

Sustainable Communities Institute

The Sustainable Communities Institute¹ (SCI) will play a central role in knowledge gathering and dissemination, research and evaluation, identification of best practices and expert convening for a new, comprehensive regional development system called the Sustainable Communities Framework (see below) that addresses economic, environmental and social issues on an integrated basis. The Institute is piloting the SCF program in Puerto Rico and will be promulgating its adoption nationally and internationally.

When a fundamentally disruptive new system is proposed that can have dramatic impact on those issues within an entire region, the detached research and advocacy role of a traditional think tank² may be insufficient. For this reason, the Institute will extend the scope of its activities into program implementation and ensuring quality of regional management.

As a result, we describe SCI as a “think-do” tank, wherein the researchers and advocates take an ac-

tive role in influencing the implementation of experimental programs and provide a virtuous feedback loop on strategy, execution, evaluation, modification and reporting.

Sustainable Communities Framework

For more than a decade, National Commonwealth Group³ (NCG) has been researching and writing⁴ about local economic development issues, primarily focused on small and medium sized enterprises (SMEs), and the key role they play in the economic vitality of communities everywhere. SCI represents the next step in that activity. From those earlier efforts a comprehensive regional economic development strategy has emerged we named the Sustainable Communities Framework⁵ (SCF).

The SCF employs both rare and established financial innovations to underpin a new economic paradigm, able to be implemented by communities nearly anywhere, without support from government or other orthodox sources.

The Sustainable Communities Framework tracks closely to the [Green New Deal](#)⁶ (GND), the key difference being that the proposed GND would be authorized, administered and funded by the federal government. By contrast, the SCF is a regionally managed, grassroots effort self-funded by money issued by the people themselves, known as [complementary currency](#).⁷ Such currencies are monetary networks that use a medium of exchange in complement to the national currency, generally at the local or regional level (exception – globally traded [cryptocurrencies](#) like Bitcoin).⁸

[Historically successful uses of local complementary currencies](#)⁹ validate the SCF approach to fortifying regional economies.

Because the SCF is locally driven, any population can implement the SCF without government approval or funding (provided complementary currencies are permissible in that region), and thereby begin improving its economic, social and environmental quality of life.

The SCF is intended to stimulate a rising tide that lifts all boats, positively impacting all segments of society and helping to ensure healthy, resilient and prosperous communities. Given its broad and inclusive benefits, we elected to pilot the SCF in Puerto Rico where need of such assistance affects the three million Americans who call the island home. Successful SCF implementation in Puerto Rico would serve as model for similar efforts around the world.

This [webpage](#)¹⁰ gives an overview of the program for Puerto Rico and the document, [Rebuilding Puerto Rico](#)¹¹ provides a more in-depth exploration of the SCF and how it can be applied on the island.

Because of the breadth and complexity of the program, it should be approached as a grand experiment, initiated based on certain key assumptions;¹² tracked, recorded and analyzed; refined based on that analysis; reprised until each outcome closely fits the need; and finally, captured and packaged for dissemination to others who wish to learn from and replicate SCF results in other regions that could benefit from what was learned.

Two distinct but overlapping efforts and teams/organizations will be required to meet these objectives. One team will be responsible for the “boots on the ground” implementation of the various elements of the SCF program within a region, and another will be responsible for the meta issues related to strategizing, planning, tracking, recording, analyzing, refining and reporting on each of the elements and disseminating those results around the world.

Role of the Institute

The Institute will serve as the global center for administering the components of the SCF system.

As both a think and do organization, its staff will include a mix of professionals representing the spectrum of talent from visionaries, futurists and scholars to producers, implementers and trainers. As a team they must be knowledgeable and experienced in developing cut-

ting-edge systems theories, be able to lead comprehensive studies on whole systems and develop methodologies based on best practices, hold considerable expertise in establishing, launching and running for-profit and non-profit organizations, and have the ability to train others.

The Institute will conduct a variety of studies across the global SCF program and specific program components. These will range from a limited use of conventional gross domestic product (GDP)¹³ type studies to the more inclusive Genuine Progress Indicator (GPI)¹⁴ type studies that are more in line with the concept of sustainability and overall wellbeing.

Why GPI?

GPI recognizes the universal desire for holistic wellbeing - a clean, unpolluted environment and thriving natural world; adequate food and shelter; sufficient financial resources; appropriate and adequate health care; the freedom to learn, to grow and to live a meaningful life.

These goals reflect the intended outcomes for the SCF Program.

Mindful of Yogi Berra's admonition that "You've got to be very careful if you don't know where you are going, because you might not get there," it's critical that we clearly define what we want and how to chart our progress. GPI helps us do both.

What Does GPI Measure?

GDP type studies place value purely on financial transactions without regard to whether they are beneficial to society. Economic activity related to extractive industries, armaments and natural disasters, for example, is counted as a gain.

GPI, on the other hand, is designed to measure sustainable economic welfare rather than economic activity alone. It provides citizens and policymakers with more accurate information than GDP by counting as a loss economic activity that diminishes natural and social capital.

For a more in-depth understanding of GPI, see the reading list on page 4.

A Hub for Learning & Sharing

In addition to gathering, analyzing and refining information, the Institute will also be a disseminator. It will host researchers, policymakers, business leaders, economic development organizations, NGOs, philanthropists, government officials and others from around the world who wish to observe and learn how to adapt the SCF to their local conditions.

In time, NCG intends to secure a compound with space for staff and conference facilities with onsite accommodations. Our goal is for the Institute be a model of sustainability and use our food, energy, recycling and other systems to inspire visitors and demonstrate the viability of sustainable living.

To ensure that the research and other activities conducted at the Institute meet the high standard of rigor and discipline found in traditional think tanks and academic research centers, we have designed it to be a collaborative organization that leverages the knowledge, experience and skills of complementary partner contributors, both individuals and organizations.

Any group or individual that feels they have something to contribute is welcome to reach out and explore engagement with the Institute.

Promoting SCF Worldwide

SCF is a cutting-edge economic development paradigm that has applicability throughout most of the world, in both developed and developing economies. As the center of gravity for this program, the Institute will promote its adoption by providing expertise on the program and guidance on how to launch and grow it region by region.

In recognition that each of those efforts will require its own seed funding as well as funding to invest in and acquire small and medium sized enterprises (SMEs), the Institute will be forming one or more fund-of-funds investment pools. These funds will finance creation of local community investment funds (CIFs) that provide the financial resources to kick-start local programs.

In addition, each CIF is intended to be a publicly traded Small Business Holding Company (SBHC). Each of those SBHC/CIF funds could benefit from having a common trading platform wherein investors can buy and sell their ownership interests.

Most SBHCs will issue securitized tokens as the means to represent ownership interests, as described in [this fund](#)¹⁵ being established in Puerto Rico.

Since those tokens are based on blockchain technology, they can be traded on a platform resembling a cryptocurrency exchange. The Institute plans to form such a trading platform, to be called UNIEX, short for UNIversal EXchange. ■

Genuine Progress Indicator (GPI) Reading List

1. Genuine progress indicator https://wikimili.com/en/Genuine_progress_indicator
2. *Genuine Progress Indicator GPI v GDP* <https://www.economicshelp.org/blog/2666/economics/genuine-progress-indicator-gpi-v-gdp/>
3. *5 Reasons Why a GPI Should Replace the GDP* <https://sustainabilityadvantage.com/2011/03/08/5-reasons-why-a-gpi-should-replace-the-gdp/>
4. *Abolish GDP in favor of a genuine progress indicator* <https://www.theguardian.com/sustainable-business/2014/jun/06/abolish-gdp-genuine-progress-indicator-gpi>
5. *Beyond GDP: US states have adopted genuine progress indicators* <https://www.theguardian.com/sustainable-business/2014/sep/23/genuine-progress-indicator-gdp-gpi-vermont-maryland>
6. *Forget the GDP. Some States Have Found a Better Way to Measure Our Progress* <https://newrepublic.com/article/116461/gpi-better-gdp-measuring-united-states-progress>
7. *Genuine Economic Progress in the United States: A Fifty State Study and Comparative Assessment* <https://www.sciencedirect.com/science/article/abs/pii/S0921800917306705>
8. *It's time to retire metrics like GDP. They don't measure everything that matters* by Joseph Stiglitz: <https://www.theguardian.com/commentisfree/2019/nov/24/metrics-gdp-economic-performance-social-progress>
9. *The Genuine Progress Indicator* (dated but contains some good information) <http://www.sustainwellbeing.net/gpi.html>

Endnotes

1. <https://scf.green/institute/>
2. https://en.wikipedia.org/wiki/Think_tank
3. <https://nationalcommonwealthgroup.net/>
4. <https://nationalcommonwealthgroup.net/what/research/>
5. <https://scf.green/what/>
6. https://en.wikipedia.org/wiki/Green_New_Deal
7. https://en.wikipedia.org/wiki/Complementary_currency
8. <https://en.wikipedia.org/wiki/Cryptocurrency>
9. <https://scf.green/doc/ComplementaryCurrenciesInUse.pdf>
10. <https://scf.green/what/puerto-rico/>
11. <https://scf.green/doc/RebuildingPuertoRico.pdf>
12. Assumptions based on the collective knowledge, experiences, and strategizing of the SCF development team
13. https://en.wikipedia.org/wiki/Gross_domestic_product
14. https://en.wikipedia.org/wiki/Genuine_progress_indicator
15. scf.green/doc/PR_EconomicDevelopmentCompanies.pdf

Contact

Michael Sauvante

Chief Architect, SCF

805 757 1085

msauvante@commonwealthgroup.net

Dr. Fadhel Kaboub

President, Global Institute for Sustainable Prosperity

740 804 1012

kabouf@global-isp.org

scf.green

| <http://www.global-isp.org>