

## ECONOMY

Neoliberal trickle-down economics has primarily benefited the Wealthy Elites. The tax cuts at the core of trickle-down economics have transferred trillions of dollars from the middle class into the bank accounts of the privileged 1%-ers. Workers have felt the pinch as funding for vital public services they depend on has been cut. In addition, wages have stagnated, pushing more and more workers out of the middle class into lower income levels. This economic insecurity has bred frustration and mistrust in our democratic institutions as people desperately seek relief.

To strengthen our democracy, we must provide economic security for the working class. Our economic policy proposes abandoning trickle-down economics favoring the Wealthy Elites and instead shifting to a **mixed economy** approach. In a mixed economy, **services and products of vital public interest** like healthcare are owned and operated by the not-for-profit public sector for the benefit of all people. Other industries remain in the for-profit private sector, though we aim to encourage worker-owned cooperatives and small family-owned businesses within this sphere.

By rebalancing towards a mixed economy, we can rebuild the middle class, reinvest in communities, and create an economy that works for everyone - not just the privileged class. It's a new path forward to restore prosperity, opportunity and faith in our democratic institutions.

### Terminology

A **mixed economy** is an economic system that combines elements of both capitalism (private ownership, market forces) and socialism (government intervention, public ownership of some industries). It allows for private enterprise and market competition, but with government regulation, provision of public services/goods, and policies to promote social welfare. Most modern economies employ this hybrid model to balance private incentives with public interests.

A **publicly owned service** is one where the key means of production, distribution and exchange are owned and regulated by

the community as a whole, rather than by for-profit private entities. Core features include:

- Services and products of vital interest are state-owned and not-for-profit.
- The focus is on equitable distribution of resources based on social needs over profits.
- Private property ownership is limited, market exchange of capital is minimized.
- The government provides public housing, utilities, education and healthcare using state revenues.

The aim is to eliminate wealth disparities by putting economic factors under collective citizen control to serve community interests over individual enrichment.

What WPP as a **state party** have to abide by:

- States have more limited authority to fully nationalize industries, so policies would focus on state-owned enterprises in areas like healthcare services, utilities, housing development authorities, public banks, etc.
- Implementing things like rent control, usury laws, and economic planning would be done through state legislation and policies.
- State legislation can regulate private industry, set up incentives, housing programs, tax policies within state boundaries.

## **Housing**

- Establish state-owned housing authorities to build, or acquire and manage public housing developments
- New public housing developments would be constructed and owned by these public authorities or by newly formed community land trusts and housing cooperatives.
- Housing would be provided as a right through these publicly/cooperatively controlled entities with rents set at deeply affordable rates across the board.

- These public housing authorities would then comprehensively manage and maintain the residential units as permanently affordable public housing.
- All rents would be set at a fixed rate tied to household income, typically around 25-30% of monthly earnings, with no private profits involved.
- Provide adequate housing vouchers to cover rent/utilities for low-income residents
- Enact strong tenant protections and rent control policies
- Individuals could still buy and sell homes and residential properties on the open real estate market.
- Private developers would construct new housing developments, though potentially with some inclusionary zoning requirements for affordable units.
- Rents in the private rental market would still be largely set by supply and demand, but potentially with temporary rent control measures to curtail sharp increases.

#### Socialist option:

- Establish municipal/state housing authorities with the power to acquire existing private rental housing stock through eminent domain purchases or transfers of ownership.
- Strict rent control policies would limit rent increases on any remaining private units to the rate of inflation with no allowance for "market adjustments."
- Over time, the public/social housing sector could expand to encompass the overwhelming majority of the housing stock within a state or municipality.
- Private property ownership would still allow for individual homes, but buy/sell markets would be heavily disincentivized through policies like real estate transfer taxes.
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The ultimate goal is to fully decommodify housing - removing for-profit motives and transitioning housing from a market commodity to a public utility under democratic community control and social provision.

Overall, the private housing market based on property rights would still exist, but with strong public investments to ensure affordable housing availability. This could include both publicly-owned and operated housing as well as subsidies and policies to make the private market more accessible.

The mixed model regulates and supplements the private market through various public programs and mandates rather than fully transitioning housing to social ownership and dictated pricing. But it deploys robust governmental intervention to serve the goal of affordable housing for all.

## **Banking/Finance**

- Establish a state public bank based on the state of North Dakota model
- Create a public banking commission to oversee ethical lending practices
- Mandate financial literacy curriculum standards for all public high schools

## **Childcare:**

- Establish tuition-free, state-run childcare centers accessible to all
- Require all businesses to provide on-site childcare subsidized by taxes
- Provide living wage and benefits for all childcare workers

## **Welfare:**

- Follow the WPP healthcare model of state -provided health care
- Remove all work requirements for cash assistance, food stamps

- Raise TANF/SNAP benefit levels to 150% of federal poverty line
- Job training requirement (unless disabled) to qualify for cash assistance
- Paid family leave for 6 months at 80% of wages, funded by payroll tax
- Tuition-free community college and vocational program access

### **Corporate law:**

- Adopt the German "co-determination" model requiring corporations over 2000 employees to have employee representatives on the board with voting rights
  - (In Germany, worker representatives make up 50% of the supervisory board which appoints executives)
  - This gives labor a voice in corporate governance and strategic decisions

### ***Other, Mixed Economy Policies:***

**Universal Basic Income** for all residents below the median income.

### **Pensions/Retirement:**

- Public workers' pension contributions increased to 8% of wages
- Defined-benefit minimum of \$30,000/year for retired public workers
- Statewide retirement savings "WA-IRA" plan with opt-out for private sector

### **Agriculture:**

- Link crop subsidies to sustainable practices like cover crops, no-till
- Low-interest operating loans up to \$500k for sustainable farms <500 acres
- Urban agricultural zoning incentives for community gardens
- Rural economic development grants/loans for ag businesses and co-ops

### **Manufacturing:**

- "Re-shoring tax credit" for companies bringing production back to state
- Workforce training partnerships with community colleges/unions
- Prioritize renewable energy component incentives and supply chains

- State revolving loan fund for green manufacturing SMEs

### **Small Business:**

- State small business loan program from public bank at 2% interest
- 25% tax credit for small businesses providing profit-sharing/ownership
- Up to \$100k seed grants for co-op and employee-owned startups
- Waive permit/licensing fees for first 3 years of new small businesses

### **Taxes/revenue**

- 7% corporate tax rate, plus 2% surtax on corporate profits over \$100M
- Top marginal income tax rate of 49.5% on income over \$1 million
- 10% tax on capital gains and qualified dividends above \$250k/individual
- Tax credits for families making under \$75k: \$5k child credit, EITC increase
- Close carried interest and corporate offshore tax loopholes

Flat tax rate for low/middle income:

Flat Tax Rate: 2.5% incomes up to \$50,000.

Phase-In of Progressive Rates Above \$50,000: Rather than an abrupt jump at \$50,000, a gradual phase-in of higher marginal rates could smooth the transition, e.g.:

- \$50,000 - \$75,000: 5.0%
- \$75,000 - \$100,000: 5.5%
- \$100,000 - \$200,000: 6.0%
- \$200,000 - \$500,000: 7.5%
- \$500,000+: 10%

This progressive structure maintains a lower overall rate for the broad middle class while ensuring higher marginal rates on upper incomes.

Additional Tax Policies:

- Double the Standard Deduction to \$24,000 (Married) to protect more low-income earnings.
- Expand Earned Income Tax Credit (EITC) and Child Tax Credit.
- Tax capital gains and qualified dividends for highest earners at ordinary income rates.

#### Revenue Impacts:

This proposal would likely result in lower overall income tax revenue collected. However, that could be offset by:

- Implementing a more robust estate/wealth tax over \$10-20 million
- Raising corporate tax rates, especially on larger businesses
- Implementing a carbon tax or financial transactions tax

The flat 2.5% rate up to \$50,000, combined with expanded credits/deductions would provide substantial tax relief for the poor and working class. Offsetting the costs through taxes on wealth, corporations, and polluting economic activity could fund this progressive overhaul.

### **Labor and workers' rights**

#### Protecting the Right to Organize

WPP will

- Pass state laws protecting workers' rights to unionize and engage in collective bargaining free from employer interference or retaliation
- Prohibit captive audience meetings and other intimidation tactics used to discourage unionization
- Impose strict penalties on employers for violating labor laws and union-busting activities

#### **Repeal Act 10:**

- Allow public sector workers at the state/municipal level to unionize and bargain collectively

#### Wages

Minimum wage should be adjusted to living wage.

### Strengthening Union Rights

WPP will:

- Repeal "right-to-work" laws that undermine unions by allowing non-payment of dues
- Mandate unions have access to new employee orientation to discuss benefits of membership
- Give labor unions the right to negotiate wages and benefits for entire industries, not just individual workplaces.
- Codify unions' ability to conduct secondary strikes/boycotts in solidarity with other unions

WPP will promote Works Councils Model:

- Adopt a European "works councils" model requiring labor representation on corporate boards
- Workers would directly elect representatives to company boards with voting powers
- Gives unions an institutionalized voice in corporate governance and strategic decisions

WPP will push for revoking Anti-Union Laws:

- Push for state ballot initiatives to revoke anti-labor laws like the Taft-Hartley Act
- Taft-Hartley severely restricts unions' abilities to strike, picket, conduct boycotts
- Build grassroots momentum for labor law reform at the state level first
- Once achieved in key states, build pressure for full repeal of Taft-Hartley federally

WPP is supporting Organized Labor:

- Enact project labor agreements prioritizing union contractors for public works



- Shift public pension/investment funds to prioritize union-made products and unionized companies

The policies aim to remove existing legal barriers to unionization while proactively promoting and empowering the labor movement through sectoral bargaining, works councils, and harnessing state powers. Revitalizing unions is key to rebalancing economic power.