INTERVIEW SUMMARY

James Johnson-Piett

CEO, Urbane Development

James Johnson-Piett is the founding Principal and CEO of Urbane Development. He is an evangelist for a new kind of community development that emphasizes community anchor businesses and institutions as agents of change - solving local problems and building bridges towards the equitable distribution of wealth and power.

As an expert in building vibrant, sustainable, and thriving communities—James calls us to see the power in local connections to create more equitable wealth and lifespans for all. He asked us to consider:

Death by 1000 Cuts

When we think about longevity, we often look at specific health factors like weight, chronic diseases, smoking, etc. What's harder to see if the cumulative effect of thousands of compounding factors. This feels especially true during the pandemic and social upheaval we are seeing. People aren't eating as well, they are feeling more stress, they aren't sleeping, they might be coping with drugs or alcohol, and they aren't exercising as much. And for many, this is not new or specific to the pandemic. When we think about longevity we have to consider this fuller picture—it's not just about people dying sooner, it's about them not thriving or meeting their potential at every milestone throughout their lives.

Shifting from Deficit to Asset-Thinking

It is counter-productive when people talk about poverty solely as a problem that requires the patronage and charity of others instead of seeing the opportunity to invest in communities that have been overlooked and undervalued. These communities have natural assets - human capital, infrastructure, mindsets (scarcity is a real driver for innovation)—why don't we invest in and amplify these solution points instead of focusing only on problems that need to be "fixed.

Right-sizing Our Investment in Communities Requires New Financial Infrastructure

It's no surprise that longevity disparities exist when viewed through the lens of investment. We have groups of people who are not being invested in on the front end, who go through an unnatural sort of struggle during their course of their life, which ends their life earlier. We're missing out on our societal return as a result of this underinvestment because these groups can't participate in the same ways. Why can't we invest in communities with the same level of rigor and risk tolerance that we do for things like developing an app? 3 out of 4 venture capital investments fail to produce return commensurate with the risk involved in the investment, with most ventures going out of business—why do we have a different appetite for risk in community investment? Why is it so hard for people to invest in local businesses? Legally, people can't invest in a business unless they have a certain net worth. What if we changed that? How can we put more investment decision-making power into the hands of people who live in these communities and frequent these businesses? It starts with policies that democratize access to investment, and with investors who see potential in under-invested communities in the same way they might see potential in a new startup.

We Need New Ways to Assess Investment Risk

Another piece of the investment equation is the way we assess risk. Lower credit scores make everyday financial tools even more expensive for those with the least. What if credit rating agencies considered things like religious tithing, lines of credit at bodegas, and on-time child support payments? What if we engaged communities to create more nuanced data that helps the public sector make stronger policy decisions while allowing the private and investment sectors see their true potential? More accurate credit scoring would increase access to affordable financial tools, even job prospects, for many of those who need it most. Changing the way we assess and mitigate risk is the first step in correcting for years of chronic underinvestment in certain communities.