

Refers to wealth in the form of both money and assets available to either an individual or an organization.

Capitalist Accumulation

Refers to the growth of wealth through investment of pre-existing assets or profit.

Capitalist System / Capitalism

Refers to the economic system by which a country's industries and trade are characterized by a motive for increase in profit.

Civic Engagement

Is about leveling the power dynamics of a place, giving voice to those previously alienated and excluded from the civic process. The importance of understanding power structures, how to build power, and how to leverage power are all vital to creating equitable civic engagement initiatives and facilitating real community change.

Disenfranchised

Refers to a population or individual having been deprived of rights or privileges, such as the right to vote, work, or inhabit certain communities.

Exploitation

Refers to the act of treating someone unfairly or undervaluing their contribution in order to benefit from their work.

Industrial Complex

Refers to a socioeconomic system of organizations that are inherently intertwined with the business or profit-motives of other institutions.

Nonprofit Structure

Refers to both the international network of nonprofit institutions as a whole, and the structure by which they receive financial support through funding and grants.

Redlining

Is a strategy deployed both in real estate and infrastructure to prevent certain communities from inhabiting certain areas. Typically, redlining refers to the refusal in real estate to sell someone a home because of their race, but also refers to a greater system at large of separating communities based on appearance and economic background after segregation was technically abolished.

Wealth

Refers to the ownership of value, both in one's possession of assets and their ownership of money. Wealth often refers to this ownership in abundance.

ENDNOTES