

Transition Town Peterborough

“From oil dependency to local resilience”



Economic Localization Strategy

Introduction

- The transition town movement focuses on Resiliency, building towards a more sustainable lifestyle for the entire community. Achieving a higher level of Resiliency provides a bridge to a sustainable future.

- Resiliency within the context of transition town communities refers to their ability not to collapse at the first sign of oil or food shortages, and to their ability to respond with adaptability to disturbance.

- The economic localization initiative is designed to re- build the local economic infrastructure required for both resiliency and sustainability. The new economic infrastructure is not intended to disconnect the community from the global economy, but rather to incentivize the building of resiliency and sustainability in essential products and services. In the process, it will create more local and sustainable jobs, and keep much more of the human and monetary capital generated here working for the benefit of the local community.

- Essential products and services include wellness, food, water, air quality, energy, storm and sewage infrastructure, waste removal, building supplies and basic clothing.

- The economic localization initiative needs the continuous support of local government to be effective. Additionally, local governments will likely need to provide seed capital for some initiatives, and will need to be part of the public narrative to promote volunteerism as a means to accomplish resiliency and sustainability goals within the existing tax base. However, the transition town model does not rely on local government funds to sustain its initiatives. Rather, transition town initiatives are independent, but partnered with government and the market economy and institutional wealth, leveraging volunteerism for the common good of the community.

- TTP is an advocate for the City and County governments to begin to reposition and reform their budgets away from the auto-centric 20th century economic growth model to support resiliency and sustainability of essential products and services. The intent is to mitigate the most damaging effects of climate change and rising prices and

shortages of energy. The starting point for resiliency and sustainability reform is a community wide commitment to significant Energy Descent and Emissions Reduction.

- Poverty is an issue of growing concern to the city and county. Building resiliency by reducing our dependence on oil and localizing more of our economy in essential products and services is a strategic response to poverty. Re-skilling for local sustainable jobs for the poor, the working poor and many of the rest of us is a large and challenging initiative within the transition town movement.

The Challenge

- Climate Change and oil, natural gas, and coal depletion together create the urgent case for society to move away from fossil fuels as soon as possible.

- According to T. Boone Pickens global production of oil is at or near its peak at 85,000,000 barrels a day. Production of all liquid hydrocarbons is reducing at 3% a year bringing the 2020 total very close to what it was in 1990.

- George Monbiot, in his book *Heat* demonstrated that the necessary cuts of carbon emissions of 90% by 2030 are possible utilizing existing technologies and localization strategies to change the way we use energy and the way we live. Climatologists are now coming together in supporting an 80% reduction of carbon emissions by the year 2020 to avoid Climate Chaos.

- Canadians on average emit approx 19 tonnes of carbon a year. This is very close to the US figure, double Europe, and still increasing. We are a catastrophe waiting to happen right here in Peterborough.

- The global engine of economic growth, created in the last 35 years, is fired almost entirely by liquid fossil fuels. The rate of production decline of these fuels at 3% a year will cause a similar decline trajectory in global economic activity. The only way to reverse this global decline is to substitute renewables for liquid fossil fuels to match the same pace of oil depletion driven economic decline.

- Capital markets rely solely on economic growth to generate new collateral to pay off debt. Without economic growth capital markets collapse and borrowing and lending dry up.

- The race is on to bring pools of capital, predominately petro dollars, together to invest in the only investable game in town, namely, renewable energy sources and the grid to deliver it to already anxious economies everywhere.

- The Sept/Oct 2008 US sub prime loan and credit crisis has started a global firestorm in credit markets. The US bailout utilizing equity positions, loans and guarantees has totaled a trillion dollars of tax payer dollars and still not fixed the financial crisis on Main St. Neither has it bought America a smooth transition out of Iraq and into renewable energy required to stimulate their own and the global economy. The US national debt is so high now and the currency so devalued that the world will have to pay in the form of inflation. With at least 75% of Canada's exports going to the US we are lock step tied to the US.

- The challenge for Peterborough City and County is to understand the economic crisis we are now in and to take the necessary policy and budgetary action. That's the easy part. The hard part is to look ahead and realize that now the luxury of planning for the peak oil and climate change crisis during good times is over. As Richard Heinberg

says in his book *The Party's Over*, the oil driven economic boom is over and we are facing economic decline and now inflation at the same time, with a need to build a new, stronger localized and balanced economy. The good news is that it can be done, but the government needs to start to reserve funds for Energy Descent. From this point on it must be realized that the environment is indeed the economy and they can not be separated.

Goal

- The goal of economic localization is to build a stronger more resilient, more self-reliant Peterborough area better positioned to cope with and survive the most adverse effects of peak oil, climate change and growing social inequity.

- Economic localization is neither easy to implement or a quick fix for everything. The policy elements and infrastructure need to be put in place in the next 2 to 3 years for implementation through 2020.

- Very significant Energy Descent and Emission Reductions are necessary on any path to greater resilience and sustainability. The operative guideline to achieve the balanced energy reduction/switch to renewable energy sources is the achievement of the emissions reduction goal of 80% by 2020 using 2008 as the benchmark.

Economic Infrastructure

The economic infrastructure proposed is the foundation of a new essential and balanced economy. Its focus is resilience through energy descent leading to sustainability. The Transition Town Peterborough economic infrastructure initiatives are outlined below:

A) Energy Descent Action Plan: This is a roll up of ideas backed by successes from TTP initiatives, other groups and institutions and the community at large and the city and county governments. Timing for completion would be no later than July 2011. A management committee led by a member of the TTP SC would be responsible. The committee could include staff from the city and county members of other groups and politicians. Adoption of this direction and plan by the city and county is necessary for success.

B) Energy Descent Charitable Trust: A charitable trust would be set up to invest in and incentivize Energy Descent with local farmers, institutions, businesses and individual citizens and volunteer groups already in operation. The City and County would likely need to provide the seed capital. This is a critical step in the process not only to take the pressure off the city and county tax base, but as is already known in the movement, the general public needs incentives to act ahead of crisis. This has to be laser focused on Energy Descent and therefore does not diminish the need for other foundations and trusts with broader goals including the environment. A management committee run by volunteers is anticipated for this initiative.

C) Monetary Exchange: A local monetary exchange is required to incentivize citizens, businesses and farmers to build local interdependencies. There are many successes and many failures of such exchanges. Some of the early learnings within the transition movement is that the consumer discount needs to be at least 10%, a very wide variety of local businesses have to be committed from the outset and the city and county

must accept the currency as a minimum for the essential services they provide such as water and sewage. Ideally all churches and some other institutions need to accept donations at par in the local currency.

The Energy Descent Charitable Trust would accept the local currency as donations and also provide a portion of its incentives in the local currency. The currency within TTP has been labeled Peterborough Bucks. Fred Irwin TTP Chair is the leader of this initiative and will proceed with setting up a management committee upon receiving some kind of support from the City and County.

D) Community Gardens Land Trusts: In support of the fight against poverty now and the transition to a much more localized sustainable economy in food the City and County needs to identify conveniently located land through out the city and county, put it in two land trusts, fund the necessary access and serviceability expense and guarantee its use for local food production. Despite all of the groups who promote local food, as a community over 90% of our food caloric consumption comes from an average distance of 2400 kilometers. Community Garden Land Trusts are part of the transition towns movement and provide huge economic incentives, contribute to wellness and even more satisfying life styles. They are also a way to equalize some of the social inequity built in to the 20th century economic growth model. Small scale food storage and canning capability needs to follow TTP in combination with the Peterborough Action Committee on Poverty Reduction should set up the management committee to make the appropriate recommendations to the City and County.

E) Permaculture Design Practices: By definition any sustainable future as a minimum requires the utilization of permaculture design practices in community gardens, area farming and building construction. This is a long process, and indeed training in and knowledge of holistic design systems is a steering committee requirement to be a part of the international transition towns movement. Trent Rhode TTP SC is the leader of the permaculture initiative. This group now with over 50 volunteers is indeed part of the economic infrastructure starting immediately with a demonstration project at Ashburnham Gardens. Some funding is required to scale this initiative and to train. It will hopefully be funded from the Energy Descent Charitable Trust and work with groups such as Kawartha Choice, the Farmers Markets and Peterborough Green-Up, with new committed volunteers putting their boots on the ground. A Strategic Permaculture plan would need to be completed by the end of 2010 for integration into the Energy Descent Action Plan. A Permaculture Town Hall is scheduled for Jan. 14/09.

F) Alternate Energy: Alternate energy is a big part of Energy Descent. We include solar, wind and geothermal and tankless hot water for convenience. Tom Crewe TTP SC is the overall initiative leader. We expect multiple citizen driven initiatives to support this effort and eventually the Energy Descent Charitable Trust to pile on more incentives to speed implementation and conversion. An Alternate Energy Town Hall is planned for Feb. 10/09 to begin to shape this initiative.

G) Reskilling: The education of all of us on how to survive and prosper in a future social order with less energy will become a huge driver of the local economy and sustainable jobs. It would be impossible to reskill everyone without professional commitment starting in public schools through high schools, community colleges, university and adult education. A management committee led by a member of the TTP SC is needed to lead this initiative. The TTP goal is to bring focus to the requirement and

to work with educators to integrate the practical knowledge and skills required into existing educational curriculums. TTP will begin to shape this initiative with a Town Hall planned for Mar 18/09 to be followed by solution workshops in the spring of 2009.

H) Peak Oil /Climate Change and Social Inequity Resolution: A management committee will be set up led by TTP to bring this resolution forward by mid 2009. From TTP's perspective the global economic crisis has hastened the need to move some of the fundamental ideas forward to at least influence the thinking and hopefully structure of the 2009 budgets of the City and County.

These ideas are as follows:

- The resolution will include a request for a community wide focus on Energy Descent, with an emission target for 2020 and a reform of policies and budgets to support a localized essential economy.

- We encourage the city and county to complete Energy Audits benchmarking 2008. TTP and other groups are prepared to help in this effort to keep the cost down.

- The City already has an Energy Reserve for internal projects. It would be desirable to rename this The Operational Energy Descent Reserve and to set up a Community Energy Descent Reserve in 2009. We would highly recommend that these reserves use the words Energy Descent and not sustainability or even resiliency as these states are a result of focused attention on Energy Descent and its imperative that we do not take our eye off the objective and dilute effectiveness.

- The County should also set up similar reserves for 2009.

- For 2009 funding of these reserves within the current tax base, without a tax increase and during a period of declining revenues would appear impossible. There will likely be fewer dollars available from senior levels of government as well so the reform of policies and budgets will become almost mandatory in any event. So the TTP solution, based on commercial enterprise financial techniques is a capital and operational across the board percentage task to fund the 2009 reserves.

Transition Town Peterborough

“From oil dependency to local resilience”