



CAPITAL INSTITUTE

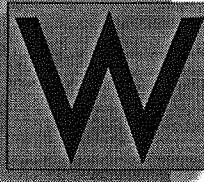
FIELD GUIDE TO INVESTING IN A RESILIENT ECONOMY

...a Capital Lab Initiative

FIELD STUDY No. 2:

THE EVERGREEN COOPERATIVES

The great challenge before us is to unlock the human creative potential for hundreds of place-based Evergreens to flourish, thereby restoring much needed resiliency to our economic web.



Evergreen Cooperatives Field Study

We are constantly told that we live in a competitive global economy, and it's true. But it's not the whole truth. We actually live in a complex global-regional-local economic web with often opposing pressures and objectives. The interplays inside this web are far more nuanced than conventional economic wisdom suggests.

The exercise of free trade suits the interests of politically influential global corporations and their shareholders whose capital moves across borders without restraint to exploit local competitive advantages, most notably labor costs and more lenient environmental regulations. In the name of global efficiency they have often contributed to heightened social injustice abroad, further degraded the global ecosystem, and sacrificed domestic economic resiliency.

The conceivers of the Evergreen Cooperatives see the challenge of economic development and sustainable prosperity differently, through the lens that renowned urban activist and unconventional economist Jane Jacobs articulated so well, identifying cities rather than nations as the core organizing instruments of economies, and drawing parallels between healthy, place-based economies and healthy ecosystems. Central to Jacob's framing is the resilient demand creation of local anchor institutions—the hospitals, universities, and government agencies that all have a strategic long-term interest in the health of their local communities. The properly harnessed energy of these anchor institutions is a vital source of resiliency in place-based economies. And resilient place-based economies provide the strong foundation that is the necessary pre-condition for successfully engaging in the competitive global economy.

Our economic system's drive for efficiency has achieved much, but has also resulted in a host of unintended consequences—chronic underemployment, financial distress, declining health, and erosion of community. We must begin to invest instead in resiliency, and would do well to study, in depth, the holistic elegance of the Evergreen Cooperative's approach to it.

Investing in a resilient economy means investing “upstream.” Capital does not naturally flow upstream, but like the nutrient restoring activities of the salmon teach us, investing upstream is essential to restore and retain system health. After 200 years of pressing for greater and greater efficiency, it is time we initiate a strategic shift on a massive scale.

—John Fullerton,
Founder and President, Capital Institute



