

We Can Save the United States with Democratic Production Networks

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<http://www.ilo.org/public/libdoc/ilo/P/09238/09238%282010-2%29269-291.pdf>

<http://prospect.org/article/mass-transit-new-manufacturing>

Growing social polarization, homelessness and sustained unemployment are among the many social ills that plague the United States today. How can we turn things around?

First, we must recognize that thousands of smaller-to-medium-sized businesses have been hurt by the economic depression and global competition. These companies need new markets and support for industrial modernization. One solution is a Keynesian economic stimulus, but now many politicians are claiming that budget deficits mean that we must *reduce* government spending. Therefore, we need to expand coalitions with such smaller businesses and labor to increase such spending, particularly in sectors that modernize the civilian industrial base. Without increased wealth, we'll never pay down debt.

Second, we need to assess what different companies can do with their resources and capacities, particularly companies serving the public sector. Many smaller companies lack financing to retool and launch new product lines. Therefore, we need to use strategies from below and above to solve that problem. From below, networks of labor unions, Occupy activists, and concerned citizens can begin to build a labor-oriented development fund. We can move our money into financial institutions that will modernize industry. From above, we can continue to lobby the government to support a meaningful industrial infrastructure bank. Any new financial institution must be tied to systems that anchor jobs locally. Otherwise, money that is moved can be lost again through outsourcing. Employee ownership and cooperative organizations can help keep resulting innovations locally anchored.

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