



TESTIMONY BEFORE THE NEW YORK CITY COUNCIL COMMITTEE ON COMMUNITY DEVELOPMENT

February 24, 2014

Thank you for the opportunity to testify today. My name is Josh Zinner and I am the co-director of New Economy Project (formerly known as NEDAP). New Economy Project's mission is to build a just economy that works for all New Yorkers. We work with community groups both to fight for economic justice and to create alternative economic institutions – such as worker cooperatives, community land trusts, and community-owned financial institutions – that are based on principles of cooperation, economic democracy, racial justice, and ecological sustainability.

New Economy Project is launching the New Economy Fund, which will provide loans and investments to worker cooperatives by and for low-income New Yorkers, and we are dedicated to promoting worker coops as a model of economic democracy and worker control.

We appreciate the Committee's interest in worker coops as a tool for addressing poverty and creating quality jobs. We agree that worker coops can offer tremendous opportunity to low-income and other economically marginalized New Yorkers, and represent a demonstrated model of workplace democracy – though worker-ownership also requires tremendous dedication, focus, and hard work by cooperators.

I have just a few quick points to add to those my colleagues have already offered today:

- New York City should prioritize worker coops in its economic development policies, not only to create jobs, but also to strengthen neighborhood economies. The City should provide financial and technical support to cultivate worker coops as a major economic sector, as well as fund organizations working to incubate and sustain worker coops at the neighborhood level. The City should prioritize worker coops as preferred contractors for city agencies. By integrating worker cooperatives into a deliberate economic development strategy, the City will also help low-income and New Yorkers have say over their work lives, and directly address the exploitation that low-wage workers routinely experience.
- New York City should create a special Office of Cooperative Economics to focus city resources, policies, and programs on alternative economic institutions that are democratically structured and community-controlled, which at their core address racial and wealth inequality. The Office of Cooperative Economics would link worker coops to financial cooperatives, low-income housing coops, community land trusts, and other cooperative economic models that are starting to crop up in the city, and that have tremendous potential to have measurable impact in reducing poverty and bolstering communities throughout New York City.

We are eager to work with the City to promote and grow worker cooperatives as a tool to address poverty and create opportunity for lower income and immigrant workers and communities.