

A 'TRANSITION ECONOMY'?

LOOKING AFTER PEOPLE AND PLANET

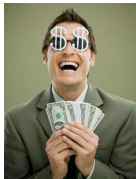


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for the Transition Network Conversation on
Peak Money and Economic Resilience
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Creating a vision that evokes 'YES!'

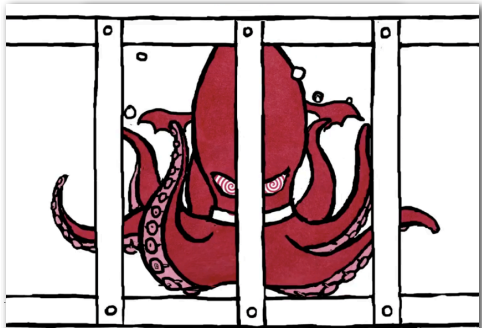
- *The wrong game:* In the money-making rat race, competing against everyone else
- *The right game:* Joining with others who are looking after each other and the Earth



OR?



The money system as vampire squid?



A 'transition economy' - probably not a good name

Key is 'looking after people and planet' NOT driven by money

In a resource-short world, how do we create an economy to concentrate on what's needed?

Developing systems that appeal to people's heart

Optimised/organised/arranged for service/wellbeing and including natural world?

Not optimised/organised/arranged to make money?

Especially: a local currency as heart of a community exchange

Probably cannot take off before a financial crash

Seen this clever cartoon: here are first 5 seconds

Actually, we're so used to money it clouds our minds, think it is much more real than it is.

Want to expose and remove some myths.

No Money? Need a job?

• **NO!**

- Need access to goods and services
- A way to serve the community in return



Mind clouding?

All you hear on the media is the need to preserve jobs, even if it means doing something destructive.

Actually, what people need is the goods and services that they can get through money

And a way to serve the community

There can be lots of ways this can be arranged other than through jobs.

Cost?

- Real cost is **not** the money cost
- Real cost:
 - resources
 - environmental impact
 - labour: time, quality, conditions
 - social impact



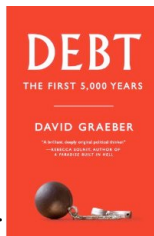
Another mind cloud:

Cost is really important. It determines what we get, what is produced. But money cost is not the real cost.

Real cost includes resources, environmental impact, labour: time, quality, conditions
social impact

The money myth

- Myth: barter was the original form of exchange. Money was invented to improve it.
- Reality (for most of human history): mutual support or 'generalised exchange'.
- Generalised exchange is not trade!
- Money was used with strangers, barter used when money collapsed!



And some big myths: Do you know David Graeber's book? Much earlier work too.

Barter as the original form of exchange and money improved it, because need for 'coincidence of needs'

Actually, for most of human history, no money no barter: mutual support

Communities hunt and gather food, build shelters, look after children together because it works better.

We are the ultimate cooperative ape: language, culture evolved as our niche

Transition Economy 1 - Enterprises that serve people and planet

- ex. Community Farms versus Supermarkets
- Driven/organised/optimised to do so!
- *NOT* driven/organised/optimised to make money



Transition Economy 2 - Locally based but globally connected

- ex. Diss Community Farm & Norwich Farmshare, Oak Tree Farm Ipswich
- Support from Making Local Food Work and Co-ops UK
- Similar enterprises work together
- Regional (and wider) support for stability, conflict resolution, synergy, planning, etc.



So, some organising principles for our Transition Economy

As an example, take the Community Farm I'm part of. It is designed to do the best to provide good, organic local food, and it struggles with money.

The supermarket is really a 'themed marketing opportunity' – food but also appliances, anything else

We talk about the local economy, the regional and further connection is also vital.

Again using the Community Farm as an example, here we are visiting two similar projects.

We were clearly supporting each other, it wasn't a market relationship. We've had a lot of help from Making Local Food Work who organised those meetings.

We've become a legal charity, with help from Co-ops UK. They just did it for us.

So we're highlighting the importance of working together with similar

Principle 3 – Niches.

Our transition enterprises will be stable, economically resilient, if they have loyal committed customers or members or whatever. As a co-op, our members are owners. Then they are not in competition with similar enterprises. We and the other farms have clearly distinct members. Another example, we have a pig project and also a food hub. The pig project complained that a local pig farmer was undercutting them. But she is 'one of us' serving people and planet, not profit.

We worked out the clear distinction: the pig project was for people who wanted hands on contact with the pigs

Transition Economy 3 - Niches to provide stability & avoid competition

- Loyal, committed customers/partners/members across the supply chain
- Create clear distinction between similar enterprises



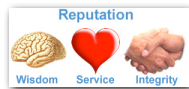
Transition Economy 4 - Use generalised exchange where possible & then local currencies

- Generalised exchange simpler, more flexible, fewer arguments
- Use local currencies to create a sense of community



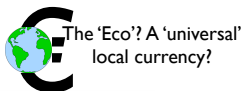
Transition Economy 5 - Use information to maintain quality and stability

- Public reputation based on feedback from customers and supply chain
- Show 'real costs': (resources used, social & environmental impact, labour: time, quality, conditions, social impact)
- Transparency on money (open books)



A local currency as the heart of a community exchange

- People are used to money, so give them better money
- Embedded in a community exchange that creates a 'Transition Economy'
- Franchised like the Argentine Red Global de Trueque?



ATHENS ECO

Lisbon Eco

Berlin Eco

Tokyo Eco

Bungay Eco

Durban Eco

TIMBUCTOO ECO

Here are some of our helpers, who don't get paid, except for our grower.

There is not question of 'more hours so more food'. They are contributing to a community project.

Much simpler. Wouldn't be viable without that.

Local currencies can be used to create a sense of connection and community.

Money shapes our decisions in dysfunctional ways. We can rebalance that with information:

Reputation rather than price

Real costs to shape decisions

Where money is used, keep open books, so people know noone is being exploited.

And I've been playing with ideas about local currencies. The Eco as a universal name?

If there is an economic crash, people used to money will want money, so we can give them better money.

And use it as more than just promoting the local economy: as a vehicle for the broader principles of a transition economy.

So, embedded in a 'community exchange' that embodies those principles.

Perhaps create kits to make them easy to start anywhere, like in Argentina

A local currency as the heart of a community exchange



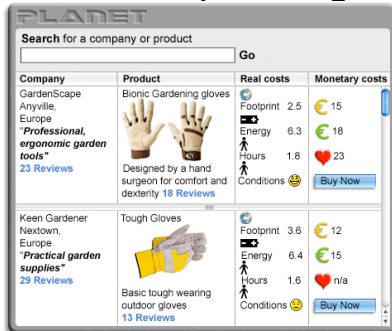
Some mockups of social network software to do this. Friends and friends of friends with whom you might be happy to do generalised exchange: favours not for money.

A local currency as the heart of a community exchange



Community pages to link everyone, keep them involved, show where help is needed, what's on offer.

A local currency as the heart of a community exchange



The equivalent of a market place of Transition Enterprises, adding reviews to build reputation, showing real costs
A choice of conventional currency, local and 'service' perhaps not quantified.

A local currency as the heart of a community exchange



Online accounts, that offer possibilities of feedback and reviews.

Summary: A Transition Economy...

- Looking after people and planet
- Locally based, globally connected
- Collaborative, mutual support
- A new social contract
- A nervous system for Gaia!

Summarising: If we can get this going it will actually be a new social contract, change the nature of society completely. Could see it as a nervous system for Gaia!