



Wealth Creation, Capture and Retention for Low-Wealth People and Places in Regional Systems

Research Report

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**Wealth Creation in
Rural Communities**

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Wealth Creation in Rural America

This report is part of the Wealth Creation in Rural America initiative, funded by the Ford Foundation. The aim of the initiative is to help low-wealth rural areas overcome their isolation and integrate into regional economies in ways that increase their ownership and influence over various kinds of wealth. Previous papers produced by the initiative can be found at <http://www.yellowwood.org/wealthcreation.aspx>. The goal of this report is to advance the initiative's broad aim of creating a comprehensive framework of community ownership and wealth control models that enhance the social, ecological, and economic well-being of rural areas.

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Community Strategies Group (CSG) is a policy program at the **Aspen Institute** that structures and contributes to focused learning that supports the innovation of leaders and organizations working to achieve more widely shared and lasting prosperity in communities. CSG focuses its efforts at the interface between strategic thought and action — energizing and preparing people to improve their practices and policies for the benefit of their communities. Operating on the principal that *the deepest wisdom and expertise in creating positive community change is held by those working in communities to take on tough issues and challenges*, CSG convenes leaders and practitioners to learn from each other and improve their practice. CSG then captures, organizes and disseminates the knowledge exchanged to help improve practice in the field.

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Executive Summary

In June 2009, a partnership of the Rural Policy Research Institute (RUPRI) and the Aspen Institute Community Strategies Group (CSG) received a grant from the Ford Foundation related to the Foundation's Wealth Creation in Rural Communities Initiative. RUPRI and CSG collaborated on research to help refine the Initiative's concept of applying a systems-based wealth-creation development approach in high poverty communities. RUPRI primarily concentrated on seminal research, analyzing wealth flows within and through regions. In its March 2010 *Wealth Creation and Rural-Urban Linkages Final Composite Report*, and related documents, RUPRI demonstrated that wealth produced from activities undertaken in low-wealth and rural communities tends to bypass the community and accrue instead in larger and wealthier regional centers – or to leave the region entirely.

Building on the RUPRI analysis, CSG's efforts focused on how to take RUPRI's findings and use them *to help people act*. CSG examined the conditions that would be necessary for more wealth generated in low-wealth and rural communities to remain in those places and accrue to the benefit of low-wealth families and individuals. To accomplish this, CSG convened task groups focused on three different regionwide economic sectors that have significant rural-urban connections and offer the potential to capture and return more wealth to low-wealth and rural people and places. The three sectors investigated were Food Systems, Energy Systems and Ecosystem Services.

Each task group participated in a two-day modified *Theory of Change* development process to develop a Framework for Thinking and Action (framework) based on a parallel framing question (see sidebar). The result of each group's work was a two-level set of preconditions that must be true for more of the wealth from the examined sector to remain in and accrue to the benefit of low-wealth and rural people and places.

Aspen CSG then analyzed and compared the frameworks and identified a set of parallel structural elements or "meta preconditions" inherent in all three. This analysis demonstrated that there were remarkable parallels among three sectors in the preconditions necessary for more wealth to remain in and accrue to the benefit of low-wealth and rural people and places.

Further analysis and review of the process and its products by CSG, the task group members and Ford Foundation Wealth Creation Initiative grantees and Working Group members resulted in the following conclusions, which are discussed in the full report.

Framing Question:

How can more of the wealth generated by economic activities or assets associated with the development and maintenance of [Food Systems / Energy Systems / Ecosystem Services] remain in and accrue to the benefit of low-wealth rural or urban communities and residents within a "working" region?

- 1. Creating "wealth that sticks" is a multidimensional and complex process.** This strongly argues against investing in single-dimensional or intuitively designed approaches.
- 2. Intentionality is required for low-wealth individuals and communities to benefit.** The economic playing field is tilted to the advantage of people and places where wealth has already accumulated, and nothing short of intentional effort will suffice to ensure that economic benefits are more justly distributed.
- 3. Local Action is important – but not enough.** Programs and places that fail to collaborate regionally place themselves at a severe disadvantage.
- 4. The conditions required for creating wealth that sticks are similar across different sectors.** Parallel structural elements drawn from analysis of these three sectors could be an effective jumping off point for designing work in other promising sectors.
- 5. Frameworks for Thinking and Action are a useful tool for wealth creation efforts.** Refining these frameworks, building them out to deeper levels, producing tools for using them in communities and creating frameworks for additional sectors could do much to advance practice in the field.

Background

In June 2009, a partnership of the Rural Policy Research Institute (RUPRI) and the Aspen Institute Community Strategies Group (CSG) received a grant from the Ford Foundation related to the Foundation's Wealth Creation in Rural Communities Initiative. RUPRI and CSG proposed to work together over the course of a year or so to help refine the Initiative's concept of applying a systems-based wealth-creation development approach in high poverty communities within regions. In taking this on, RUPRI and CSG shared a specific interest in driving toward practical frameworks and products that can help a critical mass of rural communities pursue a wealth-creation approach on their own. So, in determining their approach to conduct and design a set of outreach and learning activities, RUPRI and CSG wanted to ask: *What would be useful...to help people **act**?*

ONE FOCUS: RURAL-URBAN LINKS IN "WORKING REGIONS"

One task laid before us in our work this year was to **analyze relationships between urban and rural economies**. Specifically, RUPRI and CSG wanted to develop some pieces of an analytic framework for understanding economic and action linkages between urban and rural economies. The hope was that doing so would provide more context for the triple bottom line and wealth-creation aspects of the work in the Initiative, as well as some ideas about what participants – and regions across America – might do better, or do differently. Overall, the goal of RUPRI and CSG was to build upon good theory grounded in real data, and on good and ambitious practices underway that employ a systems view, making connections between and across issue and issue, rural and urban, wealth and low-wealth.

A NEW REGIONAL WEALTH ANALYSIS – AND A MEETING IN NEW YORK

Shortly after receiving the grant, Brian Dabson and his colleagues at RUPRI began producing a new data analysis showing the interconnectedness and interdependence of rural and urban economies and populations, and the value that a regional perspective might bring to development strategies and decision-making. The resulting draft report, completed in October 2009, was titled *Regionalism and Wealth Creation in Rural America: Rural-Urban Interdependence in Central Appalachia*.

Once RUPRI had completed the first draft of its analysis, the Ford Foundation, RUPRI and CSG scheduled a meeting in New York to introduce the report and receive reactions to it. That meeting – Wealth Creation and Rural-Urban Linkages in Working Regions: A Discovery Discussion – took place on Friday, November 6th in the Ford Foundation offices.

This Discovery Discussion was also designed to take on a second task envisioned as part of this work – to engage additional constituencies from outside the center of Ford's Wealth Creation Initiative. RUPRI and CSG used this venue to explore and talk to practitioners and thinkers, both in the conventional economic development

A Telling Vignette

*What might a wealth creation effort where wealth truly sticks to – and accrues to the long term benefit of – low-income people and places look like? **Read on...***

In River Falls, Wisconsin, the local Habitat for Humanity Chapter has teamed up with the City and area non-profits to build homes for low-income families that create more energy than they consume.

The homes use a combination of a solar geothermal heating system and photovoltaics for electric production. They cost the families nothing to heat, and the photovoltaic electric production can even result in the utilities paying the families for electricity rather than the other way around. Overall, anticipated \$500-\$600 mortgage payments are offset by at least \$200 per month in energy cost savings compared to traditionally constructed new homes of similar size.

In addition to saving the families thousands of dollars every year in energy costs, the homes nurture the environment with features like their zero-carbon footprint and rainwater harvesting systems. Coupled with community gardens and ties into public services and schools, the project's low-wealth families will live an ecologically friendly lifestyle while being able to use their cost savings to support a better life for themselves and their children.

The community benefits too. More financially stable families reduce their use of public benefit programs, saving everyone tax dollars. The extra money in the families' pockets that's not sent off to support a distant coal, oil or gas company circulates in the community, boosting the local economy and creating more employment opportunities.

Overall, this project is a win for families, and win for the community and a win for the environment. It's a true example of creating wealth that sticks for low-wealth families in a rural community.

community and in innovative environmental stewardship and poverty-fighting organizations focused on developing rural and regional strategies. RUPRI and CSG invited 12 people to discuss the implications of the RUPRI report, along with key Ford Foundation staff. (See Appendix E for a list of the New York session participants.)

The New York discussion recognized that neither rural development nor urban development happens in geographic or economic isolation. There is growing recognition across the globe that economies are based in natural or self-identified regions, which rarely jive with politically determined jurisdictions. This calls for strengthening a **region's** full slate of assets – rural *in connection with* neighboring urban – if both are to prosper.

IDENTIFICATION OF CRITICAL AND TIMELY RURAL-URBAN LINKS

Using both RUPRI's Appalachian analysis and their knowledge and experience, the New York participants were asked to respond to the underlying hypothesis for Ford's Wealth Creation in Rural Communities effort: *A new way forward for rural America – and urban America – must closely examine the rural-urban links that constitute regions, value them appropriately, build on them strategically to create wealth that sticks and sustains, and leverage the links for more just and equitable benefit.*

Participants were asked to contribute their perspective by addressing these questions:

- *What are the most critical links that bind rural and urban fates and fortunes within natural regions¹ – for good or ill?*
- *For each link, in general (or in specific cases or types of regions):*
 - Where is the wealth in that link “*landing*” inside (or outside) the region?
 - Is it being *valued* appropriately? If not, how not – or how should it be valued?
 - What are the helpful or perverse *drivers* that maintain this linkage situation?
 - What one practical change in these drivers would make more wealth stick in low-wealth parts of the region?

In the ensuing discussion at the meeting, participants identified existing “sector systems” in which rural-urban links are evident and strong, bind rural and urban fates and fortunes together, and hold potential for producing more wealth for low-wealth communities and people in the region. The three sectors that rose to the top of the list were:

- **Food Systems**
- **Energy Systems**
- **Ecosystem Services**

MOVING TO DEEPER ANALYSIS

Following the New York session, RUPRI returned home to expand and revise their new analysis – as is reflected in RUPRI's March 2010 *Wealth Creation and Rural-Urban Linkages Final Composite Report*, (published separately). Aspen CSG took on the challenge of taking some next practical steps to detail how low-wealth rural and urban areas can forge stronger wealth-creation and wealth-capturing links to “sector systems” within their regions – with a focus on the three topical systems that surfaced in New York.

To accomplish this, Aspen CSG organized and convened three small task groups in January and February 2010. Each group was tasked with developing a “Framework for Thinking and Action” around the first three urban-rural link sectors identified in the November 2009 New York session: Food Systems, Energy Systems and Ecosystems Services. (Please see Appendix D

¹ In this context “natural region” was defined as a region by virtue of one or more observed patterns of human or economic activity rather than by political boundaries. Natural was **not** used in the environmental sense, such as using ecosystems or watersheds as regions, although environmental factors certainly influence the patterns of human and economic activity and, in some cases, might largely define a region. Instead, “natural” was used in the sense of “freely occurring.”

for a description of who participated in each framework task group and how they were selected.)

Each framework was drafted as a “theory of change.” The task groups used a process CSG crafted based on one developed by a colleague Aspen program – the *Aspen Institute Roundtable on Community Change*. In brief, each task group was asked to develop a nested diagram of the conditions that must be true to answer the following framing question:

*How can more of the wealth generated by economic activities or assets associated with the development and maintenance of **[Food Systems / Energy Systems / Ecosystem Services]** remain in and accrue to the benefit of low-wealth rural or urban communities and residents within a “working” region²?*

Based on its experience working on other issues, Aspen CSG believes that bringing together diverse groups of practitioners working in the field to build a Framework for Thinking and Action can have significant benefits. The main benefits of building a framework include:

- It reduces large, complex multi-dimensional challenges into understandable and digestible bites.
- It provides practitioners in varying disciplines and sectors a way to think and talk about how their individual work contributes to and supports a larger common goal.
- It identifies all the major factors influencing a desired outcome – making it less likely to overlook something critical.
- It establishes a practical mechanism for assessing community readiness to take on work in the field.
- It creates a structure for evaluating progress addressing complex multi-dimensional issues – which allows measurement of your progress on critical preconditions, even when it may be difficult or impossible to empirically measure whether your interventions materially affect progress on a desired ultimate outcome.

Each task group met for two days in Washington DC, focusing on its issue sector. The framing questions and process for the task-group sessions paralleled each other. The task groups worked separately on different dates, rather than together, for several reasons. First, it enabled focus on that particular sector, which made it somewhat easier to get down to practical detail. Second, CSG thought engaging three different groups in the same process would help surface patterns or components that are common across sectors – which can help identify situations that are critical for effective action, specific tool development, policy innovation and capacity building. Third, engaging with three task groups guarded against the potential pitfall that any one group might get stymied in the process. Finally, CSG planned to conclude its work by having the three task groups examine each other’s work, and to help identify any strong insights they might have upon reflection on the overall effort.

It is important to note that, due to resource and time constraints, the process and the resulting frameworks for thinking and action were designed to be both preliminary and worked through only so far, detailing only high-level conditions that must be in place to capture or retain wealth for low-wealth people and places in these systems. But even the initial high-level frameworks developed here can be very useful at the field level and for local project conceptualization, planning and evaluation. Additional iteration, validation and building out any of these frameworks to deeper levels can make them even more useful – by improving their utility and acceptance in the field and by making them much more practical aides to conceptualizing, planning and measuring comprehensive efforts at the community and regional level.

A PRACTICAL “REALITY CHECK”

Following completion of the initial analysis, in late February 2010, Aspen CSG took the important step of checking the preliminary results of this work with a group of practitioners working in rural America and national and regional intermediaries that have done deep thinking about wealth creation. At a joint meeting of members of the *Ford Foundation*

² Following the New York meeting, the term “working region” was substituted for “natural region” because of potential confusion in how the term “natural region” is often used in environmental fields.

Wealth Creation Working Group and participants in its *Central Appalachian Initiative*, Aspen CSG led participants through a process of reviewing the work to date, validating it against their knowledge and experience and suggesting specific improvements. Their comments and suggestions were then incorporated into a pre-publication draft of this report.

THE FINAL VETTING PROCESS

As a final check on the work performed, the pre-publication draft of this report was vetted in an extended conference call with participants from all three working sessions, as well as representatives of Aspen CSG, RUPRI and Yellow Wood Associates. Participants ratified the basic content of the report, suggested amplifications of some of the points made and additional conclusions and shared the ways in which they had already made practical use of the three Frameworks for Thinking and Action in the field. Here is a brief sampling of the uses the participants had already made of the frameworks:

- *[In reviewing grant applications to fund energy system projects]* “It led us to not fund an inventory and asset mapping of energy resources because we didn’t have the infrastructure in place to use it. It added value in determining what to and not to fund.”
- “I have shared it *[with my board]*. For most of them it was the first time to see all the pieces in one place. We have a farmer-heavy board and this helps them to see the value of the community outreach piece.”
- “We took the draft report and used it in our communities as a risk management tool – creating a strategy to address each piece and build a time-sensitive linear strategy to influence stuff.”
- “It is valuable as an educational tool. I plan to use it with my MBA students in July. Also, it helps us see where we are in status with various projects *[that we are helping to plan and implement]* in the community.”
- “It has totally altered the way we have approached some of our priorities with our community benefits alliance. We realized that we had some of the building blocks in motion but not the partnership and common understanding in the region. It helped keep us from going down the path of bickering.”
- “I used it as a gap analysis tool. It reinforced the path we have taken but also helped us see that there are some gaps.”

Approach

WHAT ARE THESE FRAMEWORKS AND HOW WERE THEY DEVELOPED?

Each Framework for Thinking and Action is organized as a structured diagram of significant preconditions or “building blocks” that must be true in order to achieve an “ultimate outcome.” To build them, each task group followed this process:

- *Articulate an Ultimate Outcome.* Each group took the framing question (sidebar) and restated it as the ideal outcome that we are driving to produce.
- *Detail the First-Level Preconditions or Building Blocks.* The individuals in each group separately – and then together – came up with the set of preconditions or building blocks that had to be in place in order to produce the ultimate outcome. To finish this first level, CSG asked these questions:
 - ✓ Is each one of these individual building blocks essential to produce the ultimate outcome?
 - ✓ Taken together, are the first-level building blocks sufficient to produce the ultimate outcome?
 - ✓ Is each building block measurable or observable in some way?
 - ✓ Can each be influenced in some way by some intentional action?

Framing Question:

How can more of the wealth generated by economic activities or assets associated with the development and maintenance of [Food Systems / Energy Systems / Ecosystem Services] remain in and accrue to the benefit of low-wealth rural or urban communities and residents within a “working” region?

- *Build a Set of Second-Level Preconditions or Building Blocks.* Each group then repeated the process by building a second level of preconditions or building blocks related to each first-level precondition/building block.

In general, the resulting products – the three Frameworks for Thinking and Action – were organized into tables as follows.

Table I – General Framework Table Structure

Ultimate Outcome Statement			
First-level Preconditions			
Precondition 1	Precondition 2	Precondition 3	...etc., as needed
Second Level Preconditions			
Precondition 1-A Precondition 1-B Precondition 1-C ...etc., as needed	Precondition 2-A Precondition 2-B Precondition 2-C ...etc., as needed	Precondition 3-A Precondition 3-B Precondition 3-C ...etc., as needed	...etc., as needed

(See Appendices A, B and C for the three task groups' completed frameworks.)

Each group managed, over a two-day period, to produce a fairly thorough framework, working through a full second level of preconditions. Had the task groups had more time to work, they likely would have produced more levels. Additional time may also have allowed more polish, consistency and further vetting in the field. However, the resulting frameworks are solid and useful initial products for these efforts.

To illustrate what the frameworks might look like if developed to deeper levels, Aspen CSG staff took the additional step of developing one strand of one framework to deeper levels. The decision of how deep to go – how many levels to add and when a strand of the framework is “deep enough” – in this type of process is largely a matter of judgment and “feel” among the team that is developing the framework.

Upper levels of the framework provide a useful overview of the **broad categories** that must be addressed to reach the ultimate outcome. Each subsequent level becomes more specific. At their deepest levels, fully built-out frameworks can be used as very specific and concretely measurable checklists of the things that must happen to reach the levels above and the ultimate outcome.

For illustration purposes, Table II summarizes how one strand of the framework might be more fully built out from the initial work of the energy systems task group.

Table II – Example of Framework Strand Built-out to Deeper Levels

ENERGY SYSTEMS AND WEALTH CREATION ACTION FRAMEWORK			
<i>Ultimate Outcome</i>			
Energy conservation, efficiency, production, use and brokerage activities produce greater economic security for low-wealth rural or urban communities, businesses and residents within “working” regions – and greater sustainability of communities over time.			
<i>First-level Precondition #6</i> Intentional strategies and mechanisms help low-wealth communities, businesses and residents capture benefits from energy activities.			<i>Six Other First-Level Preconditions</i>
<i>Second-level Precondition #6-B</i> Local education and training prepares low-wealth youth and adults for local jobs and opportunities created in the energy sector.			<i>Three Other Second-Level Preconditions</i>
<i>Third-level Preconditions for #6-B</i>			
1. Education and training programs understand the local career options in the energy sector.	2. Energy businesses advise local education and training programs on credentials required and appropriate curriculum content to prepare residents for local energy careers.	3. Funding is available for developing curriculum and purchasing the equipment required for education and training programs to implement energy sector career training programs.	4. Adequate program financial support and student financial aid mechanisms are in place to fund programs and support participation by low-wealth youth and adults.
<i>Fourth-level Preconditions</i>			
a) State labor market information systems produce reliable projections of energy system workforce needs that are useful at the local and regional level. b) Local education and training providers translate energy sector labor market information into useful institutional estimates of demands in various disciplines.	a) Energy businesses take responsibility for and devote time to analyzing and understanding their current and ongoing workforce needs in the local area. b) Energy businesses devote staff time to serving in liaison roles with local education and training providers. c) Staff and administrators of local education and training providers value and seek input into program, course and curriculum development from energy industry representatives.	a) Local and state higher education funding mechanisms provide adequate support for curriculum development in energy fields. b) Public education funding programs support the higher than average costs of equipping energy sector education programs. c) Energy sector companies donate industry-specific tools and equipment required for training in their fields and support the establishment of local training programs that benefit them.	a) State higher education funding programs allow for the higher than average instructional costs associated with energy sector training programs. b) State, federal and local grant, scholarship and financial aid programs factor in the high cost of personal tools and safety gear required for students in energy sector training programs. c) Local energy sector training programs address financial, transportation, child care and preparation barriers that discourage or prevent low-wealth youth and adult participation.

Overall, the frameworks detail a set of community skills, capacities and links that are essential to create, strengthen or assemble in order to increase the likelihood of a region creating, maintaining or capturing wealth or investment that will stick in low-wealth areas and with low-wealth people in a regional system.

In effect, the larger the number of building blocks you have in place – and the stronger the composition of each block, the more likely you are to succeed in your effort and sustain it over time.

Here are a few things to keep in mind in examining one of these frameworks:

- The building blocks (preconditions) do not *all* have to be in place to begin working toward the ultimate outcome. In fact, a community or organization can enter the work at any point, regardless of how many or which building blocks they currently have in place. In other words, the starting point is wherever you are – and you can use a framework to help you think about and choose your next steps.
- Over time, the more building blocks you have in place, and the stronger each is, the more successful efforts are likely to be.
- Some building blocks show up in more than one place because they are important in more than one way.
- The “level” of a building block in the framework structure has no relationship to its relative importance for your work. The most important building block for a particular situation could be at any level – it’s the one that is not in place that is needed to do the work immediately at hand.
- The best action plans to strengthen local or regional capacity likely can and will strengthen multiple building blocks.

WHAT ARE THESE ACTION FRAMEWORKS GOOD FOR AND WHO CAN USE THEM?

While the three action frameworks – and the parallel structural elements drawn from them – are really initial drafts, they have many practical and immediate uses – and potential users – in their current form.

Who can use these frameworks?

Practitioners at the Regional and Local Level

- ✓ To conceive, plan, organize and evaluate your efforts
- ✓ To recruit partners and help them see how and why their participation is important
- ✓ To identify gaps in your efforts and think through how to plug them
- ✓ To explain your plans and why they are important to funders and policymakers
- ✓ To think about, organize, collect and share examples and stories about results

National and Regional Intermediaries

- ✓ To conceive, plan, organize and evaluate technical assistance and local program development and support efforts
- ✓ To identify potential allies and explain how their work and interests intersect with yours
- ✓ To explain your efforts and why they are important to funders and policymakers
- ✓ To examine the policy environment and plan and prioritize policy advocacy efforts
- ✓ To collect and organize examples of good practice

Funders and Policymakers

- ✓ To develop policy frameworks and funding strategies likely to achieve desired results
- ✓ To test and evaluate the design and structure of funding proposals
- ✓ To develop systems and strategies for measuring and evaluating results
- ✓ To examine policy proposals for adequacy, sufficiency and likely results

Using the Frameworks Regionally

The three action frameworks can serve as a helpful touchstone for strengthening a region’s wealth-creation capacity and results. Each breaks down into manageable bites what it takes for regions to intentionally build wealth-creation strategies

that “cover all the bases” necessary to make a real difference for regions and their low-wealth communities and people. The action frameworks address the challenge of providing structure and language to skill sets and capacities that can make regions better at creating wealth that sticks. They can be easily adapted to create tools and resources to help in regional efforts. For instance, working at a community or regional level, these frameworks can be used to:

- Stimulate thinking and learning about the capacities and skills regions and organizations are using and strengthening to improve their wealth creation readiness, effectiveness and results.
- Inventory and analyze the region’s, community’s or organization’s readiness status today, and determine which building block preconditions it wants or needs to strengthen.
- Plan specific new wealth-creation initiatives – and help determine which capacities need to be developed or strengthened to successfully take on those initiatives.
- Coordinate multiple efforts within and between organizations working on multi-dimensional wealth-creation initiatives to ensure that they are synchronized rather than compartmentalized or duplicated.
- Collect and tell the stories of wealth creation efforts in a way that prepares a group to effectively communicate them to stakeholders and the media, and that helps it do better with future initiatives.
- Assess and measure progress in wealth creation initiatives – and in strengthening particular preconditions for successful initiatives.
- Reflect on what should be strengthened to make the next wealth creation effort more successful.

Using the Frameworks at the Field Level

The action frameworks and the parallel structural elements can also be useful working at the broader field level. For instance, working groups, funders, and regional and national intermediaries can use them to:

- Collect, organize, analyze and disseminate information about successful and unsuccessful wealth-creation initiatives to help determine which preconditions were most important to their success.
- Build and organize libraries of case studies to help practitioners in the field find helpful examples of how other places bolstered specific preconditions that are proving difficult to address in their own efforts.
- Systematically examine the knowledge base in the field to identify gaps in the field’s understanding of critical preconditions and what it takes to meet them.
- Serve as the jumping-off point to build out the action frameworks to deeper levels locally to attain a more place- or situation-specific picture of what it takes for wealth creation efforts to succeed in the field.
- Evaluate different wealth-creation initiatives using a parallel structure, even if the activities in the field vary widely.
- Develop and test hypotheses about which interventions might most effectively advance wealth-creation.
- Structure funding programs and evaluate proposals using the frameworks to ensure that all the important bases are covered and to increase the likelihood that supported projects will succeed.
- Serve as the basis for building out additional action frameworks for other sectors in which regional linkages could boost wealth creation for low-wealth communities and people.

Further Framework Development

All these uses could be strengthened by further developing the frameworks or adding additional frameworks focused on other sectors. Some specific ways to make these frameworks even more useful include:

- Vet the frameworks with more practitioners and field experts to further refine the elements already in place.
- Build them out further by adding additional levels of preconditions. Anyone could do this right now by adapting one and specifying it to your actual local conditions, players, programs and policies.
- “Hang” peer-exchange of tools, ideas and strategies on the framework:

- Identify specific practices or strategies that people are using across the country to influence specific building blocks. *For example, in relation to a policy-focused building block in the Regional Food Systems Framework, build an inventory of model policies being used across the country that other regions can borrow and adapt.*
- Create tools to help practitioners use the frameworks for self-assessment and action planning.

Analysis: Process, Frameworks and Resulting Themes

Up to this point this paper has described the background, context, rationale and process used for developing the three Frameworks for Thinking and Action – and the utility of these frameworks for work in the field. This section explores the actual results by comparing the frameworks, considering implications of the process used, observing the similarities and differences in the task group discussions and process while developing the three frameworks, and analyzing the results for patterns and useful conclusions.

PROCESS YIELDS PARALLEL RESULTS

After going through a parallel development process, each of the three task groups produced frameworks with seven or eight first-level preconditions. Each of the first-level preconditions also had between four and eleven second-level preconditions. (See Appendices A-C.)

While developed independently, each of the three frameworks had remarkable similarities, paralleling each other in many ways. In addition, the development process for each framework encountered parallel “Aha!” moments when task group members experienced similar conceptual breakthroughs, coming to new understandings of what is required both for the specific sector to prosper and for low-wealth people and places to benefit.

One important caveat in understanding the results is that this was a “light” version of the framework development process. With more time and resources in a framework development process, CSG typically uses a larger working group; meets physically and/or virtually with the group on multiple occasions to refine, clarify and dig deeper; builds out the framework to deeper levels – typically to at least three and often four levels compared to the two developed here; and vets the results with a broader group to validate them with the field. That said, the results of this “light” framework development process are more than adequate to reach a high-level understanding of what it takes for more wealth to “stick” to low-wealth and rural people and places in the three sectors and to identify parallels across them.

KEY THEMES

After examining the three frameworks produced through this process, and reflecting on the task group dialogue, Aspen CSG identified three important themes:

- ***The sectors have a lot in common.*** While specific details and strategies differ among the three sectors examined, overall the major elements of the three theories of change are quite parallel. This suggests that some building blocks are important to strengthen, no matter the sector, if you seek to capture more regional wealth for low-wealth people and places. It also suggests that much can be learned and outcomes can be improved by working across sectors.
- ***Local action is necessary, but not enough.*** The activities detailed or implied in the framework building blocks, and the benefits from them, tend to cross traditional political boundaries and accrue regionally. Where regions include both rural and metropolitan or micropolitan areas, both are affected. This strongly implies that many effective strategies must be regional in scope.
- ***Intentional action produces benefits for low-wealth people and places.*** Without intentional strategies in place to even out their distribution, benefits appear to accrue more to metropolitan or micropolitan centers in regions than to rural areas, and to individuals and businesses with more wealth rather than those with less wealth. This indicates that if we value creation or retention of wealth by low-wealth communities and families, we must intentionally structure our efforts to ensure that they benefit.

A fourth key theme emerged from vetting the parallel structural elements in this report with task group participants:

- **Investments in wealth creation at the intermediary level are unlikely to stick without similar investments in building local capacity.** Without exception, the participants observed that, in their experience, presence of competent local actors is a critical prerequisite to effective work in communities – but, in rural and low-wealth places, this prerequisite is seldom met without intentional effort and significant investment. The strength and depth of the parallel structural elements in the three frameworks related to Partnerships, Relationships and Planning underscores and adds depth to this observation.

Each of these themes is discussed in turn, below. (Please see Table III: Parallel Structural Elements on pages 14-15 for more detail.)

THEME ONE: THE SECTORS HAVE A LOT IN COMMON.

Analysis of the first-level preconditions in the frameworks reveals striking similarities among the three systems. Eight parallel structural elements – or “meta-preconditions” – emerged from CSG’s analysis. These are:

- A. Support of the Region’s Ecosystem.** All three action frameworks are strongly rooted in an understanding that efforts in the sector can not be sustainable over time, or contribute to long-term wealth creation in the region, unless the natural resource environment is respected, and unless wealth creation and retention strategies recognize, maintain and restore the carrying capacity of the regional ecosystem.
- B. Knowledge Base and Dissemination.** Access to reliable, accurate and affordable information is a critical – and too often absent – requirement in all three system frameworks. In particular, information about supply chains, markets, and strategic and business options and their relative costs and benefits can be difficult or impossible to find, hampering local and regional efforts. Access to good information also provides the critical baseline needed to measure progress and evaluate interventions. A particular challenge noted by all three groups is the mismatch between commonly published data and the geography of the systems under consideration. For instance, political boundaries, watersheds and market areas seldom coincide, so available data is unlikely to geographically correspond to related issues or opportunities.
- C. Partnerships, Relationships and Planning.** As noted earlier, one essential prerequisite for wealth creation and retention in low-wealth communities and families is “intentionality” – that is, making sure that strategies, policies and programs are specifically planned and constructed to produce benefits for low-wealth people and places. Typically, no one actor in a system can do that alone. It *requires* developing strong partnerships, relationships inside and outside the region, and inclusive planning processes that can bring low-wealth people to the table and ensure that they are equipped to participate effectively. Moreover, for wealth to stick, regions must find a way to institutionalize how they develop and maintain healthy partnerships and relationships and inclusive planning – or else all the benefits they gain are likely to slip away over time.
- D. Conducive Policy.** In each sector framework, task group participants identified supportive policy as a critical precondition, both for market-based initiatives that sustain a healthy environment and for the resulting wealth to stick and accrue to the benefit of low-wealth communities and people. In many cases, the current policy environment stacks the deck in favor of large-scale and unsustainable practices and wealthy absentee-owned interests. New policies at all levels – local, state, federal, international and corporate – are essential to level the playing field and allow low-wealth communities and regions to participate and benefit.
- E. Business Capacity and Assistance.** All three sectors identified availability of local – and locally owned – business capacity, as well as business assistance and investment capital, as critical prerequisites for wealth to stick in low-wealth communities and regions. As the frameworks were developed, task group members repeatedly cited successful examples of wealth creation and retention strategies that required a healthy and diverse base of local entrepreneurs and enterprises, and availability of business assistance and appropriate types of capital – things that are often absent from economically strip-mined low-wealth regions.

Table III. Parallel Structural Elements in First-Level (and Selected Second-Level) Preconditions

<p style="text-align: center;">Ultimate Outcome (blended from the three frameworks): Regional [Food Systems / Energy Systems / Ecosystem Services] create opportunities that generate and retain wealth and assets that accrue to the benefit of low-wealth communities and people over the long-term.</p>				
	A.	B.	C.	D.
	Support of the Region's Ecosystem	Knowledge Base and Dissemination	Partnerships, Relationships and Planning	Conducive Policy Environment
From Food Systems Framework	<p>1. Food systems build on and reinforce the ecology and the culture of the region.</p>	<p>2. Food uses, sources and needs within a region are identified and widely known.</p>	<p>7. All system stakeholders are actively engaged and cooperating to develop and improve the system.</p>	<p>6. b. Public policy permits and encourages the use of public benefits to purchase local food in alternative food markets.</p> <p>8. f. Public policy permits the widest range of local ownership options.</p>
From Energy Systems Framework	<p>1. Energy activities in the region recognize, maintain and restore the carrying capacity of its ecosystems to the greatest extent possible.</p>	<p>2. People understand the viable energy options available for their region – and the costs and benefits associated with each option.</p>	<p>3. Effective stakeholder partnerships and relationships are acting to increase local energy security and community sustainability.</p> <p>4. Policy and regulations support local participation in the development, use and ownership of the region's energy assets.</p>	<p>4. Policy and regulations support local participation in the development, use and ownership of the region's energy assets.</p>
From Ecosystem Services Framework	<p>1. A region's natural resources are comprehensively managed using an inclusive place-based planning model.</p>	<p>2. b. Affordable information from trusted sources about community-scale ecosystem services value and options is available to local and low-wealth communities and businesses.</p>	<p>2. h. Communities are networking within the region to maximize opportunities and avoid conflict and duplication.</p> <p>1. A region's natural resources are comprehensively managed using an inclusive place-based planning model.</p>	<p>8. Federal and state policies support the development of ecosystem service markets that are environmentally and socially equitable in the distribution of assets and benefits.</p> <p>6. Consumers and voters make decisions that strengthen the long-term health and integrity of ecosystems – and the people who maintain them.</p>

Table III: Parallel Structural Elements (continued)

<p style="text-align: center;">Ultimate Outcome (blended from the three frameworks): Regional [Food Systems / Energy Systems / Ecosystem Services] create opportunities that generate and retain wealth and assets that accrue to the benefit of low-wealth communities and people over the long-term.</p>				
	E.	F.	G.	H.
	Business Capacity and Assistance	Participation and Access by Low-Wealth People	Valuation, Markets and Demand	Local Ownership and Control
From Food Systems Framework	<p>4. <i>Local small- and medium-sized businesses have the capacity to meet demand for the region's food products.</i></p>	<p>6. <i>Low-income people have easy and affordable access to local food.</i></p> <p>6. b. <i>Public policy permits and encourages the use of public benefits to purchase local food in alternative food markets.</i></p> <p>7. <i>Supply chains are intentionally organized to include and benefit low-wealth workers, consumers, producers and processors in the region.</i></p>	<p>5. <i>Local food is in demand and being used in a wide variety of ways in the region.</i></p> <p>7. <i>Supply chains are intentionally organized to include and benefit low-wealth consumers, workers, producers and processors in the region.</i></p>	<p>8. <i>Key elements of the food system are locally owned, controlled and managed.</i></p>
From Energy Systems Framework	<p>5. <i>Financing is readily available at the scale and on the terms needed to support local energy activities.</i></p> <p>6. <i>Intentional strategies and mechanisms help low-wealth communities, businesses and residents capture benefits from energy activities.</i></p>	<p>6. <i>Intentional strategies and mechanisms help low-wealth communities, businesses and residents capture benefits from energy activities.</i></p>	<p>6. <i>Intentional strategies and mechanisms help low-wealth communities, businesses and residents capture benefits from energy activities.</i></p>	<p>7. <i>Energy assets and activities are increasingly locally owned, controlled and/or managed.</i></p>
From Ecosystem Services Framework	<p>5. <i>Effective public and private financial mechanisms for reinvestment in ecosystem-services source communities are in practice.</i></p> <p>2. <i>Local and low-wealth people, businesses and communities have the capacity and resources to participate in and derive significant benefit from ecosystem services and markets.</i></p>	<p>2. <i>Local and low-wealth people, businesses and communities have the capacity and resources to participate in and derive significant benefit from ecosystem services and markets.</i></p>	<p>3. <i>Ecosystem services markets are regulated and ensure benefits to low-wealth people, businesses and communities</i></p> <p>4. <i>Market standards demand integrated environmental, economic and social benefits over the long-term.</i></p> <p>6. <i>Consumers and voters make decisions that strengthen the long-term health and integrity of ecosystems – and the people who maintain them.</i></p>	<p>7. <i>Major stakeholders agree that it is in their collective self-interest for local people to play a significant role in managing ecosystem services.</i></p>

- F. **Participation and Access by Low-Wealth People.** In preparing the action frameworks, all three task groups noted that without intentional and effective inclusion of low-wealth people at every level of planning and in the resulting economic activity, little if any of the resulting wealth would accrue to their long-term benefit. Many existing policies, practices and institutions systematically disenfranchise low-income people and strip them of wealth and the means to create and harness it. It takes intentional and systematic efforts to reverse this and create more just and equitable outcomes.
- G. **Valuation, Markets and Demand.** The markets associated with all three systems price products and services in ways that do not recognize their true long-term costs or benefits – such as environmental degradation from mountaintop removal mining or improved CO² sequestration from better forest management. Until these long-term costs and benefits are “internalized” – included in the pricing of products or services – markets in these three sectors will continue to struggle, and sometimes fail. In some cases, new market mechanisms are required simply to permit the products and services to be effectively sold and distributed. The demand side of this equation is also driven by factors such as consumer preference, convenience, valuation and cost of products, and especially underlying policy – all of which must be addressed for markets to support these sectors and return local benefit.
- H. **Local Ownership and Control.** The final major – and critical – element held in common in the three action frameworks is the local ownership and control over a region’s place-based assets and businesses, and the structures that generate wealth from these assets. Without a significant degree of local ownership or control, local communities, people and businesses have little ability to capture a portion of the resulting economic activity – or to ensure that these assets are managed sustainably and are consistent with the long-term best interests of the community and its residents.

THEME TWO: LOCAL ACTION IS NECESSARY, BUT NOT ENOUGH.

Throughout the development of the three action frameworks, task group participants repeatedly made reference to the regional nature of the issues, opportunities, markets and solutions. At the same time, **“regional” is clearly a relative term** that must be interpreted differently for different systems and solutions. For a particular ecosystem services opportunity, issue or solution, the “right” region might be a local watershed or a broad drainage basin or an entire ecological region, a collection of small, privately owned woodlots or a national forest. Similar distinctions can be made for energy and food systems.

Additionally, regionality isn’t just about physical geography. It includes the patterns and dimensions of relationships and interactions among leaders, owners, players and stakeholders as well as institutional and agency boundaries.

Moreover, when you consider what is regional in the context of a particular community or locality, you will almost certainly find that any given place is a part of many different regions for many different purposes. A rural community may share a regional relationship with one micropolitan area for this opportunity, a different one for that issue, and a distant metropolitan area for important markets.

The working groups also noted that the fluid nature of regions creates significant challenges when it comes to finding or collecting data needed to understand issues, opportunities and projects. Not only are regions unlikely to neatly fit into the political boundaries that underlie most datasets, but efforts addressing a single sector may have to aggregate data for different regions, depending on the issue, opportunity or project under consideration.

THEME THREE: INTENTIONAL ACTION PRODUCES BENEFITS FOR LOW-WEALTH PEOPLE AND PLACES.

Each of the three task groups encountered a parallel “Aha! moment” – a blinding flash of the obvious – about a day and a half into developing its framework. That moment came as the task group was examining if the preconditions it had constructed so far, taken as a whole, were collectively sufficient to meet the condition in the ultimate outcome statement of creating

wealth that accrues to the benefit of low-wealth people and communities. Each task group, when asked that question late in the process, concluded that you could do everything else outlined in their framework right, and end up with a thriving sector where the environment was sustained and improved and the regional economy was booming – ***but still not improve the lives and livelihoods of low-wealth people or places.***

In addition, participants discussed how, when working within a region, you could do everything else right and have the benefits totally bypass rural communities and accrue primarily or exclusively to the larger micropolitan and metropolitan centers. The advance reading of the initial RUPRI paper on this topic laid the groundwork for this discussion, and each task group cited instances on the ground from their experience where this had been or was occurring.

These realizations made each group rapidly get back to work to adjust its framework. In examining what it would take for outcomes to be not just environmentally and economically sustainable, but to also be ***more just*** and accrue to the benefit of people and places most often left behind, each group concluded that it requires *intentionality*. Socially just outcomes require intentional efforts to include, equip, listen to and value the contributions of low-wealth and rural people and communities. Ultimately, each action framework incorporated specific provisions to ensure that this happened.

Conclusions

Aspen CSG proposes several conclusions, based on examining the complexities and the similarities of the preliminary Frameworks for Thinking and Action for wealth creation in rural regions, the overall process used in this project, and the partner and participant discussions throughout:

- 1. Creating “wealth that sticks” is a multidimensional and complex process.** Even when built out to just the first two levels, the three Frameworks for Thinking and Action have an average of 65 first and second level preconditions! That’s a lot to think about, keep straight and get right in order to make the most of wealth creation opportunities. ***This strongly argues against investing in single-dimensional or intuitively designed approaches.*** The strong parallels and ties across the sectors also suggest that addressing this multidimensionality may at times invite or require multisector approaches to be truly effective.
- 2. Intentionality is required for low-wealth individuals and communities to benefit.** Significant portions of each Framework for Thinking and Action are devoted to preconditions that would be unnecessary for an effort that does not include an intentional social justice goal. Boosting the economy in an environmentally sustainable fashion is possible without significant benefits accruing to low-wealth people and communities. The economic playing field is tilted to the advantage of people and places where wealth has already accumulated, and ***nothing short of intentional effort with explicit social justice goals and measures will suffice to ensure that economic benefits are more justly distributed.***
- 3. Investment in intermediaries alone is unlikely to help wealth stick over the long term.** Working groups in all three sectors identified a shortage of competent local actors as a critical gap in wealth-creation efforts. In their experience, relying on outside intermediaries, consultants and experts to come in and “fix” local and regional wealth creation and retention issues leads to unsustainable solutions. ***Investment in building knowledge, capacity, commitment and leadership among affected low-wealth people and places is just as important as building strong intermediaries*** if you want to create truly sustainable wealth-creation and -retention efforts.
- 4. Local Action is important – but it’s not enough.** The regional dimensions of economies and markets, watersheds and ecosystems, and other important conditions affecting wealth creation require regional thinking and action. All the developed Frameworks for Thinking and Action incorporate some preconditions that cannot be met on a local level. ***Programs and places that fail to collaborate regionally place themselves at a severe***

disadvantage. This underscores the importance of the *Partnerships, Relationships and Planning* elements that run so strongly through all three Frameworks.

5. **Required conditions for creating wealth that sticks are similar across different sectors.** While there were certainly sector-specific differences the overall set of high-level preconditions for creating wealth in the three sectors examined were remarkably similar. This strongly suggests that the ***parallel structural elements drawn from these three sectors could be an effective jumping-off point for designing work in other promising sectors.*** This could reduce the need for experimentation, help target efforts in areas that may enhance success, and reduce the likelihood that critical factors are overlooked when new efforts are launched.
6. **Frameworks for Thinking and Action are a useful tool for wealth-creation efforts.** They can help users assess current status, organize information, prioritize interventions, plan programs, evaluate results and much more. ***Refining these frameworks, building them out to deeper levels, producing tools for using them in communities, and creating frameworks for additional sectors could do much to advance practice in the field.***

Potential Next Steps

The experience of building out the three Frameworks for thinking and Action and the strongly positive reaction of both the Ford Foundation's Wealth Creation Working Group and the grantees of the Foundation's Central Appalachian Initiative suggested many additional ways these frameworks could be strengthened and become even more useful to this work. Several suggestions and the likely benefits appear below.

Test the Frameworks (and Tools) in the Field with New and Existing Projects. Another solid next-step in using the frameworks in their existing form would be to field test their usefulness with new or emerging projects. For instance, the energy systems framework could be applied to an effort in a rural area such as Central Appalachia, both to help ensure that a specific project has taken all the factors that affect wealth creation for low-wealth people and places into consideration, and to find ways to increase the project's prospects for succeeding in its wealth-creation goals.

Adapt and Specify the Framework(s) to a Particular Place. A significant and useful step beyond testing the existing frameworks with new and existing projects would be to specify it to the circumstances on the ground in a particular place. For instance, a regional food systems initiative could take the existing framework, and name the actual policies, programs and players in any building block that are relevant to their specific place and situation.

Build out the Existing Frameworks to Deeper Levels. Building out one or more of the frameworks to deeper levels (*as demonstrated on page 10*) would give practitioners on the ground working in each of these sectors a powerful new tool to conceive, prioritize, plan and evaluate programs, and to organize and communicate results. It would also give funders and national intermediaries an even better tool to organize, vet, compare and measure progress of programs they are supporting or working with in the field.

Create Tools to Help Practitioners Use the Frameworks. Similar frameworks developed for other fields have been used as the touchstone for creating a host of helpful tools for practitioners. A suite of tools based on the framework might include:

- ***Readiness Inventory Tool.*** When is a place ripe for a wealth-creation effort? A readiness inventory tool would use the framework's preconditions as a touchstone to analyze the current status of a community's or region's infrastructure to take on wealth-creation efforts in one or more sectors.
- ***Gap Analysis Tool.*** Otherwise excellent projects can struggle or fail when they overlook critical success factors that lie outside their program design. With complex systems like those described in the frameworks, it's easy to overlook something. A Gap Analysis Tool could use a framework's preconditions to analyze the weak and broken links – the places where the preconditions are not being met or are inadequately met. This can alert project planners to critical issues they may not have considered.

- **Strategy Prioritization Tool.** Not all preconditions in a framework are created equal – nor are the same preconditions equally important in different places or circumstances. A prioritization tool using the framework can help practitioners – and funders – select the program options that are most likely to return “the most bang for the buck.”
- **Action Planning Tool** – Given the complexity of the underlying systems, structures and considerations required for regional wealth creation efforts, determining what all should be done, who should do it, and how to do it can be a very complex undertaking – and it’s easy to miss important considerations.

Apply the Parallel Structural Elements to Work in Other Sectors. The Food Systems, Energy Systems and Ecosystem Services sectors were addressed in this project because people and organizations are doing more with them – and are further along the learning curve – than the dozen or so other promising sectors for wealth creation initiatives identified at the Discovery Discussion in New York. People working in other sectors could examine the eight parallel structural elements in these three frameworks, and see if and how they apply to their efforts. This might help them “make new mistakes,” rather than have to learn the same lessons their colleagues in these three sectors have already documented in these frameworks – based on good work and hardy experience.

Appendix A. Ecosystem Services Framework for Thinking and Action

Ecosystems and Wealth Creation Action Framework				
Ultimate Outcome More wealth generated from the management, development and maintenance of ecosystem services and markets accrues to the benefit of low-wealth communities and residents over the long-term.				
First Level Preconditions/Building Blocks				
	1	2	3	4
	A region's natural resources are comprehensively managed using an inclusive place-based planning model.	Local and low-wealth people, businesses and communities have the capacity and resources to participate in and derive significant benefit from ecosystem services and markets.	Ecosystem services markets are regulated and ensure benefits to low-wealth people, businesses and communities.	Market standards demand integrated environmental, economic and social benefits over the long-term.
Second-Level Preconditions/Building Blocks				
A	The region has an open forum and trusted, capable conveners for the planning process.	Local or regional institutions are in place that buy, sell or capture value from ecosystems services.	Statutory mechanisms exist to regulate each ecosystem service market.	Valid, reliable research quantifies comparable values for environmental, economic and social costs and benefits of ecosystem services.
B	The region can access sufficient resources to support the planning process – and for building the skill of local participants over time.	Affordable information from trusted sources about community-scale ecosystem services value and options is available to local and low-wealth communities and businesses.	An effective oversight mechanism is responsible for enforcing ecosystem services regulation.	Integrated market standards are identified or developed with the participation of environmental, economic and social benefits sectors.
C	Affordable information from trusted sources about community-scale ecosystem services value and options is available to local and low-wealth communities and businesses.	Local or regional institutions are in place that can certify, monitor and verify the integrity of the ecosystem services generated for marketplaces – in line with broadly accepted or mandated standards.	Market data is required, collected, reported and readily available and accessible to the public.	Existing certification systems for ecosystem management are examined, analyzed and modified as needed to incorporate ecosystem services and to integrate benefit streams.
D	The region has an inventory and map of its natural resources based on accurate and reliable information.	Local or regional institutions facilitate local participation in the resource management decisions that lead to ecosystem services.	Market data collected reports the effects of ecosystem services markets on low-wealth communities, businesses and people.	Government provides policy and incentives to encourage the integrated standards, and their third-party verification.
E	Templates for the planning model – based on experience – are available for adaptation.	Local and low-wealth businesses and communities can access public and private funding for planning and capacity building.	Low-wealth communities and people help develop regulations and are well represented in regulatory bodies.	Market standards require that the cost of products and services reflects the value of ecosystem services benefits and impacts.
F	Policy and certification standards require and/or provide incentives to create a comprehensive plan.	Local and low-wealth businesses and communities can access financing for ecosystem service activities in the amounts they need and on terms they can afford.	Market regulations encourage and protect the value of low-volume transactions.	
G	Local or regional institutions facilitate local participation in the resource management decisions that lead to ecosystem services.	Affordable, high quality technical assistance and training is available to local and low-wealth community organizations and businesses.	Government activities and business practices in ecosystem services markets are structured to provide and protect benefits to low-wealth communities.	
H	Diverse participants from across the region are participating effectively in the planning process – including low-wealth and marginalized people.	Communities are networking within the region to maximize opportunities and avoid conflict and duplication.		
I	Local and low-wealth businesses and communities can access public and private funding for planning.	Mechanisms exist that allow for and facilitate local and low-wealth ownership, control and/or equity stakes in ecosystem services enterprises, assets and natural resource management.		
J		Low-wealth communities and businesses know how to employ mechanisms that allow local and low-wealth ownership, control and/or equity stakes in ecosystem services enterprises, assets and natural resource management.		
K				

Ecosystems and Wealth Creation Action Framework (continued)

Ultimate Outcome More wealth generated from the management, development and maintenance of ecosystem services and markets accrues to the benefit of low-wealth communities and residents over the long-term.

First Level Preconditions/Building Blocks

5	6	7	8
Effective public and private financial mechanisms for reinvestment in ecosystem-services source communities are in practice.	Consumers and voters make decisions that strengthen the long-term health and integrity of ecosystems – and the people who maintain them.	Major stakeholders agree that it is in their collective self-interest for local people to play a significant role in managing ecosystem services.	Federal and state policies support the development of ecosystem service markets that are environmentally and socially equitable in the distribution of assets and benefits.

Second-Level Preconditions/Building Blocks

Mechanisms exist that allow local and low-wealth people and community to invest in ecosystem services activities.	Product packaging and public and private service information clearly and prominently details ecosystem services content or impact.	Philanthropic funders support work that produces and measures integrated environmental, social and economic outcomes.	Policymakers understand the economic and political benefits of ecosystem services.
Mechanisms exist that encourage and aggregate small and large investments in low-wealth communities.	The ecosystems-related voting and decisionmaking records of elected or appointed officials are easily available and well-publicized.	Forums for ongoing learning, discussion and consensus building are organized around the regional landscapes that produce specific ecosystem services.	Conservation, economic development and community development organizations talk to each other and combine their voices to advocate for better and more equitable ecosystems services market policy.
Public or private ecosystem services transactions directly return a proportional amount of the transaction value to source communities.	Formal and informal education systems incorporate robust content about ecosystems.	Low-wealth people and communities organize to have voice, power and impact in regional forums.	Policymakers support policy options that create and develop new ecosystem services and markets that incorporate local-wealth capture.
Local and low-wealth businesses and communities can access financing for ecosystem service activities in the amounts they need and on terms they can afford.	Ecosystems services branding is prominently featured and frequently used by communities, regions and companies.	Low-wealth people and communities establish and maintain connections and relationships with decisionmakers and opinion leaders.	Policymakers revise criteria and regulations in existing programs to value ecosystems services and incorporate local-wealth capture.
Local resources under government protection that are taken out of use are fully valued and sufficiently compensated for their ecosystem services.	Consumers choose products and services that reward good stewardship of ecosystems.	Leaders have sufficient on-the-ground relationships or experience to understand the impact of their decisions on low-wealth communities and people.	Government funding streams are aligned to encourage and feed into coordinated ecosystem services at the local and regional level.
Community-developed innovation, technology and intellectual capital are fairly compensated as ecosystems services markets develop and grow.	Voters choose candidates that support good stewardship of ecosystems.		Government structures its procurement system so that local and low-wealth communities and businesses can compete.
	The cost of products and services reflects the value of ecosystem services benefits and impacts.		Local resources under government protection that are taken out of use are fully valued and sufficiently compensated for their ecosystem services.
			Income or profit generated by ecosystem services produced with local resources is appropriately and fairly shared with or taxed by local (and other?) governments.
			The value of sound ecological practices is factored into the pricing of the leasing or contracting of federally controlled assets.
			Government supports research and pilots to understand the relationship between ecosystem service generation and local wealth capture in various land tenure arrangements.
			Low-wealth community leaders from high ecosystem-service value areas organize locally and regionally to develop and advocate for supportive policy.

Appendix B. Energy Systems Framework for Thinking and Action

Energy Systems and Wealth Creation Action Framework				
Ultimate Outcome Energy conservation, efficiency, production, use and brokerage activities produce greater economic security for low-wealth rural or urban communities, businesses and residents within “working” regions – and greater sustainability of communities over time.				
First Level Preconditions/Building Blocks				
	1	2	3	4
	Energy activities in the region recognize, maintain and restore the carrying capacity of its ecosystems to the greatest extent possible.	People understand the viable energy options available for their region – and the costs and benefits associated with each option.	Effective stakeholder partnerships and relationships are acting to increase local energy security and community sustainability.	Policy and regulations support local participation in the development, use and ownership of the region’s energy assets.
Second-Level Preconditions/Building Blocks				
A	Accurate and trusted providers collect, analyze, monitor and update information on the impact of energy choices and activities on our ecosystem.	The region has an Energy Asset Map that offers a comparative accounting of the full range of existing and potential energy sources and applications.	There is public consensus and/or an official resolution that energy security is key to economic security and community sustainability.	There is public consensus that energy security is key to economic security and community sustainability.
B	The true value of the ecosystem and what it produces is monetized.	Accurate and trusted providers collect, analyze, monitor and update information on energy issues, activities, performance and options.	Diverse formal and informal communication vehicles widely disseminate compelling and accurate information about energy issues, decisions, activities, performance and options.	Accurate and trusted providers collect, analyze, monitor and update information on energy issues, activities, performance and options.
C	The cost and benefits of energy activities on the ecosystem are weighed in decisionmaking and accounted for in energy pricing.	The cost and benefit analyses of energy options are based on the best available science, and include environmental, social and economic factors.	Community members are willing and able to conduct civil dialogue about controversial and complex issues and action.	Policymakers and regulators understand energy issues, consequences and viable options.
D	Individual, community and commercial activities and infrastructure in the region maximize the efficiency and use of energy, materials and byproducts.	All public and private education incorporates significant information and case content related to energy, ecosystems and community sustainability.	Facilitation and coordination across stakeholders is available and being utilized.	An up-to-date comprehensive analysis of the effect of existing and proposed policies and regulations on energy issues and options is widely available.
E	Formal and informal communication vehicles widely disseminate compelling and accurate information on the impact of energy choices and activities on our ecosystem.	Diverse formal and informal communication vehicles widely disseminate compelling and accurate information about energy issues, decisions, activities, performance and options.	Stakeholders are dedicating and aligning resources to get things done.	Leaders are advocating for supportive policy and regulation.
F	The public has a passion for and commitment to keep the ecosystem useful, healthy and biologically diverse.	People know where to find accurate information about energy issues, activities, performance and options.		Local organizations provide an infrastructure for wide and effective citizen participation and voice in policy advocacy.
G	Energy activities in the region drive toward eventual elimination of fossil-fuel dependent systems as rapidly as possible.	The selection, collection, analysis, interpretation and dissemination of energy-related information are socially inclusive and equitable.		Advocates use effective messaging to explain and promote desired policy and regulation changes.
H				A critical mass of voters vote for supportive policy and candidates.
I				Local policy actors make good local energy policy.
J				Comprehensive planning at the community, county and regional levels incorporates the impact of energy decisions, choices and sustainability.

Energy Systems and Wealth Creation Action Framework (continued)

Ultimate Outcome Energy conservation, efficiency, production, use and brokerage activities produce greater economic security for low-wealth rural or urban communities, businesses and residents within “working” regions – and greater sustainability of communities over time.

First Level Preconditions/Building Blocks

5	6	7
Financing is readily available at the scale and on the terms needed to support local energy activities.	Intentional strategies and mechanisms help low-wealth communities, businesses and residents capture benefits from energy activities.	Energy assets and activities are increasingly locally owned, controlled and/or managed.

Second-Level Preconditions/Building Blocks

Grants or affordable- interest loans are available for early-stage planning, feasibility and design of energy projects.	Mechanisms allow and encourage low-wealth residents, businesses and communities to participate in ownership and/or control of energy assets and activities.	People know about the available options for individual and collective local ownership.
People or institutions are willing to invest equity capital in energy projects for a sufficiently long term.	Local education and training prepares low-wealth youth and adults for local jobs and opportunities created in the energy sector.	Local entrepreneurs see opportunity for themselves and the community in local energy activities – and act on it.
Affordable loan capital is available to finance local energy projects.	Local energy activities utilize local businesses to the greatest extent possible.	Policy and regulations allow for, encourage and favor local control and ownership.
Federal, state and local policies provide funding and create incentives for local energy investments.	Local energy activities utilize local labor to the greatest extent possible.	Available financing mechanisms allow for local ownership and control options.
The community has access to a diverse set of commercial, public, nonprofit and quasi-public funders.		Diverse formal and informal communication vehicles widely disseminate compelling and accurate information about energy issues, decisions, activities, performance and options.
Fundors provide a wide range of traditional and creative funding mechanisms.		People know where to find accurate information about energy issues, activities, performance and options.
Projects and people can readily access the expertise they need to find, understand, choose, structure and secure appropriate financing.		People in the community have the knowledge, skills and ability to own, control or manage energy assets and activities effectively.
		Projects and people can readily access the expertise they need to start, manage and operate an enterprise.
		Available financing mechanisms allow for local ownership and control options.

Appendix C. Food Systems Framework for Thinking and Action

Food Systems and Wealth Creation Action Framework				
Ultimate Outcome Regional Food Systems create opportunities that generate and retain wealth and assets in low-wealth communities for people to thrive and prosper.				
First Level Preconditions/Building Blocks				
	1	2	3	4
	Food systems build on and reinforce the ecology and the culture of the region.	Food uses, sources and needs within a region are identified and widely known.	Supply chains are intentionally organized to include and benefit low-wealth consumers, workers, producers and processors in the region.	Local small- and medium-sized businesses have the capacity to meet demand for the region's food products.
Second-Level Preconditions/Building Blocks				
A	Local people know about the ecological and cultural assets of the region.	Regional actors regularly collect, monitor and update available public and private data about the region's food system.	A trusted intermediary/ies is/are advocating for and connecting the "system."	Businesses have access to accurate information about demand – from both within and outside the region – for regional products.
B	The region safeguards and invests in its food-related natural resources.	Regional actors collect additional critical data about the regional food system that the standard sources do not provide.	Local healthy foods are available and affordable where low-wealth people shop.	Incentives encourage businesses to enter regional markets.
C	The region celebrates and invests in its evolving cultural heritage.	Regional actors analyze data to provide a picture of the food system and generate regional discussion.	Incentives encourage low-wealth consumers to purchase and consume local foods.	Businesses have access to coordinated "no-wrong-door" training and technical assistance.
D	Food prices reflect the true cost of production and distribution.	Accurate food system information is easily available within the region to stakeholders and the general public.	Supply chains provide fair access to low-volume producers and processors.	Businesses have access to affordable scale-appropriate capital.
E	Local food purchasing practices consider factors in addition to price.	Regional media regularly informs the public about food system issues, people and events.	Players in the supply chain agree on and adhere to fair and transparent standards for conducting business.	Regulations do not freeze out small- and medium-sized businesses.
F	The food system includes community-based initiatives developed with broad local input and ownership.	Informal community channels share information about the food system issues, people and events.	Low-wealth people can access training and resources to participate as workers or entrepreneurs in the system.	Local workers have the skills businesses need.
G	People can get foods associated with their culture and local ecology within the region.		Consumers understand and value the system's standards and practices.	The region has scale- appropriate processing and distribution infrastructure.
H			Food system entrepreneurs and workers can purchase affordable health insurance.	Businesses can access the land and water they need to profitably meet the demand for regional food.
I				Small- and medium-sized businesses can purchase affordable health insurance.

Food Systems and Wealth Creation Action Framework (continued)

Ultimate Outcome Regional Food Systems create opportunities that generate and retain wealth and assets in low-wealth communities for people to thrive and prosper.

First Level Preconditions/Building Blocks

5	6	7	8
Local food is in demand and being used in a wide variety of ways in the region.	Low-income people have easy and affordable access to local food.	All system stakeholders are actively engaged and cooperating to develop and improve the system.	Key elements of the food system are locally owned, controlled and managed.

Second-Level Preconditions/Building Blocks

Purchasers – businesses and families – understand and value one or more benefits of using local foods.	Public policy permits and encourages the use of public benefits to purchase local food in alternative food markets.	The region has an established group or groups that focus on improving the food system – and offer open participation.	Food system participants understand where – and how much – value is added to local food in the system.
Regional foods are available at prices people will pay in convenient forms that purchasers will use.	Alternative markets are equipped and trained to accept public benefits.	The group leaders regularly network, meet, share information, advise each other and address issues together.	Regional leaders and food system participants understand and can articulate the benefits of local control.
People can easily identify food that is regional – and its standards of production.	Regional foods are available in both conventional stores and alternative markets where low-income people shop.	The food system groups actively encourage and engage leaders and membership from the diverse range of participants in the food system.	Regional leaders and food system participants understand local ownership options and their relative impact in the local context.
People know how to prepare and use local foods.	Local healthy foods are available where low-income people eat.	Traditional community leadership programs include content on the local food system.	Regional workforce and entrepreneurs have the skills to effectively manage the system and its elements.
Regional foods are available in conventional food stores.	Emergency and community food programs utilize local food.	System participants increase their knowledge and collaboration skills over time.	New, vulnerable or growing enterprises in the system can access capital, land and business assistance.
The region has alternative markets and provision methods to showcase and sell local foods.	Low-income people participate in community gardening, gathering and bartering.	Fundors provide ongoing support for convening and collaboration.	Public policy permits the widest range of local ownership options.
Regional actors actively promote and celebrate local foods as a regional attraction and asset.		Stakeholders have a culture and history of successful collaboration.	Ownership patterns support a wide distribution of power in the system.
Organizations and institutions in the region participate in visible programs to “buy local.”		The groups build relationships with key elected and appointed public officials.	Residents engaged in community food initiatives lead and manage their own projects.
		Residents in the region have an ongoing voice in shaping system improvements.	

Appendix D. Framework Task Groups

WHO WAS IN THE FRAMEWORK TASK GROUPS?

The process, budget and time constraints in this effort required that CSG work with a small, select task group of practitioners for each urban-rural regional system sector. Small task groups also had the advantage of being able to work together more intensively and quickly to draft an initial product. Each of the three groups was composed of three or four seasoned and thoughtful practitioners who had:

- A thorough understanding of and deep insight into the subject matter
- A track record of practical application of that understanding and insight in the field
- Diversity of perspective and location
- Demonstrated ability and willingness to work cooperatively in an intensive group task
- Availability on the limited dates available to get the work done!

The Task Groups		
Regional Food Systems	Energy Systems	Ecosystem Services
Sarah Hackney <i>Executive Director</i> Gorge Grown Food Network Hood River, Oregon	Dr. Kelly D. Cain <i>Director</i> St. Croix Institute for Sustainable Community Development <i>Professor</i> Environmental Science and Management University of Wisconsin River Falls, Wisconsin	Keith R. Bisson <i>Policy Director</i> Rural Resources and Policy Coastal Enterprises, Inc. Wiscasset, Maine
Richard McCarthy <i>Executive Director</i> marketumbrella.org New Orleans, Louisiana	Cheryl Glaeser <i>Program Officer</i> Southwest Initiative Foundation Hutchinson, Minnesota	Maia Enzer <i>Policy Director</i> Sustainable Northwest Portland, Oregon
Richard Pirog <i>Associate Director</i> Leopold Center for Sustainable Agriculture Iowa State University Ames, Iowa	Amy Glasmeier <i>Head</i> Department of Urban Studies and Planning <i>Professor</i> Geography and Regional Planning Massachusetts Institute of Technology Cambridge, Massachusetts	Lynn Jungwirth <i>Executive Director</i> Watershed Research and Training Center Hayfork, California
	Racheal Stuart <i>Senior Program Director</i> The Neil and Louise Tillotson Fund New Hampshire Charitable Foundation Berlin, New Hampshire	
<p>Brian Dabson of RUPRI also participated in all but the Energy session. Janet Topolsky and John Molinaro from Aspen CSG participated in all three sessions. René Bryce-Laporte of Aspen CSG participated in the Regional Food Systems session.</p>		

Appendix E. Discovery Discussion Participants

WHO WAS IN THE NOVEMBER 6, 2010 DISCOVERY DISCUSSION?

Jason Bailey, *Mountain Association for Community Economic Development*

Alan Berube, *Brookings Institution*

Matthew Chase, *National Association of Development Organizations*

Pam Curry, *Center for Economic Options*

Ray Daffner, *Appalachian Regional Commission*

Andrew Isserman, *University of Illinois*

Deborah Markley, *RUPRI Center for Rural Entrepreneurship*

Richard McCarthy, *marketumbrella.org*

Shanna Ratner, *Yellow Wood Associates*

Sherry Ristau, *Southwest Initiative Foundation*

Mikki Sager, *The Conservation Fund*

Sarah Watling, *Central Appalachian Network*

Duane Yoder, *Garrett County Community Action*

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