BUILDING A NEW VERMONT ECONOMY

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Getting Outta the Box: The New Economy

Brought to you by the steering committee of Vermonters for a New Economy. Tom Barstow, Richard Czaplicki, Gary Flenstrom, Paula Francis, Guerdan Hallsmith, Debbie Ingram, Dan Jones and Amy Kirchner.

A fish has no concept of water because it is simply the medium in which it lives.
—Marshall McLuhan

What is the economy? It mystifies and scares us while having an impact on every part of our lives. We all want it to work for us, but most days—at least for the majority—it doesn’t. Jobs are lost, homes foreclosed, and eviction notices, pink slips, bankruptcy, food stamps and huge student debts are the tickets to the “economy” for more and more people.

In addition to these personal symptoms that the economy has gone badly awry, there are plenty of signs at other levels. Just a few weeks ago, Attorney General Eric Holder told the Senate Judiciary Committee that the big banks are just too big to prosecute, making them both too big to fail and too big to jail. In the news, we see lines of desperate people in Cyprus trying to get access to their captured savings. Our climate is changing for the worse because of demands for unchecked growth in GDP. Our public land, airwaves and natural resources are privatized because of a misguided belief that somehow private companies can provide us with public services more efficiently.

So if you took a look at this supplement and felt an irresistible urge to turn the page, you are not alone. But read on: If we are going to work together to improve the economy, we all need to first understand how it works. It’s really not that complicated, and it’s easier to change than you think.

The small group of us who have formed Vermonters for a New Economy believe that here in Vermont we are already doing the work to build it.

Our economy is actually a set of rules, laws and institutional arrangements that have evolved over several centuries to enable us to collectively trade goods and services, engage in economic enterprises that are too large for individuals to undertake alone, manage resources and provide for our collective well-being. Up until the last hundred years, this was done in the context of an assumption that we have unlimited resources at our disposal. The earth was a big place, and humanity took up only a small part of it. These assumptions are no longer valid, and we need to change the way we shape the world to meet our needs, in much the same way as the box shapes the contents.

So if we want land and housing, most people need to obtain financing from a bank. If we ran a business, we measure our profits and losses using standard management and accounting practices, and we have a choice of ownership options dictated by law. For everyday purchases of goods and services, we use money as a means of exchange. If we’re trying to describe the performance of the economy as a whole, we talk about the Gross National Product (GNP)—the metrics of economics.

The Economy:

The Box: The economic rules, structures and systems that shape our access to resources.

The Contents: All the things we need.

The Economy: Rules, customs, assumptions, structures, systems that enable us to live.

The New Economy: What is the new box like? Here in Vermont, we are already doing the work to build it.

We have pioneered new ways of exchange, like time banks and the VBSR Marketplace, that allow people to make exchanges with each other without using scarce dollars. We have created the new economy to become ever more resilient over the long term.

Our new economy values are more resilient over the long term. Other Vermont economic initiatives include:

- Regional food system councils that are developing food hubs to support local food growers and processors and making it easy to integrate local, organic food into school meals, food shelters and elder meals. Read Richard Czaplicki’s two articles about transition towns and the food and energy links.
- The Farm to Plate initiative, mobilizing capital investment and entrepreneurship in food systems.
- The Energy Action Network, identifying critical leverage points to make the state’s energy future more self-reliant and carbon neutral.
- Creative economy support through both state action and community planning.
- Alternative and complementary health care options that empower people to make positive choices about their health in an affordable, local way.

The new economy is not a fantasy. It’s being done across the state and is taking hold in ways no one could have anticipated. In this supplement, we’re showing you the success stories from the front lines as Vermonters play a leading role in shaping a future we all can live in.

Acknowledgments

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This supplement is sponsored by Global Community Initiatives (GCI) and Vermonters for a New Economy. GCI’s mission is to help communities achieve their vision for a healthy environment, a vibrant local economy, good governance and a sense of connection with their neighbors and the world. Vermonters for a New Economy is a collaborative of organizations, businesses and individuals who are all working to create a new economy for Vermont. This means that we share information, knowledge, services, products and ideas with each other to better understand all the ways we can affect all the needed changes in policy and practice. Our mission is to design and enjoy the new ways we are owning and operating goods and services, financing projects and earning income while we pursue regenerative economic activities to strengthen our food systems, build renewable energy, reuse and recycle by-products and foster creativity, culture and healthy lifestyles.

Vermonters for a New Economy is:
- Cooperation Vermont
- Global Community Initiatives
- Green Mountain Valley Exchange
- Gross National Happiness, USA
- Good Institute for Ecological Economics
- Public Banking Institute
- Round Sky Solutions
- Transition Towns
- UVM Student Climate Culture
- VBSR Marketplace
- Vermont Interfaith Action
- Vermont Women’s Magazine

For more information on Vermonters for a New Economy, contact 851-7697 or venueconomy@gmail.com.

Paula Francis about both GNI and Gross National Happiness (GNH), another way to think about how the economy performs. This year, growing interest in public banking has led to a study by the treasurer’s office of the capital gaps the state faces under the current system, and legislation has been introduced in the Senate that calls for a study of the consolidation of state financing institutions. Read the articles by Anthony Pollina, Ellen Brown and Ignatio Villa on state banks.

Vermont is a leader when it comes to new ownership models. We have an Employee Ownership Center that assists businesses who want to transfer ownership to their employe- es and a Worker’s Center that advocates for better social programs for working Vermonters. We have passed legislation that enables people to create public benefit corporations, where the business starts with an assumption that the return to the community and to the environment is at least as important as a monetary return to shareholders. Read Gary Flenstrom’s article about reversing privatization.

UVM students are also demanding that the university invest in ways that foster new economy values. Read “Cool Economics in a Heating World: Capitalizing on Youth Involvement in the New Economy” by Daniel Canela and Alex Prolman to learn more about the growing divestment movement on campuses.

A new box also makes it possible to meet our needs so we are more resilient over the long term. Other Vermont economic innovations include:

- The community land trust movement, which enables new forms of homeownership and land management.
- The energy efficiency utility, where electric utilities, and soon thermal energy providers as well, make money through efficiency rather than overconsumption. Read Dan Jones’s article about energy efficiency and creativity.
- Regional food system councils that are developing food hubs to support local food growers and processors and making it easy to integrate local, organic food into school meals, food shelters and elder meals. Read Richard Czaplicki’s two articles about transition towns and the food and energy links.

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Reversing Privatization for a Real New Economy

by Gary Flomenhoft

Vermonters are leading the way to the new economy we are describing here, but we are doing it in an environment that is full of challenge. National and international trends toward privatization and austerity have set the stage for a very different but still "new" economy in which the private sector would acquire, own and control many of the resources and services that we think of as public today.

If these privatization trends continue, all our roads could be private toll roads, you might even have to pay to walk on the sidewalk. Public parks could be turned over as concessions with entry fees. There would be a fence around Lake Champlain (as there is around Ausable Chasm, New York), and you would have to pay to swim, sail or fish summer or winter. Public libraries would all be private fee-based businesses. The Internet would include access fees going to the owners of cyberspace. Public water and sewer systems may be turned over to business. Where this has been done already, such as in Stockton, California, rates have increased dramatically, which contradicts the idea that privatization will lead to higher efficiencies and lower costs.

Taking it a step further, police and fire departments would be privatized and won’t help you if you don’t pay their fees. This actually happened (twice) recently when houses burned down in Fulton, Tennessee, where they have a privatized fire department. For some privatizing advocates, there would be no public transportation, judicial system or public anything, maybe even no government because anything public, to them, is inefficient.

Taken to its logical extreme, you ultimately would need a permit to breathe, as someone would own the rights to the air. The private air police could stop and frisk you to see if you had a breathing permit. If not, the enforcement questions conjure up crazy ideas: Will they have special suction devices to empty your lungs?

While this may sound farfetched, the general trend can’t be ignored. The U.S. government has already given away 98 percent of the public airwaves, most of the mineral rights, forests, the monetary system and the financial regulatory system. Many elements of the public sphere that could be privatized for profit already have been. Our challenge is how to reverse this process and reclaim our common heritage.

Our public sphere is also known as the commons, after the historical use of common land for public purposes. One way to slow the widespread privatization of the commons would be to require that private companies who use public resources pay royalties or user fees to the government. For example, in some states, oil companies pay severance taxes or royalties to the state. In Alaska, the state even pays citizens a dividend from the permanent oil fund based on oil rent. If the government received similar payments for all of the other public resources that are in private hands, we wouldn’t be locked into a debate about curtailing programs or raising taxes.

To adequately understand how we can recapture the commons for a more equitable new economy, we need to trace how the current trend toward privatization got started in the first place. Many people cite the enclosure acts in England from 1770–1860 as the beginning of the privatization trend. The common lands used by peasants for subsistence farming, hunting and gathering were privatized for sheep farming and wool making, among other profit-making ventures by merchants.

In Vermont, many efforts are underway to reverse the privatization of the commons. Conservation trusts, such as the Vermont Land Trust, conserve open space and forests, among other profit-making ventures by merchants. Revenue is used for weatherization and heating assistance. Preserving and restoring the commons by charging for its use is a key element of the new economy that we can all support. Gradually reclaiming a common heritage and resources is a long-term challenge, which will engage all of us in the future.
The Best Things in Life Aren't Things

by Tim Barefoot and Paula Francis

GDP is in theory a measure of the performance of the economy, but it doesn’t measure things that matter to us, such as our environment, health, and well-being. In the 1970s, the concept of Gross National Happiness (GNH) was introduced by the government of Bhutan to measure the country’s well-being and environmental sustainability. The concept was later adapted to Vermont and other places around the world.

Vermont's Genuine Progress Indicator

Vermont's Genuine Progress Indicator (GPI) is a measure of the economic well-being of the state, taking into account factors such as environmental quality, community vitality, and personal well-being. The GPI was developed by the Gund Institute for Ecological Economics at the University of Vermont.

Gross National Happiness USA (GNHUSA) was formed in 2009 to help create a new way of measuring progress in Vermont and other places. The organization is working to develop indexes that measure progress in ways that are meaningful to people and the planet.

The Best Things in Life Aren't Things

by Eric Zencey

GNHUSA and the Gund Institute are working together to develop a new measure of progress that takes into account factors such as environmental quality, community vitality, and personal well-being. The GPI is a useful tool for understanding the true value of economic activity and for making decisions that are better for the environment and society as a whole.

Vermonters are often thought leaders, building out new ideas into best practices that become models for other states and countries. Our small size and feisty cooperative spirit mean we can make a difference. The GPI is just one example of how Vermonters are leading the way in creating a sustainable future economy.

Gross National Happiness

GNHUSA promotes the concept of Gross National Happiness (GNH) and is working to develop indexes that measure progress in ways that are meaningful to people and the planet. The organization is working with the Gund Institute for Ecological Economics to develop a new measure of progress that takes into account factors such as environmental quality, community vitality, and personal well-being.

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Building the New Economy in Vermont with Local Money

by Amy Kirschner

That’s a great idea! If only I had the money to do it.

That’s a statement you’ve likely heard before and maybe even thought yourself at one time or another. It seems like the main reason people don’t take action is not lack of motivation but lack of resources. In our old economy, resources are acquired through one primary means—cash. And we all know its availability seems to decrease by the day.

Right now, it’s not possible to completely leave the old cash economy. But we have to start building the bridge that will help us transition to the new economy. One way we can do that is by choosing to shift our financial transactions away from cash and into alternative payment and exchange systems. Building the new economy happens one step at a time. What would it look like if we could start projects and businesses, earn a living and support our families with local money?

In Vermont, it’s not a fantasy; we’ve already started to do it. The Vermont Businesses for Social Responsibility Marketplace is a trade network serving Vermont to help build the new economy. You can list your goods and services, earn trade dollars and spend them with other Vermont businesses.

One of the benefits of participating in the new economy is that it can also help you, right now, by having a positive effect on your bottom line. Finding new customers and targeting them to your extra capacity (slow times, unsold inventory, underused assets) and then using the trade dollars earned to decrease your cash expenses by finding new local vendors, we can actually make joining the new economy a source of profit for your business.

Imagine the bigger picture when many businesses are using the marketplace and the positive effect we can have in aggregate on the local economy. We can help finance new businesses and ideas that have a hard time getting started in our current economy.

What if a cobbler wanted to start a business making and repairing shoes with local inputs? They would have a hard time getting a loan at a bank today because their growth-based economy is weighted toward quantity over quality. They could use crowd funding like Kickstarter, but many people don’t have any extra cash to contribute to such an endeavor no matter how much they like the idea. With every job lost, every increase in prices, there is less disposable income to go around to fund good, local ideas.

What if the cobbler could pay rent, get a lawyer and accountant, even buy materials without spending cash? This would be possible in the marketplace. The cobbler would be given an interest-free line of credit to buy these goods and services. They would then promise to repay these purchases by making available their goods and services in trade dollars, instead of repaying with scarce cash. What if you earned extra trade dollars by renting out the meeting room in your business when it wasn’t being used?

You have a source of income you never had before, and now you can afford locally made, high-quality shoes. If you have a project that needs centralization, a local-based economy, we won’t get there funding it with a financial model that fights it by design. We must find creative ways to exchange resources and capitalize projects with what we have: our promises and desire to support each other. In technical terms, the marketplace does this by using mutual credit among local businesses. It’s not a leap to see how mutual credit is a new form of mutual aid.

We would love you to be a part of our growing network. For more details, visit marketplace.vbsr.org or contact me at amy@vbsrmarket.com or 399-4210.

Amy Kirschner is director of the Vermont Businesses for Social Responsibility Marketplace.
By Ellen Brown and Guendolyn Hallsmith

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the state legislature struggles through one budget crisis after another, it is becoming increasingly evident that austerity doesn’t work. We cannot possibly continue to run state government by right-

ing our belts, slashing public services and raising taxes. Compounding the problem, history shows that when the budget is re-
duced, the money circulating in the Vermont economy is reduced along with it, worsening the recession.

Vermont state government already has in its hands the power to solve the state’s budget challenges—today and permanently. But it has been artificially constrained from using that power by misguided economic thinking and the banking special interests that hold sway in the state house. We, the citizens, have bought into the idea that there is not enough money to feed and house our population, rebuild our roads and bridges or fund important programs and that there is no alternative but to slash budgets if we are to survive.

We have a mountain of critical work to do—rebuilding our homes, improving our infrastructure, pursuing our higher education goals and so forth. And we’re told by Vermont banks unem-

ployed and underemployed, the people are there to do it. What we don’t have, we are told, is the money to bring workers and re-

sources together. But do we have it? Or could we. This year, we’re told that the state has a $20-million budget “challenge,” and the only alternatives are to slash social programs that help less fortunate Vermonters or raise taxes. But if you look at any point of the state budget, you’ll find that Vermonters pay over $70 million in debt service to Wall Street on the bonds we use for infrastructure construc-
tion and maintenance. If we were paying ourselves that interest by issuing the bonds through our state financial institutions in-
stead, we could easily balance the budget.

Vermont has been discussing the financial alternatives available to us for several years now, with three different pieces of legislation filed to study some aspect of state finance: state banks, the use of registered warrants, and the consolidation of state financial in-

stitutions. In addition, Beth Pearce, the state treasurer, has convened all of the state-level financial institutions—Vermont Economic Development Authority (VEDA), Vermont Housing Finance Authority (VHFA), Vermont Student Assistance Corporation (VSAC), and the Bond Bank—to look at where the capital gaps are in the state’s portfolio and find creative solutions to help our state money work smarter for the interests of Vermonters. This year, the capital gap study group has been responsible for legislation that would transfer $10 million of treasurer’s funds directly to VHFA for commercial re-

newable energy loans and an initiative that would extend the limit on municipal bonds to 30 years, with equivalent useful life of the infrastructure.

Yet even with these measures, some capital gaps remain elusive. The PACE (Property Assessed Clean Energy) program, a mu-
cipal program for residential energy invest-
ment, has had a difficult time getting off the ground because the complex web of financial arrangements required to make it work (in the absence of general obligation bonds) make all the financial packages just too expensive. One of the benefits of the PACE program was lower cost financing, and it is becoming clear that opposition from the banks is making this perfectly legal form of finance impossible.

A state bank has the authority to make deposits of tax revenues from state and mu-

nicipal governments and a banking license to make loans based on the capital base and deposits would solve all of these problems.

The state bank would not be a “retail” bank; it would not have individual or business ac-

counts. It would be a wholesale bank, acting as the capital base for the smaller state-char-
tered banks, such as Merchants, Randolph National, Northfield Savings, Community National Bank, Mascoma Savings Bank, Passumpic Savings Bank, National Bank of Middlebury, Wells River Savings Bank and others. This would enable them to take deposits from their area municipalities and put our tax dollars back to work in the community. Right now, the only banks big enough to do this on a state scale are the largest Wall Street or foreign banks. TD Bank is based in Toronto, and it takes over 50 percent of the deposits from the state and local governments.

The way the system works at the moment, our tax dollars go to Wall Street, and we are then allowed to borrow back the same form of bonds. We could keep the profits from the bond issuing and borrowing the state govern-
ment needs to do here, in Vermont, by creat-
ing a public bank for public purposes. This would not eliminate the need for the other types of banks, but it would secure a public benefit for the use of public dollars.

A New Bank to Build a New Economy

by Anthony Pullina, Washington County senator

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uilding a new economy has to include new ways to invest capital to invest in new priorities.

The best way to do it! Establish a Vermont state-partner-

nship bank, a publicly owned bank that would help us with our public finance needs and strengthen local economic development.

A state partnership bank would work with local banks; individuals and businesses would not have accounts there or get mortgages or other loans from this bank. The partnership bank would back the local banks so they could increase access to loans and in-

vestment for Vermont priori-
ties: building businesses and infrastructure and investing in renewable energy, agriculture and food systems, weatherization and affordable housing. It would save money on public infrastructure fi-

nance costs to any bank taken by the state, and we do what we can but know we can do more.

Declaring our independence from Wall Street banks, con-
trolling our money and targeting our investments is a com-

mon-sense part, a critical part, of building our new economy.

The Vermont state partnership bank is the best way to do it.
The Food Energy Challenge

by Richard Czaplinksi

One of the many challenges of the new economy will be to clearly understand how our fossil fuel energy consumption and the resulting climate change impact the food we eat. It seems food prices are increasing with the price of oil and gas, and there is a reason for this, as was explained to those attending the March transition town lecture at the Kellogg-Hubbard Library. Eric Garza, an adjunct professor at the University of Vermont, told us why this is so and what we can do about it. He showed a graph of data on food and fuel price indices from the International Monetary Fund from 1992 to the present. From this graph, it became very clear that food price increases followed fuel price increases quite closely.

Food and fuel are closely connected because the production of food has become highly mechanized. It is now more highly packaged and is also transported over much longer distances, all of which take lots of energy to accomplish. Other factors that have increased the ration of energy input to food calorie output are the increase of processed food and the increase in energy intensity. This can be seen by our consumption of foods such as refrigerators, freezers, blenders and the like.

This was clearly illustrated by a graph Garza presented, showing how the energy required to put one calorie of food on our plates has increased over the last century. In 1910, it took about one calorie of energy to put one calorie of food on the plate. Now, it takes about 15 calories. The increasing amount of fossil fuel used in food production has consequences that affect all of us. Food security, that is, a stable and reliable supply of food, is necessary for a stable society. Another illustration presented by Garza was similar to Maslow's hierarchy of needs. The illustration shows a triangle, a stable and strong geometric form, representing food security. The first need at the base of the triangle is food availability. Food must be produced, and this takes energy. As energy, particularly cheap energy, becomes less available, the situation becomes, "How will we produce the amounts of food needed?" Some basic changes in the way food is produced will be needed to produce it using less energy. This is where we must understand how much more valuable the food we produce close to home will become.

Once food is produced, a major problem arises if it is not accessible if the food is needed where it can't be grown, it needs to be transported. Again, another question arises, "Will we be able to transport food with increasingly scarce and, most likely, much more expensive fuel, or can we grow more food closer to where it is needed?" Accessibility to food also depends on food price. As mentioned before, the close connection between fuel price and food price may quickly put food, or at least enough food, out of reach of people with lower incomes. This has large societal implications. In the United States, which has had a cheap food policy to keep food prices down since the mid–20th century, the portion of a typical family's income that was needed to buy food has fallen from over 30 percent to under 10 percent. This is extremely low compared to other nations of the world, as shown in Peter Menzel's book, Material World: A Global Family Portrait, published in the 1990s. In some nations, a typical family spends up to 90 percent of their income on food.

These signs of the coming food energy challenge have motivated some to begin exploring and taking action to see what can be done to move in the direction of increasing our food security in the future. Another article in this supplement (see page 9) describes the local transition town initiatives and what many are already doing to meet this and other challenges of fossil fuel consumption and resulting climate changes.

A Farmer's Plea for a State-Owned Bank in Vermont

by Ignazio Villa

In Vermont, we have all been thinking outside the box. Let's keep doing it and create a new economy. I moved to Vermont three years ago to work on an exciting piece of that new economy: a small dairy farm starting to add value to its milk by making cheese. I added another value-added enterprise to this system, whey-fed pigs. Our pigs use by-products from three value-added, artisanal enterprises: cheese, beer and bread. This, in my view, is part of the new economy—value-added, the creation of wealth from the sunshine we harvest here in our own state, which, mixed with our labor, our ingenuity, and people who appreciate what we do and are willing to buy our products, make for a good model of a new economy.

In giving up a higher paying job to do this, I took a significant risk that I might not be able to support myself. I tell my friends that I retired into poverty, into one of the lower paid professions: growing food. I love what I do, and I know it is the right thing for myself, for my neighbors, for the community, for the state and, at the risk of being presumptuous, for the planet.

Vermont has been a wonderful place to take on this initiative. There is support for what I am doing everywhere I go. I have received help in the business-planning process. I have received help from legal counsel for the creation of the business, and I have had nothing but encouragement from the state agencies and their staffs. If there is a good place to work on the pieces of a new economy, it has to be Vermont.

It is exciting for me to discover that in Vermont we are giving serious consideration to the creation of a state-owned bank, much like the one created and only offered by North Dakota. It appears that I was not alone in my limited understanding of how the money supply is managed globally and how important it could be for Vermont to create a new economy that benefits the people and keeps the wealth that we generate where it belongs—within the state where it came, to the extent that it may, contribute to a higher quality of life.

I am writing this to ask our legislators to move swiftly toward the creation of Vermont's state-owned bank. I see it as a benefit for small farmers in a couple of important ways. First, the bank's capital will enable the small banks in our communities to accept deposits of municipal taxes, which will give them more funds to lend to small businesses. Second, by reducing the money we are paying out of state in the capital markets, we will have more money for important state budget needs like health care reform. As a small entrepreneur, this is one of the most important services the state can provide to support the small business sector.

We will support renewable energy, efficiency and the reuse, recycling and renewal of the productive cycle.
The Onion River Exchange: Your Central Vermont Time Bank

by Heather Kralik and Chloe Budnick

Time banking is not a grand, new idea; it is a common-sense approach of using what we have, sharing our social capital—our time, skills and talents—to provide a vibrant, healthy community for all. All through history, people have traded their time with each other as a way to build their communities and their personal well-being. As we have become more populous and more urbanized, many of us have lost those connections. Time banks, or complementary currencies, provide a trustworthy means for bringing back community, and they are springing up throughout Vermont and even around the world.

At Onion River Exchange (ORE), your central Vermont time bank, all work is considered equal and is exchanged in units of time rather than dollars. Thus, one hour of work—whether pet care, hair cutting, plumbing, Facebook help, rides, companionship, dry walling or teaching French—is equal to any other hour of work. By using time as a means of exchange, we show that we value everyone’s work equally. We each realize that we all have skills that are needed within our community, and that our communities already contain the skills, talents and time necessary for maintaining a good standard of living for all.

ORE member Linda sums this up nicely: “In addition to saving a lot of money, the main outcome for me has been the establishment of friendships within our Montpelier community and some surrounding areas. This aspect is so crucial for a single woman living in Vermont, or anywhere for that matter. I look forward to many more years of time banking in central Vermont.”

Please come visit ORE at its new digs at 46 Barre Street, Montpelier (same building as Monteverdi, Summit and River Rock schools, next door to the Montpelier Senior Activity Center). ORE is open Tuesday, Wednesday and Thursday, 10 a.m. to 4 p.m. For more information visit orexchange.org or call 552-3020.

Chloe Budnick is the time bank coordinator for Onion River Exchange Montpelier.

ORE: A Creative Web of Support

People join ORE for many different reasons. Maureen came to the time bank looking for assistance to maintain her home and to continue living off the grid. Not an easy job to accomplish while living on a fixed income. Well into her 60s, Maureen has had members insulate the exterior of her home and reposition interior beams. In exchange, Maureen has done postering for the time bank as well as given other members rides to appointments and plans to create note cards for ORE embellished with her art. Maureen has also displayed her artwork in the ORE art walk open house.

Roger became interested in the time bank to help his community and perhaps secure some piano lessons and stay within his budget. He connected with Maureen to help her with housing concerns. He then spent some of his time receiving a piano lesson from Michael. Next, he met and tutored many members in how to use different computer applications in their home, which is how Roger met Bob.

Bob joined the time bank to discover and learn from the ORE membership. He has taken French and art lessons. Bob learned how to set up his new computer from Roger. Knowing Bob is a skilled carpenter, ORE asked Bob to build a bench for their new office on 46 Barre Street.

What these members have in common are a desire to use an alternative exchange for skills and services and experience and nurture community and a willingness to step outside business as usual.

Time banking is a different view from traditional banking logic. A time bank account is both flexible and fluid. Some members exchange weekly while others exchange monthly. There are no consequences from running in the red, and it is understood the needs of our members fluctuate. Time banking is a shared economy of time, skills and talents, along with a concern for community well-being.

—Chloe Budnick
Transition Towns: Planting Seeds to Help Grow the New Economy

by Richard Czaaplinski

When I was growing up on a small dairy farm in the 1940s, there was no such thing as a “transition town” and there wasn’t any need for one. In the 1940s, we were nowhere near peak oil. Actions and activities were local; we had the basic skills and means to get along fairly well. There was a strong sense of community, as neighbors helped neighbors to get the work done—be it threshing, cutting, stacking and stacking firewood or enjoying the work and camaraderie of an evening husking bee. But as farms became more industrialized, replacing manual labor and the camaraderie of an evening husking bee with television replaced visiting, we lost that sense of community and resilience.

Now, as we become more aware of the implications of peak oil and climate, there is a growing movement to bring back those lost qualities of community. Transition towns are one of many initiatives to foster actions to do so. I am pleased that in Vermont we have several active transition towns, all of which are working to reestablish our disappearing sense of community empowerment.

The transition town movement started in Totnes, England, and there are now 136 transition towns registered across the United States, with more around the world. Transition towns around the state, including Montpelier, Hardwick, Shellburne, Manchester, Putney and Charlotte.

Quoting from The Transition Handbook by Rob Hopkins, “the transition movement is an attempt to design abundant pathways down from peak oil, to generate new stories about what might be waiting for us at the end of our descent, and to put resilience-building back at the heart of any plans we make for the future.” The movement attempts to rekindle and reestablish and bring back the resilience that communities had in the middle of the last century in creative new ways to relocalize and bring back the resilience that communities have for the future. The movement attempts to reskill and relocalize and bring back the resilience that communities have for the future. The movement attempts to reskill and bring back the resilience that communities have for the future. The movement attempts to reskill and bring back the resilience that communities have for the future.

Within the Montpelier Transition Town, two groups have been quite active in the local community. The Root Cellar/Greenhouse Group and the Energy Decent Action Committee. The Energy Decent Action Committee has prepared what is called an Energy Decent Action Plan (EDAP), a 93-page document developed for central Vermont but applicable to the entire state, with the aim of reducing dependence on fossil fuels and reducing our carbon footprint. It covers the areas of food, energy, shelter, transportation and lifestyle, with emphasis on building resilience into the central Vermont community.

The Root Cellar/Greenhouse Group is mainly concerned with food and lifestyle. It meets periodically and exchanges information about root cellars, gardening and food preservation and on developing skills and methods to foster more self-reliance and community interaction to aid one another. As a member of this group, I contribute stories and teach some of the skills that were important when I was growing up on the farm, such as using a root cellar to store food and keep food cool in the summer without a refrigerator, extending the growing season with an unheated greenhouse, preserving foods by canning and drying and knife sharpening. Others in the group share a variety of techniques and suggestions, such as preserving food by pickling, growing tips for the greenhouse and garden and recipes for cooking produce grown in the garden or stored in the root cellar.

Other community initiatives include community gardening, foresting of neighborhood groups in the city of Montpelier to socialize and learn skills from each other and presentation on relevant topics at the monthly Kellogg Hubbard Transition Town speakers series.

There are many opportunities to learn about and become involved in on-going events and initiatives that will clarify what steps we need to take toward the transition to a new economy. Check out the transition town website attransitionsvermont.org to discover what’s going on and how you can become involved.

Richard Czaaplinski is a consultant on sustainability design and on the steering committee of Transition Town Montpelier.

Headwaters Garden & Learning Center

Danville Hill Road, Cabot, VT

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Call 802-851-7697 or visit headwatersfarm.blogspot.com

Revitalizing the Headwaters: Permaculture Design Intensive

June 1–2, 2013 • with Mark Krawczyk and Nicko Rubin

Permaculture design provides a lens through which to view landscapes, built structures; communities; food, energy, and transport networks; personal relationships; and even ourselves, as parts of interconnected wholes. Learning to see the permaculture way helps us recognize resources, identify synergies, probe deep into problems, and select appropriate solutions.

This weekend design intensive focuses on the development of a holistic design concept for the Headwaters Community and Learning Center in beautiful Cabot, Vermont. An overview of the fundamentals of permaculture and a systematic design process precede a student-designed, in-depth site analysis process through which we’ll collectively ‘discover’ novel design solutions that will help guide our community’s development for years to come. Lectures and site visits exploring soil and water in the permaculture landscape, small scale woodland management and coppice forestry, and edible forest garden design add texture and depth to this active workshop, culminating with the hands-on conversion of part of an existing orchard into a polycultural paradise. Join us for an intensive weekend of learning and discovery and leave feeling familiar with a practical process you can use to guide the design of your own landscape. No prior permaculture experience required.

Price: $150–$200 sliding scale, includes on-site camping and vegan lunch on Saturday and Sunday. Limited work trade available. To register, contact Mark Krawczyk at keylinevermont@gmail.com or 802-999-2768.

We’ve seen the local food movement grow and spread, and the local energy movement too. But the local money idea is just as important; here’s some common sense explanation of why and how!

—Bill McKibben, author of Deep Economy

Get your copy at Bear Pond Books in Montpelier!

77 Main Street
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Efficiency and Creativity: The New Economics of Energy

by Dan Jones

Kathy Blume and Nick Lang are social entrepreneurs of a new stripe. They are helping to invent a new energy system for Vermont by using the most important fuel of our future, creativity. Last year, this dynamic duo created an engaging online game called Vermontivate (vermontivate.com). This game pits towns against one another in a competition to see which town can find the most creative means of saving energy and lowering its carbon footprint. Vermontivate is full of humor, but it has a serious goal of changing our collective behaviors.

The challenge is to find new ways of attacking our biggest economic challenge of the moment, climate change. According to Blume, “Climate change is not only the most pressing and urgent issue humanity has ever faced, but it’s also a colossal bummer. It’s so easy for people to look at the scope of the problem, conclude that nothing they do could possibly make a difference, give up hope and take to their bed with a box of bonbons. Vermontivate is designed to approach the climate crisis with joy, humor, creativity and a sense of infinite possibility. It’s our job to tackle the bummer head-on and help restore the faith our players have that they can make a difference.”

Team Montpelier won the first round of this game last spring, with a town-wide ice-cream party, courtesy of Ben and Jerry’s. Said party was held on the State House lawn last June with almost 700 Montpelitizens coming for ice cream and to learn about weatherizing and efficiency. Everyone had to pass through Central Vermont Community Action Council’s weatherization van to get their ice cream. It is innovations like Vermontivate that will actually create our sustainable future.

While electric cars, solar panels and heat pumps will have some role in powering our future, much of our energy future will be defined by redesigning our lives and our expectations. The big problem we have yet to confront is that this fossil fuel economy is incredibly convenient, and we don’t have any good models of how to get out of it without a whole lot of discomfort and dislocation. It’s time to rise to the challenge of the early systems thinker Buckminster Fuller: The challenge of future design will be to do more with less. How can we do that in a world that has assumed that we always have to spend more and consume more? Again, we pump in more good models of how to get out of it without a whole lot of discomfort and dislocation.

In energy use, the current demand for that creativity is to increase our efficiency. Vermont’s new economy will be defined by energy-related institutions that base their mission on this challenge. Efficiency Vermont (efficiencyvt.com) is a world recognized leader in doing more with less. It has embarked on its state-wide home efficiency challenge. Their efforts are showing us that our investments now in weatherization and distributed electric generation can pay off.

Montpelier and the state of Vermont are engaged in a major investment to use local wood chips to heat the capital complex and the downtown through a single source district heat plant. While this project has had a rocky road because of old economy thinking about cost and disruptions, its power lies in the simple efficiency of a combined local heat source. The next step will be then getting homeowners to consider alternate fuels like local wood pellets to heat their homes. Here, too, we have local businesses like Pelergy responding creatively.

Another group emerging in Vermont’s new economy is the Energy Action Network, a consortium of public and private players in the energy field. They are trying to model the investments in distributed energy production and alternate transportation, along with the behavior changes that will be needed to create a postcarbon future. It’s interesting to note that major old economy players, such as IBM and Green Mountain Power, are part of this effort. All the players see the changes coming and are positioning themselves to respond creatively.

The state of Vermont and our energy future will work for our kids, not against them.
Strolling of the Heifers and the Slow Living Movement

by Martin Langeveld

“Only you have to do something about this,” Dwight Miller told his neighbor, Orly Munzing, back in 2001, as they strolled through Miller’s Dummerston, Vermont, orchard. “Farmers are slowly going out of business. People don’t know where their food comes from. If they knew how hard farming is, they’d support their local farmers.”

Munzing took Miller’s words to heart, and then she had an inspiration. She had recently visited Pamplona, Spain, site of the famous Running of the Bulls. As a way of honoring and supporting local farmers, she envisioned a slower, friendlier, female version of Running of the Bulls—Strolling of the Heifers. Farmers would bring their heifer calves, lead them up the historic Main Street of nearby Brattleboro, and afterward, there would be a festival where people could meet the farmers and learn about local foods.

Munzing went to work with a team of volunteers, and the first Strolling of the Heifers parade and festival took place in 2002. The word localvore had not yet been invented (it wasn’t coined until 2005). But from the beginning, the point of Strolling of the Heifers was to support and sustain family farms by connecting people with healthy local food and with the farmers and producers who bring it to them.

While the parade is still the centerpiece (it takes place on Saturday, June 8, at 10 a.m. in downtown Brattleboro), Strolling of the Heifers has blossomed into a year-round suite of programs that has expanded beyond local food agriculture into what the organization has called Slow Living—by which it means sustainable living, resilient communities and the personal inner transformations that are necessary for both.

Besides Stroll Weekend, Strolling of the Heifers has launched, in partnership with Vermont Technical College, a statewide Farm/Food Business Plan Competition with $60,000 in prize money, currently underway, to support innovation and entrepreneurship in farm and food enterprises, including start-ups, existing businesses and student business plans.

In past years, it has also launched a microloan program for farmers, now expanded throughout New England by the Boston-based Carrot Project, and a summer internship program placing young people on local farms, now absorbed into the Windham Regional Career Center.

And just before Stroll Weekend this year, Strolling of the Heifers presented the third annual Slow Living Summit on June 5 to 7. The summit is a gathering of experts and engaged citizens from many fields and multiple sectors for a thoughtful, result-oriented conference in a unique downtown environment, where participants can think of it also as a new economy, or as slow living.

Summit programs at slowlivingsummit.org. Strolling of the Heifers uses “slow” metaphorically in the same way organizations like Slow Food and Slow Money do—slow as the opposite of fast, slow meaning sustainable. Carlo Petrini, the founder of Slow Food, recently referred to the same way organizations like Slow Food and Slow Money do—slow as the opposite of fast, slow meaning sustainable. Carlo Petrini, the founder of Slow Food, recently referred to Slow Life is one that seeks the right balance between spirituality, sensuality, introspection and community. A Slow Life recognizes our role as members of our bioregions and of our Earth, taking a nourishing, rather than extractive approach.

Those who have attended past slow living summits will notice its evolution: “In 2011, a lot of our session described the problems,” said Orly Munzing. “The feedback was: that’s needed to make it happen. So we’ve included sessions on techniques for achieving those inner changes.” Those sessions include such topics as mindful design, meditative gardening, fostering a sense of place and sustainable time management.

The summit takes place in downtown Brattleboro, a vibrant, quirky, progressive community in the heart of New England. The summit’s nontraditional downtown venues, the sidewalks that serve as the conference’s main concourse and the town’s bistros and galleries all encourage fruitful thought, conversation and collaboration.

For complete information about the summit, including detailed schedule and registration, please visit the summit website at slowlivingsummit.org. For information about Strolling of the Heifers, visit strollingoftheheifers.com.
Cool Economics in a Heating World: Capitalizing on Youth Involvement in the New Economy

by Daniel Cmejla and Alex Prolman

February 7, student activists rallied inside UVM’s Davis Center. A banner, eagerly watched by several hundred pairs of eyes, slowly unfurled over a banister. Its contents: a duct-tape bar graph demonstrating the correlation between portfolio tracking error and incremental risk for various levels of investment screens. Speaking into a megaphone, a student shouted: “Who’s excited about economics?” The crowd roared back.

There’s a movement building. At nearly 300 colleges throughout the country, students are beginning to ask probing questions about the ways their billions of dollars in endowments are being invested. Students across Vermont are taking action. Groups like Ideas for Policy from the Vermont Law School are mobilizing student support for climate legislation in the State House. Students from Middlebury, UVM, Green Mountain College and others are hosting teach-ins, speak-outs and public debates and developing the networks needed for more coordinated action.

Students are asking their administrators to remove major fossil fuel holdings from the portfolios of colleges and universities to drive the message home that these destructive energy sources do not have any part in a sustainable society. As the future leaders of the world, they are making it clear that pollution without payment is unacceptable.

While the rhetoric is nice, trying to bring social justice values to the highly diversified $400-billion national college endowment market can be quixotic. If a school divests and moves on, its endowments may not necessarily be any more just or sustainable. Money that was in British Petroleum may now flow to Monsanto, Goldman-Sachs and Walmart.

Over the past five years, state funding for Vermont public colleges has dropped by nearly 20 percent, and tuition has risen 27 percent. Nationally, student loan debt surpassed credit card debt in 2010 and has been outpacing savings. Meanwhile, when local philanthropists make donations to colleges, hoping to improve the quality of their children’s education, it doesn’t go to lower tuition. It goes to bankroll obscenely paid executives or to build factories overseas, with only 5 percent (at best) going back into the education of students.

The alternative is for colleges and universities to invest more of their endowments locally. State funding goes to the college, as well as donations from private philanthropists, and it stays in the state through local investments. It’s wrong to assume that in-state businesses cannot match the returns of mature corporations. And it’s just as wrong to measure local investments solely by their immediate returns—an improved local economy means more income for Vermonters and a broader tax base with which to fund Vermont’s education.

Redirecting Vermont’s economy will require multigenerational cooperation that combines the energy of students with the wisdom of experts. Endowments can be used to champion truly responsible investment philosophies that increase resiliency to the risk associated with unburnable carbon, while at the same time encouraging investment solutions that yield positive change and positive returns. This movement is being met with resistance for fear of lower returns. But it’s insufficient to consider investments only by their quarterly returns; the new economy is fundamentally different. It emphasizes development over growth—a type of system change that is sorely needed.

Engaging in this discourse and redirecting the flow of investment in Vermont can pave the way for broader efforts to redesign finance and the way our economy works. Engaged students are seeking to take Vermont colleges beyond divestment and into the realm of the new economy. This campus network activation will continue with the Vermont New Economy Series at UVM.

From food co-ops to local venture capitalists, from renewable energy projects to the equitable financial structures that help fund them, from state climate legislation to local climate adaptation, we are pushing for the generative steps we need to take. At UVM, on April 27, the best and brightest of Vermont will gather to take a collective stab at transformative change. For our future’s sake, join them so that we can pursue this together.

Dan Cmejla (UVM ’15) is a cofounder of Student Climate Culture, the divestment group at UVM; one of the lead Vermont organizers for the New Economics Institutes Campus outreach campaign; and a VPIRG employee/intern working on divestment in the state pension.

Alex Prolman (UVM ’13) is a member of Student Climate Culture.