



Guide to Community Development

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laser

local action for sustainable economic renewal

Guide to Community Development

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LASER
Guide to Community Development

by Gwendolyn Hallsmith, L. Hunter Lovins, Michael Miller,
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This Guide is dedicated to the memory of Jane Jacobs (1916 - 2006)



Preface

by Oscar Motomura

Life happens in local communities.

A paper about reinvention, about the renewal of the system we all live in, could be expressed – in essence – in that five-word sentence.

But why does the reality around us seem to diminish the idea of community? Why do there seem to be other dimensions of life that actually reduce the importance of local communities? Are we distorting the very meaning of life when we “force” local communities to “feed” larger, supposedly more important systems? Is that the central distortion that is the cause of all major problems we can see in the whole, on planet Earth?

Let’s go back to basics for a moment. Let’s reflect on a simple story.

Suppose a group of friends decides to start a new community in the countryside of a specific region (it could be anywhere in the world). Let’s say it’s a group of 30 families.

They buy land in the same area and help each other build houses and all the facilities necessary for survival. And from the beginning, the whole group – all thirty families – talks a lot and decides everything together. The assumption here is that since everything is going to affect the whole group, everything should be decided together.

They even select a central space in the area for their meetings and social gatherings. Every weekend they meet and make all the necessary decisions. Children and young people also have a voice in the meetings, to make sure their needs (a place for sports, play, etc.) are properly included in the group decision-making process. The whole group makes decisions about the water system, the energy system, communication, roads, transportation, health, education; about production, principles for bartering, problem solving of all kinds. The process always focuses on the well-being of all the members of the community, of all 30 families. There is no exclusion of any kind. And the community evolves ...

Slowly the community becomes the ideal place for living that all thirty families had dreamed of together. They are all very happy. Gross National Happiness is at a maximum ...

Since they are not isolated from their friends who did not join the group in the “adventure,” each member of the thirty families starts to share with those friends their stories about how and why they’ve become so happy ...

The consequences of that sharing are predictable, right? Yes, the other friends now want to join the community as well. And they start to come. And the community grows...

And grows. And grows...

Soon, the weekend meetings are not effective anymore. There are too many people. The community has a problem: it’s more difficult now to reach a genuine consensus, and decision-making processes are slower. As a result, other problems develop...

How can they solve this new problem created by growth?

There’s a lot of discussion and many suggestions. Finally, a consensus emerges: since it’s not possible anymore to hold a meeting in which the entire community partici-

pates, groups of families from the same region will now choose a representative. And so the weekend meeting becomes a gathering of the representatives.

From here, you can probably imagine how the story evolves. The representatives become overloaded with work – during the week they are supposed to interact with the families they represent, while also being productive members of the community. So, they make a proposal: they want to become fulltime representatives and be compensated (with a salary?) so that they can “make a living”...

In the beginning, this new arrangement works okay. Later, however, distortions appear: there are conflicts of interest, power plays, the representatives become distant from the represented (from lack of genuine interest on the part of representatives, lack of deep dialogue, etc.), and much more. Instead of making decisions by consensus, the representatives also start to make decisions by voting. More and more people become dissatisfied. “Gross National Happiness” declines...

The local economy also struggles with the same issues of scale. It used to be enough to produce for the small group of people who started the adventure, but as the community grew, larger and larger production processes seem to be required... Gradually the economy becomes professionalized and grows away from the community needs.

Over time, another kind of logic replaces the links between the community and the needs that their economic activity was satisfying in the first place. The search for wealth of the new production system takes the place of the wealth of the whole community. Before long, new rules are created so as to facilitate the effectiveness of emerging production institutions. “Gross National Product” becomes an obsession... The values of the community are transformed day by day... From the search for each-family evolution and the search for the common good to more egotistical objectives, from a concern for the well-being of all living beings and the environment to a concern for better conditions for growth, economic growth... From cooperation, solidarity and mutual help to competition. And, awkwardly, community members seem unconscious of the change process...

Now, let's go back a step. Let's imagine a different development of our story from that point on.

Other friends want to join. Yes, they are welcome. But rather than make the first community grow, they are invited to start new communities in the vicinity. And so it goes. And the whole region grows...

Now the region has many communities of 30 families. And they are all doing well. The different communities even collaborate, join forces, have joint celebrations, even produce things together, etc. A natural process of self-organization evolves. Each community maintains its own identity, develops its own forms and degree of contentment. The "organic" process of growth that existed in the original community remains intact.

Each small community focuses on how their economic activities meet their local needs. The needs of the community. Of every member of the community. Total inclusivity, no exclusion of any kind. They trade and cooperate with other communities, but the local residents remain the owners of the production capacities and keep the power on how to make the rules so that the "natural laws" that were very alive in the beginning are kept intact, undistorted... The production and the trading system continues as sound as in the beginning.

Now, what would happen if someone had the idea of creating an organization to coordinate/orchestrate the various self-sustaining communities of 30 families?

Once again, maybe that institution made up of representatives of all communities would work, creating more cooperation among the communities, more synergy, etc. But distortions might appear in this case as well. Even many distortions. The process of coordination could start to happen apart from the communities. The coordinating institution would grow, more and more, and become even larger than the sum of its communities. The communities could gradually become disempowered. Paradoxically, the life of the communities could appear to take place away from the communities.

The most important decisions would be made in the “virtual” domain of control, coordination, bureaucracy ... It is a strange process ... But, it all happens across generations. Each new generation is born into an existing system that already embeds the distortions. And the way things work seems to be natural...

It does not seem necessary to elaborate further on the details and ideas implied in these stories.

These stories are a way to help us reflect more deeply on the system (political, economic, social) around us. If we cannot understand the basics about life in communities and abstract from them to the larger whole, we will get lost in millions of details. Everything will look fuzzy, confused. Or, on the contrary, crystal clear: the distorted system will look natural, normal, logical. At that point we are blind, asleep, locked in a vast illusion...

Now let’s go back to the reality of today. Can communities become fully empowered and take back control of their own destinies? Can self-organizing processes make the whole (of many communities) evolve more naturally and considerably more effectively than centrally controlled processes?

If power were returned to communities, would life itself become less artificial, and more natural? More in sync with natural laws? Closer to Nature? And only then, truly sustainable?

Can the content of this manual help us fully honor the simple basic fact that life actually happens in local communities?



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Introduction

This Guide presents an innovative approach to economic development, introducing a new way of thinking about how real wealth is created on the local level. The goal of LASER is to create wealth — wealth that provides people with long-term economic security, and that maintains the ability of current and future generations to live healthy and fulfilled lives. Real wealth is inextricably linked to our well-being, which we enjoy when the full spectrum of our common human needs are satisfied. So understanding all the ways that our communities build their capacity to satisfy human needs with the economic activities we initiate is fundamental to the LASER approach.



Reference
Material

The LASER Guide is the tip of a large iceberg — the actual text in this printed manual is intentionally short. It is designed to give you a brief overview of the key subjects, so that you can identify the ideas you feel are worth pursuing in your own community. We have included a variety of links to other materials: *reference material* describing the academic and practical research on the subjects discussed, *best practices* descriptions from communities that have already implemented the techniques we describe, and *tools* that can help you use the ideas in the workbook. Each of these links is indicated in the text by icons in the margin.



Best
Practices



Tools

To introduce the LASER Guide, the co-authors have each written our own short statements about why a new paradigm for a sustainable economy is critical at this point in time, and what we each think is important to emphasize about this process. We also describe something about each of our backgrounds in the field. We think that the LASER team is an exciting combination of people that bring many years of practical experience together with the latest thinking on how to improve the systems that are the underpinning of the economy. We hope you'll share our enthusiasm for this whole-system approach to economic renewal, and that the resources we've presented here will provide your community with the tools and strategies you need to get started.

Gwendolyn Hallsmith

Executive Director, Global Community Initiatives

It was the best of times ... it was the worst of times — Dickens would agree that the 21st Century has brought both unprecedented opportunity and horrific hardship to humanity and to our small, green home. We have never before had the ability to create wealth, health, and prosperity on the levels we enjoy today. Yet the systems we have established to obtain these benefits have unfortunately made some very rich while impoverishing the vast majority, rather than using our commonwealth to bring a good life to everyone. We have never before seen as wide a disparity between the rich and the poor. In our lifetime this gap has grown by orders of magnitude, at the same time as our creativity, initiative and technology has liberated us for some of history's most exciting endeavors.

No one wants people to live in poverty and disease. No one wants a polluted, unhealthy environment. Our work in cities and towns all over the world has made this abundantly clear. Ask anyone what kind of world they want for their grandchildren, and it's a healthy, safe, friendly place, where people can pursue their dreams unimpeded. It's a world where we all enjoy good food, clean water, quality housing, and the means to nurture our creative and spiritual interests through education, recreation, our faith traditions, and all of the ways that we come together and share community with each other.

The economy should be a means of achieving these ends, but instead it has too often been an obstacle, and people are put at its service, instead of the other way around. It's time to get our priorities straight and create an economic system that works for our health and welfare, that creates opportunities for all, and enhances its own environmental, social, governance, and material foundations.

How is it that we are continually designing and using systems that don't get us what we want? Why do we accept an unsatisfactory situation, when if we worked together we could change it for the better? Part of the answer to these questions

is that we don't know how. We don't know what the alternatives are, and we don't know how to mobilize people and move forward with a new vision for our local community, our country, or our world. We also don't know how to work together very well — so many community initiatives fall apart because people just can't seem to set aside trivial differences to achieve a common goal.

This guide is designed to help you initiate economic renewal activities in your local community. Each concept is accompanied by a step-by-step tool that helps you put the ideas into practice. The Guide is based on the idea that we can satisfy our common human needs by building on our strengths, intervening at the system level, and integrating all the different parts of community life into a whole package, rather than trying to tinker with different problems in isolation. The authors are available to provide training and technical assistance if you run into difficulties, so don't hesitate to contact us for more information, or if you need help.

GWENDOLYN HALLSMITH, the founder and Executive Director of Global Community Initiatives (GCI), has over 25 years of experience working with municipal, regional, and state government in the United States and internationally. She has served as a City Manager, a Regional Planning Director, Senior Planner for the Massachusetts Executive Office of Energy Resources, the Deputy Secretary of the Vermont Agency of Natural Resources, and as an international specialist on sustainable community development. Her international experience has included work with the United Nations Environmental Program, the United Nations Development Program, the Institute for Sustainable Communities, the International City/County Management Association, the Academy for Educational Development, and Earth Charter International. In addition to her academic training in public policy (M.A. Brown University), she has done Ph.D. work in international environmental policy at the University of British Columbia, and theological studies at the Andover Newton Theological School. She currently serves on the Board of Vermont Earth Institute, and was on the founding board of the Vermont Peace Academy and the Twinfield Learning Center. GCI has offices in Montpelier, Vermont and Johannesburg, South Africa.



L. Hunter Lovins

President, Natural Capitalism Solutions

The economy in your community is a living thing. Decisions that you and your neighbors make can either help it to grow and thrive, or slowly damage it. This manual lays out actions that have been used by communities around the world to increase the well-being of their citizens and decrease their vulnerability to the global trends that are impacting all economies. It will enable you to assess what your community needs, what forms of capital you have to address these needs and to put in place a plan to implement this.

The principles and activities outlined here are relevant whether you live in a rural village in Afghanistan, or a neighborhood in a modern western city. The details will obviously differ, but the broad opportunities exist everywhere. All it takes is you. LASER describes how you can take control of your own future and begin to create the sort of economy that will bring real jobs, real prosperity and a high quality of life to you and your family.

L. HUNTER LOVINS is President of the Natural Capitalism Inc. (www.nat-capinc.com). She holds a JD and several honorary doctorates. Co-founder of California Conservation Project (an innovative forestry group) she has extensive hands-on experience with economic development, forestry, sustainable agriculture, renewable energy and construction of sustainable buildings. She subsequently founded Rocky Mountain Institute (RMI), which she served for 20 years as CEO.

Ms. Lovins has lectured extensively in over 15 countries, including at the World Economic Forum at Davos, The International Symposium on Sustainable Development in Shanghai, the Annual General Meeting of UNIDO, the Global Economic Forum, and the World Summit on Sustainable Development. She has consulted for industries and governments worldwide, as well as such multinational companies such as Shell Oil, and the International Finance Corporation. She has also worked with many community groups, local economic development agencies and municipal governments. She has experience in developing countries working with local businesses and small NGOs. She created the RMI Economic Renewal Project and helped write many of its manuals on sustainable community economic development.



She has taught at numerous universities including Dartmouth College and the Universities of California and Colorado, and has received several honorary doctorates. Currently a professor of business at Presidio World College, she has founded and grown several businesses, including E-Source, which ultimately sold for \$18 million. She has served on the governing boards of one government, several businesses, and a dozen non-profits.

She served on the State of the World Forum's Commission on Globalization and was one of four people from North America named to serve as a delegate to the United Nations Prep conference for the World Summit on Sustainable Development in Johannesburg. She is working in Afghanistan on a variety of projects, including with the Afghan Cluster Competitiveness Project.

Hunter's areas of expertise include Natural Capitalism, sustainable development, eco-tourism, globalization, water, energy and resource policy, economic development, climate change, security policy, land management, fire rescue and emergency medicine. She has co-authored nine books, including the 1999 book *Natural Capitalism*, and hundreds of papers, including briefings for Presidents Clinton and Bush and British Prime Minister Tony Blair.

Awards

Lovins has shared a 1982 Mitchell Prize for an essay on reallocating utility capital, a 1983 Right Livelihood Award (often called the "alternative Nobel Prize"), a 1993 Nissan Award for an article on Hypercars, and the 1999 Lindbergh Award for Environment and Technology. In 2000 she was named a "Hero for the Planet" by Time Magazine, and received the Loyola University award for Outstanding Community Service. In 2001 she received the Leadership in Business Award and shared the Shingo Prize for Manufacturing Research.

Corporate Service

Lovins has served on the Boards of one government, three private corporations, and many public interest groups. She advises numerous companies and nonprofits, including GreenMountain.com. She was a founding director of RMI's second for-profit spin-off, E source, until its 1999 sale to the Financial Times group.

Michael Miller

President, America's Development Foundation

This Guide to Community Development provides many helpful insights into an innovative whole-systems approach for sustainable community economic development. Key to this approach is the mobilization of stakeholders and their participation in the process. Plans for community economic renewal can only be successfully developed if community stakeholders are actively involved in building a shared vision of their future. The citizens of a community are its source of empowerment, and increased citizen participation is necessary in decision making processes to facilitate democratic governance and a responsiveness to community needs and interests.

As will be recognized in this Guide, a defining aspect of the LASER approach is that it is asset-based rather than problem-based. It is important to gain an understanding of the assets a community has for meeting the needs of its citizens. LASER identifies community assets as all the systems in place to satisfy human needs and the well-being of the community and how to focus on those resources for creating additional wealth. This Guide will be helpful in providing communities with new ideas and different ways to look at such assets and how to develop them into economic opportunities. It seeks to share with others successful methodologies and resources for bolstering community economic development throughout the world.

MICHAEL MILLER is the President and founder of America's Development Foundation (ADF), a U.S. non-profit organization dedicated to the international development of civil society and democracy. For the last 25 years he has guided ADF in developing and managing over \$200 million in such programs in over 30 countries throughout the world. His hands-on experience includes extensive work in Serbia implementing ADF's \$40 million USAID Community Revitaliza-



tion Through Democratic Action (CRDA) program (2001-2007) providing assistance to 100 communities in 26 municipalities totaling 2.3 million people. CRDA is a community development model for improving social and economic infrastructure, increasing income and employment opportunities, and improving environmental conditions through democratic action. Mr. Miller has considerable experience in the organization of hundreds of Community Development Groups, Citizen Advisory Groups, and Community Development Associations to increase citizen participation in decision-making processes including developing local economic development strategies.

Mr. Miller's international experience covers many areas of civil society and democracy development, community development, business and economic development. As the Chief Executive Officer of the Pan American Development Foundation, he established national development foundations in countries throughout Latin America supporting grass roots economic development with revolving loan funds and technical assistance and training. As a Vice-President of the Council of Americas, he worked with a membership of 250 multinational corporations led by David Rockefeller, its Chairman, to promote increased investment, trade and understanding of the role of private enterprise in economic development. His business experience includes working as a corporate executive of a large multinational company with responsibilities for international investments and operations. He holds a M.A. degree in Comparative Government from Georgetown University and a B.A. degree from the University of Alabama with studies in Political Science and Economics. He is based in ADF's Headquarters in Alexandria, Virginia.

Christopher Juniper

Vice President, Natural Capitalism Solutions

People share very similar core values of peace, health, family and prosperity. The LASER process helps communities or regions identify its shared values and build on them to address its economic strengths and weaknesses through intelligent short- and long-term strategies. LASER builds a lasting foundation for these strategies through planning and action that builds all the necessary forms of community capital — from financial capital to cultural capital to natural capital.

LASER has two key components: Local Action, and Sustainable Economic Renewal. While “Local Action” speaks for itself, Sustainable Economic Renewal needs further explanation. It differs from traditional jobs-bottom-line economic development. Conventional development is often focused only on short-term wealth generation by for-profit businesses. The LASER system recognizes that a whole-system process helps enterprises in both the private and public sectors meet the full spectrum of human needs throughout the community, today’s and tomorrow’s, through thriving organizations (defined as stable and healthy organizations that provide goods and services — including for-profit businesses, non-profit enterprises and governmental operations).

The whole-system approach means focusing on retaining wealth in the community first — there is no sense filling up your gas tank when there are big holes in it. Retaining wealth has two primary components: buying things made locally, so that your money circulates more in the local area; and (2) greater local ownership of businesses, since business profits will be spent more locally than would profits sent to people around the world.

While the term “renewal” implies that something is broken, some readers may think their economy is developing at an appropriate pace – so why fix something that isn’t broken? However, community leaders need to consider that no economy at present is truly operating in a sustainable manner – meaning that it is building natural, human and other critical forms of capital for the community’s and humanity’s future while meeting today’s needs. Therefore, the LASER process towards building a truly sustainable economy is applicable to all communities, regions and states that wish to improve their economic performance in a more sustainable manner.

LASER is a framework for generating community enthusiasm, strategy and success that builds momentum and success over time. It is also a “wake-up call” that the ground rules for community economic development have changed dramatically in the past decade: we are entering the “Next Industrial Revolution” – indeed many say the train has left the station – and communities not on board will be left behind.

Yet every community is different at the edges. Its inheritance of natural resources (part of its “natural capital”) will widely vary – including the natural capital of its ecosystem health, its natural resources, and its natural attractiveness. Though a lot remains to be learned, people are rapidly accumulating important knowledge about how to build natural, cultural/historic, human, built and other critical forms of capital that enable long-term wealth generation and accumulation.

LASER is designed to bring out the best in people: to work collaboratively with the best information and the most appropriate process for your culture to create something bigger than the sum of its parts: a systematic approach to building community “wellth.” It embraces the fundamentals of market capitalism in ways that capture capitalism’s advantages, while putting human needs first.

CHRISTOPHER JUNIPER has been an innovator in economic development practices and policies for twenty years as a consultant, as Policy and Business Development Manager for the Portland Development Commission (Oregon), and as Executive Director of the South Western Colorado Economic Development District (Durango). He served as Rocky Mountain Institute’s first Natural Capitalism Practice Director, and has developed tools for organizations to use Natural Capitalism including a complete Field Guide, an EMS/sustainability integration tool and a cost-effective Life-Cycle Analysis tool. His academic training at The Colorado College (B.A. Economics) and advanced studies at Colorado State University focused on environmental economics and land-use planning.

His experience includes three years as college-level economics instructor (currently a visiting professor for Colorado College for Sustainable Economics courses), board and leadership positions for several non-profits and three successful business start-ups. He is a national speaker and author of articles on sustainable business strategies and environmental economics. He is currently focused on refinement and implementation of the Management Helix for sustainable businesses, and a book on sustainability-based solutions for key global challenges, while serving Natural Capitalism Solutions Inc. as Vice-president. He has served Fort Carson Mountain Post, a national sustainability leader, as a member of its sustainability implementation team since 2002. He is also a founding board member of the Vermont-based Sustainability Leadership Institute and serves on the Board of Directors of CORE, a Colorado government economic development partner promoting sustainable business practices.



Bernard Lietaer

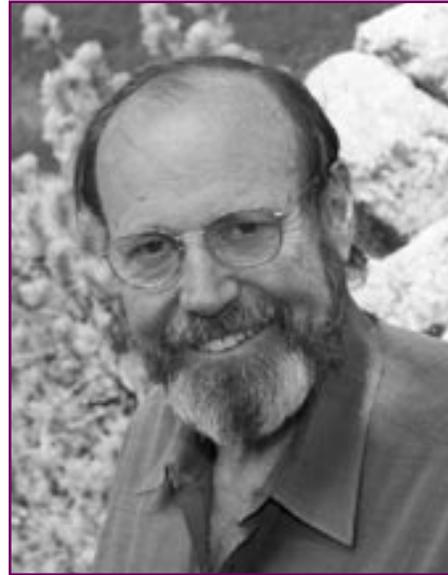
University of California, Berkeley, Center for Sustainable Resources

The purpose of this book is to sustainably develop more wealth in a municipal community. The word “Wealth” derives from the Old English word “weal”, meaning well-being (as in “Commonweal”). Wealth can therefore be defined as the capacity to obtain or provide well-being. Developing wealth implies making more choices available to all people in the community to attain wellbeing. Wealth is more than the accumulation of money, and it can be generated in ways other than through conventional financial means.

The obstacles that we need to overcome to create a sustainable city are so numerous, it is intimidating. The options for solutions are similarly varied. The approach that we will try to follow in LASER is to address the *systems* that create the problems, rather than try to address each symptom individually. Dealing with systems rather than symptoms also tends to resolve the issues for the long run. In contrast, addressing symptoms is an unending process that needs to be continually renewed.

One system that municipal planners rarely see as an option, because they think it is beyond their realm, is the monetary system. It is clear that they have no influence on the national monetary situation, but over recent years there have been a wide variety of complementary currency innovations — operating at the municipal level — that enable us to mobilize resources that would otherwise remain untapped. Such systems have also demonstrated the capacity to change behavior patterns of the citizenry. They include motivating people to help the elderly or to mentor youth, make more ecological choices, or provide meaningful and productive activities to unemployed people. In this Guide, we’ve described the complementary currency systems that have been successfully implemented in communities all over the world. This will give community leaders a tangible place to start if they want to build real wealth locally.

BERNARD LIETAER, as a senior central bank executive in Belgium, was one of the two principal architects of the “ECU,” the convergence mechanism that developed into the European single currency (“Euro”). In recognition of his leadership as General Manager of one of the world’s most successful offshore currency funds (1987-91), Mr. Lietaer was identified by Business Week as the world’s top currency trader in 1991. Mr. Lietaer has authored several books on money. His first book developed the tools to manage currencies in floating exchanges; another one of his books was the first to announce the Latin American debt crisis of the 1980s. More recently, he published *The Future of Money*, available now in seventeen languages, and *The Mystery of Money*, now available in four. He has authored with Stephen Belgin *Of Human Wealth: Beyond Greed and Scarcity*, to be published in the United States this year.



Wayne Fawbush

Economic Development Consultant

Finally, after working on practical approaches to sustainable development at the community, state and national levels for close to 30 years, this workbook represents the blueprint for a bridge that will span the gorge that traditionally has existed between community-focused development and straight economic development interests in communities around the world. The cables on the bridge are constructed of the multiple forms of wealth that are possible when we address, in a unified way, the fragility of our cultural, natural, and built environments in and around the place we call home. One of the realizations making this possible, and the real strength of this particular workbook, is the growing acknowledgement

that there are multiple strands of wealth present in a given community, and when they are interwoven their strength is far superior to single strands.

As a state legislator in Oregon, I watched with increasing frustration as communities, both rural and urban, were abandoned — either because their resources were depleted, they were isolated from a freeway interchange, or they lacked the modern infrastructure demanded today by globally competitive business interests and the government agencies that cater to them. In a world of finite resources we are finally coming to understand that cooperation/collaboration between interested parties, even competing interests, is the way to make the best use of our resources and create lasting wealth.

WAYNE FAWBUSH served for 16 years as a state legislator from rural Oregon. During that time he owned and operated a commercial pear and blueberry farm. He was an early advocate of using networks within industry clusters as efficient development tools, especially when applied to the natural resource base in a region. He created the Oregon Wood Product Competitiveness Association that enabled secondary wood producers throughout Oregon to pool their resources. He led the effort to pass the first comprehensive energy home efficiency legislation in the country.

Wayne served as the Deputy for Operations for the Farmers Home Administration Washington, D.C., where he managed the Northwest Timber Mitigation Act. He coordinated the Federal response that resulted in seven Federal agencies and the three western states agreeing to implement a program valued at \$10-14 billion. The agreement facilitated the cooperation and the sharing of resources between the Federal agencies states, and local governments that effectively allocated resources to the most impacted rural communities.

For the past nine years, Wayne served as the Director of the Vermont Sustainable Jobs Fund, which was dedicated to helping rural communities and business prosper through collaborative pooling of resources. The Jobs Fund created several successful rural clusters in the forest products, food production, and rural service industries, and initiated several buy local campaigns. He is currently working with Regional Technology Strategies in North Carolina on cluster development practices in rural Pennsylvania, Newfoundland, and Oregon.



Chapter One

Mobilization, Vision, and Strategic Planning

Empty storefronts, vacant commercial buildings, abandoned and substandard housing — all signs of a local economy in trouble. Yet the symptoms often go unnoticed until a large employer closes its doors. Then the ripple effects cascade into the community: families break up under the stress of unemployment, increasing poverty strains social services, and smaller enterprises suffer from a lack of customers.

In some communities high unemployment and poverty are a way of life — a vicious cycle of poor nutrition, lack of education, and lost opportunity. The desperation of chronic poverty forces people to overexploit the local natural resource base, undermining the very assets that might help lift them out of their situation. Forests are clearcut, coral reefs sold to tourists, reindeer herds slaughtered, agricultural land overworked, minerals stripped from the land. Today, the #1 environmental crisis in the world is poverty.

Yet even in wealthy communities where the economy is robust and jobs are plentiful, people are nervous. Local leaders know that it's a mistake to count on boom times; they know that a downturn has to come; they need to keep the local economy diverse and keep starting new enterprises so the community can be assured of long-term prosperity.

Given these circumstances, it's easy to understand why local leaders often look to an outside benefactor to step in and solve the problem. They put enormous energy and resources into attracting investment, large employers, international assistance from foreign aid agencies, and high profile consultants. The solution is “out there.” If a mayor attracts a new company to come to town and hire people, she's an instant hero. Even in affluent areas, direct investment from outside is seen as the primary way to make the economy grow.

Yet the search for an external panacea ignores several fundamental economic realities:

- 1) The vast majority of new jobs are created by small and medium sized firms, not large employers.
- 2) New markets, jobs, capital, technology, and economic expansion are generated when cities start to produce goods and services that were previously provided by distant exporters.
- 3) Start-up, innovative, entrepreneurial enterprises are on the increase in the 21st Century, while many of the large manufacturers that dominated the economies of the 19th and 20th Centuries are declining.
- 4) Local long-term wealth creation and economic security are dependent on local ownership of productive capacity; simply receiving wages for employment while the profits are exported to distant corporate centers robs the local economy of the capital it needs to succeed.
- 5) An over-reliance on export-led development will undermine the long-term economic health of a community. Equal attention must be paid to local needs and markets. Similarly, communities that develop local exchange systems and reduce reliance on the national currency can enhance long-term local wealth creation.
- 6) Companies that are not locally owned are much less sensitive to community needs and environmental conditions, and can make communities vulnerable to sudden downturns when one large externally-owned or managed employer cuts back or goes out of business.



*Research from
economic experts
backing up these
statements*

If the traditional strategy of attracting direct investment from outside the community or overseas is a false promise of easy riches, mobilizing local resources for local economic renewal will test the ability of local leaders to create conditions where new local enterprises can take root and succeed. It requires tenacity, flexibility, open-mindedness, and a willingness to take risks and try new things. If you have any of these characteristics, and want to build real wealth for your community, read on.

Organization and Leadership

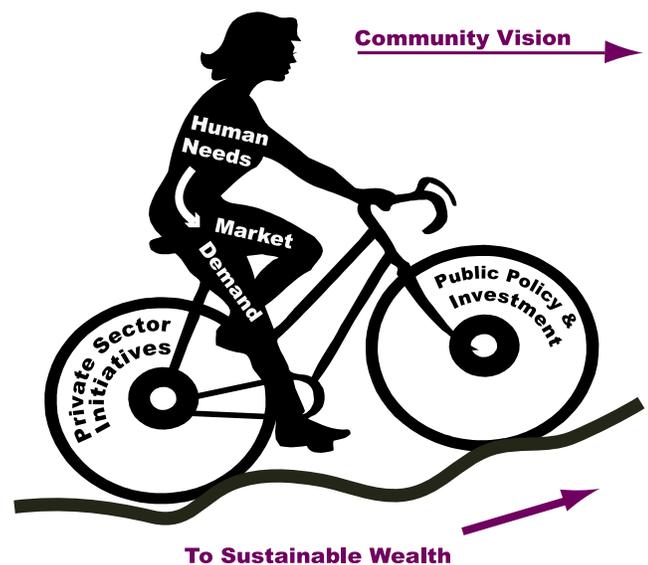
The Roles of the Public and Private Sectors

Mobilizing people, distributing resources, and engaging in productive activities takes leadership. The leadership must come from both the public and the private sector, as both provide important leadership for local economic renewal. To set the overall direction and lay the foundation for a successful local economy, we collectively make public policy and investment decisions. These include the creation and management of public infrastructure — roads, sewer systems, water supplies, electric power, communication systems, transportation, housing, hospitals, schools, universities, etc. — as well as monetary policy, rules for banking and insurance, regulations that protect public welfare, corporate law, investment rules, and tax laws.

The other important parts of the economic renewal system are the initiatives introduced by the private sector: the investors and entrepreneurs who develop products, bring them to market, hire employees, and manage the business so that it is profitable, environmentally sustainable, and socially responsible. They need access to resources, skilled workers, capital to create productive capacity, and a predictable institutional and legal framework. They also require a stable government that supports innovation and creativity, functional financial systems, and public health, education, and welfare.

One way to illustrate how the public and private sectors fit together is to see the economic renewal system as a bicycle. The front wheel and steering column are the public aspects of the development machine — the priorities and policies of the public and its leadership, and the public services we collectively provide to support universal human rights to health, safety, education, and welfare. Guided by the vision and powered by human needs, this part of the bicycle sets the course.

People’s real needs also drive the market economy, creating the demand for products and services



that are filled by for-profit and non-profit organizations. These private initiatives are only possible in cooperation with the public sector — without support from the community and the government, there is no context for private activity. Businesses could not make a profit if they were responsible for providing all the infrastructure they rely on to exist: roads, energy networks, communication systems, and legal frameworks that set the rules of engagement and resolve the inevitable conflicts.

Learning to drive a bicycle can be difficult — it takes coordination and balance. It's important for the driver to select the right gears when moving up and down hills; the same strategy doesn't always apply in hard times and good times. When all the parts are working together — the driver has the right idea about where to go, the tires are properly inflated, the gears and brakes are working properly — it is possible to get somewhere. But if any of the component parts are not working, or if the driver is on the wrong road, the whole system suffers.

Success is defined by the destination; a shared vision for an economic system where all the human needs can be effectively satisfied within the carrying capacity of the local environment gives leaders a way to move forward. To create this vision and mobilize the public and private efforts that are needed, different types of community organizations can be created and supported to pursue the effort on a broad scale, with full community participation.

Local Models for Economic Renewal Organizations

Local governments can mitigate the pinch of an economic downturn by anticipating and planning for it before it overwhelms the community as a whole.

They need to play a leadership role in setting economic policy and enabling the creative forces in the private sector — both for-profit and non-profit — to innovate and be productive. Sadly, in many jurisdictions this leadership role is not taken or, even worse, the local government is perceived (sometimes correctly) as the main impediment to a prosperous economy. Local governments can be impediments in three ways: 1) if they feel it's none of their business to interfere in the economy and leave it up to the market and private enterprise; 2) by inter-



Best practice example of a local government taking leadership

fering too much and creating real obstacles for businesses and organizations with tangled permit processes, lengthy delays, or corruption; and 3) by not providing the leadership to create adequate infrastructure.

Many more progressive local governments, even small ones, have invested in *municipal economic development departments* as one way of providing this leadership. Creating professional staff positions that support economic renewal enables the municipality to work with businesses to:

- 1) develop business plans,
- 2) identify new markets, and
- 3) develop space and facilities for start-up and growing companies.

Economic development staff continuously review the ways in which the municipality interfaces with the economic sector:

- Regulatory permits
- Land use laws
- Municipal infrastructure
- Financing and equity for business start-ups and growth
- Local exchange systems
- Support for business networks

Other communities have established quasi-governmental, *non-profit community development corporations* to fill some of these functions. These corporations often have a board of directors that includes representatives from the municipality as well as other community leaders — bank presidents, CEOs of local companies, religious leaders, social service agencies — anyone who has an interest in the well-being of the community. Being outside the municipal government can sometimes make it easier for the organizations to raise funds from other sources to hire the staff and create programs that enhance the local economy.

Still other communities rely on *business networks and industry coalitions*, like the local Chamber of Commerce, for all their economic development activities. These groups are usually formed by leaders in the business community, and play the



Tool for creating a municipal economic development department



Tool for creating a non-profit CDC



Tool for creating business networks and industry coalitions

dual role of initiating new economic development activities and promoting the existing businesses. They do this by:

- Producing marketing materials for the community
- Compiling business directories
- Helping similar businesses get to know one another through networking events and programs
- Providing links between businesses to enhance local trade
- Creating business exchange through commercial barter systems
- Advocating for public policy and infrastructure



Commercial barter
system tool



Best Practice for
public-private
partnerships

Finally, some communities combine different parts of all of these organizational forms through *public-private partnerships*, intending to bring all the important players in local economic development together to foster wealth creation and local prosperity.

Any of these organizational forms can be effective so long as they serve several functions critical for local economic renewal to succeed:

Franklin County, Massachusetts

Economic Renewal Strategies for the 21st Century

— L. Hunter Lovins

In 1974, a group of citizens in rural Franklin County, Massachusetts, set out to study the local impact of rising energy prices. They found that the average person was annually spending \$1,300 buying energy. This amounted to \$23 million per year, which equaled the payroll for the county's 10 largest employers. Before the oil embargo price increases, a dollar would circulate in the county 26 times before it left to buy something outside the county. By 1980 it circulated fewer than 10 times. The lowest official forecasts showed that in 15 years the county would be four times worse off.

The study described options in both energy efficiency and renewable energy: How to fix buildings so they used less energy; how to use solar, wind, and

micro-hydro plants to provide electricity; and how to provide liquid fuels for vehicles from wood methanol. Needed equipment could be made in local machine shops. The cost of implementing these alternatives would have been \$23 million per year — the same that they were then paying for energy — but the money would stay in Franklin County.

When their options were laid out this way, county residents listened and were willing to act. Subsequent studies found that more than 90 percent of county residents polled in 1980 said they had reduced their energy use since 1974. Weatherization projects had cut energy use in half in more than 200 homes. Energy audits saved an average of \$560 dollars per audited home per year. Total energy use in the county did not

Local Action for Sustainable Economic Renewal

- 1) Foster local ownership of a community's productive capacity through equity the community creates in the enterprises they have built, and through equity in other local enterprises.
- 2) Provide technical assistance to both for-profit and non-profit leaders who are interested in starting or growing new ventures. This technical assistance ideally includes business planning, market research, facility selection, feasibility studies, and supply chain information.
- 3) Link new enterprises with financing and investment that meets their specific needs, and possibly serve as a lender of last resort or a microlender for start-up ideas that may not be appealing to traditional lenders.
- 4) Provide educational programs for business skills, leadership training, and remedial education programs where necessary — literacy, life skills, and basic education.
- 5) Network new and existing businesses so that local producers can find other local suppliers, share experience and talent, conduct joint marketing campaigns, and develop new markets.
- 6) Create and maintain the public infrastructure necessary to support business, organizations, and public agencies that provide jobs, income, and economic security.
- 7) Continuously improve the interface between the public and private sectors, so that permitting processes don't create unnecessary obstacles for new ventures, and so that the business community recognizes and supports the various policy objectives that are met through government action and intervention.



Equity tools, ESOPS, etc

Technical Assistance tools

Credit and microfinance

Skill enhancement programs

Network planning and activities

grow during 1976-78. Many farms installed solar and other renewable energy options, while the county utility invested in wood energy and in micro-hydro facilities.

Despite this success, many businesses closed due to the national economic malaise. In response, citizens created the Franklin County Community Development Corporation to support sustainable small business growth and, recently, organic food processing firms. During its 25 years of operation, the Corporation has helped create over 1,400 jobs through 250 small business loans, and has developed the Venture Center business incubator (1989) that houses the Western Massachusetts Food Processing Center.

Opened in 2001, the FPC provides technical services, best practices, and physical facilities in support of sustainable local agriculture. Farmers who want to add value to their crop by preparing food for the retail and wholesale markets rent FPC space and equipment. The

FPC is equipped to produce many different types of food through its cold and dry storage facilities, a commercial kitchen, and a packaging area. The FPC helps to support local agriculture and adds jobs and revenue to the area.

And the great work continues. Social entrepreneurs of the Pioneer Valley Photovoltaics cooperative in Franklin County launched Solar Partners in 2003 to assist homeowners, businesses, and institutions with solar electric installations in four counties. Citizen donations and \$350,000 from the Massachusetts Renewable Energy Trust will support the installation of 50 kilowatts of photovoltaics.

Sources:

Rural Local Initiatives Support Corporation:

www.ruralisc.org/fccdc_strategies.htm

Franklin County Community Development Corporation:

<http://www.fccdc.org/FoodProc.ivnu>

SolarBoston: www.solarboston.org/cluster%20map.htm



Best Practice for
shared vision

Perhaps the most critical function of all, and one that is a prerequisite for any of the above to succeed, is to develop a shared vision and strategy for the economic well-being of the community. This takes careful planning, and to be done properly will require the involvement of the government, the economic stakeholders, and the general public. The research, advocacy, and planning that follow should ensure that all subsequent economic renewal work fits into an overall framework supported by all the parties.

Leadership Development

Bringing a community together to develop an economic renewal plan takes a new kind of leadership, characterized by a deep commitment to community

service, with skills that have not always been developed in more traditional forms of leadership. The word “leader” can tend to make people think of the Alpha Male — strong, directive, hierarchical, powerful, the general leading the troops, the CEO commanding a huge corporation. Yet sustainable economic renewal, that which builds the prosperity of the entire community, needs a different kind of leader, with different skills. The new leadership is collaborative, inclusive, and dedicated to serving, rather than controlling the people involved. In this model, many different people will take on leadership roles. So, when your community is initiating a process for economic renewal, it is advisable to begin by cultivating some of the leaders you will need to see it through.

Stakeholder Recruitment and Training

The first step in the process of developing the necessary leadership is to identify and recruit the stakeholders from the community who have an active interest in a sustainable future. The question then arises of who is doing the recruiting, and where the Stakeholder Group will derive their legitimacy. No matter

who you are — mayor, municipal employee, business leader, community activist — you need allies to get a major planning effort started. So if reading this book is making you think that this is exactly what your community needs, you will need to recognize now that every long journey begins with taking a few smaller steps.



Link to Sustainability
Leadership Institute
website

Step One *Gather the Core Team*

The first step is to identify at least two or three other people who agree with you about the need for an economic renewal plan, and work from there to recruit a Core Team who are willing to work on seeing it through. The Core Team could be as small as three people, but shouldn't be much larger than seven to ten.

It should include people who have credibility within the community, and will ideally reflect experience in different sectors such as business, government, and civil society. The Core Team should agree on the general direction of the project, and work to become a functional unit before reaching out to the rest of the community. At a minimum, those you select for your Core Team should have thoughtful and optimistic personalities, good interpersonal skills, and a capacity to have fun together while getting hard work done.



Consider the following sources of potential candidates:

- Local activists within or outside local government
- Members of governmental boards or commissions
- Leaders of organizations dedicated to community improvement
- Local Service Clubs: Rotary, Lions, etc.
- Local youth leaders
- Businesses that benefit most from a healthy community
- Leaders of Faith Communities

In addition, think of some character traits that you will want in your Core Team: people who are energetic, intelligent, upbeat — in short, people who will strive to see a vision implemented despite any barriers. These personality traits are more important for your Core Team than membership in any particular group or profession. (Later, you will be identifying a Stakeholder Group which will provide the balance essential to the eventual success of the project.)



Team-building tools



LASER Introductory
Presentation

Once you have identified between ten and twenty candidates, approach the ten who you think would be the most engaged. Discuss with them the idea of working together for one to two years to improve the local economy. Make sure you have a clear presentation of the LASER approach, and why you believe it will be useful in your community. Review the resources available on the LASER website, including the planning materials that other communities have already developed and stored there, and use them to strengthen your presentation.

Don't mislead the candidates about the commitment that will be required of everyone — it does not help if you get specific people to sign up, only to have them drop out soon afterwards. Remember, those who are unable to make this kind of commitment can still be recruited for the larger Stakeholder Group. The Core Team needs to be certain that they can rely on having each other to lean on as they move forward. To do this, the Core Team should continue to meet even once the Stakeholder Group is convened, to make sure the project is on track, to fill any gaps that arise, to continue to serve as the key advocates for the process with decision-makers, and to be the voices defending it in the media against the critics that tend to appear when anything new is initiated.

The initial responsibilities of the Core Team include:

- 1) Identifying the scope of the project
- 2) Developing a budget and planning schedule
- 3) Recruiting a Stakeholder Group
- 4) Identifying the other plans and processes that need to be integrated
- 5) Preparing the materials and presentations that will be used to invite others to participate.



Scoping, budgeting,
planning tools



Stakeholder
Recruitment tools

Step Two *Recruit the Stakeholder Group*

Once the Core Team is established and you've defined and secured some of the resources for the planning process, the next step is to pull together a Stakeholder Group. Stakeholders for an economic renewal initiative are people who have an interest in improving the economy in the community you are engaging in the planning process. A Stakeholder Group gathers a representative number of these interested parties together — usually 30-40 people, but it may be as many as a couple hundred, depending on the needs of the community. This group will provide the leadership in creating a shared vision and plan for local economic renewal.

In addition to including a broad cross-section of the community, the Stakeholder Group can include all the various town leaders — department heads, for example, and the heads of significant local institutions. They all will benefit when others see the links between what they do and the value they add to the community as a whole. For example, the manager of a new public recycling operation and solid waste management system might be able to show how this basic infrastructure attracts new businesses. The different community leaders can also offer a lot of valuable information on the assets, policies, and plans that will contribute to the economic renewal strategy.

Because the task of the group is to develop a vision and a plan that includes all the different community perspectives, these perspectives should be reflected in its membership. It can, however, be a challenge to ensure that the Stakeholder Group is broadly representative of the community as a whole. It is very important that the group not be perceived as belonging entirely to a particular political party, or ethnic group, or socio-economic class.

In communities where divisions run deep — perhaps a past history of racial or ethnic conflict, or sharp differences between the rich and the poor — one technique that has proven very effective for Stakeholder recruitment is the *Concentric Circle* process. This is a participatory recruitment process, rather than relying on the knowledge and contacts of a few key community leaders. The Core Team begins the process by recruiting individuals who have a high level of credibility in each of the different groups that must be represented, including ethnic, racial, and religious groups, businesses, political parties, youth, elderly, public employees, and civil society organizations. Each of these people in turn will ask one or two people to attend a meeting where the process is described and people make commitments to participate further.



At this first meeting, the people in attendance are asked who, from their perspective, is missing from the group. A list is compiled, and the participants are then encouraged to call the people they know who they feel should be participat-

ing. A second meeting is convened, and the process is repeated. This can be done as many times as is necessary to ensure that everyone who needs to have a voice in the process is involved. The more that a given community has been torn apart by division and conflict, the more meetings may be needed. Don't worry too much if it seems the overall number of people is getting unwieldy; in practice, it is a lot less difficult to facilitate a large group of people than it would be to carry out a community process which is perceived as illegitimate because it is controlled by a small group of "the usual suspects."

When attempting to form a representative group of Stakeholders, it can also be a challenge to recruit members of the business community. There are many reasons for their reluctance to engage in public process — lack of time, suspicion of government's motives, and a lack of a clear benefit to them for their efforts. Public purpose meetings and activities also tend to lack the same definition and decisiveness that business leaders prefer, so the experience can be quite frustrating for them. And yet, their participation is critical for the success of any economic renewal effort.

To recruit business leaders to the process, you need to understand what will motivate them. They often pay more attention to other business leaders than they do people from government or community organizations, so if a prominent business person is recruited early on, you can increase the likelihood of others becoming involved. If there is a way for you to give them credit and publicity for their involvement, this will also appeal to their interests. Be prepared to take some additional time and effort to meet with different business people, get their feedback and suggestions for how the process should work, and help them understand all the benefits of a more vibrant local economy.

You may want to set up special meetings initially for the business group, to help them feel at home in the process and have a voice in the way it is structured. This may mean meeting for breakfast instead of in the evenings, for example, and having very specific and short agendas with clear outcomes. Empowerment — the clear connection between what people suggest and decide and the way a public process works — is one of the most successful ways to engage people and keep them engaged. Disempowerment — overriding decisions that don't fit with the style of city leadership, reversing course midstream without consultation — is an equally sure way to make people drop out of processes like this.

Step Three *Develop Group Process Skills*

Once the Stakeholder Group has been convened, it is critically important that they develop a shared idea about how they will work together, how meetings will be conducted, what the planning schedule will be, and how conflict will be resolved. To this end, they should participate in at least a short training in skills that are critical for effective group process. These include:

- Listening and Communication
- Systems Thinking
- Introducing Change
- Group Facilitation
- Conflict Management
- Public Participation
- Citizen Advocacy
- Team Dynamics



Reading materials on
all of these skills

The Stakeholder Group you have convened is not the first group of its kind, and so you can learn from other groups' experience. Studies of different groups that have formed for a common purpose reveal a typical four-stage pattern of group behavior. We'll describe what each of these stages look like, so you can anticipate how the working relationship of your team might evolve.

In the first stage, known as *Forming*, the people don't know each other very well. They tend to avoid conflict, preferring instead to defer to others — maybe to a natural leader — and to keep their opinions to themselves.

This only lasts for so long, and the next phase, *Storming*, might be quite disruptive, depending on the past experience individual members may have had with other groups. In this phase, the gloves come off. People start to make their egos and suppressed opinions known, engaging in conflict, and not shying away from confrontation. This can become so severe and unpleasant that groups break up and stop their work. In a community planning process, you want to prepare people to work together through this phase. Ideally, you could arrange for training on a continuing basis, preferably in a retreat setting, to educate the team in the fine art of communicating authentically and respectfully.

Storming is also an opportunity for the testing of ideas, of listening carefully and respectfully without reacting or judging — all skills worthy of mastery. It

can be very difficult to remember your conflict management skills when tempers start to heat up. Group work will provide the members with many opportunities to practice.

When open conflict does arise in a group process, people soon realize the need to strive for agreement and develop rules for interaction. This is known as the *Norming* phase — when the group sets standards and rules to manage conflict and encourage progress. Part of the secret to the success of a multi-stakeholder process is to move at least some of this Norming phase to the beginning, so the group can anticipate conflict before it happens, and begin to develop the ways in which they will deal with it to minimize disruption. It's much easier to do this when people are still getting along than when they're mad at each other.



After the norms have been established, the *Performing* phase begins. People now can work together effectively to reach their goals. With the proper preparation at the start of any group effort, it is possible to manage conflict as you steer the group toward its shared objectives.

Step Four *Learn to Manage Conflict and Make Decisions*

What is conflict? At its most elemental level, conflict is a function of power and of competition. Conflict emerges when there is competition for something — ideas, money, control, space, affection, time, or resources, to name a few. Conflict is inevitable in any group process, and the course it takes can either reinforce a healthy group dynamic or serve to undermine it. Conflict is not the same as violence, and yet the two concepts are closely linked in our mind, which is part of the reason that we are so conflict-averse as a rule.

Violence is defined in the dictionary as “involving great force, or strength, or intensity.” In the context of human relationships, we define violence as any interaction in which one party imposes a dominating force on another person or group of people. The language and practice of domination includes actions and words that impose blame, judgment, unilateral direction, force, coercion, and/or power over someone else. Domination compromises the well-being of others by denying them an equitable voice in decisions which affect them, and by using power to change people against their will and/or best interests.

To create real economic renewal, the means must be congruent with the ends. With this in mind, the group leading the effort must provide for the peaceful, democratic resolution of conflict. All teams must recognize the need for non-violent approaches to relationships, both within their groups and in the community at large. Moreover, the members of these groups will need to accept a responsibility for helping community members to communicate peacefully, no matter how impassioned they may be.

The process upon which you are embarking involves making tough choices between different values, from widely different points of view. This is bound to engender conflict. Conflict isn't necessarily negative, however; it is an inevitable part of any group process. Working through conflict — rather than avoiding it — can lead to progress on even the most sensitive of topics, including race, social and economic inequity, and other issues of power and voice.

The key to making conflict a positive force in group dynamics is to recognize that it is inevitable — not an unexpected and unpleasant phenomenon to be avoided at all costs — and to plan for it in advance. This means adopting some conflict resolution rules at the outset of a group process.



*Sample Conflict
Resolution Rules*

It is also helpful to have decision-making structures articulated in advance, so conflict won't emerge simply because the decision-making process is unclear or ineffective. The exact form the conflict resolution and decision making procedures will take will vary depending on the group involved, and the constraints it is under. Part of any conflict management procedure should be a clear articulation of the Vision Statement, mission, and conflict resolution criteria. Achieving agreement on these matters in advance makes it possible to guide decisions through any later conflict that may arise.



Sample Decision-Making Process

Of course, the successful functioning of your groups will often depend on the abilities of those who facilitate them. It takes skilled facilitation to get a diverse group of people to come to a collective decision about important issues. Think how many years our elected representatives serve in their legislative bodies, for example, before they are considered able to be the Prime Minister, or Speaker of the House, or Moderator. Yet a few basic considerations about the content and structures of decisions can help even relatively inexperienced facilitators guide the group into effective decisions.



Facilitation Skills and Guidelines

There are several elements of a decision-making process, and facilitators can work to make sure that each idea that is submitted to the group for a decision is considered as thoroughly as possible:

- 1) **The proposal.** People need to feel as if they can make a proposal to the group for consideration. You may want to identify what the elements of a properly offered proposal should be.
- 2) **The debate.** Once a proposal has been made, people will want to offer their opinions about it. Offering rules for how the debate will occur (how long people can speak, etc.) is often a good idea.
- 3) **Modifications to the proposal.** Often the debate will unearth useful insights and the original proposal will be modified. The process for amending proposals can be formal, as is articulated in Robert's Rules of Order, or informal, but the amendment process should be clear.
- 4) **The decision.** There are many ways to make decisions as a group, from simple democratic voting to consensus to consent. Whichever method your group is going to use should be clarified and explained to participants at the outset.



Democracy, Consensus, and Consent

Participatory Visioning

New strategies to improve the local economy can be initiated in many ways. But any sustainable, long lasting change will depend on the people themselves. Plans for local economic renewal must be developed by the people who will carry them out, or they will fail. But be careful: if your group focuses immediately on programs and strategies, the process will quickly devolve into arguments about priorities and limited resources. It is important that you first create a shared vision for the community as a whole, one that looks into the future and captures the collective aspirations of the people. To achieve the goal of a democratically-created local vision, you will need to inspire and motivate your fellow citizens — not only to support the vision, but to take an active role in defining it.

A Vision is a positive forecast of the way we want the world to be, an affirmation of our values and hopes, an image of our destination to guide our journey. The language of the Vision must be simple enough so anybody can understand and get excited about it. It must reflect shared values and convincingly depict a community changed for the better. The process of defining your Vision should be future oriented, and allow people to bring their imagination, their creativity, and their hearts.

When visioning processes work, they motivate people... motivate them to conceive new ventures and new activities, to create unexpected opportunities that would not have arisen if it weren't for the collective creativity put to work and the new connections made. Visions that reflect the community's aspirations can generate goals that people will want to work for, and make it easier to develop practical strategies and targets.

How is it possible to articulate a shared vision for an entire community? This is a huge task, and one that can easily fail if you don't take the time to engage the whole community in the process.

Not only must a Vision reflect the core values of the people, it must come *from* the people. A vision statement drafted by a few people in leadership — even with the best intentions — will never engender the sense of unity and common purpose that comes from full community participation.



Best Practice for
shared vision

Even if the Vision is properly developed, truly reflecting the hopes and aspirations of the community, it can still fail in its purpose if the leaders don't "get it" — if they see it only as words on paper. A leadership that gets it will respond to the vision of its community with excitement and a sense of possibility. Among citizens, likewise, an inspiring vision statement can create a wellspring of energy and commitment.

Creating Excitement and Momentum

What motivates and inspires people? A day at the races, with its extremes of stimulation and risk... a festival, with its spirit of shared celebration... a sumptuous meal that pleases the senses... a scientific breakthrough reflecting intelligence for the common good... the Olympics and their tribute to peak performance... an act of political courage that restores trust...

All these things can engage one's sense of meaning and potential, while also providing an emotional and aesthetic experience. The right blend of the festive and the serious is most compelling, and bold, inspiring actions will draw out

Morrisville, Vermont

Inclusive Economic Development in a Small Town

— Wayne Fawbush

The Town of Morrisville, Vermont is a rural community of 7,500 people, with a historic downtown located at the intersection of two highways. In 1999, Morrisville decided to take control of their future through a shared visioning and strategic planning process. This initiative provoked a lot of interest, due to a number of troublesome issues the town was facing:

- there were overlapping governmental jurisdictions between an incorporated village and a separate town government
- the village owned the power, water and sewer for the area; the sewer system only served the village, while the town was using on-site septic systems

- the resort community of Stowe — 9 miles down the road — was driving low wage employees into Morrisville because of its lower priced housing
- big box retail stores were coming and going, causing disruption and uncertainty.

The town held a well-attended forum for the purpose of creating a shared Vision. The result was a multi-faceted development plan for the community. Four working groups were formed to carry out the work after the initial public sessions.

Many communities go through planning processes and come up with work products that make sense.

people who can help to achieve it. In every stage of your activities, from initial surveying to the final adoption of the plan, you can draw on the creative and spiritual resources of your community through the arts, celebrations, challenge, friendly competition, and even humor.

The basic premise of this approach is that genuine community transformation is built on vision, imagination, courage and other human qualities that unite us across our differences. People do not necessarily get excited about a meeting to discuss new types of loan funds, but they do care about preserving what is special about their home towns. They care about their own ideas being heard in the process.

Historically, meaningful change has often followed a fundamental cultural shift led by people who captured the hearts of a broad group of followers. This applies to faith communities, of course, but it goes much further. Inspiration is a spiritual experience, as is courage, and wisdom, and compassion — all critical elements of creating a new sense of community. Engage people on the basis of their faith in the future, their concern for their children and grandchildren, and their love for their neighbors, and you won't be able to stop it.



*New Ideas for
Community Engagement*

Planning is a well-established process, and most developed regions have organizations or consultants who can come in and facilitate visioning sessions. The problem has always been the morning after. "We got this great plan, but we all have jobs or other commitments. I can help after work and weekends, but I cannot be responsible for running the program and keeping in touch with all the other things going on!" How many times has that been said by hopeful, but frustrated, local citizens?

In Morrisville's case, the town made a commitment to hire a part-time facilitator to manage the implementation of the Vision. Today all four working groups are operating independently. Because the town already had a person focusing on community issues, they were

ready to proceed once the specific concerns and objectives had been clearly identified.

With foundation and state support, the facilitator began the difficult process of bringing the town and village together to address the issue of expanding the sewer beyond the village into the developing areas in the town. This subject became a focus for all the pressing issues between the two jurisdictions, and some very sensitive history had to be worked through. After four years, the two groups are now working up a joint solution.

As the Town of Morrisville has demonstrated, even small communities can participate in an active economic development initiative by incorporating native talent and facilitating an ongoing process of discovery and decision-making.

**Asking the
Right Questions**

A Vision helps unite people by identifying what people truly care about, creating shared meaning and purpose. In developing a community Vision, citizens will have many opportunities to consider what is important to them personally and collectively. When the public has successfully understood these points, they will usually support the strategies and activities that the Vision suggests.

Establishing a campaign theme can help to galvanize public interest in creating a Vision. Seattle Washington, for example, named their initiative “Sustainable Seattle”. Many communities pick a year on the horizon — maybe 20 or 30 years in the future — and incorporate that. Hamilton, Ontario calls their effort “VISION 2020”. All your efforts at this stage will emphasize the future of the community.

One of the first tasks the Stakeholder Group can take on is to develop a set of questions to elicit meaningful feedback from the community about economic renewal and the future in general. This is not so much to gather data as it is to identify hopes and dreams (the data will come later). The questions should be broad in nature, but can also touch on specific issues. The important thing is to keep them open-ended and positive. In this way, even comments about problems can contain the seeds of their own solutions as people bring them forward. The following visioning questions were used successfully by the City of Calgary’s imagine Calgary Project:

- What do you care about in Calgary that you want to pass on to future generations?
- What is it like for you to live here?
- What changes would you most like to see?
- What are your hopes and dreams for Calgary in 100 years?
- How could you make this happen?

Notice how the questions are positive, action oriented, and personal. This is the type of inquiry that will elicit the most useful information.



*Reading materials on
Appreciative Inquiry*

Ideas for Public Participation

As noted earlier, your planning project will gain real political support if the broader public understands and supports it. The Stakeholder Group should identify messages they want each member to convey to his or her own constituency, from business to labor to youth to neighborhood interests.

Beyond this targeted approach, broad community involvement is also essential. To create this, you need to make creative use of a variety of resources, including mainstream and community media, publicity efforts, events, and visuals. This public participation campaign will establish the spirit of genuine two-way communication, if you can create a buzz and find new ways to listen to people at the same time. Here are some examples:

Invite ideas – Put up a big suggestion box in front of town hall, and ask a popular radio commentator to read a suggestion each week. Have an essay contest on topics related to a changed economy — what are the jobs of the future in the community, or how your community could be the “_____ [Fill in the blank] Capital of the World”.

Create an online buzz – Start a community-wide internet listserv. Develop a web page on which anyone can contribute their thoughts, events, and community building ideas. Do training with local high school students on using LASER or other interactive software, and ask them to help their parents get involved.

Town Hall Meetings – Facilitate the organization of citizen-led meetings to mobilize public participation in identifying community priorities. Elect representative community development groups to plan local initiatives and build dialogue and cooperation with local governments.

Good news – Start sending press releases to local papers, telling them about good things that have happened and people who have made a difference — from the students mapping their stream resources to the elders teaching literacy downtown.



*Planning Tools for
a Public Outreach
Campaign*

As your sustainability initiative generates ideas and makes people aware of the good work already going on, this can become a steady source of good news. Follow up with reporters and editors, and keep your eyes open for advertising sponsors to underwrite their coverage.

Art – Pull together a group of artists in your community for a public art event to create the future. Find a big canvas that everyone can draw on. Make musical instruments available for improvisation. Bring recycled materials for people to make sculptures. Have lots of food and activities for young children.

Celebration of Assets – Every single community has something it can celebrate. Find an excuse for a party, line up some local sponsors, and celebrate what the community will look like in 5, 10, or 20 years. A futuristic birthday party. Have a parade. Invite politicians to dress like they'll look in 15 years. Invite young people to be the politicians for a day. Make a huge paper maché statue in the middle of town to commemorate the celebration.

Challenge – People like a challenge. They like friendly competition, and demonstrating what they do well. Sponsor a prize for the local business with the highest score on social responsibility. Give awards to people who have made the world safe for our grandchildren.

Humor – Find ways to make people laugh, from street theatre to standup comedy. The tough issues facing communities may not be funny, but our mistakes dealing with them usually are. The sustainable development world has been preaching environmental disaster as a sole motivator for far too long. People are not motivated by fear and guilt as effectively as they are by hope and novelty.

The main message about engaging all sorts of different groups that can be considered “the public” is to go to them and meet them on their terms, rather than having them come to you. Ask to be put on the agenda for their regular meetings; attend the festivals and functions; get invited to speak at their clubs, churches, synagogues, mosques, and community suppers — all of these are as important as holding meetings at city hall.

For the business community, this couldn't be more true. To achieve significant gains in local economic renewal, you will need to engage with the business community in new ways. This is a challenge. You need to find the ways in which the business community functions as a group already, and try to fit into that model. Attend the Chamber of Commerce meetings, learn to play golf, speak at a local service organization, find the other industry-specific associations and approach them for assistance.

It is also important to appeal to the things that businesses find important. Find ways to promote those businesses that are participating in your project, such that other businesses want to get on the bandwagon. Full page ads with business logos, news stories about how a particular business is shaping the future of the community, awards to businesses for innovation, future thinking, community service — all of these techniques will help you win credibility and participation from a group that is often slow to get involved.

Completing the Vision

The public participation process will generate an enormous amount of information about what people want to see in the future. In the City of Calgary, over 18,000 answered the questions they asked — online, at festivals, in schools, during meetings, on the street, in their workplaces, in their utility bills, in the newspapers. Your Stakeholder Group will have to find a way to compile and digest all the information that comes in. The more successful the public participation activities have been, the more daunting this project will be.

It can be useful to enter the information into an online database that can be searched by keyword and category. This will help make sense of the avalanche of answers. The Stakeholder Group might want to set up a subcommittee to read all the information and prepare a report. This subcommittee could also take responsibility for preparing the first draft of a Vision statement.

Once the stakeholders have come up with a draft vision statement, bring it back to the community to discover whether it captures their ideas adequately. Publishing it in the paper with an easy way to respond, discussing it at city council meetings, holding meetings with many of the same groups that contributed at the outset — all of these techniques can help the Stakeholder Group determine if what they have drafted successfully reflects the aspirations of the community.



Identification of online tools and database

The Vision should be a short, inspirational, compelling statement about what the community wants for the future. Ideally, it will reflect all the different aspects of community life, not just economic goals. This is because an economic renewal effort will find its most promising initiatives in things that meet the broad spectrum of human needs.

The following document, developed by the City of Calgary for their 100 year plan, is a good example of how a Vision Statement can be worded:

Calgary 2106

Calgary is a city of energy. Energy from the Earth has fuelled our growth, and we flourish with the energy generated by people, by ideas, and by inspiring places.

The city was founded at the confluence of two vital rivers, which has drawn people here for thousands of years. The powerful union of our Rivers is mirrored in the energy of our community.

Calgary is a great city because of the connections we make:

- *We are each connected **to one another**. We capitalize on our strength of spirit to generate opportunity, choice, and prosperity for all.*
- *We are each connected **to our places**. We treasure and protect our natural environment — the magnificence of the mountains, the prairies and the endless sky compels us to build inspiring places worthy of their surroundings.*
- *We are each connected within and **between our communities**. These vibrant communities — physical, social, cultural — are welcoming, mixed, safe, and equitable. People move freely between these communities and everyone has an opportunity to contribute in a meaningful way.*
- *We are each connected **beyond our boundaries**, understanding our impact and responsibility to others. We use our wealth and skills to have positive impact in Alberta, in Canada, and across the world.*

This city was created on purpose. Through passion, commitment and determination, we have created a vibrant and resilient city. Calgary is not just a great place to make a living, but a great place to make a life.

Chapter Summary

Initiating a community-based economic renewal strategy to create and sustain real wealth requires local ownership of both the planning and the implementation. The central idea is to put the economy to work to enhance our social and natural systems. In this way, we increase not only the carrying capacity of the local environment, but also the *caring* capacity within the community. It's a simple concept, but it challenges the ways most economic development decisions are made right now, so don't underestimate how difficult it might be to put into practice.

The key to overcoming the difficulties inherent in any type of community change is to enable the ideas and energy for the new initiatives to come from the people themselves, rather than trying to impose the vision upon them. This is why a broad based community mobilization effort is needed at the outset, so that the people in the community own the new way of doing things.



*Calgary, Alberta***imagineCalgary Creates a Vision**

— Gwendolyn Hallsmith

Calgary Alberta is a city of over one million people. When they were confronted with the need to develop a shared vision for a city that large, using broad-based public participation techniques, they felt initially overwhelmed. The model they had followed in the past was to have the city leadership frame the issues and mold the direction for the community — widespread public engagement wasn't the norm. Eventually, however, they rose to the challenge, and imagineCalgary was born.

Using techniques that ranged from wacky contests to guerilla PR, they got the word out. When the Queen came for a visit, 10,000 people showed up to greet her. The team from imagineCalgary was there too, handing out visioning surveys and taking people's input. They set up Imagineer Lemonade Stands on the downtown pedestrian mall during the hot days of summer, and gave out free lemonade for people who filled out the surveys. Surveys went out in the municipal utility bills, and were found on table tents in restaurants, in the newspaper, and in schools. The Mayor held a Mayor's Expo for youth, and young people from all over the city answered five open-ended questions about the future: what they cared about that they wanted to pass on to future generations, what they wanted to change, what it was like to live in Calgary, what ideas they had for the future, and what they were going to do to help.

An advertising campaign over the summer of 2005 invited Calgarians to add their voice to the vision. By the end, over 18,000 Calgarians had responded. In addition to the techniques mentioned above, people participated by:

- ✓ Answering online at imagineCALGARY.ca, completing the questions in of one nine languages.
- ✓ Responding at imagineCalgary displays at festivals and events throughout the summer and fall of 2005.
- ✓ Taking part in the "Generation Gab," in which youth volunteers interviewed more than 150 business, community and civic leaders in Calgary.
- ✓ Attending visioning sessions with more than 60 groups from a broad range of diversity communities. Included were ethno-cultural groups, seniors, low income, urban aboriginals, and those with disabilities.
- ✓ Attending visioning sessions with no fewer than 70 youth groups.
- ✓ Attending visioning sessions with about 30 internal groups from the City of Calgary.

The imagineCalgary team estimates that over 100,000 people came in contact with the surveys, with about 18,000 contributing their responses. Standard statistics on public participation for surveys indicates that the typical rate of return is about 2%. If this holds true for Calgary, then the number of responses they received would indicate that the figure of those who were aware of the initiative would be more like 900,000 — almost the entire city.