community investments. Disbursement for regional and community projects needs to be decentralized to best assess community needs and to ensure accountability. Local allocation boards should include representatives from labor, civic organizations, educational institutions, and local government.

Community Interest Companies

How can we be sure that these funds serve the intended purposes and not morph into another get-rich-quick scheme of the casino economy? One answer is by creating and funding “community interest companies” (CIC) modeled after the more than 2000 CICs already operating in Great Britain under The Community Interest Act of 2004.

The CICs are designed for social enterprises that want to use their profits and assets for the public good. The official CIC website says “CICs can accommodate co-operative, not-for-profit, voluntary or commercial models as long as all its activities contribute to providing benefit to the community.... Funding to set up CICs can come from local, regional, central government sources as well as from charities.”

Wikipedia points out that: Social enterprises tackle a wide range of social and environmental issues and operate in all parts of the economy. By using business solutions to achieve public good, it is believed that social enterprises have a distinct and valuable role to play in helping create a strong, sustainable and socially inclusive economy.”

We know all too well that publicly-traded corporations must run their businesses to benefit their shareholders and we’ve seen the havoc created by investing in the virtual economy. Community interest companies must run their businesses to benefit the community and to create more jobs with livable wages, not to make CEOs and investors rich. They can be set up to operate nationally, internationally and locally.

In Scotland, the Climate Challenge Fund provides grants to fund local CICs working on climate change projects at the local level. So far £1,165,761 ($1.7million) has been allocated to 18 community projects across Scotland. This is an example of how the NRDB could operate.

Yansa is an international CIC, which is “planning to manufacture wind turbines and other renewable energy equipment in order to promote community-owned, renewable-energy systems, as well as technological development and education in renewable energies...Our aim is to contribute to a just and participatory transition away from the current global energy system based on centralisation and fossil/nuclear fuels, and into decentralised, clean and renewable sources of energy.”

In Coventry, England, a CIC provides free doula (birth coaching) services to “disadvantaged mums-to-be.”

What’s going on in the US?

In April 2008, Vermont enacted a law to set up low-profit, limited liability corporations, L3Cs, somewhat similar to the CICs. The purpose is to allow foundations to loan seed money at low or no interest for enterprises that will fund job training and job creation in areas of their charitable interest. Thus as they get paid back, they will have more money to loan. With grants, foundations are totally dependent on the earnings from their investments. This is also intended as a way to attract private capital to social ventures. By September, eleven L3Cs had been created. Similar proposals are pending in Georgia, Michigan, Montana, Oregon, Minnesota and North Carolina. This is one step in the right direction.

President-elect Obama talks about change. This is the kind of change we need and it’s time to let him know!

Community Interest Companies must run their businesses to benefit the community and to create more jobs with livable wages,

Not The National Infrastructure Bank

Do not confuse the NRBD with the National Infrastructure Bank proposed by Felix Rohatyn, Under-Secretary for Commerce in the Clinton Administration. Rohatyn chaired the Commission on Public Infrastructure whose recommendations were incorporated into the National Infrastructure Bank Act of 2007, introduced by Senators Chris Dodd and Chuck Hagel both of whom served as members of the Commission. House Financial Services Committee Chair, Barney Frank, introduced a companion bill. Here are a few of the key points, quoting Rohatyn:

* The Bank would be “similar to the World Bank, a private investment bank, or any other entity that evaluates project proposals and assembles a portfolio of investments to pay for them.” **Our response**: *The World Bank is hardly a model we would espouse.*

* “We propose this bank because we believe that markets for capital do work and can be harnessed to solve the critical shortfall in funding infrastructure. **Our response:** *Yes, we see how well markets work in the current financial meltdown with taxpayers bailouts.*

* A “National Infrastructure Bank could redirect private efforts away from refinancing old facilities—as in the case of Chicago’s Skyway—to building new ones” **Our response:** *We don’t want privatized infrastructure either by current means or via this bank.*

* “...most of the funds the federal government now spends on existing programs (along with many of those program’s experts and facilities) would be transferred to the bank, which could not only finance the projects, but also resell the loans it makes to investors in capital markets, much as other assets are rebundled for investors.” **Our response:** *Sure and sell us a pig in a poke—rebundling mortgages is just what led to the present financial crisis.*