

Eight Forms of Community Wealth

Individual capital is the stock of skills and physical and mental health of people in a region. Investments in human capital include spending on skill development (e.g literacy, numeracy, computer literacy, technical skills, etc.) and health maintenance and improvement. Outcomes from investments in individual capital include psychic and physical energy for productive engagement and the capacity to use and apply existing knowledge to increase productivity.

Social capital is the stock of trust, relationships, and networks that support civil society. There are two forms of social capital: bridging and bonding. Investments and bridging social capital are those that lead to new conversations, shared experiences, and connections between otherwise unconnected individuals and groups.

Intellectual capital is the stock of knowledge, innovation, and creativity or imagination. Imagination allows us to create new knowledge and discover new ways of relating, including investment in research and development and support for activities that engage the imagination, as well as diffusion of new knowledge and applications. Outcomes include inventions and patents, new discoveries, new knowledge, and new ways of seeing. Often workshops or events to spur or celebrate innovation contribute to intellectual capital.

Natural capital is the stock of unimpaired environmental assets (e.g. air, water, land, plants and wildlife) in a region. Natural capital is defined as having three major components: 1) non-renewable resources such as oil and minerals, 2) renewable resources such as fish, wood, and drinking water that are produced and maintained by the processes and functions of ecosystems, 3) environmental services (ecosystem services) such as maintenance of the quality of the atmosphere, operation of the hydrological cycle, including flood control and drinking water supply, waste assimilation, recycling of nutrients, generation of soils, protection of soil quality, crop pollination, and maintenance of a genetic library. Investments in natural capital include restoration and maintenance.

Built capital is the stock of fully functioning constructed infrastructure. Built capital includes buildings sewer treatment plants, manufacturing and processing, energy, transportation and communications infrastructure, and technology.

Political capital is the stock of power and goodwill held by individuals, groups, and/or organizations that can be held, spent, or shared to achieve desired ends. Political capital is evidenced by the ability of an individual or group to influence the distribution of resources.

Financial capital is the stock of unencumbered monetary assets invested in other forms of capital or financial instruments. Financial capital, if well-managed, generates monetary returns that can be used for further investment or consumption. Public financial capital can be accumulated in a variety of ways including building budget surpluses, borrowing through bonding, and charging fees for public services over and above the real cost of services. In addition, private philanthropic capital is often tapped for investment in other forms of capital that yields public goods. We strive to invest financial capital to increase and improve the quality of other six forms of capital.

Cultural capital is the stock of activities and community perceptions that relate to the uniqueness of a community and a sense of place among its residents. For example, communities that invest in historic preservation are said to have more cultural capital because they are known to attract other forms of capital. Communities that have a strong shared identity represented by community events, storefronts, and tourist options relating to that identity are said to have strong cultural capital.