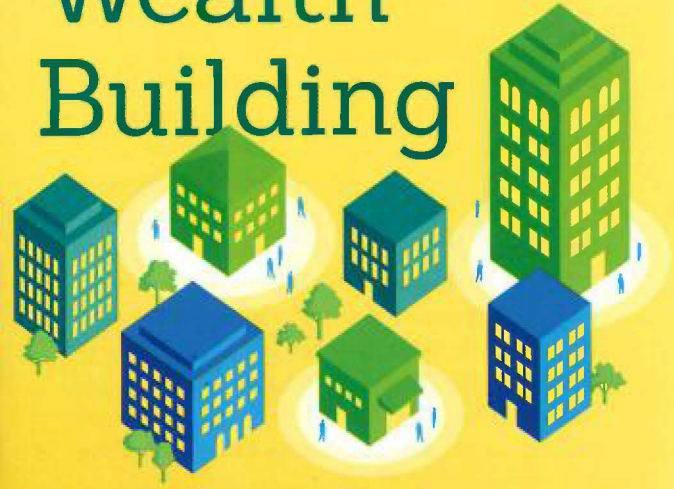


THE SEVEN DRIVERS OF

Community Wealth Building



A systems approach to economic development that creates an inclusive, sustainable economy built on locally rooted and broadly-held ownership.

Community wealth building calls for developing place-based assets of many kinds, working collaboratively, tapping large sources of demand, and fostering economic institutions and ecosystems of support for enterprises rooted in community.

In its workforce drivers, traditional economic development focuses on counting the number of jobs created, but rarely tallies whether these are living wage jobs, or whether they go to the hard-to-employ. Traditional approaches also fail to subtract jobs destroyed when Main Street retailers quietly close their doors—or when high-tech firms outsource manufacturing abroad, or move operations out of the community. The mindset missing in traditional approaches is commitment to place, and a recognition that economies can be designed to benefit community. Community wealth begins with a devotion to place, and with a respect for all those who live in a place.

1 Place

✘ TRADITIONAL APPROACH

Aims to attract and retain firms using incentives, which increases the tax burden on local residents.

✔ COMMUNITY WEALTH BUILDING

Leverages many kinds of assets rooted in community, for maximum benefit of local residents.

2 Ownership

✘ TRADITIONAL APPROACH

Supports absentee and elite ownership, often harming locally owned family firms.

✔ COMMUNITY WEALTH BUILDING

Promotes local, broad-based ownership as the foundation of a thriving, resilient local economy.

3 Multipliers

✘ TRADITIONAL APPROACH

Pays less attention to whether money is leaking out of community.

✔ COMMUNITY WEALTH BUILDING

Encourages institutional buy-local strategies to keep money circulating locally.

4 Collaboration

✘ TRADITIONAL APPROACH

Decision-making led primarily by government and private sector, excluding local residents.

✔ COMMUNITY WEALTH BUILDING

Brings many players to the table, including nonprofits, philanthropy, anchors, cities.

5 Inclusion

✘ TRADITIONAL APPROACH

Key metric is number of jobs created, with little regard for wages or who is hired.

✔ COMMUNITY WEALTH BUILDING

Aims to create inclusive, living wage jobs that help families from all walks of life enjoy economic security.

6 Workforce

✘ TRADITIONAL APPROACH

Generalized training programs without attention to linkages to actual jobs.

✔ COMMUNITY WEALTH BUILDING

Links training to employment and focuses on jobs for those with barriers to employment.

7 Systems

✘ TRADITIONAL APPROACH

Unable to resist pressure to support status quo of wealth inequality.

✔ COMMUNITY WEALTH BUILDING

Develops new institutions and support ecosystems, to create a new normal of political-economic activity.





The acceleration of community wealth building may signal the beginning of a new progressive era, emerging first at the city level and growing from there to larger scales.

The aim of community wealth building is to create a new system that enables inclusive enterprises and thriving communities, and helps families increase economic security.



It keeps money circulating locally by developing local assets and keeping ownership locally rooted, and ideally broadly held. The aim isn't just jobs but good jobs, and where possible an ownership stake—especially for the hard-to-employ, but also for all Americans in need of good jobs.

Community wealth building is a systems approach, with various drivers working together. Locally owned enterprises are linked to large-scale demand through anchor procurement. Institutions like loan funds and accelerators, as well as new positions in city government, help to support inclusively owned firms. Worker and employer needs are matched. In these various drivers and strategies—linked training, anchor demand, support institutions—the emphasis is on creating a system to support a locally rooted economy. At its best, community wealth building is a form of development done with,



not to, the community.



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Want to find out more about the seven drivers of community wealth, and how cities across the country are putting them to work to build more inclusive local economies? Download and read our report, *Cities Building Community Wealth:*

<http://democracycollaborative.org/cities>

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