THE LAURA FLANDERS SHOW

COLLECTIVE REAL ESTATE: LAND WITHOUT LANDLORDS?

LAURA FLANDERS: Millions of Americans are resorting to risky ways to buy a home and we've seen where that can lead when balloon payments are due and lenders foreclose on subprime mortgage owners. But it gets worse, The Pew Charitable Trust recently reported that 36 million Americans, about 20% of all borrowers, have used even riskier ways to finance a home such as a land contract or seller-financed mortgage, lease purchase agreement and personal property loans. All of which can leave the borrower out of pocket and without a home even if they keep up their payments. 7 million Americans are currently in agreements like these. They're largely low income, more likely to live in rural areas and disproportionately female Latinx and African American. The reasons that would-be buyers take risks are obvious, but are there alternatives? Capital collectives pool resources and reduce risk for home buyers. In the Bay Area, there's an experiment underway called The East Bay Permanent Real Estate Cooperative, which we're going to hear more about. In this episode, I'm joined by three guests who have devoted their work to shifting power, overcoming systemic racism and democratizing access to capital. Najaah Yasmine Daniels is the Community Manager for the Inclusive Capital Collective, which aggregates financial capital to entrepreneurs and communities of color in the US. Jessica Gordon-Nembhard is the author of 'Collective Courage: A History of African American Cooperative Economic Thought and Practice. She's also a political economist specializing in community based asset building and approaches to justice. And Noni Session is the Co-founder and Executive Director of the East Bay Permanent Real Estate Cooperative, which as you'll hear supports BIPOC and allied communities to finance, purchase, occupy and steward collectively owned land and housing. Welcome all, it is fabulous to have you with us. And I want to start by asking you Noni just a little bit about the problem that you set out to solve with what we're going to refer to, I think, as EB PREC.

NONI D. SESSION: Thanks for having me today, Laura. This is such an honor to be on public television and even more of an honor to be in conversation with Jessica Gordon-Nembhard because I didn't even quite understand the problem until I read Collective Courage in a book club after a campaign for City Council in Oakland, California. And as we went around the city knocking on doors and asking our city leaders why our city looked the way it did, many of their responses could be summed up to "I have no control over the free market." So then the question is, if we're looking for neighborhood solidarity, economic recovery, if our city leaders don't see a solution, it seems the most logical next step is to contest the market.

LAURA FLANDERS: Jessica, you are no stranger to this situation. And you've also given us an incredible roadmap to how we got here. How did we get to the situation that we see in our streets today?
JESSICA GORDON-NEMBHARD: Capitalism is a very dehumanizing unhuman system, but we are human beings and really cooperation, mutual aid are what makes us human. That's how we have survived through centuries, right? The first and earliest economic structures were cooperative solidarity economic structures, where people worked together, help each other, right? Hunting and gathering was all about people doing stuff together so that everybody in the group could get enough to eat and could survive. And so throughout all these histories, you know, over 500 years of racial capitalism, we've still had when we, when we were able to we've had groups of people, especially subaltern people, Black, Brown people who are not in the mainstream who work together to solve the problems in a human way. So pool resources, right? And then distribute those resources according to need not according to profit, share ideas, share decision making. So from small things like Esusus and rotating savings and loan to carpooling, right, to then starting our own businesses. And so what we've learned is right, especially with what economists call market failure when the capitalist market won't do something because it's not profitable enough for the investors, people come together and do it for themselves, make it profitable because of the way we, we share the resources, share the risks and share the surplus and the profits.

LAURA FLANDERS: Coming to you, Najaah Yasmine Daniels, can you tell us a little bit about what you are doing there at the Inclusive Capital Collective and what's the problem you have taken on to try to address, which piece of all this?

NAJAAH YASMIN DANIELS: So our mission is to overcome systemic racism in the financial ecosystem, through shifting both capital and power in a collective way. So the ICC is currently incubated under Zebras Unite, which is a global international cooperative. However, ICC is the US expression of what it looks like to actually work in community and under a cooperative structure where BIPOC practitioners and practitioners who show up as active allies, have the autonomy and accessibility to own and do the work that they have governed and the equity piece is also intertwined there.

LAURA FLANDERS: Let's come back to the East Bay for a second. You're in a situation where you see a problem, you see the city and the officials saying it's not our problem. You see a market that has been structured not to benefit your people and instead to kind of profit off them and a historic lack of access to wealth acquisition. What do you do Noni?

NONI D. SESSION: We develop the projects. We develop our community leaders. We develop the capital relationships. And we use that to buy land and housing that is then autonomously governed by our community members.
NONI D. SESSION: With the help of EB PREC, tenants just organized to buy this building. Neighbors in West Oakland are organizing to build new housing on an empty lock. And 10 community organizations are pooling their capital to buy a building in downtown Oakland.

GREG JACKSON: When these groups plug in into EB PREC, they get the tools necessary to grow their project like admin support, financial modeling, legal documents.

NONI D. SESSION: And community capital.

LAURA FLANDERS: We've all been sold the same story of an American dream, which in lots of places to people's minds is an individual home that they leave to their individual family. Lots of people have been brought up to believe that's how they will assess their success and people of color no less than anybody else have been sold that dream. So how do you undo that? Do you undo that or is this just, you're just adapting it a little?

NONI D. SESSION: Our technical work is guided by three ethical principles that we actually refer to as our mission pillars. And the first is Land Without Landlords, which really understands that one of our critical work is to decommodify land and housing. Not only to extract it from this really damaging conversation around what it is, what housing is for, what land is for, but it transforms it then into having the potential to be a cultural asset where people can find permanence. They can find the time they need to build a base for themselves over generations. And they have a place to return to because of the permanence of removing it from the speculative market. Our second mission pillar is Restorative Economics and restorative economics really recognizes that communities have been dispossessed of more than just the tangible asset of land and housing, but all of the intangibles that really constitute wealth, education, inclusion, and conversations, awareness of techniques and strategies, presence in the flows of movement of politics and money. So the people we serve are not just our resident owners who live and work in our acquisitions, but actually our community owners who we include in planning conversations, strategy conversations, so that they understand the landscape and their access to tools where EB PREC is not the bottleneck, but rather the fomentor of their empowerment. And our third mission pillar Heal People Power is really about rejecting these entrenched Western hierarchical practices inside of our own organizational practices, which is what makes Black and Brown organizations quite fragile. We can't hold that kind of risk when we're trying to rebuild through reframing of historical wounding, economic exclusion, individualistic competition. So each of our technical interventions are informed by a deeper need to heal interpersonal, intercommunal relationships, so that our access to capital is not so short lived as it has been in the past, right?
LAURA FLANDERS: Beautiful, Najaah. you work at the intersection of, as you said, an international organization and a national group, how do you look at what's happening at EB PREC, what's your, I see you nodding enthusiastically, but what's the significance really of what's happening there in the East Bay and how does it connect with what you are doing?

NAJAAH YASMINE DANIELS: In the Inclusive Capital Collective, we have really honed in on what it looks like to utilize democratic ownership models, like what EB PREC is doing, not only to repair and restore communities, but to bring back what it looks like to own our structures and our work. So a part of how we're doing that is also by educating the ecosystem. There is an abundance of brilliance and wealth and knowledge when it comes to Black and Brown communities. Now more than ever, it's time to share that brilliance and we're doing so, in the Inclusive Capital Collective, through our Black Papers, not our white papers, that have call to actions and step by step ways that community members, philanthropic funds, as well as investors who are in line with us.

LAURA FLANDERS: You've shared some video Noni, of some of the folks who are part of your cooperative. Do you want to talk a bit about who they are and what we might see?

NONI D. SESSION: One is from our May Day party, which celebrated the closing of escrow of Co-Op 789, which was our first acquisition and really our landmark project. That was our proof of concept that we could collect capital from the community and make such a purchase in a market like West Oakland.

MIEL AMIAL: The idea of having permanent affordability gives me the chance to be a mother in my community. And that's something that I'm not going to be able to do without a home. If I want a house, if I want a family, if I want to be able to support my sisters out there, I'm not going to be able to do that without permanent affordability. And so to have that through EB PREC, that means so much.

NONI D. SESSION: One of our members, sister Nau-T, is a veteran, a combat veteran talking about what it means to be able to see up close, first hand, folks who are actively as part of their technical and ethical principles, sharing resources in a radical manner, sharing power in a radical manner.

SIS. NAU-T: What I'm most excited about is the dismantling of this current structure, this current capitalist structure and creating opportunities for our people to return to our native states, so to speak, where we are clear about the fact that we are able to do for self, we don't need to ask for anything. We don't need to rely on anyone else for anything. We're here, we've been doing it, we can continue doing it, and we can do it in a cooperative way that supports our values and our missions.
LAURA FLANDERS: Tell us about how the progress is going in Oakland. Are there people that have moved into these homes?

NONI D. SESSION: Two of our resident, residential acquisitions are fully homed with their owners. Our first one is a multi-unit building in North Oakland with teachers and activists and gardeners. Our second is a single family home in Berkeley with a detached dance studio where incidentally, they're now launching a business plan out of the detached dance studio for working Black women artists. Our third acquisition is Esther's Orbit Room where we have closed escrow, we've hired a local firm, Sobi Design Build. We have done lots of community engagement and actually brought jazz back to this historical venue for the first time in 10 years. And now we're on a search for our artists and businesses who we will support in being grounded and launching from inside of the Esther's Orbit Room venue. And so Esther's Orbit Room functions as kind of a cultural artifact for West Oakland, where we're leveraging the meaningfulness of it to gather kind of a customer base and a community base around it as a pilot model, that then we are planning to duplicate along the Seventh Street corridor. If we continue to wait for our city leaders to restart our communities, we're going to wait because the formula is not there. The formula is in cooperative economics. So we're looking to mine for the culture and value that's present there right now, and leverage the people who live there today, as opposed to speculative future populations, which is typically how city development thinks of itself, as readying itself for future people who are not here now.

LAURA FLANDERS: And just to put a pin on it, that American dream question, individual ownership question, who does ultimately own the homes the families have moved into?

NONI D. SESSION: The cooperative entity called the East Bay Permanent Real Estate Cooperative holds it legally. Every person who is a member of the East Bay Permanent Real Estate Cooperative, the staff owners, the investor owners, the community owners and the resident owners are all collectively, have a collective right to that property, through a set of bylaws and covenants that we make with our community owners. So we are the owner of record. We do that particularly to do things like what Najaah mentions, which is hold risk for communities that are often deemed before they even step across the threshold, a high risk group of folks. So we do that to build a financial identity, to hold risk, to offer the technical assistance and really the wrap around services that you mentioned in the beginning for folks that typically wouldn't be able to engage in any point in the arc because of the absence of those resources.

LAURA FLANDERS: You know, I feel like you are all like horses racing into this future. And I just need you Jessica, to help us on the outside of these initiatives to see what we are seeing here,
if you know what I mean, to kind of register what's happening here. I mean, listening to you all, I think, well, the future's in good hands. This is all going great. Noni is shaking her head, Jessica.

JESSICA GORDON-NEMBHARD: But there's hope.

LAURA FLANDERS: Go for it, Jessica.

JESSICA GORDON-NEMBHARD: Collective ownership of land, broadens, right, democratizes capital, broadens ownership and helps the whole community. And so that's what we're hearing here. You're hearing about projects where not only does everyone participate at whatever level they can, right? So everybody can participate. You don't have to have millions or even thousands, or right? Everybody gets to participate. Everybody benefits. There's not a hoarding right. There's not, you're not living on speculation, right? You're living in the real world with real people who are doing this in order for the whole community to benefit. We work together and we create these ecosystems of trust and solidarity that then can broaden and expand in whatever ways makes sense. And that makes it all doable, right? Because when we think about the huge systems and the huge problems, right, it seems like we can't do it. But when we look at it at that level, right, if we just start small, build together, interconnect and keep moving together, then we see it's doable. Then we see how it's viable.

LAURA FLANDERS: But it doesn't make it easy, Noni. I saw your vigorous disagreement with everything being fine and rosy now.

NONI D. SESSION: There's definitely an appetite or rather a thirst for participation and reinclusion in our economy, not just among Black and Brown communities, among communities nationwide. If you do a Southern tour, you can see how all of our cities and towns are falling apart. This is an American problem. This is not a Black or Brown problem. We're a collective of seven people who in four years have managed to move about $8 million in assets into collective ownership, right? So we can be very rosy about it. But every meeting, every donor relationship that we enter into is a long arc of proving that a simple thing like housing or a business in an area with 250 potential customers, and I'm speaking of Esther's Orbit Room on the Seventh Street is a viable investment. Each relationship is a proving of a viable investment. So we are doing great work. We can see across the nation, other PRECs and projects like ours launching. Even internationally, we supported a project to launch in Quebec, but think about the numbers in relation to our national population.

LAURA FLANDERS: What would help change the picture? And Noni, I'll just stick with you for a second. Has the city of Oakland changed anything to make life easier for you? Could they?
**NONI D. SESSION:** To some extent, after proving through our projects, the city of Oakland has been responsive through some of its policy language, but the bureaucratic framing, the red tape, that one must move through, the competition for resources, makes it very challenging for organizations like any of ours to go to the city first, rather than to go to our community first, model what that looks like and then at certain stages and intervention points, reintegrate that into city and municipal processes.

**LAURA FLANDERS:** Is there a problem Najaah with how we even think about capital? What constitutes capital? Collateral?

**NAJA AH YASMINE DANIELS:** As soon as we walk in the door, depending on what color your skin is or what community you are a part of is as if we are already a risk to anyone who wants to invest in the products and projects that we're doing. So in the Inclusive Capital Collective, we have identified this issue and have come up with a solution by creating a credit enhancement facility that is available to our members that will provide the first loss capital so they can try out innovations and succeed or fail up and see if it works. Most of our members do not have access to family and friends in that safety net of capital. And as Noni mentioned, it's very difficult trying to leverage support or connections on our own. So as a collective, as a cooperative, we do this together to broker deals that will provide capital to our innovators that we can all use and make sure that we prioritize those most underserved and most, that have less access to power because of the systems that create those barriers to begin with.

**LAURA FLANDERS:** It is possible still for people to join the cooperative or not, Noni?

**NONI D. SESSION:** Absolutely, it's an ongoing membership process. We are still taking investments, volunteers, donations, and project ideas.

**LAURA FLANDERS:** Beautiful. I want to ask each of you to respond to a question I've been asking at the end of programs like this, and that is really about the significance of this moment and the decisions that are being made and the practices that are being resurfaced or invented in this time. And Najaah I'd start with you. It's like, what do you think is the story the future will tell of this moment?

**NAJA AH YASMINE DANIELS:** Thank you for that question. I had such an amazing time with you all today. What the story is going to say 5, 10, 15 years from now is that together we were resilient through healing and that healing happened through grieving together by coming in community together and cooperative models where we can both own our work and work together to liberate ourselves and build community generational wealth.

**LAURA FLANDERS:** Jessica?
JESSICA GORDON-NEMBHARD: You know, in my research, I found sort of a continuous history of this kind of activity, especially in Black communities, but I also found three periods where there was the most, more prolific activity. I think we're in a fourth period now. Part of it was initiated with the recession, right, then the housing crisis and financial crisis of 2008/9. And then of course the COVID pandemic ushered us and what it, what this fourth period is showing is that once again, people respond to crisis. So let's get out of the system and do what we know is right to, you know, behave with each other, treat each other the ways that we as human beings should be treated.

LAURA FLANDERS: Thanks, Jessica. And finally coming to you, Noni, you started with looking out at what the problem was, seeing that the officials weren't solving the problem, that it lay in the market, deciding to engage in the market. What do you think is the story the future will tell of now?

NONI D. SESSION: That organizations like ours and initiatives like ours, really identified the elements needed to restart economies, that we were able to parse out through experience, practice, and experiment, what is missing from each of our cities and towns and how to build cooperative ecosystems that help us live outside of and above the movements of the international market. That's not thinking about any of us on a daily basis.

LAURA FLANDERS: Thank you so much all of you.

JESSICA GORDON-NEMBHARD: I'm such a fan of you guys. I'm so happy to be able to talk to you about this and hear more about what you're doing, so thank you. Thanks Laura, for getting us together.

NAJAAH YASMIN DANIELS: Thank you.

LAURA FLANDERS: When a well-armed young white man, self described Nazi and white supremacist wanted to kill Black people in Buffalo, New York, May 14th, he knew exactly where to go. He went to Buffalo's east side, where 80% of the population is African American. And he went to Tops, pretty much the only supermarket that is there. In the days since the slaughter, we've heard about a community in grief, a community under attack, a community rising up for justice, and that word community can have all these connotations like those we heard today about a community acting collectively, courageously to address the challenges they can't address on their own. But that word, I think community is too warm and fuzzy to explain why our cities are set up this way. Why do we see a Black community that's so poorly served so easy to identify. It's not just because of the self will of those who live there, but rather because of decades, centuries of policy, of redlining, of extraction, of discrimination and prejudice. In the
years in the run up to the financial crisis of 2008, wealthy Blacks were twice as likely as poor whites to be targeted for subprime loans. We're talking about prejudice, segregation. Are mutual aid efforts enough? They can get you somewhere, some housing, some opportunity, some fresh food, but don't we also need policy, reparation for repair and redirection of this country and its economy to make it fairer for all? I ask that question of our guests in our full uncut conversation, which subscribers to our podcast receive. You can find all the information at our website. Till the next time, stay kind, stay curious. I'm Laura, thanks for joining us.

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