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INCLUSIVE CAPITALISM & COMMUNITY WELLBEING

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ABOUT

Economics and wellbeing, whether at the individual or societal level, are inextricably linked-- imbalance in one creates imbalance in the other. As such, economic policy *is* community health policy.

This introductory publication defines inclusive capitalism, public equity and offers some of the stances that aid in its activation for the benefit of communities and society-at-large. It also provides a high-level review of traditional capitalism & private equity in the hopes of illuminating the opportunities for leadership and policy that will lead to greater equity, harmony, and prosperity for all Americans.

This publication is intended as a community-based, grass-roots educational resource. There is no affiliation or endorsement of/with the Council of Inclusive Capitalism-- a global initiative.

For comments or feedback please contact
solarapublishing@gmail.com

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WHAT IS INCLUSIVE CAPITALISM?

Inclusive capitalism places priority on the economic well-being of individuals and the community as a whole-- not on the stock market, GDP, or corporations. It creates community prosperity through the **awareness** of the **creative power, sweat equity, and vast wealth** **already present in communities.**

Inclusive capitalism is ***local, regenerative, and relational.*** It centers healing, caregiving, land stewardship, and the democratization of power and resources for the benefit of the community.

KEY PRINCIPLES OF INCLUSIVE CAPITALISM

Local ownership & control: Businesses and assets are owned by people within the community—cooperatives, employee-owned firms, or community trusts—keeping wealth circulating locally.

Stakeholder-centered: Unlike traditional capitalism, which focuses primarily on shareholder returns, community capitalism considers all stakeholders—workers, residents, local governments, ecosystems, and future generations.

Long-term investment: Capital is used to build long-term community capacity, such as housing, education, healthcare, infrastructure, and community-based jobs.

Ethical profit: Profits are reinvested into the community, used to reduce economic disparities, or shared in participatory ways, such as dividends to cooperative members or community benefit funds.

Economic democracy: Decision-making is more transparent, inclusive, and democratic, giving community members a say in how resources are managed.

Caring economy: Incentives and tax-breaks for weapons and war-related manufacturing end and replaced with fresh incentives for businesses and initiatives aligned with the values of community, ecological wellbeing, and caring.

WHAT IS PUBLIC EQUITY?

Public equity is the idea that community wealth, community assets, land, and other community resources can and should be collectively owned, governed (public agencies) and stewarded in ways that benefit the broader public rather than equity investors. It's about **stepping up our responsibility** as citizens instead of outsourcing it.

[NOTE] It's important to note that private investors are good for the economy-- there's a **relational exchange**. However, **private equity investors** are transactional-- their only aim is to profit at the expense of people and communities.

Fundamentally, community wealth and wellbeing require that we, all of us, activate emotional intelligence and wisdom.

WISDOM?

Consider this: Whereas private equity is extractive, profit-driven, and centralized in the hands of a few, public equity is generative, relationship-based, and designed to serve the community. Only one of these models is sustainable-- the other inevitably destroys itself.

We're currently living in a time in human history when this is occurring in real-time. Thankfully, there are many wise individuals and leaders in all sectors of society who realize this-- many who see the harms and ongoing horrors of profit over people-- and who are bound, by the weight and wisdom of their own sorrow, to create and activate better ways. **If you're reading this, you are one of them.**

WHO BENEFITS? RECONSIDERING CAPITAL

In a time of economic dislocation, privatization, and extractive finance, as we're experiencing today, **inclusive capitalism** moves in a collaborative, creative, and compassionate direction-- one that creates a regenerative economic cycle within the community. When public or community wealth is created, reinvested, and governed responsibly, it builds collective resilience, wellbeing, and prosperity **in the community.**

What is extractive finance?
economic practice of extracting value, resources, or wealth from individuals and communities without reinvestment or regard for long-term consequences.

What is community finance?
economic practice of reinvesting value, resources, and wealth from individuals and communities back into those same communities.

Common principles of public equity & inclusive capitalism and its leadership include:

- Focus on serving the public good over personal interests
- Upholding high ethical standards to inspire public trust
- Inclusive participation, transparency & professional excellence
- Desire and ability to co-create a just and kind community (society)
- Long-term community benefit over short-term profit
- Reinvestment in local or collective wellbeing
- Intergenerational responsibility and care

Traditional (exclusive) capitalism	Community (inclusive) capitalism
Focus on shareholder profit	Focus on community/collective well-being
Centralized ownership	Distributed, local ownership
Profit extraction	Profit reinvestment and sharing
Short-term gains	Long-term sustainability
External decision-makers	Local stakeholder governance

INCLUSIVE CAPITALISM ACTIVATION

POLICY & REGULATION

- Shift incentives and subsidies from private equity and private utilities toward publicly, community-owned
- Support public banking, cooperative development funds, and anti-displacement policies

EDUCATION & NARRATIVE CHANGE

- Teach cooperative economics, solidarity economy principles, and community finance
- Promote stories of successful local alternatives to PE-led development

CAPITAL REDIRECTION

- Move funds out of extractive institutions and into regenerative ones (e.g., via divest-invest campaigns)
- Create community investment funds or participatory budgeting mechanisms

COMMUNITY ORGANIZING & LOCAL GOVERNANCE

- Support local control of planning, zoning, and development
- Build cross-sector alliances and encourage wise, collective stewardship

SUPPORT LOCAL ALTERNATIVES

- Launch or join cooperatives, land trusts, mutual aid circles, and community enterprises.
- Encourage anchor institutions (social service agencies, public non-profits, universities, hospitals, etc.) to source locally and invest in place.

INCLUSIVE CAPITALISM IN ACTION

PRIVATELY OWNED LOCAL BUSINESSES

- Sole-proprietorships that create value, trust, and community belonging (e.g. bakers, makers, artists, healers, therapists, counselors, cooks -- literally anyone who is operating their business from a wellbeing, unified/systems view of life)
- Reliance is on earning to meet one's needs rather than the accumulation of wealth

COOPERATIVES (WORKER/CONSUMER/PRODUCER CO-OPS)

- Businesses owned and governed by the people who work in or use them.
- Profits are shared equitably or reinvested into the community.

COMMUNITY LAND TRUSTS (CLTS)

- Community ownership of land to prevent displacement and ensure long-term affordability.
- Keeps housing and commercial space permanently affordable.

PUBLIC BANKS AND CREDIT UNIONS

- Financial institutions that serve the public interest, not private shareholders.
- Reinvest locally and support social/environmental goals.

MUTUAL AID NETWORKS, SOLIDARITY & GIFT ECONOMIES

- Networks that rely on trust, reciprocity, and collective care rather than capital accumulation.
- Emphasize relational wealth over financial wealth accumulation.

COMMONS-BASED MODELS

- Shared stewardship of resources (land, water, digital tools) for collective benefit.
- Decisions made by communities through participatory processes.

Where we are
and its impacts on
local economies,
community health,
wealth, and wellbeing

WHAT IS PRIVATE EQUITY?

Private equity is an economic model based on the **extraction of value** from a public or private entity in order to create wealth (for itself). It's about money making money. It 'sounds' good, but it actually undermines the wellbeing of communities and the individuals who live and work in them.

Private equity (PE) firms, while often presented as engines of efficiency or innovation, frequently harm and undermine communities and individuals in deeply consequential ways. This is what naturally occurs when profit is pursued at the expense of shared humanity, social responsibility, public accountability, and long-term community wellbeing.

WHAT SECTORS ARE MOST VULNERABLE TO PRIVATE EQUITY?

The aggressive, profit-driven strategies of private equity jeopardizes the stability and sustainability of these sectors in particular.

Healthcare	Reduced access, higher costs, worse care
Housing	Unaffordable housing, unaffordable rents, evictions, unsafe homes
Local economies	Store closures, loss of community wealth
Public services & utilities	Higher prices for consumers, degraded infrastructure and oversight
Government	Loss of local control and transparency, destruction of livelihoods and communities.

COMMUNITY CONSEQUENCES OF PRIVATE EQUITY

Job losses and wage suppression

- Layoffs: PE firms often cut jobs en-masse after acquiring a company to increase short-term profitability, especially in retail, healthcare, media, and manufacturing.
- Wage cuts and benefit rollbacks: Cost-cutting measures frequently reduce salaries, healthcare benefits, and retirement plans.
- Union-busting: PE owners often dismantle collective bargaining power to reduce labor costs.

<u>Example:</u> The collapse of Toys “R” Us in 2017-18, owned by PE firms, led to the loss of 30,000 jobs—without severance pay for workers.

Degradation of essential services

- Healthcare: PE firms have bought up hospitals, nursing homes, and physician groups—leading to staff shortages, higher patient costs, worse outcomes, and facility closures in underserved areas.
- Emergency and rural care: PE cutbacks have closed hospitals in rural areas, leaving communities without access to emergency medical care.

<u>Example:</u> Studies have shown PE-owned nursing homes often have higher patient mortality rates due to understaffing and poor care.

Wealth extraction from communities

- Dividend recapitalization: PE firms load companies with debt to pay themselves large dividends, draining value rather than creating it.
- Rent-seeking behavior: PE firms often buy housing and raise rents aggressively, leading to displacement and housing insecurity.

<u>Example:</u> PE-backed landlords like Blackstone and Invitation Homes were key players in post-2008 housing market buyouts, turning foreclosed homes into high-rent properties.

CONSEQUENCES (CONTINUED)

Housing insecurity and displacement

- Gentrification: PE investment in neighborhoods often results in evictions, rent hikes, and tenant harassment to drive up property values.
- Reduced maintenance: PE landlords often neglect repairs or basic maintenance, endangering tenants while extracting high returns.

Example: In multiple cities, PE-backed firms have been sued for unsafe living conditions and violating tenants' rights.

Undermining local economies

- Retail closures: Chain stores and restaurants acquired by PE firms (e.g., JoAnn fabrics, Red Lobster, TGI Fridays, Party City, Big Lots) are often gutted and closed, leaving empty storefronts and job deserts.
- Supply chain disruptions: Small local suppliers are often replaced by cheaper, distant ones, harming local businesses.

Eroding democratic control and accountability

- Opaque ownership structures mean communities often don't know who controls their hospitals, homes, or utility providers.
- No public oversight: Decisions are made behind closed doors by investors with no obligation to prioritize public interest.

Concentration of wealth and power

- PE firms consolidate wealth in the hands of a few elite investors, often at the direct expense of everyday people.
- They contribute to systemic inequality by making profits from people's basic needs—like health, housing, and education.

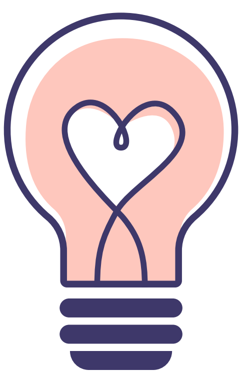
Healing our sorrow and
healing our economy
are one of the same.

CRITICAL THINKING & RECONSIDERATION

All of us have contributed, enabled, and supported our economic system. Can you see how extraction divides and harms? Has it harmed you? When people's savings, 401k's, or social security are privatized, this is **a transfer of wealth and economic power.**

Traditional (exclusive) capitalism is neither progressive nor innovative. In particular, private equity is a symptom of late-stage capitalism. And yes, while there are pockets of enormous wealth in some families, there are many, many more pockets of poverty-- systemic poverty-- created by the system itself. The system is showing *us* its limitations-- it is working exactly as it was designed.

Addressing economic imbalances in wise ways is not just for our elected officials, but for all of us. The more we know, the faster we can move towards a prosperous future for all.



IMAGINE:

From extractive to regenerative: can ***you*** imagine economies that actively repair social and ecological harm while creating wealth?

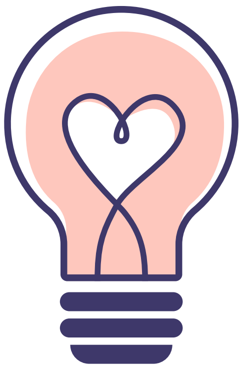
Can you imagine moving towards systems rooted in relationality, sufficiency, and interdependence such as:

Needs-based economies: Centering sufficiency over surplus —providing for all without excess or scarcity.

Non-monetary value systems: Recognizing spiritual, emotional, ecological, and cultural wealth as essential forms of capital.

Joy and dignity as economic metrics: Success is measured by thriving communities, not GDP or ROI.

IMAGINE SOME MORE!



Regenerative finance: can you imagine investments that go beyond "do no harm" to create environmental and social healing? (e.g., reforestation, soil restoration, climate resilience)

Circular and doughnut economies: can you imagine being able to fix your car, repair clothing, or phone? an economy where materials and resources are reused, upcycled, and recirculated to eliminate waste?

From ownership to stewardship: can you envision land, capital, and resources are no longer commodities, but sacred trusts to be cared for collectively?

Commons-based governance: can see a time when there are more land trusts, water rights, forests, and data that are managed as commons with community oversight?

Care & caring economies: can you image a time when human compassion, wellbeing, caregiving, and hospicing are valued as core economic contributions, not marginal or inconsequential acts?

We are the
economy.

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