



*The* International Conference  
*on the* **Economics of**  
**Happiness 2016 Jeonju**

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Local futures, Localization

13-14 OCTOBER 2016  
KOREA TRADITIONAL CULTURE CENTER

주최  Asiart Jeonju  Local Futures

 Association of Korean Local  
Governments for Social Economy  
and Solidarity

주관 The Second Economics of Happiness,  
International Conference, Jeonju City

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■ Programs

10. 13. (Thu)			
09:00 ~ 09:30	Enrollment		
09:30 ~ 09:41	Opening Ceremony		2F Performance Hall
10:03 ~ 10:43	Keynote Lecture	· Towards a Localised Future / Helena Norberg – Hodge (40')	2F Performance Hall
10:43 ~ 10:55	휴식		
10:55 ~ 12:05	Theme Lecture 1	· Saving the World Starts from Regions / George Ferguson (25') · Reality of 'Violence of System' of Food System / Raymond Epp (25') · The future of Nonsan for a warm, local community / Nonsan City Mayor Hwang Myeong-seon (20')	2F Performance Hall
12:05 ~ 14:00	Luncheon		
14:00 ~ 17:50	Session 1 'Future of Regions'	Presentatio George Ferguson, Zan Boag, Won Do-yeon Chairperson Won Yong-chan Panel Yu Chang-bok, Jeon Dae-uk, Kim Nam-gyu	2F Performance Hall
	Session 2 'Local Food'	Presentatio Raymond Epp, Na Yeong-sam Chairperson So Sun-yeol Panel Song Mi-ryeong, Jeong Min-cheol, Jeong Cheon-seop	4F Lecture Room
	Session 3 'Local Currency'	Presentatio Jonathan Dawson, Kim Seong-hun Chairperson Yu Nam-hui Panel Lee Jae-min, Son Hyeon-ju, Cha Hae-ok	4F Seminar Room
18:30 ~ 21:00	Session 4 'Discourse on Happiness, Power of Region'	Presentatio Hasegawa Masako, Bae An-yong Chairperson Gu Ja-in Panel Eom Seong-bok, Heo Moon-kyung	Hanji Industry Support Center 4F Conference Room

10. 14. (Fri)			
09:30 ~ 10:20	Theme Lecture 2	· New Media for a New Economy / Zan Boag (25') · Mobilising finance for local development / Jonathan Dawson (25')	2F Performance Hall
10:20 ~ 10:40	Comprehensive Workshop		2F Performance Hall
10:40 ~ 11:10	· Special Lecture Helena Norberg-Hodge		
11:10 ~ 11:50	Closing Ceremony	· Closing Ceremony Performance and Closing	2F Performance Hall

The International Conference on the Economics of Happiness 2016 Jeonju

## ■ Main Guests



**Helena  
Norberg-Hodge**

- Leader of World Local Movement Activists
- Founder and Representative of the International Society for Ecology and Culture, ISEC
- Recipient of the Right Livelihood Award in 1986 (Alternative Nobel Prize)
- Publication: Ancient Futures: Learning from Ladakh (1992), Economics of Happiness (2012)



**Jonathan  
Dawson**

- Head of Economics Department in Schumacher College
- Researcher, Writer and Consultant for 20 years in the areas of developing small-scale corporations in Africa and South Asia
- Main writer of Gaia Education (Selected as 'Educational Book of Sustainable Development' for UNESCO & UNITAR)



**George  
Ferguson**

- Former Mayor of Bristol, England (2012–2016), architect, entrepreneur
- Founded charity organization for sustainable transportation, 'Sustrans'
- Entrepreneur and a member of non-profit organization, 'Society of Merchant Venturers'
- Representative of 'Royal Institute of British Architects'
- 'CEO of 'Order of the British Empire'



**Raymond  
Epp**

- Current Director of Menno Village, Naganuma, Japan
- Current Director of Eschaton Center for non-violent economy
- Founded Community Supported Agriculture, CSA (Nebraska & Winnipeg, U.S.)
- Researcher of sustainable traditional organic farming methods



**Zan  
Boag**

- Founder and Editor-in-Chief of New Philosopher magazine
- New Philosopher: Founded in 2013 (Australia) / Published Quarterly Various themes, such as philosophy, society, culture, arts, literature and etc. Publication in more than 2,000 places, including the U.S., Canada, England, Australia, and New Zealand Ranked 1st for Sales in Philosophy in 2015, more than 10,000 subscribers (From Facebook)



**Hasegawa  
Masako**

- Program Director of CSO Network Japan
- Developer of the method for evaluating the capabilities of local communities

## ■ Domestic Key Figures



**Kim Seung-su**  
Jeonju Mayor

He is in office now as the 6th popularly-elected Mayor of Jeonju. Under the slogan of "City of Humanity, Jeonju of Dignity," he has pushed himself to make Jeonju "one of the most humane cities" in Korea, where everyone can feel happy without anyone feeling alienated, on the basis of human-centered public administration, putting its top priority on people. He has concentrated his energy on pursuing people more than money, and common interest more than personal profits through the realization of a social economy, making a better community worth living in, and fostering a community where people can live happily together. While taking office as the president of the National Innovative City Association from 2014 to 2016, he devoted himself to balanced regional development by urging the enactment of a mandatory local quota system that requires public organizations to employ a workforce made up of at least 35% of local talent across innovative cities nationwide. He wrote the book titled "Pit-a-Pat Jeonju 36.5°C."



**Kim Myeong-ji**  
Jeonju City  
Council Chairman

As a four-time lawmaker of the Jeonju City Council, he has worked as the 10th chairman of the Jeonju City Council as well as the 7th president of the Jeonbuk Governors Council. He has devoted himself to the development of local communities and local parliamentary politics through his exemplary political activities. In particular, he has made great contributions to boosting the local economy by proposing bills for promoting the creation of jobs for young people in Jeonju, protecting and supporting small businessmen, and supporting and managing Good Price Stores. Getting credit for such accomplishments, he won the grand prize for the local parliamentary politics in the Pride Korea Awards 2016, held this past August, 2016 under the sponsorship of the Korea Awards Committee. He was also awarded the grand prize for excellent political activities in the Korea Loyalty and Filial Piety Grand Awards under the sponsorship of the Korea Journalist Association and the Korea Newspapermen's Association.



**Kim Yeong-bae**  
The Social Economy and  
Solidarity and the  
Local Government  
Association's President

He has served consecutive terms as the 5th and 6th popularly-elected head of Seongsbuk-gu District Office, Seoul. Under the slogan of "A group of minds make a village," Seongsbuk-gu has introduced a new paradigm for happy companions including a social economy and town democracy to its local policies, so that it could be born again as a city where its residents can lead a happy life. Furthermore, he played a key role in launching the Social Economy and Solidarity and the Local Government Association as its secretary general. Now, he works there as the president and devotes himself to uniting the directors of the primary local governments nationwide into a social economy. Out of the autonomous districts in Seoul, he alone won the Minister prize of Government Administration and Home Affairs in the last 8th Dasan Mokmin Awards. He also authored the books "There is a country within a town," and "A small democracy, and a town of people."



**Hwang Myeong-seon**  
Nonsan City Mayor

He has served consecutive terms as the 5th and 6th Mayors of Nonsan City. Under the slogan of "Civic Participation, Communicative Administration," Nonsan City has tried to build a warm local community by organizing a citizen-centered communicative & participatory platform such as a town hall meeting and a participatory budget system. He has also promoted the "community economy" with citizens through community building, eco-friendly feeding, local food, energy independence and youth startup. In the meantime, he has also pushed ahead with the "Warm Community Sharing" program in order to create a warm town based on community service centers and senior citizen centers. In particular, he won the best prize for policy from The Korean Association for Policy Studies for organizing the "Global Talents Overseas Training" policy, in which municipal governments, education offices, schools, parents, alumni associations, etc., can form an educational community to give students an opportunity for global and historical site education. Now, as a vice president of the Korean Society for Public Administration, he has been studying a warm community model and authored the books "My Heart Beats Today, Too," and "Introduction to Public Administration."

## ■ International Conference Organizing Committee



**Oh Chang-hwan**  
Organizing Committee  
Chairman

After acquiring a Ph. D in earth and environmental science from Stanford University in the United States, he has worked as a professor of the earth and environmental science department at Chonbuk National University. He has also led an environmental movement in his effort to solve social conflicts over the Saemangeum Project, which is highly considered to cause serious environmental damage. At that time, he presented an arbitration plan for promoting co-existence between environments and regional development. He is now a co-chairman of the Jeonbuk Federation for Environmental Movement. He is also the representative director of the Jeonju Council for Sustainable Development. He has played a key role in building one of the best public-private cooperation systems in Jeonju through his past 15-years of service on the Jeonju Council for Sustainable Development.



**Heo Mun-gyeong**  
Planning and General Affairs  
Division Director

She is a research professor at Jeonju University and has a Ph. D in tourism science. She has conducted research and delivered lectures on sustainable development and has engaged in planning, consultation and evaluation activities for local government policies. She wrote the paper titled "Roles of Social Enterprises and Sociocultural Effects of Sustainable Tourism Development," and translated the book titled "Slow Life Experts Talk about Gross National Happiness," etc. After guiding Helena Norberg-Hodge to Jeonju, she has invested great time and effort to ensure the successful hosting of the "International Conference on Economics of Happiness."



**Im Gyeong-jin**  
Committee Member

He left his career in an office in his early 30's and returned to farming in 2002. In 2003, he started to engage in community activities by participating in the Jangsu-gun's recycling agriculture model site project. At that time, he took part in building a village called "Jangsu Haneulso Village." Since then, he has continued to conduct local activities based on the community. He took office as the director of "Village Making Cooperation Center and Back-to-the-Farm Support Center" in Jeollabuk-do Province. After serving as a co-representative of "National Community Building Support Center Council," he is now the director of the "Jeonju Social Economy Support Center and Urban Restoration Support Center."



**Park Hyeong-bae**  
Committee Member

He is a member of the 10th Jeonju City Council. He serves as the vice chairman of the steering committee and works as a planning member of the Roh Moo Hyun Foundation. He conducts research on policies in the Jeonbuk Socio-Cultural Policy Research Institute. He has devoted himself to boosting the local economy in Jeonju and promoting small businessmen's startup and management stability by tabling bills for sharing economy promotion, small businessmen protection support, etc.

## ■ International Conference Organizing Committee



**Go  
Eun-ha**

Committee Member

She works as the director of the Jeonju Local Self-Sufficiency Center. She dreams of building a world of welfare by helping neighbors with her talent and ability. Putting top priority on communication and solidarity, she has devoted herself to realizing a work-integrated social economy enterprise complex and spreading a value of sharing in communities through the Jeonju Social Economy Network. She works as a steering committee chairperson of the Jeonbuk Cooperative Society Solidarity Conference and a director of the Jeonbuk Medical Social Cooperative Association.



**Jang  
Woo-yeon**

Committee Member

As a researcher of the urban field at the Jeonju Policy Research Institute, he has engaged in policy research on urban restoration and village community. After studying construction and city, he has done field-based research and activities based on regions including a citizen participatory city plan, village community and community business in a private think tank called "Hope Institute." From last year, in line with such activities, he has come to Jeonju to study future heritage, gentrification, etc., and has now engaged in preparing the Session 3 Local Currency Workshop at this International Conference on Economics of Happiness.



**Park  
Hyeon-jeong**

Committee Member

As a policy researcher of welfare in Jeonju City, she has devoted herself to realizing the universal human rights for all the citizens in Jeonju, needless to say the minority human rights. She has tried to strengthen a welfare system under the state's responsibility while restoring the vitality of communities and also securing welfare independence through relationships and sharing. Social economy will become a key driving force behind a new welfare paradigm through community participation and growth. Accordingly, she has made an effort to develop a human-centered warm welfare policy at the Jeonju Policy Research Institute.



**Gang  
So-yeong**

Committee Member

She is a secretary general of the Jeonju Council for Sustainable Development, which was established as a public-private partnership body with an aim at overcoming the global environmental crisis. The Jeonju Council for Sustainable Development has developed an indicator movement for evaluating local sustainability, an ecological transportation movement including public transportation and bicycle activation, an energy movement for energy saving and home solar power system, an urban restoration movement through activated original downtown education, etc.

## ■ Workshop Participants



**Won  
Do-yeon**

Professor

He graduated from the sociology department of Chonbuk National University and earned a Ph. D in cultural sociology (urban culture) from the graduate school of Korea University. He worked as an editor-in-chief of Jeonbuk Journal of Culture, a researcher at the Jeonbuk Municipal Research Institute and was the director of the Jeonbuk Development Institute. He has also delivered a lecture on cultural content and social economy at Wonkwang University. He has conducted research mainly on cultural city and industry, and hopes that communities can make an alternative development through a social economy.



**Won  
Yong-chan**

Professor

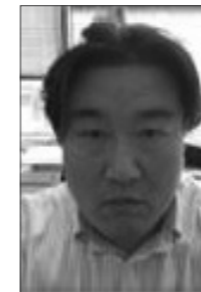
He is a professor of the department of economics, a college of commerce in Chonbuk National University. He has made an effort to present a new alternative to the current economy system drowned in excessive market logic. He wrote many books, including "Karl Polanyi Read Hamlet - Understanding of Karl Polanyi's Economic Thinking," "The Theory of the Leisure Class - Economics of Culture, Consumption and Evolution," and "Imagination + Economics Blog." In particular, "Karl Polanyi Read Hamlet" was selected as an excellent scholarly book by the Ministry of Culture, Sports and Tourism and the National Academy of Science, Republic of Korea in 2013.



**Yu  
Chang-bok**

Advisor

He used to be the director of the Village Community Total Support Center in Seoul, and now works as a governance advisor for a public-private partnership project. For the public-private projects involving economy, education, culture, welfare, environment, housing, urban restoration, etc., the governance advisor offers advice on all the processes ranging from agendas, directions, policy design, execution and evaluation. He has served as a bridge role to create governance administration by making use of his abundant experiences with community works.



**Jeon  
Dae-wook**

Center Director

He acquired a Ph. D in management engineering from the Korea Advanced Institute of Science and Technology (KAIST) and worked as a senior researcher at the Korea Research Institute for Local Administration. He has now engaged in various fields including the director of the Village Community Development Center under the Korea Local Promotion Foundation, a co-representative of the Future Value and Resilience Forum, a vice-president of the Korean System Dynamics Society, and an editor-in-chief of the academic journal registered to the KCI.

## ■ Workshop Participants



**Kim  
Nam-gyu**  
Committee Chairman

He works as a policy committee chairman of the Peoples Solidarity for Participation and Autonomy in Jeonbuk. The Peoples Solidarity for Participation and Autonomy aims to supervise local and state power with voluntary participation from all levels of society, presents detailed policies and alternatives, and build a participatory democratic society where freedom, justice, human rights and welfare are realized through citizenship behaviors in practice.



**Na  
Yeong-sam**  
Committee Member

He returned to farming in Jangsu-gun, Jeonbuk, in 2003 after working in the agriculture field at the Citizens' Coalition for Economic Justice. He believes that the policy innovation of local governments is important for the urban-rural co-existence as well as sustainable agriculture. Specifically, he sought for a solution from the local food system designed to break the dependency of a global food system. He planned and executed a Korean local food system while working as a contract public official from 2008 to 2013. Now, he has carried out the Jeonju Food 2025 Plan, which is the first large city food policy, Korea.



**So  
Sun-yeol**  
Professor

He graduated from the agricultural economics department of Seoul National University Graduate School. He acquired a Ph. D in agriculture from Kyoto University Graduate School in Japan. He is now a professor of agricultural economics in Chonbuk University. He also serves as a visiting professor at Kyoto University in Japan, University of Leicester in the U.K., and Missouri University in the United States. He is also a member of the agriculture and fishery/farming and fishing village special measure committee and a member of the central agricultural industry innovation expert team under the Ministry of Agriculture and Forestry. He has devoted himself to the development of the agricultural and livestock industry in Korean society.



**Song  
Mi-ryeong**  
Center Director

She acquired a Ph. D in public administration (urban and regional planning) from Seoul National University. She worked as a vice-director of the Korea Rural Economic Institute, a head of the planning and coordination office, and a general manager of the agricultural policy research department. Now, she holds office as a member of the Presidential Committee on Balanced National Development, a member of the self-evaluation committee under the Ministry of Agriculture, Food and Rural Affairs, and a vice-president of the Korean Regional Development Association. She has made great contributions to regional development and rural economic activation.

## ■ Workshop Participants



**Jeong  
Min-cheol**  
Director

After working as a teacher at Poolmoo Agriculture Technical High School, he has held office as a director of the Young Cooperative Farmers' Association. This Young Cooperative Farmers' Association was established by director Jeong Min-cheol and his two disciples with the aim of building a farm for young people after considering the reality of Korea and the future career of Poolmoo School students. He believes that it is necessary to combine "education" for learning true farming and "work" for making profits, and is seeking an answer to his question about how young people can making a living with farming.



**Jeong  
Cheon-seop**  
Center Director

He is the director of the Jeonju Food Integrated Support Center. It is the foundation for managing all the courses of agricultural products ranging from production to consumption in an integrated and systematic way. It is a public governance body funded by Jeonju City. It plays a role as a control tower in promoting Jeonju food, for example, by serving as a bridge between farmers as producers and citizens as consumers. He has made every effort to protect citizens' rights to get healthy and safe food in Jeonju.



**Kim  
Seong-hun**  
Vice Director

He works as a director of the Daejeon Dandelion Cooperative Medical Social Welfare. This Dandelion Cooperative Medical Social Welfare is a cooperative formed and run by health care providers along with local residents in order to address the issues of medicine, health and living. It is a social enterprise that places more priority on social activities and contributions rather than corporate profits. This corporation runs in a valuable way and produces profits, which are reinvested or returned for social purposes through a democratic decision-making process. It has continued to give medical supports for the underprivileged in our society.



**Yu  
Nam-hui**  
Professor

After acquiring a Ph. D in agriculture from Chonbuk University, he took office as the director of the Social Enterprise Integrated Support Center in Jeollabuk-do Province, while taking an active part in the social economy field from 2010. Now, he works as a co-representative of the Jeonbuk Solidarity for Cooperative Society and the director of the Jeonbuk Social Economy Forum for running a government-integrated intermediate support organization for social enterprises and cooperatives. He has played a key role in building public-private governance for a social economy within a civil society, while serving as a financial committee member of the Jeonbuk Environmental Movement Association and the director of the Social Economy Activation Committee in Jeonju. Now, he holds office as the general manager of the industry-university research department as Chonbuk University and is a professor assigned to the director of the Social Economy Research Center.

## ■ Workshop Participants



**Lee  
Jae-min**  
Professor

He is a doctor of economics and works as an associate professor as Woongji Accounting and Tax College. He is a policy member of the Jeonbuk Social Economy and Solidarity Conference, and works in the "Jeonbuk Regional Development Cooperatives." He asserts that the market's dominant role and the principle of bartering and exchange have fundamental importance in the capital economy system. However, he has also presented a direction of new economics (altruistic economics) and alternatives, with an emphasis on the idea that the principle of bartering can exist in a subordinate position in a society governed by other principles, just in the same way as the principles of reciprocity, redistribution and domestic economy can appear in a society without any governing of the society.



**Son  
Hyeon-ju**  
Researcher

He is a full-time researcher of the SSK personal records and compressed modernity study group at Chonbuk University. He is also a futurologist. He has engaged in building a community of professional researchers and promoting the cooperation between internal/external experts by organizing a lecture, inviting great scholars from overseas, hosting Colloquium, workshops and doing field survey activities, so that researchers of personal records and compressed modernity fields can do research and network environments online and offline.



**Cha  
Hae-ok**  
Eunpyeong e-Pumassi  
Representative

She is a representative of Eunpyeong e-Pumassi in Eunpyeong-gu, Seoul. This Eunpyeong e-Pumassi is a multilateral exchange work platform where members can offer and receive help from anyone in the association based on mutual trust and local solidarity by reviving Korean traditional mutual-aid spirits such as pumassi, dure and gye. She is also a director of the Eunpyeong Sharing Center, which is specialized in sharing economy ranging from things to space. She has made an effort to build a sharing economy by introducing a concept of sharing articles and talent.

## ■ Workshop Participants



**Bae  
An-yong**  
Team Leader

He is the president of the Jongno-gu Residential Autonomy Council, Seoul and a pastor in charge of Seoul Church in the Presbyterian Church in the Republic of Korea. He is also a community lecturer in Seoul. He has engaged in local activities for about 10 years, for example, by running a community called "Pumae." As a leader of the Jongno-gu Haengbok Drimikkeumi team in Seoul, he has endeavored to achieve happiness for all, going beyond individual aspects. He presented his case of activities in Jongno-gu Haengbok Drimikkeumi under the subject of Happiness Built by Residents Themselves.



**Gu  
Ja-in**  
Center Director

As a researcher at the Chungnam Institute, he holds office as the director of the Chungnam Community Building Support Center. He pursues the "community governed by residents" and does research and field activities at the same time. He worked on community building, urban-rural exchanges, returned to the farm and the 6th industry in Jinan, Jeonbuk Province for 10 years, and moved to Chungnam Province in March, 2015. Now, he has tried to build a community support system regionally with primary local governments and has made various attempts to overcome a barrier between the administration and private sectors.



**Eom  
Seong-bok**  
Citizen Policy  
Department Director

He is a director of citizen policy development on the Jeonju Council for Sustainable Development, which was established as a public-private cooperation body with the aim at overcoming a global environmental crisis and passing on a sustainable society to future generations. The citizen policy department of the Jeonju Council for Sustainable Development serves as a bridge to apply citizens' ideas to a local government's policy, believing that a source of power for building a sustainable society lies in its citizens. The department has developed various activities such as a happiness index movement for Jeonju, a youth urban policy network, expert-centered policy development, a citizens' meeting for bus reform, a citizens' meeting for ecological transportation and the Paldallo Forum.

## Declaration of Hosting

JEONJU CITY

### Declaration of Hosting

#### "the 2nd International Conference on the Economics of Happiness Jeonju"

A fundamental alternative to merchant capitalism and globalization is economic localization through the recovery of community spirits. With a goal of striving to progress beyond the ongoing fierce competition and polarization between the rich and poor, using economic localization to build a society where people can live together happily, Jeonju City is honored to have the opportunity to host "the Second International Conference on Economics of Happiness Jeonju" on October 13 and 14, 2016 in partnership with the Local Futures/International Society for Ecology and Culture (ISEC), the Social Economy and Solidarity Organization and the Local Government Association.

The Economics of Happiness Conference has been held all over the world under the sponsorship of the Local Futures Society (ISEC), which is a world-famous localization campaign organization. Its 6th conference was also held in Jeonju in September of 2015. Thanks to its successful accomplishments, the co-hosting organizations decided to hold an annual conference in Jeonju. Therefore, this upcoming conference will be the 9th Economics of Happiness of Conference as well as the 2nd Jeonju Conference. Its scale has become larger than last year, and a variety of lectures and workshops will be held to present solutions to the urgent problems of local communities covering topics like "Local Future," "Local Food," "Local Currency," and "Discourse on Happiness : Local Power."

A long time ago, British economist E. F. Schumacher asserted that "The human-centered economy is urgently needed and the key task of economics is not growth, but recovery of humanity." The speakers participating in this upcoming conference are closely associated with E. F. Schumacher. Helena Norberg-Hodge, the representative of Local Futures Society (ISEC), was a first-generation green activist, who has produced notable achievements in a localization movement for the past 40 years or so.

The Schemacher Society is located in Bristol, England, which is designated as a green city in Europe. Bristol's former Mayor George Ferguson will participate in this conference as a speaker. Additionally, Professor Jonathan Dawson of Schemacher College will also be participating as a speaker. Totnes,

England, where Schumacher College is located, is also known as a leading city of a transition town movement.

The participants in this conference include the editor of the Australian progressive magazine New Philosopher, Zan Boag, Japanese Hokkaido Menno Village's Representative Director Raymond Epp, and the CSO Network Japan's Hasegawa Masako, Ph.D. (長谷川 雅子) as a presenter of a workshop. They have taken the lead in a localization movement, studying the "Economics of Happiness" in one of the most appropriate types to be applied in the field, just as E. F. Schumacher did.

A number of the organizing committee members, who have prepared the 2nd International Conference on the Economics of Happiness Jeonju, also belong to the Jeonju Council for Sustainable Development. The chairman of the organizing committee is an expert in the environmental field, holding a role as co-chairman of the Jeonju Council for Sustainable Development, together with Jeonju City Mayor and the chairman of the Jeonju City Council. The organizing committee consists of citizens interested in the sustainable development of Jeonju City, including the representatives of social economy organizations, the researchers of Jeonju City's Policy Research Institutes, and the members of the Jeonju City Council. They have been successful in building another ideal governance system and endeavored to prepare this conference for the last year in cooperation with the public officials under the directors of the Social Economy Support Team of Jeonju City. Likewise, the 2nd International Conference on the Economics of Happiness Jeonju is not a government-led unilateral event, but has great value as an event held with cooperation between the public and private sectors.

Jeonju City and its citizens have made an effort to build a sustainable society for the last 20 years, through the Jeonju Council for Sustainable Development, which was established as a part of the "Local Agenda 21" activities in cooperation with local governments worldwide for the environmental conservation and sustainable development under the resolution of the United Nations (UN). Furthermore, Jeonju City has promoted social economic policies for the past two years in order to accomplish

economically sustainable development. Through the hosting of the Conference on Economics of Happiness at this time, Jeonju City and its citizens will broaden their horizon toward the world and have more wisdom to promote their local communities, while being more faithful to the main slogan of Local Agenda 21; "Think Globally, Act Locally." Besides, all the local governments and residents will do their best to build a happy local economy.

Through this Conference on Economics of Happiness, Jeonju City will promote the main values of its 6th popularly-elected public administration, including humans, ecology, culture and social economy, in cooperation with co-hosting organizations. And Jeonju City, and the Social Economy and Solidarity Organization and the Local Government Association, which is an association of 50 primary local governments introducing the social economy, will widen its international solidarity and build a successful, happy economic system for all local communities through this international conference.

October, 2016

The Organizing Committee for International Conference on Economics of Happiness 2016

*The* **International Conference on the Economics of Happiness 2016 Jeonju**

Local futures, Localization

# CHPATER 01

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## Opening Ceremony Speech

- 
- (Opening Address) Oh Chang - hwan Chairperson of the 2016 International Conference on the Economics of Happiness
  - (Celebratory speech) Kim Seung - su Jeonju Mayor
  - (Celebratory speech) Kim Myeong - ji Jeonju City Council Chairman
  - (Congratulatory Message) Kim Yeong - bae  
The Social Economy and Solidarity and the Local Government Association's President

## Opening Address



**Oh Chang-hwan**

Jeonju City  
Council Chairman

Ladies and Gentlemen.

Welcome to the 2nd International Conference on Economics of Happiness Jeonju. First of all, I would like to express my sincere gratitude to all of the participants here, including speakers who have traveled from all over the world. Those who share our interest in the economics of happiness will give presentations and have discussions together for the next two days. With this opportunity as a momentum, I believe that Korean local governments, including Jeonju, and governments around the world will take one step forward in the progress of achieving the economics of happiness. The first conference was held by Local Futures, which is the International Society of Ecology and Culture (ISEC), in cooperation with local governments. Going beyond the success of the first conference, Jeonju and the Local Government Association are honored to have the opportunity to host the second conference in partnership with Local Futures. This also paves the way for many local governments to pay more attention to the economics of happiness. I expect that Korea will become a cornerstone for building a happy future.

Everyone strives to achieve happiness. In many cases, however, people lose happiness while pursuing something wrong. Recently, such tendency has increased with the prevalence of material civilization. We often find ourselves blindly working to make money in this age of limitless competition, in order to buy unnecessary things, eat excessive food that undermines our health, and build various cultural facilities, which keep us away from physical exercises, posing a threat to our health. As a result, in the midst of increasingly fierce competition, we find that even winners get stressed, and losers give up on their economic growth. Under these circumstances, our humanity has been destroyed and we are becoming estranged from true happiness more and more. At the same time, we have destroyed the environment on a massive scale, simply to meet growing demands, thus bringing a crisis to all life forms on Earth, including human beings. Underdeveloped countries have already suffered from famine and economic failure and many living things, including polar bears have disappeared. Such ongoing crises will extend itself toward developing and developed countries, too. Many scholars have already warned against the mass extinction of living organisms in the near future. On the other hand, people have spent too much money on buying many useless things and engaging in various

activities, thus accelerating the disintegration of the middle class. All the capital has been concentrated on a few leading companies and rich people. This phenomenon occurs everywhere beyond the border, escalating the conflicts worldwide. In the endless competition at home and abroad, farmers, fishermen and office workers in many countries have already suffered economic pain, bringing the world economy into collapse.

Against these backdrops, the 2nd International Conference on Economics of Happiness has taken place here, with an aim at overcoming these urgent problems and creating a happy future. Unlike the former conference, this time we are going to present a detailed direction for local communities through an in-depth discussion not only on the economics of happiness but also on other fields, in which our local governments and residents are very interested. There are three areas. The first one is local food, which aims to build a local food system essential for sustainable cities. Another is local currency for local economy circulation and a direction for fund raising. The last one is a happiness index. Through the discussion on local food, we are going to pursue a comprehensive plan that creates new jobs by supplying fresh agricultural products to local communities and promoting local agriculture and distribution, and also conserve the environment by reducing the use of fossil energy. Then, we will seek a plan for reviving the local economy by activating the use of local goods and reinforcing the competitiveness of local companies through the use of local currencies and fund-raising. As I said before, we pursue happiness. But if we do not know what happiness is, we can become blinded by the pursuit of money. Through the discussion on the happiness index, we will try to present how to solve these current problems; what true happiness is, how happy we are, and how do we achieve that happiness. Through the active discussion and exchanging opinions on these subjects, I believe that we can lay the framework for all local governments, including Jeonju, to pursue the economics of happiness.

Lastly, I would like to express my gratitude to Mrs. Helena, the Local Futures Secretariat officials, the Jeonju City Mayor, the President of the Local Government Association and the related public officials for their assistance in hosting this conference. I am also grateful to the related parties of Jeonju City, who conducted many meetings in preparation for this conference, as well as many experts in various fields. I would like to close my opening address, by last but not least thanking the various organizations that helped make this conference a reality.

## Address of Welcome



**Kim Seung-su**

Jeonju Mayor

Greetings. My name is Kim Seung-su, Mayor of Jeonju City.

I am truly honored to hold the 2nd International Conference on the Economics of Happiness in Jeonju, a humane city full of energy.

First, I would like to thank Director Helena Norberg-Hodge, who has come to Jeonju to suggest a future-oriented vision for justice, and Former Mayor George Ferguson of Bristol, who is now traveling around the world to spread the values of a green environmental city.

Also, I would like to thank guests from abroad, including Raymond Epp, Jonathan Dawson, Jean Borg and Hasegawa Masako, who have been working tirelessly around the world for sustainable developments, and other activists and experts on social economies, for coming to the Conference to share their passion for building a truly happy society.

Today, our current society is changing rapidly. People are trying very hard to not fall behind a brutal society that changes day by day.

Our civilization has achieved significant growth in the competitive world of today, but can we say that our happiness has achieved growth, as well?

We are living abundant lifestyles that have never been witnessed before, thanks to the efforts we have made to contribute to quantity-oriented development. Yet we have lost our sense of "togetherness", and now we are engaging in competition for our own goods, cutting our communication with others. Overwhelming competition has revealed various issues and risks in our society, which have now come to threaten the foundation of our society.

Now is the time for us to focus on "people," instead of the market logic that only puts emphasis on a winner-takes-all ideology and endless competition. The ideas of a "social economy" and "localization" define their fundamentals as humane and fair economic activities based on sharing, cooperation and trust. Connecting people to people, caring for the disadvantaged who have been marginalized by

our competitive society and securing regional markets from large corporations can be called a "good economy" that enables sustainable developments for future generations.

At the center of a social economy are "people." Jeonju has taken a leap to realize this social economy in a more valuable manner. Jeonju is dreaming of becoming a city in which everyone is happy and well, through various policies, such as "Mom's Meals," "Side Menus of Wisdom" and "Jeonju Food" with community and regions at the center.

Attempts for the changes to secure valuable, little things will be repeated, and as years go on, accumulated time and memories will combine to bring about the growth of internal values of the city.

I firmly believe that, this Conference will be able to confirm its visions for a social economy and localization, thus growing up to be an influential city that will change the trends of our society and lead the way to a better place.

Because of the efforts of all of you in the 2nd International Conference on the Economics of Happiness, we can all look forward to witnessing the fruits of a social economy and a glorious future.

It is my hope that the future of Jeonju after a millennium will become even happier and more abundant, all due to our efforts for future generations. Thank you very much.

## Congratulatory Message



**Kim Myeong-ji**

Jeonju City  
Council Chairman

Greetings. My name is Kim Myeong-ji, Chairperson of Jeonju City Council. I can still recall all the priceless connections I made with our renowned guests at the International Conference on the Economics of Happiness last year.

I am very honored and happy to be attending the 2nd International Conference on the Economics of Happiness, an event that aims to provide valuable time to discuss the topics related to the society that transcends competition and polarization.

Though we all dream about ways to improve our lives, and give all of our efforts to achieve our dreams, often times, we are not sure what methods and paths we must choose.

Recently, as social conflicts and polarization have reached record-high levels, numerous "Do Not Ask Why" crimes have occurred, thus reflecting the frustration and despair of people in various aspects of their lives.

The biggest factor contributing to our frustration and despair is economic inequality. Relative poverty, instead of absolute poverty, is what really prevents us from feeling happy.

Economics of Happiness is a realistic method to realize the ideal values, including people, environment and culture, that Jeonju City pursues. Assiduous research and trials will be required to create the values for our city, Jeonju.

I would like to express my sincere gratitude to our renowned guests, who have come a long way to attend the Conference. I hope that the Conference will serve as an opportunity to listen to valuable lectures and learn the opinions of others, thus allowing Jeonju to become a better city.

## Congratulatory Message



### Kim Yeong-bae

The Social Economy and  
Solidarity and the  
Local Government  
Association's President

Dear members and guests of the conference, I am Kim Yeong-bae, Mayor of Seongbuk-gu, Seoul, and President of Association of Korean Local Governments for Social Economy and Solidarity. I am truly honored to be participating in the 2nd International Conference on the Economics of Happiness, on behalf of 35 member local autonomous organizations of our Association.

Association of Korean Local Governments for Social Economy and Solidarity is an administrative organization established in March 2013 based on local autonomous rules, and was established in order to consider local issues and create local economies in which everyone benefits. Since then, our Association has been endeavoring to resolve local issues through activating social economies and to create a cycle in which the successful results of our actions can be led to establishing the foundation of a local economy. Sharing successful cases of member organizations, cooperating and communicating to find a way to "benefit all together," instead of individually, are what I consider the priceless assets.

Currently, Korean society is facing various problems. Particularly, economic polarization due to drastic growth is becoming worse. Income inequality and economic polarization lead to conflicts between regions, social statuses, and generations. Moreover, they consequently divide the society endangering the whole communities. I will find the fundamental answer to these problems in social economies and regional communities.

While the current economic system focuses solely on globalization based on more profits, a social economy emphasizes realization of community values. It is a regional, grass-root economy, and it is people-centered. It pursues democracy in economy to bring profits to the whole community and increase the welfare for every individual involved in economic activity. Numerous social economic organizations based on their regions are acting as providers of materials and services for their regions, resolving problems. Thus, I think social economy has a close relationship with the economic decentralization.

Nourishing an economic ecosystem for regional communities is the key for them to become healthier and stronger together. In this context, I believe it is a very meaningful opportunity to hold the International

Conference on the Economics of Happiness 2016 in Jeonju, the City of Tradition and Culture, with Director Helena Norberg-Hodge of Local Futures and other renowned guests from Korea and abroad. Our association is very glad to have such an opportunity to share our experiences with you. I hope that this Conference will serve as the new starting point to resolve various crises the Korean society is currently facing, such as low growth and economic polarization, and promote the growth of regional communities. Please allow me to thank all the staff members in charge, other expert guests including Director Norberg-Hodge, Jeonju City Mayor Kim Seung-su, and other leaders of the city.

I hope more people get their chances to realize through this conference that the solidarity between communities and economic decentralization are the fundamental keys to solving issues related to globalization. I cannot be happier for such a successful opening of the Conference.

Thank you.

*The International Conference on the* **Economics of Happiness 2016 Jeonju**

Local futures, Localization

## CHPATER 02

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# Speeches from Overseas Guests

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- Helena Norberg - Hodge
  - Jonathan Dawson
  - George Ferguson
  - Raymond Epp
  - Zan Boag
  - Hasegawa Masako

## Speeches from Overseas Guests



**Helena  
Norberg-Hodge**

I am pleased to be co-hosting the Economics of Happiness Conference in Jeonju once again. The last conference was an inspiring experience, especially to be able to collaborate with the mayor and the rest of the local government.

I continue to be impressed with what is happening in Jeonju. The pride in the local culture and the widespread interest in creating a sustainable future is very encouraging. I'm delighted to be able to share with you my own work which is based on over 40 years of experience of helping communities resist the destructive pressures of the global economy and create and strengthen local alternatives.

As we will explore in this gathering, thriving local economies provide the foundation for healthy communities and sustainable ways of living. It is clear that economic localization is a real solution multiplier. It helps us create more meaningful jobs, more heartfelt connections between people, and enables us to live more lightly on the earth. Because localization has such benefits for our psychological wellbeing, it truly is the economics of happiness.

I look forward to another invigorating and inspiring conference with you all as we make great strides towards creating a better future.

Speeches from Overseas Guests



Jonathan Dawson

Greetings city of Jeonju!  
I am greatly honoured to have been invited to come to your city and to address the Economics of Happiness conference. I am a passionate believer that the journey to happiness and planetary wellbeing needs to be lived as much as conceived. As an educator, I see daily in the interactions with my students that our bodies and emotions are critical in the learning process any knowledge that remains primarily conceptual in nature, understood only with the brain, risks being very superficial indeed.

Thus, I have chosen to live for the last 20 years in three intentional communities (or ecovillages) based around values of mutual aid, clear and compassionate communication and spiritual values. During this time, I spent a period as the President of the Global Ecovillage Network, which gave me the privilege of visiting ecovillage communities in many parts of the world. I also had the honour of spending 15 years living in rural Africa in the early part of my career. Together, these experiences have given me a great curiosity about different cultural manifestations of beauty and happiness, and I am hugely curious to get some insights into distinctive pathways to wellbeing in South Korea.

While I am fascinated by the inner journey to wellbeing, I am equally interested in the outer journey of transition to sustainability in the material world. I have become persuaded that the world of finance – and specifically how communities can access liquidity and keep wealth circulating locally – provides a critical arena for community empowerment. I am looking forward both to sharing my experiences with various models of community finance and to learn from models that have undoubtedly been developed in South Korea.

Speeches from Overseas Guests



George Ferguson

It is wonderful to be returning to Jeonju so soon after coming here with the British Embassy last year to share thoughts on the making of sustainable cities. We experienced a warm reception from Mayor Kim Seung-su and his team.

Since then we had the great experience of Bristol furthering its ambition to be one of the most sustainable and liveable cities in the world as European Green Capital 2015. It is principally this experience that I wish to share as widely as possible, as it is central to the Economics of Happiness.

Bristol, which decided to elect its first mayor in 2012 is only one of four major UK cities with directly elected mayors. As an architect, urbanist, businessman, brewer, theatre proprietor and social entrepreneur, I have a diverse and unusual background for the job.

I hope that I shall be able to share with you some of the challenges and successes and more importantly learn from the great work that is now being done around the world as we increasingly realise that the pursuit of happiness is so much more important than the narrow pursuit of wealth.

I look forward to the delight of Jeonju's historic architecture, art and craft. I also look forward to its food and drink and most of all to its smile!

## Speeches from Overseas Guests



**Raymond Epp**

I want to extend greetings to the Mayor, the local government officials, the citizens of the city of Jeonju and to the farmers who grow the food that makes city life possible. Eating is a political act. Every time we eat we are making choices about how the land used, where our food comes from, and who benefits. In industrial societies, marketplace economics has turned food into a commodity that is bought and sold. Eating is a business transaction. Seldom, if ever, is thought given to the structures that make up the market economy. When we look at our dinner plate do we know how many kilometers that food has travelled before it makes its final journey from our plate to our mouth? Who grew it? Which company bought it from the farmer? Did the farmer get paid a fair price? Are the soils well cared for? Who transported it? How far did it travel? What percentage of the price you paid actually went to the farmer? The massive nature of the modern food system makes it difficult to answer these questions. But not knowing the answers to these questions means that we unconsciously support the system every time we sit down to eat. If it is destructive of people's lives and of the earth, then we participate in that destruction three times a day. The good news is this, life does not have to be that way.

Local food is one way to make the food system more transparent. By shortening the distance between farm and table it is possible for city people to reconnect with the people who grow food and also to know where their food is coming from. It is possible to know how the food is grown and over time develop a growing sense of partnership and solidarity in caring for the land, caring for one another and in doing justice. The satisfaction in eating comes not only in the consumption of food but in the satisfaction of knowing, that together, we are creating a new world(view) that promotes 'shalom' (Hebrew for peace) understood as health, wholeness and well-being.

I come to you as a practitioner having made many mistakes. I look forward to sharing with you from my experience and also learning from you as well. I pray for the peace and the welfare of Jeonju.

## Speeches from Overseas Guests



**Zan Boag**

I thank you for the invitation to attend this meeting of minds in your country and for the opportunity to discuss matters of vital importance to all of us in this critical stage of human history : the environment, our place in the world, the influence of the media on our behaviour, and our legacy for future generations. These matters affect not only the residents of Jeonju - they are relevant to all current and future citizens of the Earth.

I look forward to the conversations at and after the conference, and I am excited at the prospect of learning from the other delegates and attendees. We are each and every one of us a teacher and a student all at once.

As important as it is to discuss such matters, to delve into the problems we face and potential solutions, we must be mindful that the ideas that we generate don't stop with our words - action is essential so that the words are not simply empty rhetoric. We must formulate ways of following through on our ideas, as we no longer have the luxury of sitting on our hands. Discussion must lead to action.

## Speeches from Overseas Guests



**Hasegawa  
Masako**

I deeply appreciate your invitation to the 2016 International Conference on Economics of Happiness. Also, I would like to express my sincere respect and gratitude to Local Futures, Jeonju City, and the Association of Korean Local Governments for Social Economy and Solidarity for organizing such a wonderful event.

The outbreak of the Great East Japan Earthquake on March 11th, 2011 resulted in the Fukushima Nuclear Accident. The disaster had Japanese reflect on the ways we have thought and lived and the future directions for the Japanese society. We looked back on ourselves to decide what really matters and whether the society can be sustained as it is as we have to pass this society to our next generations, and then we reached a conclusion to face with new challenges.

My colleagues and I joined in the Fukushima restoration project to support the recovery from the damage caused by the Great East Japan Earthquake. Fukushima shared similar social issues with other areas such as decreasing population and aging society. Therefore, the similar tactics could be used to tackle the issues. In the process, we developed a sustainable community model which can be applied to regions of various conditions.

The warm-hearted and energetic persons give us helping hands in the participatory programs running on local resources. My team is working on the development of the community sustainability evaluation index and carries out a series of index workshops in Japan. I realized you can feel happiness and want to live on in a community where neighbors hold close relations and can rely on each other.

I am fortunate to come here to share some experiences of Japan, but more than that I hope to learn from the experiences of other participating countries around the world and of course from Jeonju City and Korea.

## CHPATER 03

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### Keynote Lecture

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- Towards a Localised Future 헬레나 노르베리 호지(Helena Norberg – Hodge)

## Towards a Localised Future

Helena Norberg – Hodge

The last year has seen tremendous social upheaval around the world. Outbreaks of violence have swept through many countries, including the United States, France and Turkey. Meanwhile, the planet continues to heat up and the real world effects of climate change are becoming increasingly apparent. Many nations are still feeling the aftereffects of the financial crisis and there appears to be no economic stability on the horizon.

If one looks broadly and deeply, it becomes clear that global growth is at the root of these and many other problems. Yet policymakers continue to believe that our crises can be solved by further economic globalisation, and the growth it is thought to provide. Several new international trade treaties—including the Trans-Pacific Partnership (TPP) and Transatlantic Trade and Investment Partnership (TTIP)—are either being negotiated or awaiting ratification. These new treaties lead still further down the path of globalisation.

However, a growing counter-movement is promoting and demonstrating a viable alternative. Comprised of economists and policy analysts in the 'new economy' coalitions and grassroots community groups from every part of the world, this movement rightly puts the blame on corporate control of the economy for our social, economic and ecological problems. It suggests a different path – one that relies on cooperation, economic interdependence, and – most importantly – a shift towards the local.

### The Globalised Economy

Treaties like TPP and TTIP are key drivers in a planned process of trade and finance deregulation. The question is not whether there should be international trade or investment, but whether global corporations and banks should be given free rein, or whether nations, regions, and communities should be allowed to determine what kinds of trade and investment make sense in their locale. Not surprisingly, profit-seeking corporations and banks—beholden only to their shareholders – tend to ignore or downplay any negative impacts their decisions may have on communities, the environment, our financial security, and even our psychological wellbeing.

So-called 'free trade' treaties and other international agreements typically favour big business, giving multinational corporations the freedom to locate their operations wherever they find the best investment

opportunities – meaning the lowest wages and the weakest labour standards and environmental regulations. The result is that in the [free trade] era, profits have boomed for a small elite, while everyone else is struggling to survive.

Because of the international trade treaties, most nations are now bound up in agreements that force them to acquiesce to the demands of big corporations and banks. Many treaties include 'investor-state dispute settlement' (ISDS) clauses, which grant private corporations the right to sue governments if they believe that domestic regulations will result in decreased profits. Using ISDS provisions, Swedish energy company Vattenfall sued Germany for 4.7 billion Euros over the country's decision, after the Fukushima disaster, to phase out nuclear power. Tobacco giant Phillip Morris sued the Australian government, which had instituted new rules on cigarette packaging in the name of public health.

While smaller companies operating within the national arena bear a heavy tax burden, multinationals can shift their assets and profits to other countries in order to avoid taxation. As a consequence tax revenue is lost, eroding the ability of governments to meet the needs of their citizens.

Because 'free trade' gives corporations the ability to shift operations at will, jobs are increasingly temporary and insecure. Across the industrialised world, real wages for those who have jobs are falling, and many workers need multiple jobs just to make ends meet. In the South, workers are increasingly dependent upon large foreign corporations for employment. As local and even national economies collapse, all other options are on the wane □ and workers can be forced to accept poorer wages and worse working conditions, or to become immigrants and refugees in other countries.

When we think of corporate-controlled trade, what often comes to mind are sweatshops, overfishing, or the vast monocultures of thirsty export crops spreading across Africa. But, these days, the major product on global markets is not something you cannot clothe or feed yourself with – it is money. Every day of the year, trillions of dollars are gambled on international currency markets, and trillions more on speculative short-term trades on commodities and stock markets. The instability of this system became heart-wrenchingly clear during the 2008 global financial crisis, in which many people lost their jobs and their homes, and entire national economies were plunged into crippling debt.

The global economy's failings have become increasingly evident, but the solutions offered by our political leaders represent only more of the same □ in other words, more economic growth through 'free trade.' They still believe that the liberalisation of trade and finance will create employment and raise the standard of living in rich and poor nations alike; they still believe that raising GDP is the way forward.

So governments continue to offer huge incentives to lure big businesses or to keep them from relocating elsewhere. At the same time, companies have to continually merge with or acquire competitors in order to remain 'competitive', with the result that most large corporations are effectively monopolies; some are larger and more powerful than nation-states.

In environmental terms, the global economy is simply unsustainable. The current global growth model depends on ever increasing consumption – a physical impossibility on a finite planet. Over-consumption and the accompanying waste have already pushed many ecosystems to the brink, undermining our own life support systems. Countless species are under threat or are already extinct as the economy gobbles up and degrades habitats. At the most basic level, economic growth requires more long-distance trade, which inevitably means more transport, and that means more pollution. Climate change is one of the most pressing crises of our time and requires a drastic reduction in greenhouse gases. Meanwhile, globalisation is demanding the use of ever-larger quantities of fossil fuels.

Most countries in the so-called 'developing' world could meet their energy needs from decentralised renewable sources for a fraction of the ecological, cultural and economic cost of fossil fuels. However, international development generally follows the globalised model, which means a heavy focus on exports: monocropped food, extracted natural resources, and manufactured goods. Land, mineral and timber rights are often sold to foreign corporations at a fraction of their true worth, leading to widespread deforestation and pollution. Foreign aid and investment also promote energy and transport infrastructures based on oil, gas and coal.

One of the most common arguments in support of globalised development is that the 'developing' countries of the global South need trade and investment in order to alleviate poverty. But all the indicators suggest that this model is failing to achieve the promised results. Since 1950, there has been an 11-fold increase in world trade, yet the gap between rich and poor countries continues to grow. Every year, millions of people are pulled off the land by the promise of a job in the modern sector, only to find themselves in an urban slum, unable to meet even their most basic needs. With their sense of culture, identity and self-worth eroded, the lure of crime, violence and social unrest can become irresistible.

As local economies collapse in both North and South, so too does any real sense of community. Globalisation concentrates not only jobs, but also cultural and political activity within a relative handful of megacities. Transport networks are geared towards linking urban areas, and rarely serve smaller

towns and villages. In the North, corporate supermarket chains starve town centres by undercutting local shops, putting many of them out of business. Soon, other key services, like post offices, also disappear. The mutual interdependence upon which society is based gives way to anonymous individualism. Families splinter, leaving increasing numbers of people living alone. Children are pulled into Western-style schools that extol the virtues of 'development' and 'progress'; bombarded by idealised advertising and media images of the consumer culture, their role models are no longer flesh-and-blood neighbours and relatives, but air-brushed supermodels and macho sports heroes. Today, even remote villagers are under assault by the urban consumer culture. It's all but impossible for cultural diversity to survive this onslaught.

### From Global to Local

All around the world, people are beginning to understand that we need to localise, rather than globalise, our economies. In order to create the localised structures that support interdependence and freedom, we need to act on several fronts – in the policy realm and at the grassroots – promoting activities that entail both resistance and renewal. It is important to note that localisation does not mean that all economic production will happen at a village level, nor does it mean eliminating international trade. It is about ensuring that society determines the rules for trade.

### Resistance

Resistance means curtailing corporate power though halting further globalisation of the economy. To do this, we need to inform ourselves and others, to become eco-literate – meaning both ecologically and economically literate. Seeing the bigger picture reveals a whole range of ways in which policy is influenced by global corporate interests – from what we see in the media to the private interest lobbying that happens in every nation's capital. Here it is important to note that the individuals working in global corporations are generally not conscious of the enormous destructive effects of their activities. As I see it, our major problem is ignorance of the big picture, both at the grassroots, as well as in the corridors of power.

'Free trade' agreements are the vehicle whereby global banks and corporations have gained power over our governments and our media. We need to demand that our governments represent the interests of people and the planet, rather than corporate profits, when negotiating and signing these agreements. Currently, there are four major global trade treaties that need to be exposed: the TransPacific Partnership (TPP), the Trade in Services Agreement (TISA), the Comprehensive Economic and Trade Agreement (CETA) and the Trans-Atlantic Trade and Investment Partnership (TTIP). Together they

encompass most of the countries of the world, yet the negotiation process is closed to public scrutiny: even elected government representatives are often excluded. More often than not, the representatives around the negotiating table are working on behalf of multinational corporations.

Although the prospects for reversing this dynamic may seem unlikely given the power of global corporations and banks, the first steps might be accomplished by a 'Breakaway Strategy', in which grassroots movements succeed in pressuring a small group of nations to forge new trade treaties that allow the use of tariffs to limit the import of goods that could be produced locally. Such protectionism would not be targeted against fellow citizens in other countries; rather, it would be a way of safeguarding jobs and defending local resources against the excessive power of transnational corporations and banks. It would allow societies to determine the rules for business, and prevent governments from being overrun by unaccountable corporations and investors.

There are signs that the tide is turning. Since the historic protests against the WTO in Seattle, Washington in 1999, there have been demonstrations at nearly every major international trade meeting, from the G8 to the World Economic Forum. Protesters have sometimes numbered in the hundreds of thousands, bringing worldwide attention to a process that had previously been hidden from public view. Just six years before the Seattle demonstrations, NAFTA was pushed through with relatively little resistance. Today, as corporate negotiators try to exert the same control over government policy with the TPP, they are meeting with heavy resistance – not just from concerned citizens, but from elected representatives as well. Because of the public awareness generated through years of citizen campaigns, many lawmakers are feeling the pressure from below and are demanding to know the details – kept secret during the negotiations – before any vote is taken. The atmosphere of resistance has ensured that future trade decisions – which so fundamentally affect the well-being of the planet and its citizens – will not go unexamined.

### Renewal

Shifting the economy is not just about resisting the corporate juggernaut; it is also about rebuilding and strengthening local economies. At the most basic level, it means reconnecting producers and consumers, particularly in the area of basic needs. And that in turn means renewing connections – to one another, to our communities, to the living world around us. There are already countless grassroots efforts springing up to develop and implement positive alternatives. These movements are showing that localisation has wide-ranging benefits for both people and planet.

## Renewal Initiatives Around the World

As mentioned in the introduction, there is a growing movement of localisation initiatives all over the planet. These are happening in many different sectors and demonstrate the wide-ranging benefits of going local. For instance, place-based businesses provide meaningful employment and keep money circulating in the local economy. Local business alliances give them a way to connect with each other, share best practice and influence policy-making. BALLE (Business Alliance for Local Living Economies) in North America is one of the largest of these, encompassing more than 80 networks, representing around 30,000 independent businesses. They host conferences, provide guidance for starting and running a successful small business, and share inspiration.

Local finance is emerging as an alternative to investing in corporate stocks and the casino market. Credit unions and local banks offer a way to invest in the local community, while local stock retirement funds and stock markets are also being developed. With the Occupy movement bringing renewed attention to the unfair – even illegal – practices of the big banks, a campaign was launched in the US encouraging people to move their money to smaller, community institutions. Less than two years later more than 4 million accounts had been switched away from the nation's Wall Street banks.

In Fortaleza, Brazil, residents of the impoverished Palmeira neighborhood founded their own community bank – one that is governed and managed by local residents for local needs. The bank has been a resounding success in promoting the local economy: before the bank was launched, only 20 percent of residents' needs were purchased in the Palmeira district; 15 years later, 93 percent came from within the community.

In education, we are seeing the development of curricula that respect individual students and their cultural roots. More and more schools in the West are incorporating outdoor time into their schedules, while at some 'forest schools', children spend the entire day outside interacting with each other and the natural world. The forest school concept originated in Wisconsin in 1927, and has since spread to Scandinavia and the UK, where it has become very popular. In Vermont, the ROOTS School (Reclaiming Our Origins through Traditional Skills) is one of a growing number of schools offering young people and adults classes in wilderness self-reliance.

Though not generally focused on an economic transition, many alternative schools distance themselves from the regimented methods and curricula of mainstream schooling. Two of the most widespread are the Steiner Schools or Waldorf Schools and Montessori Schools. Home-schooling, in which children are taught by parents or members of the community, is also gaining in popularity. In some parts of the South as well, there is a growing recognition that education shouldn't mean rejecting cultural traditions. Community-owned renewable energy projects have sprung up in many locales, enabling local residents to produce their own energy cheaply and sustainably. For example, Fort Collins, Colorado, is planning

a 600kW "solar garden" and Dharnai Village in India is getting a solar energy "micro-grid", which will power 350 households. These small-scale projects have benefits that go beyond their use of a non-polluting renewable energy source. Because the power is produced right where it is needed, energy is not lost in transit, and there is no need to expand transmission infrastructures. Residents have greater control over their energy costs and are not beholden to distant energy companies. Local investors can also receive financial returns in times of surplus production.

Other community-based initiatives, like local media outlets – radio, television, art and journals – help reconnect people to each other and learn about their surroundings. Community radio stations exist in many towns both in North and South – from Haryana, India and Istanbul, Turkey to Powell River, British Columbia, from Berkeley, California to Byron Bay, Australia. These stations do not broadcast corporate advertisements, but instead rely on financial support from the community. They are also often active locally, sponsoring events and providing free coverage of local initiatives. For the most part television has been taken over by large corporate interests, but in a few places independent channels still exist. In the US, Link TV is supported by viewer donations and specializes in broadcasting hard-hitting documentaries from around the world.

In many towns and cities, neighbourhood common spaces are enabling people to gather and socialise, which in turn helps to revitalise community and a sense of belonging. 'Placemaking' has been popularised by a number of grassroots groups. For example, the Project for Public Spaces (PPS), based in New York City, assists communities in transforming public spaces into vibrant areas, where people can interact in ways that strengthen local bonds and spur rejuvenation of neighbourhoods.

## Local food

The initiatives described above demonstrate that there does not have to be a trade-off between ecological and human needs. But, the multi-faceted benefits of localisation are perhaps nowhere more apparent than in food and farming. Since food is something everyone, everywhere, needs every day, a switch from global to local has a great and immediate impact, socially, economically and environmentally.

Local food is, simply, food produced for local and regional consumption. For that reason, 'food miles' are relatively small, which greatly reduces fossil fuel use and pollution. There are other environmental benefits as well. While global markets demand monocultural production – which systematically eliminates all but the cash crop from the land – local markets give farmers an incentive to diversify, which creates many niches on the farm for wild plant and animal species. Moreover, diversified farms cannot accommodate the heavy machinery used in monocultures, thereby eliminating a major cause of soil erosion. Diversification also lends itself better to organic methods, since crops are far less susceptible to pest infestations.

Local food systems have economic benefits, too, since most of the money spent on food goes to the farmer, not corporate middlemen. Small diversified farms can help reinvigorate entire rural economies, since they employ far more people per acre than large monocultures. Wages paid to farm workers benefit local economies and communities far more than money paid for heavy equipment and the fuel to run it: the latter is almost immediately siphoned off to equipment manufacturers and oil companies, while wages paid to workers are spent locally.

Local food is usually far fresher – and therefore more nutritious – than global food. It also needs fewer preservatives or other additives. Farmers can grow varieties that are best suited to local climate and soils, allowing flavour and nutrition to take precedence over transportability, shelf life and the whims of global markets. Animal husbandry can be integrated with crop production, providing healthier, more humane conditions for animals and a non-chemical source of fertility.

Food security worldwide would increase if people depended more on local foods. Instead of being concentrated in a handful of corporations, control over food would be dispersed and decentralised. If developing countries were encouraged to use their labour and their best agricultural land for local needs rather than growing luxury crops for Northern markets, the rate of endemic hunger could be eliminated.

Studies carried out all over the world show that small-scale, diversified farms have a higher total output per unit of land than large-scale monocultures. Global food is also very costly, though most of those costs do not show up in its supermarket price. Instead, a large portion of what we pay for global food comes out of our taxes – to fund research into pesticides and biotechnology, to subsidise the transport, communications and energy infrastructures the system requires, and to pay for the foreign aid that pulls Third World economies into the destructive global system. We pay in other ways for the environmental costs of global food and we will still be paying for generations to come.

When we buy local food, we can actually pay less because we are not paying for excessive transport, wasteful packaging, advertising, and chemical additives – only for fresh, healthy and nutritious food. Most of our food dollar isn't going to bloated corporate agribusinesses, but to nearby farmers and small shopkeepers, enabling them to charge less while still earning more than if they were tied to the global system.

### Creating Cultures of Happiness

At a structural level, localisation fosters individual and cultural freedom from the monocultural pressures

of the global consumer culture. By supporting connections to community and nature, it contributes to an expanded sense of self and a deep sense of security. Localisation does not mean going backwards: it means embracing our ecological roots and our common humanity.

Until recently, the broad perspective needed to deconstruct the global economic system has been marginalised, with the field left to narrowly focussed market fundamentalists. The system was run on blindness, with tremendous destruction perpetrated with the best of intentions. As a result, it appeared that the only viable path leads towards ever larger and more inhuman scale, with wealth and power concentrated in ever fewer hands.

But all over the world today, awareness is growing of the links between the global economy and social and ecological devastation. Movements towards resistance and renewal are growing rapidly. Eco-literacy tells us that another way is possible.

The way forward lies not in anger and confrontation, but in actively seeking to encourage peaceful, broad-based, systemic change. We do not need to blame any single group of people, including politicians, corporate executives or bankers. The economic experts that promote the global growth model have been trained to look at flows of money and numerical representations of the world, and are shielded from many of the real-life social and ecological consequences of their abstract models. The CEOs of large corporations and banks are driven by speculative markets to meet short-term profit and growth targets, and so have little incentive to contemplate the overall impact of their actions. Even concerned consumers, taxpayers and citizens can find it difficult to see the many hidden ways that their choices support an energy-intensive, job- and soul-destroying economy.

Awareness can spread like fire, and it's empowering to realise that we don't necessarily need to convince our political and economic leaders – who tend to be too locked into their misguided assumptions – or that sector of the population that is deeply immersed in consumerism. Despite enormous financial and time pressures, there are still a remarkable number of engaged and concerned people who in one way or another are working to make the world a better place. They may be focussed on improving their children's school, working to protect wildlife, reducing CO2 emissions, feeding the hungry, or promoting spiritual and ethical values. No matter what problem they're addressing, the economy is a common thread that links them all.

A big picture, broad analysis is beginning to build a broad, united movement. People are harnessing their love, their hope, and their creativity to give birth to a new world – to cultures of happiness. We

can leave behind the current system which fuels competition, greed, isolation and even self-rejection. By going local, we can organise our economies around the ideas of interdependence and diversity, at a more human scale and human pace.

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*The International Conference on the* **Economics of Happiness 2016 Jeonju**

Local futures, Localization

# CHPATER 04

## Theme Lecture 1

- 
- Saving the World Starts from Regions George Ferguson
  - Reality of ‘Violence of System’ of Food System Raymond Epp
  - The future of Nonsan for a warm, local community Hwang Myeong-seon

## If we are going to have to save the world – lets start locally

조지 퍼거슨  
(George Ferguson)

### Races against Time

In 1983, as a young architect and environmental campaigner, I wrote a book entitled Races against Time. 33 years on and with a lifetime of experience behind me (dare I say at a conference on happiness?) that I am disappointed but maybe not surprised by the lack of progress in dealing with the fundamental challenges that seemed so glaringly obvious then. However, in spite of many years characterised by the consequences of global growth and greed, I remain optimistic that we can and must turn our attention to individual and local wellbeing if we are to save the world from itself.

In the preface to that short book I wrote: “We have the choice of pursuing the blinkered race or stopping to think where we are racing to and what for”. Knowing I was in an extreme minority at the time, I defended myself by quoting Mahatma Gandhi who said “Many people want to punish you for speaking the truth, for being correct, for being you. Never apologize for being correct, or for being years ahead of your time. If you are right and you know it, speak your mind. Speak your mind. Even if you are a minority of one, the truth is still the truth.”

My second source at the time was the great Edmund Burke, who served as Member of Parliament for Bristol from 1774–1780. 10 generations ago he declared “No man made a greater mistake than he who did nothing because he could only do a little”. This simple but compelling observation has always guided my actions and will continue to do so until the day I die. I really do believe this realisation is the secret of happiness, but more than that I believe it underlies the growing philosophy of thinking globally but acting locally.

“Races against time” was a series of essays, on nuclear power, energy and climate change, transport, economy & equity, agriculture, the third world and peace. In it I wrote about streets – the places that used to be our playgrounds but have been stolen from our children: “We have robbed ourselves of much of the pleasure of our cities. We have allowed beautiful buildings to become little more than traffic islands and made the pedestrian walk further for the convenience of the car”. I concluded that “When local decisions are taken by local communities with a true cross section of representatives of all types of transport users, including pedestrians, then maybe we shall achieve results that are more likely to benefit us all”

**Taking an holistic approach**

It was my belief then – and it still is – that transport, as with almost any issue, should never be treated in isolation, but that we should plan to reduce forced mobility and to reduce the waste and unnecessary burden on the economy while concentrating on satisfying real needs. We can reduce the need for many journeys, a need that has been increased by a trend towards larger and more centralized industry, by working towards more self-sufficient communities. As an architect I am intensely conscious that we used to build with local materials with delightful results. We now transport both materials and universal solutions from hundreds and thousands of miles away with less successful results. We should always ask whether that journey is really necessary or does it bring delight?

The question should not be restricted to how we solve these problems, the only question so many politicians ask, but why do we have them and how do we plan to avoid them? 30 years before becoming the first elected mayor of Bristol, and never dreaming that I would do so, I wrote : "The political agenda has, as has always been the case, been written by the people in power and it has suited them to see the world in terms of growth, productivity and inflation". I might better have summarised this as the crude economic measurement of GDP that is invariably quoted to me by proud ministers and mayors to prove 'success'.

The result of this world-wide obsession with growth and wealth, whether individual or corporate, is that the more fundamental questions of our continued existence have been ruled out of order and a lazy media has used the same measurements instead of addressing the more vital matters of health, happiness and fulfilment.

**It's the People Stupid!**

So this is the background to my standing for President of the Royal Institute of British Architects (RIBA) 2003–2005, to being a founder of the Academy of Urbanism (AoU) and more recently serving as the first elected Mayor of Bristol 2012–2016. My catch phrase at the RIBA, serving a profession that is focussed on buildings, was 'It's the People Stupid' to remind architects of their purpose. My reason for promoting the Academy of Urbanism is that I see urbanism as being about holistic place thinking involving all skills – not just place making, and my purpose for standing as the first elected mayor of Bristol was to demonstrate that city leadership should be citizen focussed on quality of life, and as free as possible from the party politics that defines our national governments but is less appropriate at a local level where civil society becomes all important.

I would like to feel that all this has equipped me to define what makes a happy city, although anyone who is in a position of some authority will have discovered that some people just want to be miserable and that is what drives them. So maybe we have to recognise that the happy city has to embrace the full

range of emotions and that without something to complain about some people would lose their purpose and be deeply unhappy!

**Bristol – Laboratory for Change**

So lets fast-forward to 2012 and my mission to make Bristol, the city I love and my home for 50 years, into that laboratory for enlightened urban change. It was a magic moment when Bristol decided to show its independence by being the only English city to vote to have an elected mayor and then to elect an independent – against all odds. However what I had on my side was Bristol's extraordinary history of civil society involvement – of passionate, talented and some rebellious people from all walks of life that cared deeply about their city and had since the Seventies started to make their voices heard. It is to this diverse group of people that the city owes its success as the UK's most liveable and environmentally friendly city – European Green Capital 2015.

**The Bristol Pound**

Bristol is renowned for its independent businesses and amongst the many initiatives that contributed to our reputation as an innovative city was the setting up of the Bristol Pound, a social enterprise that has helped focus on the importance of local business at a time when national chains and multinational companies have dominated the scene. At its launch in August 2012 I pledged that if elected I would take my Mayor's salary in Bristol Pounds and that city would also take our local taxes in Bristol Pounds. This was important in underpinning a complementary currency that is now accepted in many local businesses and has become a model for other such city enterprises. It is a minor player in the local economy but is symbolically important in terms of encouraging a sustainable circular economy.

**European Green Capital – a catalyst for change**

This special year as European Green Capital presented great opportunities for us as a city. I was determined we involve many more

people, especially our children, in helping to make Bristol a happier, healthier city for all. Thousands of people and organisations took part, boosting existing projects, starting new initiatives and contributing great ideas for the future.

The award also presented challenges and Bristol people and communities rose to the challenge, coming together, sharing ideas, resources and expertise in an unprecedented way. I have no doubt that this collaboration gave us a strength and resilience which we will benefit from for years to come. We started our year as the UK's greenest

city. We've finished the year internationally recognised as one of the greenest cities in Europe and with

clear political consensus to become a resilient, carbon neutral city. Perhaps most importantly we've done all of this with a sense of fun and, I believe, developed a growing sense of optimism for the future.

We knew Bristol's year as European Green Capital would be made up of thousands of ideas, pledges, events, projects and people – many of which would be operating independently of the official programme. In recognition of this we created one identity – a brand – that would invite everyone and everything under one roof, and help create something even bigger than the sum of its parts. I am pleased to say that this branding continues and is now applied to a wide range of activities and organisations including our UNESCO recognition as a City of Learning and our new wholly owned Bristol Energy and Bristol Waste companies.

Our Bristol-based agency interviewed Bristolians from across the city, and based the brand on a simple circle. It's both a spotlight on Bristol and a space for anyone to fill with whatever sustainability means to them – whether it's debating big ideas, running a community project or making a pledge to buy green. 'In it for good' was our strapline – it speaks to the people of Bristol, wherever they are and whatever their shade of green. It also encompasses the purpose and belief of the European Green Capital award: a shared, long-term responsibility for creating healthier, happier cities.

### Civil Society driving change

A key element in both winning and making the most of the opportunity that Green Capital presented was the Bristol Green Capital Partnership which grew from a loose network of about 250 passionate organisations, to become the largest cross-sector green city partnership in the world with over 800 member organisations representing civil society. That reach has started to reap rewards for organisations across the city, in terms of greater collaboration, greater collective resources and greater strategic influence to make the scale of changes that we all know lie ahead on the long road to sustainability. The BGCP has developed a strong and sustainable model for its ongoing work, which combines thought leadership with local empowerment and grassroots action.

In order to give a sense of direction to the Green Capital project we settled on 5 themes for the year: Nature, Transport, Energy, Resources and Food with clearly stated ambitions all contributing to our greater ambition to become a Carbon Zero city by 2050, a target set following our participation in the Paris COP21.

Nature: Ambition is to make Bristol a world leading, nature rich city where people are connected to a landscape rich in wildlife.

Transport: Ambition is to make Bristol a worldleading city in active travel, where 4 out of 5 journeys under five miles are made by foot, bike and public transport.

Energy: Ambition is for Bristol to become the UK's first city for sustainable energy, leading the way towards smart energy efficiency, affordable warmth and 100% renewables, with a thriving low carbon sector delivering solutions for the city and across the world.

Resources: Ambition is to make Bristol a leading circular economy city, where people are focused on reducing their residual waste (through waste prevention, re-use and recycling) and businesses are engaged in adopting circular economy business models.

Food: Ambition is for Bristol to be the sustainable food capital of the UK by 2020.

The next challenge was to encourage everyone to join in, to make those small changes to help make Bristol a healthier, happier city.

Do15 in 2015 was our campaign to get the people of Bristol to make their lives (and their city) healthier, happier and more sustainable. Over the course of the year, 50,000 people pledged to make a sustainable change in their behaviour, such as eating less meat, planting trees, walking more or shopping locally. Many of those 50,000 people used our specially-designed big green button (complete with flashing lights and sound effects) to mark their pledge. The button toured the city and became a real icon for our year as European Green Capital. It was designed to make pledging fun and make people smile; it certainly achieved this. It became so popular we had to create a calendar to manage its schedule!

### Young Bristol

Many people, projects and partners helped the campaign spread across the city. The #do15 Creative Outreach Team from Young Bristol (a local youth charity) went to 20 community events and ran creative outreach projects for each of Bristol's 14 Neighbourhood Partnership areas. Their creative 'guerilla branding' reached deep into Bristol's diverse neighbourhoods. They encouraged pledges to be made and illustrated on triangles of fabric, resulting in streams of pledge 'bunting' (flags).

Do15 in 2015 also had a strong online presence: #Do15 was tweeted thousands of times, and we had a popular quiz to help people decide how green their lives were.

### 스쿨 프로그램 - 교실에서 지속가능성을 삶에 적용하기

The National Schools Programme was one of Bristol 2015 Ltd's greatest success stories. Having designed and tested this programme with 30,000 Bristol schoolchildren over the course of the year, it's now set to spread across the country - bringing sustainability into more schools in ways that work for teachers and pupils.

The National Schools Programme is one of the many modules now available in the 'Bristol Method' our knowledge-transfer toolkit that helps people in other cities understand and apply the lessons that we have learned in becoming a more sustainable city. When it comes to improving the future of our planet, there can be no better investment than our children's education. When we teach young people about sustainability we are creating a generation of bright young minds ready to tackle the challenges ahead.

The evidence shows that children aged between 7 and 11 years old (Key Stage 2) are particularly receptive to the topic of sustainability and more likely to adopt long lasting eco-friendly behaviours. In a city as big and diverse as Bristol, focusing on primary schoolchildren is also a good way to connect with families in harder-to-reach communities.

We found that 90% of primary school teachers want sustainability issues in their lessons, however 76% said they don't have the resources they need.

The Bristol 2015 National Schools Programme was devised to overcome that challenge - by empowering teachers to deliver engaging lessons on sustainability that support the curriculum. It is also designed to help schools become greener. Designed by teachers for teachers, the National Schools Programme is made up of five key parts - some of which are unique to Bristol, but all of which can be replicated elsewhere. At its core, the programme is built on a set of lesson plans that can be used across multiple subject areas and curriculum objectives - these are based on our five sustainability themes of Nature, Transport, Energy, Resources and Food. Rather than deliver a single session on climate change and then move on, these lesson plans, or 'sustainability workshops', aim to weave the narrative of greener living into many different possible lessons.

The ethos is to make sustainability core to children's learning, not a subject that sits by itself. The programme also consists of a game

- Sustainable Shaun - developed in partnership with their Bristol based creators Aardman.

Alongside the education programme we created our own 'Green for Good' schools award. We awarded a trophy to every school that completed 15 sustainability challenges, including improvements to their school buildings and opportunities for children to learn more about the environment. We continue to develop this local support by guiding schools through the Eco-Schools international award scheme and providing advice and training to empower schools to embed green principles into the heart of school life. This complements a city wide programme of Healthy Schools of which I am particularly proud, encouraging healthy eating, exercise and all round physical and mental health and wellbeing through a healthy schools award programme.

### The Bristol Method

There are far too many different initiatives to describe in this paper but the European Green Capital Award was created to share knowledge from the greenest cities in Europe with all other cities aspiring to become more sustainable. The Bristol Method is our way of doing this.

The Bristol Method is a knowledge-transfer programme that offers advice on how to make cities greener, healthier and happier. It's designed to help other cities apply the lessons we've learned in becoming more sustainable - not just in 2015 but over the last decade. Each module of the Bristol Method is presented as an easy-to-digest 'how to' guide on a particular topic, and uses Bristol as the case study. They contain generic advice and recommendations that each reader can tailor to their own circumstances. The Bristol Method is freely available on the Bristol 2015 Ltd website. It has been read by people in about 60 countries, both increasing our international profile and helping other cities on their sustainability journey. I recommend it to you

The Bristol Method consists of 28 different modules, divided across our five key themes (nature, transport, energy, resources and food) and a few other useful areas like economy. I am grateful to the wide range of contributors who made the Bristol Method possible - without their expertise and experience, we wouldn't be able to share Bristol's story in such a practical and inspiring way. Here is a link to the full set of modules: <https://www.bristol2015.co.uk/method/>

### Our obsession with GDP

I would like to conclude with a thought piece from Liz Zeidler of Bristol Happy City who, as Chair of the Bristol Green Capital Partnership, visited Jeonju with me in March 2015 : For the past 60 years

the world has chased the holy grail of GDP growth to bring about "prosperity" and "happiness" in our societies. We have succeeded in growing global economic output by over 5 times in that period, and have now had over 30 years of almost continual economic growth in the "developed" world. Yet "wellbeing" and "happiness" indices have remained largely flat (Wilkinson & Pickett, 2009), inequality has soared, and an estimated 60 per cent of the world's ecosystem services—the natural resources that we rely on to keep the planet working – such as clean air, water, and forests – have been degraded or overused. Our societal focus on GDP growth as a route to happiness simply hasn't worked in delivering the happiness and wellbeing every human being seeks.

As the first decade of the 21st century has progressed, and with issues of planetary survival and economic meltdown hitting the headlines, talk of increasing "happiness" sounded to many like a pleasant and rather fluffy distraction. By 2009, however, a growing number of people, across all sectors of society were talking about happiness as if it really mattered. Academics, politicians, thought and business leaders, and even economists, were starting to talk about the role of a different model, different metrics and different goals, in challenging the system that was leading to the outcomes we were starting to experience all too visibly.

Yet a lot of this talk was at an international or national 'top table' level, with the pace and agenda being dictated by government, academia, or business. To most ordinary citizens, 'happiness' is a very personal and local affair and far from being a distraction, a focus on happiness might be the key to unlocking a new form of sustainable prosperity for all.

It always seems to surprise people that we have had over half a century of nearly constant economic growth, but that happiness and wellbeing measures have hardly improved at all in that time. Yet, these two observations are far from being unrelated. Constant growth (as opposed to steady prosperity) requires each of us to be constantly a little bit unhappy—to be just sufficiently dissatisfied with what we have, to think we always need more to be happy. Not just that we need things, but that we need more things this year than last, more next year than this, and so on (in essence, this is what perpetual GDP growth means).

But there is a contradiction at the heart of this model.

If more stuff makes us happy, when we have that more stuff, we should be happier, more satisfied, and so desire less additional 'stuff'. But that doesn't produce constant growth in consumption (i.e. GDP growth), so something needs to be added to the system to stimulate this "want." Our whole system, therefore, is designed around stimulating this unnatural desire. Advertising, competition, hierarchical organizational models, confrontational politics, lifestyle TV, consumer electronics and other 'toys', unachievable lives portrayed in every media outlet. The list could go on. We are 'hooked

on unhappiness' we need to be artificially drip-fed enough dissatisfaction to keep us on course as ever more keen consumers. Happiness must always appear to be just over the horizon, and more 'stuff' must be the pathway to it. That's the deal. It's no coincidence, but the prerequisite for continual economic growth. This almost perfect 'negative psychology' is right at the heart of our social system.

Fortunately, though, whilst there is no correlation between increasing happiness and perpetual economic growth, there is a strong correlation between happiness and improvements in health, education, and the environment, and reductions in crime and inequality. Plus, rather usefully, that correlation corresponds to a two-way causal relationship: Happier people and populations consume less natural resources, learn better, work more productively, creatively, and collaboratively; they are healthier, less likely to be violent or act criminally, less dependent on welfare (Lyubomirsky, 2008). . . and we could go on.

Improving society and solving major social problems makes people happy, and making people happy improves society and substantially reduces many social problems. This isn't fluffy stuff. Happiness isn't just a pleasant outcome, or even 'just' the ultimate goal for society, though it is both of those. It is also the route to solving most of our most critical challenges, locally, nationally, and globally. If we're to solve global poverty, or global warming, we in the "developed" world simply need to consume less.

When we reject the assumption that the route to happiness is via increased wealth and greater consumption, and focus instead on the real pathways to happiness, we necessarily and naturally (and happily) consume less. You can ask, and we have, someone in inner-city Glasgow, rural Botswana, Palestine, Poland or Bristol what they think are the ingredients for happiness, and the answers they'll share are remarkably similar. You'll hear talk of family, friends, and community. A sense of belonging, purpose, and value will be high on the list. Getting outside, living in a clean environment, having opportunities to interact and get involved, being active, learning, using your strengths and growing, helping others and being helped; all of these support happiness. These form the backbone of almost all theories of wellbeing. And yet, none of these things needs much 'stuff'.

A long-term, happiness-inducing lifestyle is both low-carbon and relatively low-cost. Could it be that the simplistic measure, GDP, which had been placed almost accidentally at the heart of our economic and social system, has skewed the system to such a degree that our happiness, wellbeing, equality, justice, and even long term survival are being put at risk?

**A world that is good for all**

At long last I do believe that, thanks to such initiatives as Local Future, Happy City, and this important Jeonju conference on the Economics of Happiness, we are at a turning point when there is wider realization that we have to measure success in a more intelligent and nuanced manner if we are to have more satisfied individuals and communities. I strongly believe that it is with the children we must start and that children need themselves to become part of the solution. This has been the thrust of my term as Mayor of Bristol which was characterized by many low cost initiatives such as ‘One Tree per Child’ , to celebrate what we have, and to enable communities to contribute to the making of a better city and a better world.

If we make cities that are good for children we shall make a world that is good for all.

## Reality of 'Violence of System' of Food System

Raymond Epp

For the mystery of human life is not only in living, but in knowing why one lives. Without a clear idea of what to live for man will not consent to live and will rather destroy himself than remain on the earth, though he were surrounded by loaves of bread.

–Fyodor Dostoyevsky, The Brothers Karamazov

I want to thank the organizers and Helena for the opportunity to be with you today. it is truly a special gift. My hope is that some of the things that I have to share with you can be of use in resisting the dominant system of agriculture and renewing a culture of agriculture that cares for people and the land. I make my living from growing food to feed people that I know and love in a foreign land not able to speak the language all that well let alone read or write. I understand from Helena that interest in local food in this region is high which, to me, is encouraging. I look forward to seeing what is happening and learning more from you. In my work in organizing local food I have learned lessons from the study of structural violence and nonviolent struggles for social change. My presentation will thus focus on exposing the nature of structural violence in the food system and how the lessons of nonviolent social change can serve in shifting the food system to serve the needs of life both human and non human. Structural violence by its very nature is hidden. The system presses in upon us making life ever more burdensome and people are forced to struggle just to remain alive. Part of the allure of structural violence is its simplicity and its seductive nature. The allure of Westernization and urbanization exposes people to the excesses of modern life and of course a small privileged few can partake of the dream but for the majority the dream is filled with empty promises. The roots of globalization can be traced to the colonialism of 17th century England but the roots of the modern day industrial food system, I believe, can be traced to 19th century America in which both European and American investors invested in a massive transportation and communications network in order to produce the necessities of life for a burgeoning European urban population that was abandoning rural life in order to work in urban factories. I will seek to demonstrate that from the very beginning the industrial modern food system when viewed from the perspective of the marginalized was an act of structural violence. Structural violence seeks to justify unjust gain from those who control the system by appealing to the masses that together we are working to realize an abstract higher purpose or goal.

People are thus willing to make sacrifices with the hope that someday they will be rewarded. Nineteenth century economic boosters in America dreamed of a great city in the American West that would be the center of a great new Empire and the land surrounding this great city, indeed the entire world, would all pay tribute (William Cronon, *Nature's Metropolis: Chicago and the Great West*, New York: W.W. Norton & Company, 1991, p. 41). America was a rich and fertile land possessing vast forests and great mineral wealth. Boosters also saw the vast inland water routes as endowed by God for the purpose of trade (Cronon, p. 36). Chicago became that great city, the center of Empire. The creation of Chicago and the creation of the modern vision of agriculture as commodity production for distant cities was a work of the imagination by these economic boosters. The dream of greatness, indeed the dream of a new Empire served as a almost spiritual motivating force to unite all of the new immigrant people to realize the goal. Looking back from the vantage of the twenty-first century. We can see that the vision did not benefit all to the same extent and for the Native Americans of the country who stood in the way it decimated their lives. Nature's abundance was also taken without a thought for tomorrow. The economics of the industrial food and forestry economy was in essence organized theft.

Let's take a look at some images and illustrations from the time to give us a sense for the times. The vast isolated family farms could not have existed without the presence of the railroad to transport livestock and grain to distant markets in Chicago and then to markets on the East coast and Europe. The vast forests of Minnesota, Wisconsin, and Michigan were felled in a period of forty years to supply building materials for the new farms and towns in the lands West of Chicago. This vision of what amounts to a conquest of the continent was viewed as inevitable and good. This painting by John Gast captures the spirit of the times. The conquest of the land was an act of Providence in which white European settlers participated in bringing civilization and technological progress to America. As you can see the angel is seen stringing the telegraph wire connecting the farmers to distant markets in the cities and in Europe. She is also dressed in white signifying goodness and as she proceeds from the East to the West and as she move she is bringing the light of progress



and civilization. Before the angel we see darkness and within the darkness we see wild nature and the natives fleeing. Eventually they will be pushed out of the picture altogether. The angel, by the way, has a name. Her name is Columbia, which is the feminine version of the name Columbus, the man who is credited with discovering and introducing the slave trade and colonialism to America. Her presence in the picture can also be interpreted as being the spiritual embodiment of colonialism. A few years ago I used this illustration in a presentation to foreign graduate students at Hokkaido University. A student from Nigeria raised his hand and said, "Mr. Raymond. That angel has visited my country." Modern people don't like to talk to much about the presence of angels and spirits. But as the perceptive student from Nigeria realized this angel did not retire or just go away after she reached the West Coast of America. The angel of modernization and development is still alive and wreaking havoc in traditional cultures around the world. I believe that part of our work in restoring health and well being to our local towns and regions is to expose this angel and resist the temptation of grandeur. I say this because in spite of the claims of Modernization being about bringing progress and civilization for the good of all mankind it was a disaster for indigenous people and nature. The United States Cavalry was pressed into duty to defend property owners from Native American trespass. Indigenous people's believed that land cannot be owned. Land was understood as a place of belonging and this idea clashed with the idea of land being a privately owned productive commodity that can be bought and sold. Indigenous people's understanding of the relationship of human beings to the land stood in the way of the modern idea of economics and thus they could no longer be considered part of the modernization project. They had to be eliminated. Native American genocide in America could be justified because Native Americans were not considered to be human beings, they were savages.

It seems as if every era the powerful have a way of justifying violence against those who challenge the legitimacy of the system. The Reformation had its problem with heretics, the modernizing era had its savages, those who opposed communism in the late 20th century were labelled dissidents and now unending wars can be justified by the label 'terrorist'. By association localization and grassroots



movements from below may also be stigmatized as a threat to the system so we need to be prepared to counter these claims. I will say more about that later on.

By 1887 investors in the American transportation, food processing and communications networks possessed a vision of a globalized commodity market in which American grains and meats would find their way to global markets. Globalization is not a new idea. Powerful nation states and now corporations are always finding new ways to gain people's cooperation in participating in systems that disproportionately benefit the powerful.

As an aside, though an important one. There were some voices of dissent for this vision of agriculture in America in the late 1800's that has relevance to our context here in Korea. F.H. King, Professor of Soil Science and former employee at the USDA, thought that the prevailing idea that soil fertility is unlimited was a recipe for disaster. Upon retirement he asked the question where in the world is there an agriculture that has existed for a long time. In 1908 Dr. King travelled to China, Korea and Japan to try to understand how it is possible that after 2000, 3000 even 4000 years it was possible for farmers to harvest crops from the same land without the health of the land being diminished. His findings were compiled in a book entitled, *Farmers of Forty Centuries: Or Permanent Agriculture in China, Korea and Japan*. He writes that, 'everyday I was surprised, instructed and amazed' by the methods and ways of these farmers. He died before completing the final chapter of the book but through this land mark book he hoped that if American agriculture was exposed to the good agriculture practiced in this region of the world American agriculture would change. The entire system did not change but it did inspire the spread of organic agriculture into the United States and England. The book is still in print.

The ideas that guide the modernization project has assumes that there is only one road to universal progress and goodness for all societies. The modernization project at one and the same time reinforces the hegemony of the system and undermines local, traditional narratives and ways of life. Let's take a look at some of the guiding principles of this system.

**Promoting commodity production to feed an abstract "mankind" that exists somewhere in the market.**

This system encourages farmers to specialize. The phrase "comparative advantage" is often referred to meaning that nations that have the natural ability to grow certain crops should specialize in those selling them on the market to gain foreign exchange to buy the necessities of life.

**Distancing.** In the industrial system farmers and eaters are separated or "distanced" from each other spatially, ideologically, and psychologically. Farmers think of more efficient means of production and eaters cannot understand that the choices that they make about what to eat influences the structure of



the food system. It is hard to imagine that every time we sit down for a meal we are making choices of how land is farmed, the kind of relationship that the city has to farmers fields and the direction of climate change. Traditional agriculture on the other hand is based on intimacy where the farmer feeds the family and community first and trades the leftovers' (Brewster Kneen, *From Land to Mouth*).

**Nature's bounty is unlimited.**

**Privatization as a means of wealth generation.** With a pen land laws were created that disenfranchised traditional people and eliminated common land that peasants had relied on for their survival. In our more recent context privatization of water and intellectual property laws related to seeds are further acts of enclosing the commons.

**The world as a single global market.** Trade rules, food safety laws, intellectual property laws are written to make it easier to move commodities around the world. Governments also ensure the safety of foreign investments through citizen subsidized military protection and through investments in infrastructure that makes global trade possible.

**The market is the arbitrator of all value. In other words nothing is sacred.**

**Promotion of Technology.** Technology is not only machines. It includes them but it also includes techniques and methods that seek to find the one most efficient way of doing things. As Jaques Ellul points out, technology gets us as individuals and society to focus on the means of doing things and we no longer ask about where we are going. What goal are we seeking? Going faster and gaining in efficiency is not going to help us if we have no idea where we are going.

**Modernization and progress are inherently good.** Their assumed goodness cannot be questioned. The unquestionability of the system makes it similar to a fundamentalist, dogmatic religion. Traditional agricultural practices, religious beliefs and village life is viewed as being backward and a hinderance to progress and thus they either have to convert to the "religion" of modernization or be left behind or eliminated.

**Development.** Although development is a much later Idea it shares with modernization the notion of being a universal narrative that is assumed to be good contributing to nothing less than world peace. The framers of the United Nations Charter believed that the violence of two World Wars in the first half of the 20th Century were caused by protectionism. The way towards world peace therefore is to promote structures that unite all peoples into an "ahistorical and delocalized universalism, (Wolfgang Sachs, *Planetary Dialectics*, 96). Development was one of these intellectual structures. Development theory assumes all nations are on the road to development. Some are leaders, some are early adopters and others are straggling behind but all are on the same road.

Some words of caution for those who want to promote localization. The dominant ideology may want to accuse us of promoting violence because we want to break with the dominant, universal vision of globalization and development. The development narrative as outlined by Harry S. Truman in his

presidential inaugural speech in 1945 states that the way towards world peace and prosperity is for all nations to increase production and the means to greater production is through capital investment and technology transfer. I do not know of any religious or cultural tradition that speaks of technology transfer and capital investment as the way to peace.

We need to be thinking of development as a cultural narrative that is attempting to give shape to the world that we live in. We also need to be looking at our own cultural and religious traditions to see what they have to say about how we are to live in this world. We can compare and contrast these narratives opening up the possibility of alternative futures apart from the hegemony of universalism. An example: Is peace achieved in the world through technology transfer and capital investment as development experts say or is, using the Biblical narrative, the way to peace doing what is right for the poor the weak, the orphan and the oppressed? A small space opens up in to consider new ways of living and being. Powerless people, reflecting on their own cultural and religious narratives, can foster doubt in universal systems by telling the truth and exposing the reality in public discourse. In the Psalms the writer says the foundations of the world are shaken when the structures of injustice are defended and those who oppress the poor are shown favor (Psalm 82). That is an apt description of what we see happening in the modern food system. With a clear counter narrative it is possible to say that opposing globalization and development is not promoting protectionism and violence as those who support the dominant narrative would accuse us. Instead we may be pointing the way towards a more just and liveable world that is free from the control of the ideology of money and transnational corporations.

### Shaking the Foundations of the World

The foundation of any culture and agriculture is its land and its people. Gauging the health of the global food system can be measured by how well people and land are cared for not only how much production is taking place. Increasing production will not ensure the poor are fed in a system based on commodity production for profit. The global food system, dominated by transnational corporations in other words is not a charitable organization. More production does not guarantee that people will be fed. How well is the land cared for? Is the land distributed fairly? Are people fed well? What is the relationship between farms and cities? How food moves from farm to table can have a dramatic impact on the health of our farms and the spiritual well being of our cities. It can have a dramatic impact on the health of the land. This is quite the opposite of what the present system is creating. Let's briefly take a look.

In the world today 21,000 people die of hunger every day and 850 million people are malnourished. In the United States, a nation which boasts of its large scale farms and its productivity, one in seven people are food insecure—that amounts to forty six million people. "People in America", according to Bob Aiken, CEO of Feeding America, have to pick between buying food for their children or paying

for utilities, rent and medicine (Hunger in America: 1 in 7 rely of food banks, USA Today News, August 17, 2014, accessed August 17, 2016)." The problem, however, is not just a lack of agricultural production that if only we could get some more new technology (biotechnology perhaps) and some more capital investment that the problem would go away. The causes of hunger are complex. Hunger can be caused by wars, unjust land ownership, droughts, and displacement because of development projects to name a few. Add to this biofuel production, commodity speculation driving the cost of food up and also "land grabbing" by developed nations and investment firms you have a better idea that technology transfer isn't necessarily the right answer. I briefly want to talk about one of these "land grab" projects being supported by various agencies of the Japanese government. The ProSavana Project in Mozambique is a 14 million hectare agricultural project that has been in the planning stages since 2008. Initial government reports stated that this project will take place in an uninhabited area and it will be a win-win-win situation for the partners in this project. The Japanese government has already promised aid for infrastructure development to ease the export of commodities that companies like Itochu will market in Japan and elsewhere. Financially it is a bargain. If implemented the land will be leased for one dollar per hectare and the land area is more than three times the entire Japanese agricultural land area. The reality is that the land is not uninhabited. Farmers from Mozambique visited Sapporo and Tokyo and reported that more than two million and perhaps up to four million people will lose their land, their connections to their community and their source of sustenance and life. More than eighty percent of Mozambicans are farmers. Capital investment is not necessarily the answer to solving hunger. We need to ask what kinds of investments and what kinds of technology will lead to human freedom and a greater sense of well-being.

Hunger is not the only problem that we are facing. We are also facing a global explosion of obesity and obesity related illnesses like diabetes, heart disease, and cancers that threaten to overwhelm the health care systems of nations around the world. According to the WHO more than 500 million people are obese in the world. Some small island nations in the South Pacific have obesity rates of over seventy percent. Amongst more populous nations Mexico has most recently overtaken the United States as the nation with the highest prevalence of obesity in the world. This rise of obesity levels coincides with the removal of subsidies that supported traditional agriculture in Mexico and the introduction of processed foods into the Mexican market through NAFTA. Obesity rates in Southeast Asia are the lowest in the world at 22%. I would encourage vigilance however. Trade treaties which include investment policies allows foreign companies access to supplying foods to the school lunch program and the power of advertisements for Western foods can shift food habits of a nation over time.

There are also a host of ecological problems that affect the land, air and water. It is hard to generalize problems about soils because soils vary around the world but increasing farm machine sizes generally tend to compact the soils making for less soil aeration and water infiltration which generally would

tend to make water runoff and soil erosion greater. Industrial agriculture production is also a major contributor to global warming. Nearly 10% of the world's annual fossil fuel consumption is used to make nitrogen fertilizer. Fertilizer production is the largest consumer of energy in the agricultural production process. Many agricultural chemicals are also synthesized from fossil fuels. Tractors also consume fossil fuels in agricultural production. The carbon dioxide and also the nitrous oxides given off from fertilizers are major contributor to global warming.

The international grain trade is also a significant contributor to global warming. The Manchester Guardian reported in 2008 that international ocean freight account for 1.12 billion tons of carbon emissions and air transportation 650 million tons but these emissions are left out of United Nations climate change discussions because it is difficult to assign national responsibility for the emissions. Global commodity trade has escaped public scrutiny of its responsibility for climate change. It would only make sense to include these emissions in setting targets for a reduction of greenhouse gas emissions and it would be clear that a shift toward more local ecologically sound agriculture would not only decrease emissions but also contribute to carbon sequestering in the soil as organic matter is increased in the soil. People around the world are also finding out that agricultural fertilizers and chemicals are running off fields contaminating both ground and surface water. An example of this is the creation of a "dead zone" in the Gulf of Mexico at the mouth of the Mississippi River which affects fishing in the region. Runoff is also causing escalating costs for purifying water for city residents. The city of Des Moines, Iowa is in the process of suing farmers for the chemicals that are leaching out of drain tiles in farmer's fields that enter the river and are contaminating the city's water supply. There are many more examples of drinking water contamination caused by chemicals and from large scale confinement livestock facilities and from monocultures of soy in Brazil and Argentina.

Industrial agriculture is also having a devastating sociological impact on rural areas as farmers are pressed by commodity market pressures to increase their efficiency and farm scale in order to survive. There has been a qualitative shift in the technological change that has occurred in agriculture. In earlier times small scale machines were introduced in order to reduce the burden of hand labor. This has given way to the development of machines that are replacing the need for people. The result has been an ever increasing capital cost requirement for new farmers making entry into farming difficult if not impossible. As the remaining farmers continue to adopt machines that make it possible to farm without the need of more people we observe an ageing of both the farm population and the rural communities. The logic of conventional economics means that farmers will continue to increase their scale in order to spread their capital investment costs over a greater land area in order to reduce their production costs. This all makes economic sense but where is this kind of sense taking us?

The demands of market uniformity means that farmers are nearly forced into adopting uniform crop production methods that include seed varieties, chemicals and fertilizers that are all produced outside of

the local economy creating dependence. The recent development of genetically modified seeds that allow seed companies to patent seeds has meant that farmers no longer can own seeds produced using genetic modification techniques. The end user agreement that farmers must sign if they use these varieties give farmers the right to use the seeds but they do not own them. These end user agreements are a means of control. They exist to protect the profits of seed companies. As one seed company executive once said, 'seeds are software and we own the seeds.' Farmers and even nations of farmers can be held captive to seed companies if patented seeds become the norm. The best computers in the world are useless without software. Likewise a nation's fields are useless without seeds. Resisting patents on life are one expression of hope.

The psychological impact of industrial agriculture has also taken its toll on farmers and rural communities. Technological changes, policy shifts, and corporate investments in farming, and in industry as well, have made human beings expendable. The economists language that refers to farmers as producers and farms as production units makes it much more easy to talk about farm suicides and loss of farms due to bankruptcies. The elimination of small farms within this industrial world view is seen as an evolutionary process as society moves through stages toward a mass consumer society. The system demeans human labor, it alienates eaters from agriculture, it contaminates our water and air and it doesn't care whether farmers live or die just as long as somehow production happens. It is an economic system that institutionalizes isolated individualism and irresponsibility. I have witnessed this destruction of farmer's lives and rural communities in the three countries that I have lived, Canada, the United States, and Japan. Looking at the immensity of the health problems, the ecological problems, the sociological, the political/economic issues of power and control and the spiritual/psychological problems being caused by this system can be overwhelming. We are all in this system and it is a part of every one of us.

The problem that we are facing is systemic. Human beings in the past have created structures and institutions based upon a particular ideology and worldview. This system originally intended to serve a useful purpose has instead turned upon us and is enslaving us, it is demanding our loyalty and threatening all life as I have attempted to point out earlier. An eye opener for me was coming to the awareness that there are actually corporations and institutions that benefit from the continuation of this system and the destruction of rural communities and people's lives. Corporations like Monsanto, Cargill, Marubeni, Itochu, Bayer Chemical, Syngenta, John Deere and many others profit from the continuation of this system. The argument I have often seen is that the world's salvation depends on the continuation of the system. Or the world will starve if we move towards local, sustainable agriculture. People in the world are already starving and this system does not exist for the sake of caring for the well being of either people or the particular places in which people live. The corporations which have come to dominate discussions about the structure of the political economy by law are required to maximize their

profits for the sake of shareholder benefit. This has meant they have shifted, and will continue to shift, the costs of this system onto submissive, unknowing, alienated, isolated individuals in mass consumer society which they have in essence created by destroying traditional community and village life. What can we, and by we I mean powerless, ordinary people, do?

For starters we can ask, "What is a food system for?" Is it to grow commodities for the global market or is it to grow food to feed people? Is it to enslave people to a globalizing system of production and consumption or is it to enable free human beings to care for soils and work in solidarity with others to renew a locally embedded economy rooted in meeting the needs of life? I believe strongly that before we talk about what it is that we want to do to create local economies we need to reflect on what is it that we want to be. What is the goal we are working towards? The temptation in the modern technological society is to focus on the methods and techniques of localization as if community life can be engineered. Caring for and loving people must take precedence over the idea of localization. Those who love the idea of localization or local food more than they love people can actually become a destroyer of community because others seldom live up to their ideal. We need patience and the persistence to work together for the long haul. There is a Community Supported Agriculture research group in Japan in which I have been participating in for the past two years. Most of the focus has been on learning the techniques of CSA's. The assumption seems to be that if all the techniques are known it is possible for anyone to start a Community Supported Agriculture project. Trauger Groh, one of the pioneers of the CSA movement in the US, once told a small group of us 25 years ago of the importance of loving each other as the foundation for building a resilient CSA. Earlier this year I visited the same area and talked with Dan Guenther of Common Harvest Farm CSA in the United States. He and his wife, Margaret, started their farm 27 years ago. He lamented that CSA's amongst new farmers is changing. When he began, the focus was on people coming together to create more just food system because the industrial food system was not working. The focus was on people. What Dan lamented most after attending a recent CSA conference was that CSA's were turning into a marketing technique with the convenience of home delivery and freshness as its greatest sales point. One of the shocking things for him was to hear a farmer say at the conference, "I don't care if I know my members." The farmer relies on social media to connect with members and he has digital cameras mounted around the farm so that members can visit "their" farm online. There is less contact between people in today's wired world and virtual visits to farms is not the same as actually being there. The word "community" in the digital age is taking on a different meaning. Life is turning into a cerebral experience rather than something that people share common convictions of the heart and a share the joys and the struggles of growing food and caring for land.

Twentieth century practitioners of nonviolent social change saw politics as lived spirituality. They sought to live out their deepest religious convictions in the midst of the struggles of public life. I want to

share with you the thoughts of a few of these people. Gandhi believed that all people both oppressed and oppressor alike were children of God and that noncooperation with structures that humiliate was a necessary action because the system was robbing both groups of their humanity. Nonviolently being willing to suffer for the sake of what was true was a way of exposing the violence of the system. The purpose was not to win but to create a context in which enemies can become friends. Noncooperation at times means resisting but it also believing in the reconstructive program of renewing the village economy.

You cannot build non-violence on a factory civilization... Rural economy as I have conceived it eschews exploitation altogether, and exploitation is the essence of violence. You have therefore to be rural minded before you can be non-violent, and to be rural-minded you have to have faith in the spinning wheel (Gandhi, Gandhi on Non-Violence, p. 54).

The spinning wheel as a principle of action is an expression of community solidarity with fellow humans and the earth and a means of withdrawing one's support and dependence on the system of exploitation. Vaclav Havel, the Czech playwright, noted in his seminal essay, The Power of the Powerless, that within totalitarian systems there is a growing gap between the promises of the system and the experience of the people and yet people still try to fit into the system out of fear of losing the little that the system has promised. What would happen if people would stop living the lie and begin to live in Truth. By "living in Truth" Havel advocated the creation of a parallel political economy because a system based on exploitation of people and the earth loses its authority once the possibility of another way is made known. He calls this "the politics of the everyday".

The more I reflect on the nature of the present food system the more I am convinced that the system shares similarities with the logic of totalitarianism. Notions of creating a superior food system that is in charge of the noble task of "feeding the world" and creating laws based not upon what is right and good but instead creating laws that protect the powerful—intellectual property laws and trade agreements like the TPP are but two examples. Totalitarian systems also isolate people and exert their rule over people's lives by instilling fear. This is an apt description of the process of industrializing agriculture and development. Over time it breaks all common bonds of solidarity. It creates isolation and loneliness in the rural areas and isolation and loneliness in the city. When common sense is lost it is difficult to trust others. When fear inhabits our being it is easy to become paralyzed, incapable of imagining different ways of living and being. Perhaps one of the greatest fears being perpetrated by globalization is the fear of being left behind. This is perhaps the greatest fear that isolated individuals can have in the globalizing food economy. Hannah Arendt, a political scientist, argues that totalitarian systems cannot be changed through an appeal to logic. Changes comes about through asking for an understanding heart. "Understanding is an unending activity by which, in constant change and variation, we... try to

be at home in this world. Understanding is unending. It is the specifically human way of being alive." Totalitarian ideology is overcome by learning to love the people around you and caring for land beneath your feet. This is perhaps the best and the only way to overcome the structures of violence that we face today. This is what localization means to me.

I would like to acknowledge that there are many examples of communities that are working to renew local agriculture. In the workshop session I will be talking about organizing Community Supported Agriculture projects and working to shift thinking about how food is moved from farm to table. In closing I want to share with you a story of a bakery in Winnipeg, Manitoba, Canada which I had the privilege of originating together with four others that demonstrates the politics of a lived spirituality in creating a local economy rooted in a commitment to the way of peace and the power of love. Tall Grass Prairie Bread Company was started 26 years ago. It started out of a desire for members of a small Christian community in Winnipeg to work together and bake bread for people living in our neighborhood. Our desire was to support local farmers practicing organic farming, pay farmers just prices for the grains they produced, pay our workers good wages and bake good nutritious breads. It sounds like an impossible task and business consultants warned us that what we were trying to do had a high probability of failure. A farm crisis was driving farmers off the land and many bankruptcies and suicides were being reported in the news. We purchased an appropriately scaled flour mill to mill our own grains but found out that buying grains from farmers directly was a violation of the Canadian Grain Buyers Act. In violation of the law we purchased grain from farmers for two years, paying farmers up to four times the market price for their grains, before the Canadian Wheat Board found out about our illegal activity. The appropriately scaled flour mill was what made it possible for us to do this. I had read so much in economic text books about the theories of economies of scale that I could not believe my eyes when I began doing cost calculations for the flour. The North American Free Trade Agreement (NAFTA) resulted in American companies buying up all of the flour mills in Manitoba and closing them down. The relatively inexpensive flour mill that we had purchased allowed us to pay farmers a just price while we were still able to make flour for less cost than buying it from a supplier of U.S. flour. E. F. Schumacher's ideas about "technology with a human face" made perfect sense for this community scaled business. I also reflected on the writings of Gandhi and when a television documentary was being filmed about this bakery I was asked about the flour mill and I spoke in a rather halting manner because my head was still spinning trying to make sense of the economic power of this flour mill and the contradictions that I had learned about economies of scale from my economics professors. "This small flour mill," I said, "may be the Canadian equivalent to Gandhi's spinning wheel." It seems that the message touched something in people's hearts. From its small beginnings it has maintained its commitment to paying just prices for grains and above average wages to its workers and enjoys the goodwill of the people of the city of Winnipeg. Today the bakery mills more than 150 tons of wheat a

year and employs more than 60 people.

One of the critical questions about local businesses is the question of ownership and control. One of the critical questions that we as owners asked in the very beginning what would happen if this bakery succeeded? Would it be bought out like Ben and Jerry's? Ben and Jerry's was a local Vermont company supporting local farmers but was purchased by Unilever, the world's largest ice cream maker. To keep that from happening we wrote into the owners agreement that shareholders have to live in the neighborhood. This by law meant that capital remained in the community and that owners would remain visible and could be held accountable for their actions. When I left Winnipeg I had to give up my ownership right. The bakery has received numerous awards including one from the International Institute for Sustainable Development and also various local Community Service Awards. Paul Langel, one of the original owners, tells of the core vision of Tall Grass, "our vision is about reconciliation and about how we work that out in our world: person to person, us to the land; rural to urban. We focus on blessing and respect for everyone." The bakery has had a profound influence on the city of Winnipeg and on the entire province of Manitoba. Since the start of Tall Grass, as it is called, CSA's have been started, and interest in local food has blossomed. A Winnipeg Free Press reporter visited me in Japan in April for a story and spoke of "Tall Grass" as Winnipeg's beloved bakery. There is a sense when you visit Winnipeg that "Tall Grass" is everyone's bakery. Tall Grass has come about from the owner's desire to seek not only their own welfare but the welfare of the city as well as the farmers and land on which their business depends.

Localization for it to succeed must be thought of not as a technique but as a way to express a politics of lived spirituality. The focus is on "being" more than "doing". Action arises out of the core of our being in our work of resistance and renewal. We cannot fully know who we are apart from relationships with other human beings and the land which we, all of us, both city dwellers and farmers, have been entrusted to care for. Based upon these deeper meanings we can join together in the creative, imaginative task of renewing a local food system and food economy that honors the dignity of human beings, cares for land, and gratitude to God for the gift of life.

# The future of Nonsan for a warm, local community

Hwang Myeong-seon  
the Mayor of Nonsan

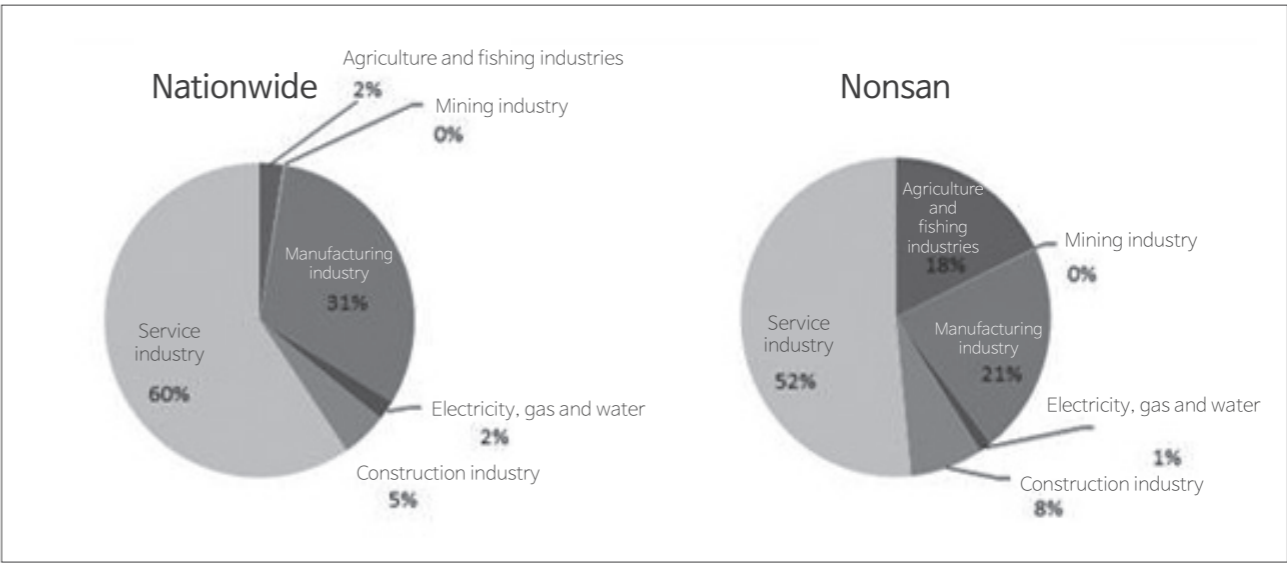
## 1. Introduction

Nonsan is a city in South Chungcheong Province, located in the central part of South Korea. Nonsan adjoins to Jeollabuk-do Province to the South and Daejeon Metropolitan City to the West. The total area is 554.81km<sup>2</sup>, which consists of 42.5% forest lands and 37.6% farmlands (orchards included), using most of the land for agriculture. As of December 2015, its population is 127,735. Administrative divisions consist of 2 eup, 11 myeon, and 2 dong.



〈Location and administrative districts of Nonsan〉

Nonsan is facing crises like any other rural areas around the world. The population, which was 259,000 in 1965, has more than halved. The share of the senior citizens over 65 accounts for 21.6%. The comparison of Nonsan's total production ratio by economic activity with that of other cities across the nation shows that the share of the service sector in the city is low. That means commercial and social services in the city closely related to the daily lives of local people are lacking. In other words, like any other rural areas, as the population of Nonsan decreased, the quality of social services such as education, culture, and welfare, as well as social services, worsened, leading to a lower quality of life in general. Therefore, Nonsan entered a vicious circle in which more people left the city and the city became stagnated.



〈Comparison of GRDP of Nonsan (per industries) and GNP (2012)〉

Most countries which achieved economic development focusing on growth based on capitalism are facing a "population cliff", which refers to the low birth rate and aging populations. Rural areas are experiencing the crisis of the "disappearance of local city" that makes rural areas unable to exist on their own due to the concentration of population in cities. Korea achieved rapid economic development through industrialization. However, as the human capital and physical capital from rural areas were mobilized to cities, the population in the rural areas and the potential of local cities were reduced. Local development of rural areas was based on so called "monetary" development policies, in which goods necessary for the region are bought from other regions with money earned by selling goods to other regions. Therefore, the local economy of the rural areas was subordinate to the urban economy and the industrial structure was fragmented. In this process, limited resources and capability were focused on the sectors with competitiveness, the social capability needed for growing independently across a local society was weakened.

To address this local crisis, Nonsan is trying to strengthen citizen autonomy, nurture the economy of communities, and enhance public services. Nonsan will strengthen the capability of the region to overcome the regional crises through citizen autonomy, create regional economic structure circling through the economy of communities, and enhance the quality of life by expanding public services. As a result, Nonsan will prevent the population decrease and outflow of capital to break the vicious cycle, which causes population decrease, lowers the quality of life and stagnates the local economy, leading to further population decrease. We expect a virtuous circle of voluntary local development.

## 2. Strengthening citizen autonomy

Citizen autonomy has the capability to recognize and address a local community's problems, which administrators couldn't. It can mobilize local resources to complete various tasks needed for a local community, contributing to economic circulation. It can be a very important crisis response strategy in that the local community can strengthen residents' abilities to develop on its own in the process. Also, it is the basis of development of democracy.

Korea started to implement the local autonomy system in earnest in June 1995. In addition, Korea is strengthening citizen autonomy with various systems, such as local councils, citizen autonomy committees, and residents participatory budgeting. To increase the residents' interest in the local affairs and listen to the residents' voice, Nonsan holds "town hall meetings" for various groups of people. Nonsan held meetings for young adults on June 11th, for women on June 13th, and for young adults and middle-aged people on August 26th, and around 500 people from different groups participated in the town hall meetings. The participants of the meeting suggested ideas for local development and the city collected residents' request. The city could confirm the citizen's needs for expanded cultural facilities and performances, improved conditions of education including career counseling, attracting businesses to the city, and job creation



〈Town Hall Meeting in 2016, Youth (left), Women (right)〉

Nonsan has been implementing residents participatory budgeting since 201\*. However, most projects discovered by administrative divisions of eup, myeon, and dong were focused on facilities, such as road construction and pavement, agricultural waterway maintenance, and construction and renovation of community centers. Such projects didn't deal with challenges faced with the local community and wasn't a project where residents could participate. To address this problem, Nonsan started to push ahead with the presentation of business discovered for residents participatory budgeting,

liked by citizen autonomy committee's activities and the residents participatory budgeting system. A new method was introduced where each citizen autonomy committee from eup, myeon, and dong discovers projects needed for themselves independently, and then the discovered projects are funded through the residents participatory budgeting the following year. After a circuit education of eup, myeon, and dong in January, each eup, myeon, and dong organized committees and established divisions. Then, through a meeting of citizen autonomy committee, they listen to the local resident's opinions and received counseling from experts, and discovered projects by July. After they went through the deliberation and conciliation of members of residents participatory budgeting, 15 citizen autonomy committees of eup, myeon, and dong announced the projects which will be funded by residents participatory budgeting on August 30th. During this event, a contest was held, in which an excellence award went to one myeon, resident awards to one myeon and one dong, and autonomy awards to two myeon. Nonsan will provide commercial and working expenses to five citizen autonomy committees, and increase residents participatory budget and distribute it differently.



〈Contest of business discovered for residents participatory budgeting in 2016〉

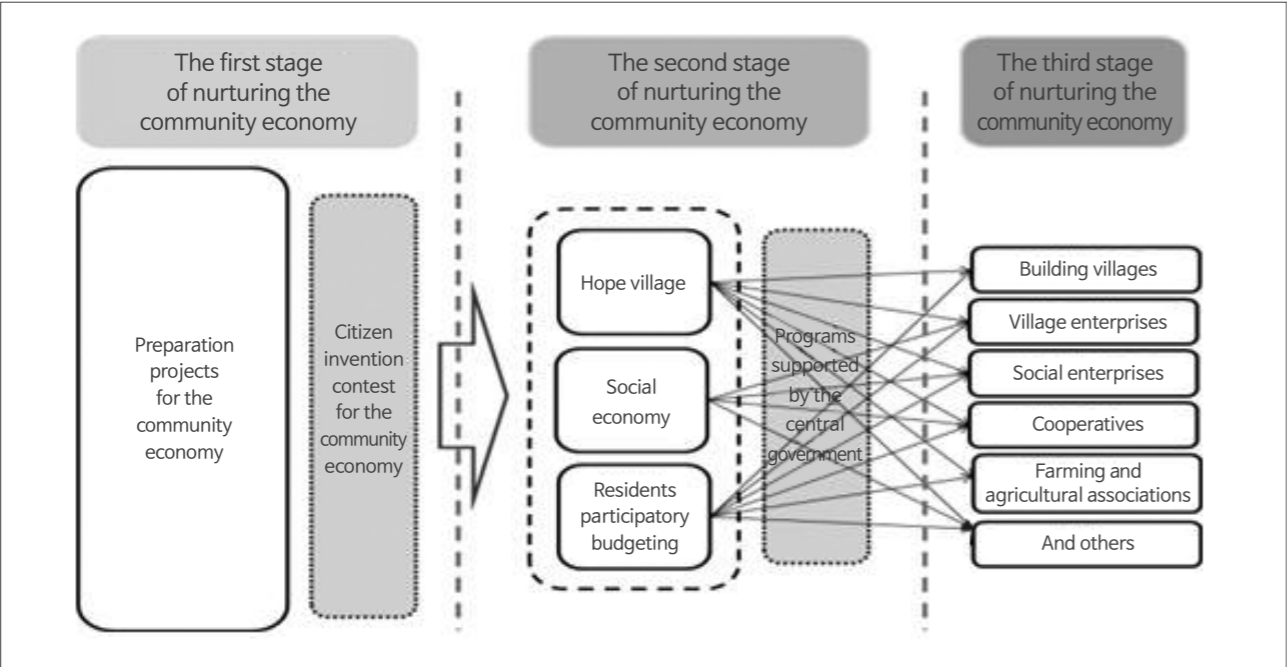
Citizens could see that they can voice their ideas and opinions about city affairs and local development through town hall meetings and activities of citizen autonomy committees. They also became confident that they could implement necessary projects by themselves without depending on administrators to develop local communities.

## 3. Nurturing of the economy of communities

Korea, which has experienced two economic crises, enacted the Social Enterprise Promotion Act in 2006 and the Framework Act On Cooperatives in 2011 in order to strengthen the social economy. In addition, Korea is actively implementing supportive policies for community based economic organization such as self-support businesses, village businesses, and farming and fishing village community

businesses. However, as supports and efforts related to the social economy focused on job creation, not enough efforts are put into establishing the basis of stable activity for social economy organizations.

Nonsan combined a village building movement in urban and rural areas starting in the late 1990s and village projects with the social economy to nurture various main agents of the social economy. Along with such main agents, Nonsan is trying to establish a local economy where reciprocity, sharing, and caring are preferred and materials and capital circulate. Nonsan is nurturing of the economies of communities while integrating village building and the social economy as shown in the picture below.

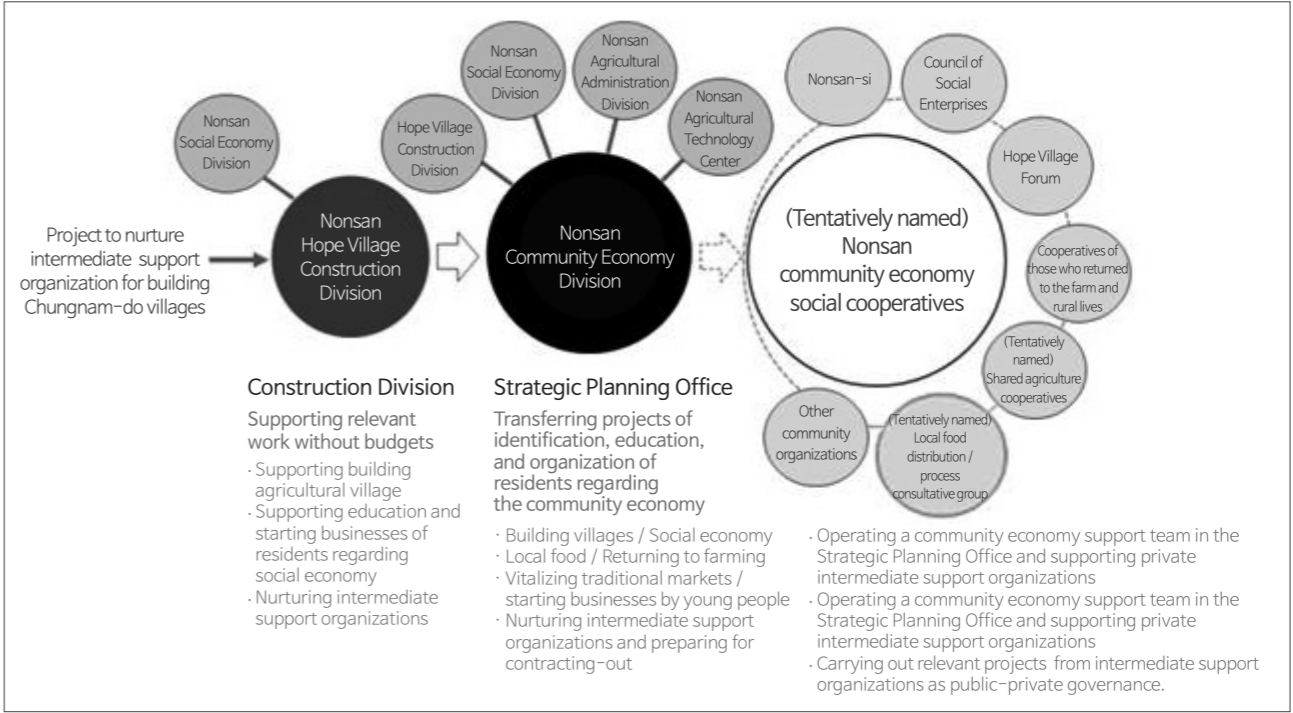


〈Nurturing system for Nonsan's Community Economy〉

The Nurturing projects of the economies of communities will be divided into three stages. The first stage is a preparation stage to develop local residents' ideas and demands in various areas. Small amounts of funds will be provided so that local residents can study, visit exemplary places, develop prototypes, and start preliminary businesses with regard to proper business ideas of local residents. Local residents in the first stage can enter the second stage through citizen invention contests. According to the results of the first stage, assistance will be provided to local residents and business activities developed and specified based on the village, social economy, and citizen autonomy. At the third stage, in relation with appropriate policy projects of the central government, support will be provided for the development of a sound social economic organization. With such supporting projects by

stages, it is expected that local residents can push ahead with voluntary activities and projects according to their capabilities, and community activities and social economic activities are combined in various areas and at various levels, leading to a worm local community.

To do so, Nonsan hired five experts in village building and social economy, and three activists as contract workers to run a Community Economy Team within the Strategic Planning Office. The Community Economy Team will be expanded to a mid-level support organization, and then separated from the Administration Bureau to establish a public-private governance system. Currently, the Community Economy Team is providing education on village building and social economy, doing monitoring and consulting about citizen organizations, and carrying out projects to increase the exchanges and cooperation among local citizens. It is also trying to strengthen residents' activities in vulnerable areas in the local community such as school meals, local food, energy self-sufficiency, career counseling, education outside school and alternative trips.



〈Nonsan's method for a public-private governance system for nurturing a community economy〉

The purpose of a community economy is to compensate for problems that occur while focusing on money earned from outside the community, the money brought in because of local development projects flows out again. In other words, it is necessary to encourage circulation in a local economy. In the past, the local economy was circulated around traditional markets. Farmers sold agricultural products

at traditional markets and bought necessary goods there. Therefore, local money was circulated around traditional markets. In this process, various businesses were set up and jobs were created. The decline of traditional markets is the symbol of a fragmented local economy. Therefore, Nonsan will restore such functions of traditional markets. Nonsan has Hwaji central market, which has a long history since the opening of the Honam Line. To vitalize the market, Nonsan is carrying out a small market fostering project and a start-up support project for young merchants, which are led by the Small and Medium Business Administration. The city also plans to expand parking lots in relation with repair projects of Junggyo stream nearby.



〈화지중앙시장의 골목형시장 육성사업의 시장환경개선안(좌)와 주차장 정비사업안(우)〉

#### 4. Strengthening of the social service

As the population of rural areas has decreased, the quality of social services has gotten worse. Public and social services are efficiently provided only if a high enough population is maintained. However, as the population density is getting low, the city is facing various problems. An example is education. Rural communities find it hard to improve the condition of education and the quality of services, because the number of students is dwindling. Young families in rural areas are leaving for better education and services. Low quality of social services is a major factor triggering the outflows of rural population.

Nonsan is working hard to drastically improve the poor social services to put them on a par with services of other cities. First sector to improve is the education sector for adolescents. In the first half of 2016, all of the second-grade 1,663 students in 12 high schools went on school trips for three nights and four days to Shanghai in China. During the trip to Shanghai, the base for anti-Japanese movement and now a city emerging as the center of the global economy, which wasn't just for fun; students studied with actual learning activities to explore a promising future based on the correct perception of history. To do so, Nonsan provided the differences of expenditure compared with previous trips to

Jeju-do, and visited Shanghai multiple times to plan the course and educational programs. The city established a governance system in cooperation with the Nonsan education office, schools, parents' groups, and graduates' association. Therefore, every student, including children on social welfare could go on a trip.



〈Meeting of high school alumni for students' overseas trip (left) and visit to Yun Bong-gil Memorial Hall (right)〉

In addition, Nonsan held a Job fair for young adults from September 21st to 22nd, featuring vocational interest tests, career counseling, mentoring of professional workers and university students, and vocational experiences. In this Job fair, unlike in the past, not only jobs in cities, but also jobs needed in rural communities, such as farmers, CEOs of agricultural product distribution companies, and activists for the social economy will be introduced. In addition, to be sure adolescents are best aware of what they need, Youth Policy Development Team is operated for idea suggestions and project planning for policies and projects for young people.

The second target for strengthened social services is senior citizens. Nonsan is carrying out "Donggodongrak" project which uses senior citizen centers in rural areas as the bases for actual welfare services. Donggodongrak project is to carry out integrated projects around the same senior citizen center by the Social Welfare Division, Lifetime Education Division, and the Health Center of Nonsan City. To start, the project is being implemented at 19 senior citizen centers. The Social Welfare Division supports the senior citizen centers so that the centers can be used as so called Group Homes for senior citizens who live alone. Currently, 110 senior citizens are living together in 19 villages, and thanks to the precipitation of local residents, 45 additional villages applied. The Lifetime Education Division is running Korean classes and small libraries to improve the self-esteem of the elderly. In addition to the 19 villages participating in the joint projects, three more villages applied, a total of 22 villages, and 286 residents are participating. The Health Center operates villages health promotion care. It introduced

a health care card for the elderly at the villages to check regularly the basic health conditions and illnesses and provide health counseling.



〈Presentation of Donggodongrak project (left) and Group Home for senior citizens who live alone (right)〉



〈Village Korean School entrance ceremony (left) and health care program (right)〉

By carrying out Donggodongrak project, Nonsan is moving away from the senior welfare project, which was mainly about injecting budgets, to actual welfare services with relationships based on the previous administrative services and the communal character of the villages. Nonsan plans to seek out an efficient implementation method to expand the project to 509 senior citizen centers.

The third target for strengthened social services is young people. Like other rural areas, the outflows of young people from the local community is serious in Nonsan, due to the shortages of jobs, cultural services, and lack of social services such as child caring and education. Nonsan holds meetings for young people to support them in starting businesses. The city also provides support for start-ups by hosting citizen invention contests so that young people can create rewarding jobs necessary to local communities.

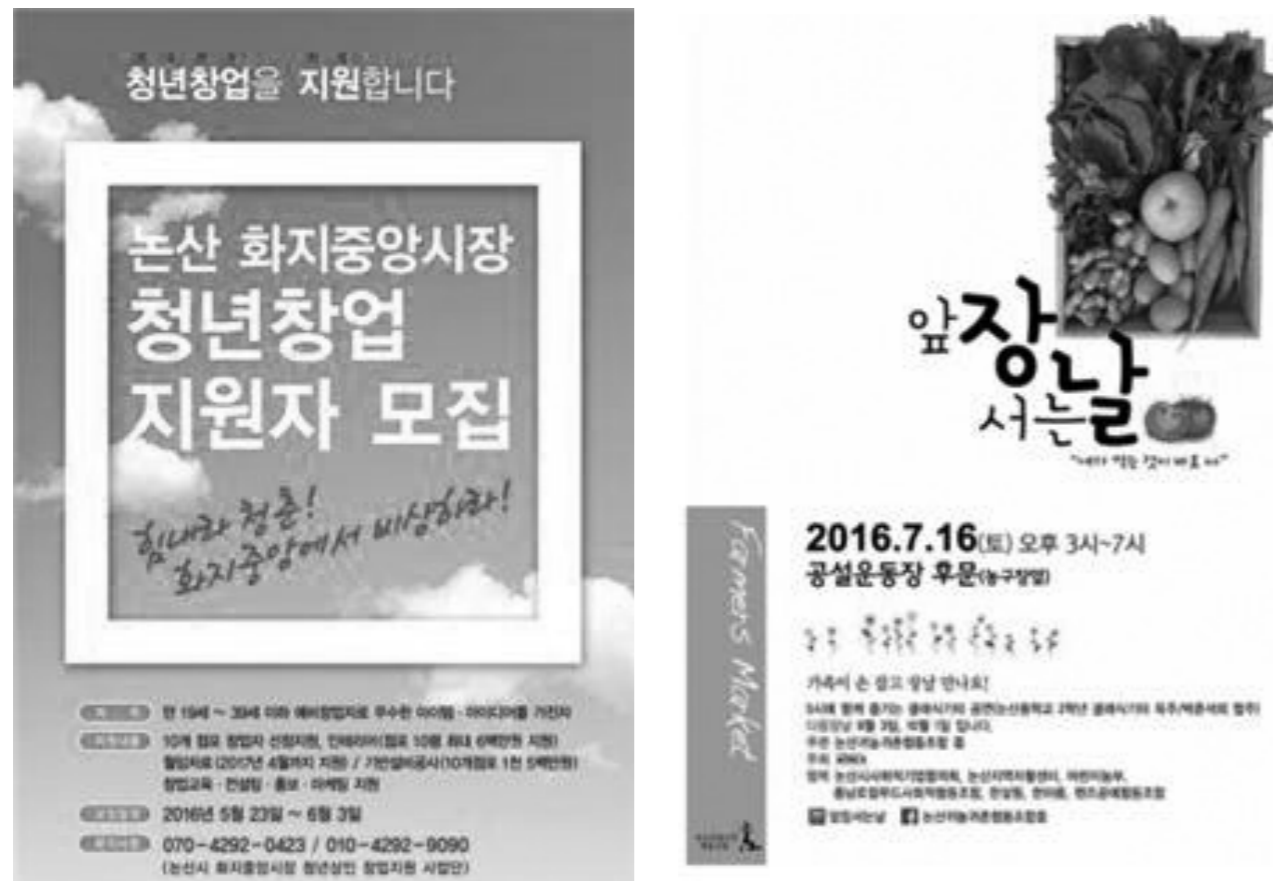


〈Completion Ceremony of citizen invention contest (left), Meeting to promote starting businesses (right)〉

In addition, Nonsan utilizes empty stores at the declined commercial areas at Hwaji central market and carries out the start-up support project for young merchants, which is led by the Small and Medium Business Administration. Around 10 young merchants are renovating the empty stores and improving the environment of the shipping area with an aim to open the store in mid-October. The city provides help with the direct trading market of cooperatives of those who returned to the farm and rural lives, which is led by young farmers.

#### 4. Moving forward

Nosan is trying to strengthen citizen autonomy, nurture the economies of communities, and enhance public services. It is too early to tell if such alternative efforts of local development to the existing "monetary" local development will help local communities get out of the dark tunnel of "disappearance of local city".



〈Recruiting poster for young merchants of Hwaji central market and poster for direct trading market〉

Given the social and economic structure of Nonsan, the population will still decrease, the pace of aging of population will accelerate, and the outflows of human capital and physical capital will be maintained considerably. This is probably due to the local community of Nonsan moving to a social and economic structure below the threshold in which the independent development of a city is no longer possible. Therefore, Nonsan is trying to make connections with other regions, especially with other cities. That's because Nonsan believes that if we don't receive human capital and physical capital from cities and intangible social assets owned by healthy citizens, it will never be easy to solve this crisis. Fortunately, more and more baby boomers and young people have been paying attention to returning to the farm and rural lives, and we are going to make capital of that. The city is strategically pushing ahead with projects related to returning to the farm and rural lives, such as building schools or houses, and offering to mentor for those who are returning to the farm and rural lives. Nonsan is currently discussing with Siheung-si, in Gyeonggi-do Province how to provide social services together such as food, housing, and jobs, in a way that can create synergy with both cities. For example, with urban-rural co-existing projects, Nonsan invites people who want to move to rural areas to its cities preferentially, thereby

increasing the safe agricultural products in Nonsan. At the same time, Siheung will be able to achieve food welfare. This project is expected to buffer Siheung's "population cliff", which is a crisis that will appear in the near future.

Nonsan is a typical rural area in Korea. Nonsan is experimenting with "a warm local community" to recover the happiness of local residents and create decent lives, stolen by the globalization and capitalist local development. Nonsan will work hard to show that this experiment becomes the new hope of Korea's rural areas. In addition, the crises of rural areas in Korea and the crisis of Nonsan are in the same context of the crises around the world and across the region. Therefore, we hope that the experiment of Nonsan lays the foundation for global efforts to realize an economy of happiness for the global community.

CHPATER 05

**Workshop Session 1**  
**'Future of the Region'**

- 
- If we are going to have to save the world – let's start locally George Ferguson
  - Future of the region : Ethics, and a new media for a new economy  
Zan Boag
  - Three Changes of Jeonju in 2000 and the Future of Jeonju Won Do-yeon
  - For Cooperative Governance and Sustainable Innovation Yu Chang-bok
  - Localization for Enhancing Community Resilience Jeon Dae-uk
  - Need for Reconstructed Recognition of Region and Local Community  
Kim Nam-gyu

# Workshop Session 1 'Local Futures'

- To prepare a place for exchanging visions and experiences with overseas experts, related organizations at home and on-site entrepreneurs, who pursue common goals in the ecological city and social economy fields, which are considered the important values of the 6th popularly-elected government in Jeonju.
- To raise the civic awareness by sharing the value of and increasing public interest in "Economics of Happiness," going beyond ongoing fierce competition and polarization of wealth.

## ■ Programs

Time		Classification	Description
14:00 ~ 14:10	10'	Opening	Opening Address, Introduction of Presenters/Debaters/ Case Speakers, Introduction of Guests, and Guide to Workshop Programs
14:10 ~ 14:40	30'	Presentation 1	<b>If we are going to have to save the world – let's start locally.</b> George Ferguson   Former Mayor of Bristol, England
14:40 ~ 15:10	30'	Presentation 2	<b>Future of the region: Ethics, and a new media for a new economy</b> Zan Boag   Founder of New Philosophy Australia
15:10 ~ 15:40	30'	Presentation 3	<b>Three Changes of Jeonju in 2000 and the Future of Jeonju</b> Won Do-yeon   Professor of Cultural Contents at Wonkwang University
15:40 ~ 15:50	10'	Recess	
15:50 ~ 16:50	60'	General Discussion	Yu Chang Bok   Cooperative Governance Advisor to Seoul Jeon Dae-uk   Director of the Village Community Development Center under the Korea Local Promotion Foundation Kim Nam-gyu   Policy Committee Chairperson of the Peoples Solidarity for Participation and Autonomy in Chonbuk
16:50 ~ 17:40	50'	Q&A and Free Discussion	Q&A and free discussion with presenters /debaters/case speakers
17:40 ~ 17:50	10'	Closing	Closing and taking commemorative photographs

Chaired by Won Yong–chan (Professor of Economics at Chonbuk University)

## If we are going to have to save the world – lets start locally.

George Ferguson

We learn history at school in order to learn lessons from it, but do we? To plan a local future we need to take the best of the past and apply smart systems that enable everyone to benefit, not turn our back on it. Surely the best start is to look at ourselves, our communities and our cities and to see what we can do to make life more fulfilling. I would like to start with our increasing reliance on the car.

The car is our mistress, master and urban disaster, however transport, as with almost any issue, should never be treated in isolation, but we should plan to reduce 'forced' mobility and to reduce the waste and unnecessary burden on the economy while concentrating on satisfying real needs. While we need to provide alternatives to the car we can also reduce the need for many journeys, a need that has been increased by a trend towards larger and more centralized industry, by working towards more self-sufficient communities.

Do we need to transport food and waste to the extent we do? Local food is fresher food – and uses less energy in transportation and packaging. Is the future one of a more direct relationship between consumer and provider?

As an architect I am also intensely conscious that we used to build with local materials with delightful results, as is witnessed in Jeonju's historic streets. We now transport both materials and universal solutions from hundreds, and even thousands, of miles away with less successful results. We should always ask whether that journey is really necessary, or does it bring delight and celebrate local skills?

Advances in technology, not least communication, enable more local working, but does it lead to greater isolation in terms of human contact?

I saw my role as mayor of a city of half a million population as an enabling role, encouraging communities to become more self-reliant and more sociable, by helping independent local businesses and initiatives to thrive and to provide a real alternative to the multi-nationals and standard offers of out of town shopping malls.

So lets consider a local future that makes the best of both – more sustainable and distinctive and vibrant communities with easy access to a more connected world. The huge dividends of greater health and wellbeing need to be factored in to our measurement of success if we are to bring the necessary root and branch changes to our local and global decision making.

## Future of the region: Ethics, and a new media for a new economy

Zan Boag

The challenges we face in the region are economic, political, social, and environmental. The cause of a large number of our problems stems from the focus of profit over ethics. When profit comes first, what suffers? There is a long list, starting with people, relationships, the environment, and the very fabric of each unique culture.

Ethics is at the core of our various businesses, which include

- two award-winning, advertising-free international publications that are distributed in more than 16,000 stores in 18 countries around the world
- an independent bookstore aimed at intellectuals, and
- an ethically-produced, organic tea label

The two magazines provide a forum for discussing the central issues of our time from an ecological and social perspective rather than from a commercial one – with each edition of the tackling a difficult issue from a contemporary viewpoint – such as the role of technology, the aim of education, the pursuit of happiness, and the modern notion of progress. We encourage common-sense discussion and debate. And we refuse all advertising.

The independent bookstore is a gathering place for intellectuals, with books available from thinkers past and present – books from the Ancient Roman scholar Seneca sit beside the latest Peter Singer book; you'll find Lao Tzu next to David Suzuki. The bookstore is defined as much by what isn't there, as what is available – that is, we don't have romance novels or the latest thriller or the recent celebrity tell-all unapproved biography.

Lastly, we have an ethically-produced, organic tea label, which is distributed through our partnerships with other independent bookstores and is also sold in our bookstore. We think that good tea and good books is a good combination – which can lead to positive discussions and the generation of ideas.

Across all three businesses, how we do business matters most, not how much we make.

Not only can business be ethical, it must be ethical if it is to maintain a social licence to operate. The

current inhabitants, which includes us, are the current stewards of Planet Earth and it is our obligation to present it – both the physical environment and the cultural wealth – in a good condition to the next generation of inhabitants. Greed and waste cannot drive decision-making if this is to happen, but rather ethics.

The first step is to define what is meant by ethics. We need to ask

- What makes a business ethical?
- How can we measure whether a business is ethical?
- Why is it important that a business makes decisions based on ethics rather than profit?
- What are the costs of making profit-driven rather than ethics-driven decisions?
- Can a business be ethical and competitive?

Ethics in business won't just happen – it needs to be promoted and celebrated. The key to this is the media. We publish two international magazines and as a result we have an insight into the workings of the global media. Given the extent to which the media influences what we think and how we behave – in essence it defines our thoughts and actions – it is essential that the media leads the way in creating a new way of thinking about ethical business; that the media promote "ethical lists" rather than "rich lists", that the media shames the greedy and the wastful, rather than targeting the poor and the unlucky.

The media has a duty of care for the population on the planet – all of whom are directly influenced by the content they consume in the form of articles, images, videos, and social media. The media hold the power to portray various matters of significance to local, regional, and international communities, and it is through the media that great change can be brought about. Instead of focusing on ourselves, we can focus on the effect of our actions. Instead of celebrating death and destruction, we can celebrate life and regeneration.

If we are to truly change direction, if we are to have any chance of delivering to future generations what was delivered to us, we need to ensure that the information people are consuming is of high quality and the right amount. Just as is the case with food, we must be conscious of the quality and quantity of information we consume – a media diet, as it were.

I believe that we need new media for a new way of thinking. That new way of thinking starts with questioning the role the media plays, and putting in place structures that will promote healthy habits of media production and consumption. If we keep consuming rubbish in the form of celebrity nonsense

and diet tips, then the other policies that are put in place are likely to be ineffective. Positive change can only begin with a radical shift in media production and consumption, which should also include a shift in our attitude towards the inclusion of advertising in media. Just as cigarette advertising was banned, and alcohol and gambling advertising is banned in certain countries, we should also look at a range of other advertising that is fostering behaviour that is destructive to the planet.

If we are to divert from our current arrogant path of environmental destruction, we must include education on media consumption at schools, a discussion of media consumption in the media, and a promotion of ideas and information that are likely to have a positive effect on society and the future of the planet.

## Three Changes of Jeonju in 2000 and the Future of Jeonju

Won Do-yeon

Professor, Social Economy Department, Graduate School of Wonkwang University

### 1. Three Scenes of Jeonju, Having Opened the New Millennium in 2000

Greeting its 2nd popularly-elected government, Jeonju City planed three important projects around 2000. At that time, these three tasks were not given any top priority in terms of its municipal budget or policy importance. Over the past 15 years, however, they have developed into a symbolic part of Jeonju. They include three projects; forming a square in front of Jeonju City Hall, improving the ecology of the Jeonjucheon Stream, and regenerating Hanok Village.

These three projects served as momentum to transform Jeonju's urban identity into an ecological and cultural city. Before the 2nd popularly-elected government, its strategy for urban development was focused mainly on "extension and development." The population of Jeonju was 124,352 in 1960, but increased to 367,037 in 1980, 516,965 in 1990 and 615,804 in 2000, respectively. Its urban goals were focused in how to accommodate a rapidly growing population. In result, the city had no choice but to adhere to the focus of "extension and development."

In 2000, when Jeonju accelerated its urban growth, it planned those three projects, facing much resistance. However, Jeonju City pushed ahead with them. The project for forming a square in front of Jeonju City Hall was mainly designed to build a civic park filled with pine trees and lawns in the square of City Hall. Its budget amounted to 1 billion won. People pointed out that it might cause a serious parking problem and traffic congestion around by getting rid of a public parking lot. Nevertheless, the project could continue under relatively passive resistance.

The project for improving the ecology of the Jeonjucheon Stream was launched in earnest to revive the river under the slogan of "Let's Recover Home River," in 2000. Jeonju City spent 12.5 billion won on its construction to restore a 13km-long river ranging from Hanbyeokgyo Bridge to Seosingyo Bridge. This phased restoration project continued for three years until 2002. The first goal was to secure enough stream water to improve flow into Jeonjucheon Stream. At the same time, it was successful in blocking wastewater from flowing into Jeonjucheon Stream by eliminating nearby contamination sources and installing purification facilities there. Though this project aroused some doubts over its ecological process and benefits, the project continued with enormous support from the civic society at that time. Lastly, the Jeonju Hanok Village project met with strong opposition in comparison with other two projects. Local residents demanded its modern development, raising an objection against the designation

of a Hanok conservation area, and complaining that it required conservation only without any support. Such conflicts with residents went on for more than four months, but Jeonju City endured to continue with this project, so that Jeonju Hanok Village could evolve into a representative tourist attraction of Korea as well as a successful urban restoration area.

### 2. Three "Scenes" of 2000 and Jeonju of 2016

Beginning in 2000, those three scenes played an important role in determining the future of Jeonju. An urban scene serves as a concept of describing urban fields and characteristics. The scene represented more than a simple landscape, but went so far as to indicate the cohesion of city dwellers who share similar values and tastes. Theoretically, the scene serves as an urban space that represents regional characteristics and provides amenities and fun, as well as a space for creating social and cultural consumption.

Those three changes to the square in front of Jeonju City Hall, Jeonjucheon Stream and Hanok Village, symbolized the future of the urban community that Jeonju strived for in 2000. Since its foundation, Jeonjucheon Stream has grown into a valuable space for citizens in Jeonju, while Hanok Village has become a best practice for proving the value of conservation and utilization rather than development. Such attempts have led to a new city strategy called a traditional culture-based and slow city and have laid the framework for transforming Jeonju City's development strategy into an ecological, cultural city, since the 6th popularly-elected government in 2014.

Since 2014, the 6th popularly-elected government has faced another challenge. In the direction of urban development, its key concepts include citizens, participation, fields, warmth, sustainability, ecology and disadvantaged people. In a broad sense, such concepts are also based on femininity, maternity, emotion, etc. However, such an ecological, emotional concept runs against the existing concepts of innovation, competitiveness, industry, jobs, enterprise attraction, development, budget expansion, growth engine and strategic industry, which have governed Korean cities including Jeonju in the past. In this regard, the symbolic projects of the 6th popularly-elected government had a different viewpoint from the "development and growth" that Korean cities have presented so far. Its policies including mom's table, rental apartment issue, policy switch against shopping malls, better treatment of social workers and settlement of intra-city bus strikes show that Jeonju's urban orientation has been transformed from an ecological urban environment into the quality of living and welfare.

### 3. Regional Study and Future of Jeonju

Jeonju City's attempts have presented tough challenges, too. Citizens who had welcomed the changes

of Jeonjucheon Stream and Hanok Village, now criticized Jeonju City for putting a halt to "extension and development" and did not have a favorable view of the public administration that has controlled the large company's construction of shopping malls. A gap between their emotional desire for an ecological, beautiful city and their greed for economical profits (especially for real estate) has revealed a new aspect of conflicts toward the future of the city.

However, Jeonju's urban population rose no more than 30,000 until 2010 from 615,000 in 2000, and also increased just 6,000 between 2010 and 2015. Also, the number of citizens aged 65 or more accounted for 12.1% in 2015. In this sense, we can cast doubt on the value of housing land development and urban expansion.

In this respect, Jeonju stands at a turning point as a city in conflict and turbulence. Unlike an explosive urban growth in the past 20 years, Jeonju faces a violent conflict internally. On one hand, there is a new city orientation in pursuit of ecological development and a better quality of living. On the other hand, there is a growth coalition centering on land capitalists still in pursuit of urban growth and development as well as the power elites of local communities. This land-based elite coalition, which has governed city development agendas for dozens of years, have strongly urged the development of local communities.

Accordingly, the regional study of Jeonju needs to be done in a more inclusive and plutonomic aspect. Until now, the regional study of Jeonju has been focused on the past and has stood in a historical viewpoint. Now, however, Jeonju has engaged in a bitter and desperate struggle for its future. In this regard, Jeonju is an arena where a conflict between past and future is taking place.

#### 4. For Recovery of Community Economy

Nevertheless, it is very fortunate that its worry and conflicts are not revealed in any violent or physical form. That's because its demographical and physical conditions are not enough to promote "extension and development" for itself, though it remains an inner conflict.

Jeonju should set up a new development strategy in accordance with this age of austerity as most Korean cities do now. A fundamental power behind this age of sluggish development lies in the restoration of community spirit. We shouldn't set an aim towards high incomes and fast development. Instead, our urban growth should be aimed at appropriate incomes and convenient changes, which will also be an indicator of civic happiness.

As the capitalism has highly advanced and faced its limit to growth, it is said that the advance of future society can be made not through technological innovation or labor flexibility, but based on social capital including cooperation and trust. The word "social" means a relationship. It is meant to restore the

relationship between people. According to capitalism, everything is converted into money, but we know that everything in the world cannot be explained by money. For example, when it comes to solving the problem of the elderly in this aging society, which solution do you think is better; giving money to the aged or creating jobs for them? Money is important for the aged to make a living, but they also need a role (job) in which they can feel valuable in social relations.

Social economy and community are here to stay. Unlike a market economy, a social economy pays attention to roles. It is very difficult to persuade the kids in daycare centers to give away their toys to their friends. However, when they play the mother's role, they give away toys without hesitation. That's because kids follow the way their mothers show them. They know the mother's concession and devotion. Out of various human instincts, they showed their good-hearted and social self unknowingly. In this process, the most important thing is the recovery of local circulation economy, which makes money flow within communities. Unfortunately, however, this local circulation economic model has completely disappeared. Almost all the local stores including tailor's shops, rice stores, Tofu stores, bakeries and tea houses were ruined at once. One large discount store was destructive enough to ruin the small village economy within six months.

After a bitter failure of market economy, Jeonbuk Province and Jeonju City must pursue this local circulation economic model. What social economy pursues ultimately is not GRDP growth, but the realization of a circulation economy. The kernel of a sharing economy lies in a virtuous circle. In this capitalist society reaching the limit of growth, many people cannot get everything they want. Such demands and needs can be satisfied through cooperation between them.

Likewise, in order to bring about cooperation and sharing, people must gather and make a community focused on common interest. A sharing economy does not increase personal incomes, but satisfies their needs with each other. Jeonju has sought for a new change and has taken steps forward toward the recovery of communities and an ecological model of the local circulation economy.

For Cooperative Governance and Sustainable Innovation  
| Centering on Integrated Practice of Village Community, Social Economy  
and Urban Restoration Policies

Yu Chang-Bok

the Leader of the Cooperative Governance Seoul Promotion Team

The concept of a village has become "mainstream." In particular, it has emerged as a periodic topic of conversation, as the former 5th and 6th popularly-elected local government heads were active in promoting village community policies. As the polarization and poverty issues have become serious, the village community has been mentioned as a solution to the social security net. With the frequent signs of a life-threatening dangerous society, the concept of village community has drawn keen attention as a new approach to safety.

Not only primary local government heads but also leading metropolitan council leaders have been promoting village community policies in various ways under certain circumstances and according to demands. They have made daring innovative attempts, ranging from basic policies for facilitating a daily network among community residents to a community-led social economy and urban restoration policies. Furthermore, they have attempted a wide range of innovative administration, for example, by reconstructing the traditional public policy tasks based on local communities.

Such a daring promotion of policies based on innovative self-governing bodies also causes concerns over various adverse effects, while having a chance to bring about an epoch-making transition of public policies at the same time. This is what is called "partition" administration. As the long-standing "department-dependent" administrative practices have become an obstacle to innovative policies, people in the field point out that the innovation of administration itself must come before successful innovative policies. Here, I would like to present the necessity and direction for an evolved cooperative governance of innovative policies, centering on three representative village-oriented (local-based) innovative policies; village community, social economy and urban restoration.

Village Community Policy, Advent of Residents and Public Opinions

Most policies about village communities, promoted by self-governing bodies, are designed to help the residents build a close relationship with each other and meet their daily needs together. With

fast, compressed economic growth and a total collapse of the remaining community base in local communities, now Korean society has a fundamental and urgent task to restore a "neighborhood network" first.

The daily needs of citizens are diverse, ranging from infant care, after-school programs at elementary schools, neighborhood clubs, village festivals, as well as a gathering for making kids' snacks and a village enterprise in charge of feeding daycare centers. In general, they are a small scale of tasks to do with neighbors. While making an attempt to meet such individual daily needs together with neighbors, its work may grow up to a town level. People find it easier to solve problems on a town level than in a small gathering, and therefore experience a higher level of success for solving problems.

Likewise, my needs become my neighbor's and the town's needs, thus improving the scope and level of solving problems and facing unexpected difficulty and conflicts. Due to a small difference in opinions, they may fail to reach an agreement. The entire task may often be caught in a bottleneck and a trivial dispute may develop into an irreversible conflict. This is a natural phenomenon, which occurs in a wider scope of relations. In this process, people come to respect their differences and recognize the importance of communication between people. People also realize the importance of collective thinking (multiple intelligence) that comes up with a creative alternative beyond their differences. Then, it leads to a so-called "public sphere" and its key to success is to reach a democratic agreement through a public discussion.

A small network of neighborhoods (residents' gathering) which emerged due to individuals' urgent and desperate interests within an intimate sphere, is connected with each other, centering on an agenda that sympathizes with their town and local community. This is a process in which a public agenda of local communities is formed based on public discussion and deliberation, while a public agent emerges at the same time. By doing so, a so-called public sphere is created to form and renew the public opinions of local communities. Then, residents acquire the citizenship and improve the "civic power" within this "public sphere."

Recently, a program called "village plan" has been used as a political mean to facilitate the installation and operation of such a public sphere. The village plan is divided into two parts; one is performed in the unit of an administrative district and the other is conducted in a living sphere based on a natural network among residents. Such a move can be considered as an evolution of community policies because its community-led power of execution is made on the basis of the residents' voluntary network. Furthermore, it has drawn much attention by laying the foundation for "citizen autonomy."

### Social Economy, Economization of Problem-Solving Issues

While solving problems based on a neighborhood network, we may face hard-to-solve tasks. Although we can address such issues through a wider town network, we often encounter a difficulty due to unexpected conflicts over communication. At first, people come forward to solve issues together with intimate neighbors, but it becomes a "burden" on them as time goes by. Difficult parts of the tasks become concentrated on some leading people, who are often even pushed into taking responsibility. It is still worrisome even if a business led by some residents is successful. That's because they may soon face a difficult situation to carry out the task in an existing manual way.

A sustainable village life can be accomplished only when a village network becomes "economized." In general, a village life in a network tends to develop into an economic activity. By doing so, the roles can be divided among many people at their convenience, not by means of some people's dedicated efforts, but by means of the power of the economic system. They can be compensated with economic compensation (activity cost, wage, etc.) for their roles and the "rewards" for their participation may take on a material form, so that the network can become stabilized and have a sustainable framework.

A village enterprise serves as a container that holds such a village network together economically. The village enterprise is designed to contain the economic activities of a village in a structured system called a company. Therefore, "When a village does well, a village enterprise does well, too." As the old saying goes, sheep grow well on abundant grassland. It is common sense. Only when a village life is active and its network is solid, can a village enterprise do well there. So far, however, village enterprises have had no choice but to start their business without a village itself, shouldering a double, heavy burden on themselves to build a village and make a living, too. In fact, the same is also true of the introduction of social economy to Korea, not even mentioning village enterprises.

Now, we should set a focus on "demands and purchasing power." We no longer live in an era where production creates consumption. Instead, we now live in a society of a monopoly economy where it is impossible to pioneer into new demands through the efforts of individual companies. Therefore, social enterprises strive to convert a government's procurement market with public responsibilities into a favorable market. However, due to the unique characteristics of social economy agents, such as the difficulty of a bidding system (competitive tender), a limit of supply capacity, a low ratio of manufacturing industry and a higher ratio of social service, they have failed to produce effective results so far. Village enterprises find it even more difficult to do so. Generally, they start on the basis of a small market called a village. Therefore, they find it impossible to become independent on the principle

of a competitive market. Large companies have already pushed their way into local businesses. Every business including local bakeries, small stores and beauty salons has become enlarged and replaced with other chain stores. Under these circumstances, they cannot hold out any longer. Therefore, first we must form grassland together before we can tend the vegetable garden.

A city has the advantage of having a big purchasing power. We should organize its purchasing power based on the sympathy and cooperation with values like cooperative purchasing, reciprocal sharing and ethical consumption. The demands and purchasing power formed in villages and regions will serve as a driving force behind the excellent purchasing power for various social economy agents such as village enterprises, social enterprises, self-support companies, and cooperatives.

The way village enterprises have run so far are as if sheep had been fed with only dry grass on bare ground without any grassland. Now, however, the grassland has started to grow sparsely. Such growth should be extended and connected more to build an ecosystem of a village economy. Fortunately, village enterprises have accumulated experiences to help them survive on poor environments so far. However, some companies have concentrated too much energy, and almost burned out. In fact, they may be in a danger of becoming dependent on the dry grass provided by the government. Therefore, we need to prepare a soft landing strategy, in which the sheep can be guided into the grassland and get used to fresh herb. We can accomplish the good ecosystem of the village economy, only by raising the grassland and leading sheep there.

### For Urban Restoration and "Regenerative" Restoration

These days, when it comes to an urban restoration policy, it seems that "civil engineering and construction" puts on heavy makeup called "restoration." The central government and primary/metropolitan governments seem to unite into one and transform themselves promptly. It is desirable that restoration becomes a new topic of conversation in this point of passing by the era of civil engineering and development. However, there is still a problem in the awareness of reality. The development can be simply made in joint efforts between the administration of determining a construction capital and a floor area ratio, and the architects in charge of design. That's because there was no problem in selling buildings when people formed a long queue to buy even before the completion of buildings.

On the contrary, the restoration is designed to help residents keep living in their original places. It aims to help people live for a long time together with their friendly neighbors by repairing or remodeling old

housing facilities and taking care of children and the elderly. To that end, we need residents who want to stay there for the long term. We should find a way to encourage those residents to live there long term. Therefore, restoration begins from "residents." It means something more than simply improving the old living environments. It also means something more than just building a community space.

These days, however, there is no "resident" in the field of restoration. There is no one who comes up with a plan for living together and solving problems together. Of course, it is natural. The home owners who made an "investment" on their own houses for the purpose of making money are not willing to live there longer. If they are asked to live there longer, they might be angry in this circumstance without a chance to collect back their invested money. It is like adding oil to the fire. What about tenants? They have no right to the houses they live in. They are worried about where to go when the evacuation begins. They have no choice but to think about other alternatives. Living in Seoul is a kind of an isolated life. Nobody knows the neighbors who live in the houses around them. There is no reason to know them.

Therefore, the restoration policy should be made in such a way that "the residents" are included first, while the administration and experts "support" them. Nevertheless, the administration and experts take the lead and "involve" the residents in their plans. However, in reality this is not participation, but "mobilization.". I do not intend to deny the roles of the administration and experts. They need to recognize the "reality" that no resident is considered a main agent of restoration. Nevertheless, the problem is that they make a plan and push ahead with it as if there were a principal agent, rather than setting up a policy that coincides with the reality.

It is said that they set the direction for restoration, but they still follow the civil engineering-based development of the past. Their policy proposals and business plans are full of excellent words about restoration, but their actual strategy for execution is nothing more than the previous method of civil engineering-based development. Accordingly, their plans go wrong and they find it difficult to grasp a best practice of restoration. If the civil engineering-based development is to succeed in making a soft landing with restoration, we should change the existing method, first. Of course, the administrative officials, who are accustomed to the past era of civil engineering development, cannot avoid adverse effects when they try to carry out a restoration by utilizing the previous administration system in joint efforts with their old familiar experts. In the true sense of the word, the principle of bottom up restoration can be realized on the assumption of administrative innovation.

First of all, an entrance strategy is urgent. In spite of having measured a level of deterioration from

various angles and developed a precise deterioration index for selecting a restoration site, there has been no plan for setting residents as a main agent of restoration. Although the PM familiar with the past development method and an engineering company go into a restoration project to lend an ear to residents and discuss with resident representatives, it is nothing more than a formality. In results, the PM makes a judgment, an engineering company draws a plan, and the administration carries out a project according to the procedure. At that time, it is better to use an objective deterioration index when selecting a candidate site. After the selection, however, residents should come forward to collect opinions from other neighbors, find a way to live together, support the "unpredictable process" in great detail, and wait and see how things are going.

Then, when residents come on the scene, we should support and encourage them so that they can push ahead with the self-helping execution to solve their urgent needs for living, and determine their next move on their own. In this process, we should "not leave all the matters to their discretions." Instead, we need to provide them with careful and continuous "facilitating" using the help of the trained resident activists and the social economy activists of cooperatives, who have experience in working with residents. An intermediate support organization like a restoration support center should play such a facilitating role.

On the other hand, an exit strategy is also necessary. Of course, a way out must be "independence." It is to build an infrastructure where those who want to live for the long term can do so in reality. Living together long term means to build a space where people can repair houses, take care of children and the elderly, and gather to talk with each other and some residents making a living by working for the community. To that end, we need to create a "supply and sharing" system for various life services. We should set up and run village enterprises including cooperatives and social enterprises that can share various life services.

Furthermore, it is also necessary to set up a management company that can manage and improve all the village facilities and businesses professionally. In other words, we should be equipped with the capacity and experience to establish and operate a community interest company (CIC) like the U.K. Development Trust or a community-based organization like the U.S. Community Development Corporation (CDC). By doing so, even after the administration stops its direct support, residents can live together on their own. In result, the restoration must contain a careful and patient facilitation system for clarifying both entrance and exit strategies as a strategic plan. That's the way the "regenerative restoration" can take place in the true sense of the word

[Conceptual Diagram for Strategic Plan of Local Restoration]

Strategic Step		Entrance Strategy (Preliminary Site)	Facilitative Strategy (This Site)		Growth Strategy (Site for Independence)
			First Half Term	Second Half Term	
Objectives		Advent of Residents	Connection of Residents 1 [Plan]	Connection of Residents 2 [Execution]	Village Independence
Project Contents		<div><div>· Facilitate the formation of new residents' meetings</div><div>· Invite the existing private agents from all the related areas including the village/social economy/culture/ youth/aged 50+</div><div>· Induce voluntary participation from the private sector and facilitate public-private cooperation</div></div>	<div><div>· Establish an activation plan through an agenda-setting process</div><div>· Configure a representative resident's organization (resident's council)</div></div>	<div><div>· Establish an execution plan for activation and design a promotional system</div><div>· Execute the activation project</div><div>· Operate a consulting system for each activation project</div><div>· Determine a strategy for independence</div></div>	<div><div>· Execute the strategy for independence</div><div>· Build an independence infrastructure</div><div>· Reconstruct a cooperative system between the administration and the community-based organizations (CDC, etc.)</div></div>
Promotion System (Intermediate Support Organization)	Metropolitan Center	<div><div>· Establish a facilitating strategy</div><div>· Run a field PJ team and supervision</div></div>	<div><div>· Support the field support center</div><div>· Review an exit strategy model and execute a promotion plan</div><div>· Build a consulting support system for education and execution projects</div></div>		<div><div>· Support the independence model construction</div><div>· Evaluate the exit strategy and review the support plan</div></div>
	Field Center	<div><div>[Preliminary Site Project Team]</div><div>▷ Resident activation project (education, public participation, etc.)</div><div>▷ Find and foster leaders</div><div>▷ Private agent's coordinating &amp; networking</div><div>▷ Coordinate the public-private cooperation such as gu-offices</div></div>	<div><div>▷ Execute/facilitate the agenda process-&gt; Collect resident's agendas and establish the activation plan (PM, engineering)</div><div>▷ Find resident leaders-&gt;Organize the representative residents' council</div><div>▷ Coordinate public-private cooperation such as gu-offices</div></div>	<div><div>▷ Establish the execution strategy for activation plans (village vision and project priority)</div><div>▷ Organize and execute the execution body for each project</div><div>▷ Organize the project promotion system</div><div>▷ Operate the consultation structure for execution body (project council)</div><div>▷ Run a project-customized consulting system</div><div>▷ Coordinate public-private cooperation such as gu-offices</div></div>	<div><div>▷ Support the establishment and operation of various social economy organizations (cooperative, village enterprise, etc.)</div><div>▷ Organize a village economy network in a local unit (CIC)</div><div>▷ Establish and run the village management company (CDC)</div></div>
Support Organization		<div><div>▷ Construct and execute the monitoring and flow back system</div><div>▷ Write and support the educational manual</div><div>▷ Study business models and develop/support execution programs</div><div>▷ Study exit strategy models and plan/execute commercialization</div><div>▷ Develop and support strategic projects (social housing, village enterprise for housing management, social service company, operational manual for community space, etc.)</div></div>			
Considerations		<div><div>· Manage the damaged spontaneity after the selection of preliminary site and the risk for commercialization (public participation)</div></div>	<div><div>· Reconstruct the old/ new village leaders in an integrated way</div><div>· Form the democratic public discussion culture (village media) and manage conflicts</div></div>	<div><div>· Consider the conversion from the residents' council to the project council (continuity &amp; discontinuity)</div><div>· Find project agents and provide intensive supports</div></div>	<div><div>· Strategic support for independence model</div><div>· Capitalization strategy (real estate and finance)</div></div>

Integration of Village-Social Economy-Urban Restoration Policies

The policy for village communities is to form a voluntary network among residents and help residents raise their strength so that they can derive village needs on their own and solve problems cooperatively. Social economy is a principle of operation and a system that helps residents concentrate their energy effectively on solving problems and making their outcomes sustainable. Urban restoration aims to build a voluntarily sustainable and ecological living foundation by facilitating the hardware, software and

"humanware" comprehensively and organically so that the community-led principle of operation and the system can work well.

The policy for village communities plays a role as an "entrance" in forming the principal agent of the urban restoration policies. The policy for a social economy provides an operating principle that makes the village and urban restoration policies work stably. Also, the policy for village communities can be completed only when our society is reconstructed to be sustainable and ecological. Therefore, the "exit" of village community policies can be the urban restoration policy. In particular, when it comes to the urban restoration policies on hardware, the policy means and resources for professional areas such as the real estate, construction and finance, are essential parts of the village community policies.

In the past 5th and 6th popularly-elected governments, the policies for village, social economy and urban restoration were put into practice very actively. As a result, their adverse effects have been revealed clearly. The problem is a so-called "partition" phenomenon. The side effects have become more serious, since the heads of local government have put an emphasis on the projects and each department has promoted them enthusiastically. In the early stage of policy promotion, no side effect was revealed because special stress is given to laying the groundwork for all three policies. However, the adverse effects have started to come out as the framework for those policies was built, extended and promoted more. One of the most common phenomena was redundancy, which produces waste within the administration and budget. Its performance-centered administration has caused excessive competition and reduced the effects of policies. In particular, most of the support policies are too dependent on a "public bidding" subsidy support method, causing a so-called "bidding fatigue" phenomenon. Furthermore, people point out that the strict subsidy management system has caused many procedures and forms to be complicated and ineffective, the demands for formal evidence on performance has undermined the original purpose of policies, and people have concentrated too much energy on producing formal outcomes.

The administration performs independent policy tasks for each department. In this modern society, however, most problems have very complicated causes or solutions. Therefore, we can achieve effectiveness and efficiency of policies only after mobilizing administrative resources from various fields. We urgently need the "policy integration" in which various departments cooperate with each other in order to tear down the so-called old "partition" practice and solve certain problems. To pull down a public-private partition, we should comprehensively determine the resources of related departments in the policy design stage and plan a role division system for each department. In the execution stage, we should run a joint execution team (cooperative working group) of participatory departments and coordinate it in an integrated way.

The civil society (group) shows a partition phenomenon, too. Of course, it occurs during a specialization process for each agenda. In some aspect, however, the civil society (group) has taken after the partition phenomenon for each administrative department as it has, in the process of holding the administration in check and cooperating with it. For the correct cooperative governance, it must overcome a so-called "private partition." The civil society (group) should overcome the partition phenomenon of agenda departmentalism and communicate with local communities more closely, while integrating the activities for each professional area of the civil society (group) and carrying out a joint project. Only when various agents including individual and group, profit and non-profit and metropolitan and primary government take part in projects freely at their convenience, can we facilitate the integrated experiences on going beyond the private partition phenomenon

### Basic Principle of Cooperative Governance

Cooperative governance aims to enhance the effect of public policies and raise the citizen's (autonomous) power by facilitating citizen's participation in the process of public policies. It is designed to innovate the administrative practices and institutions into a citizen-participatory type in order to support the citizen participation process effectively. From a viewpoint of citizens, they should take a direct part in determining and executing various policies in order to solve urgent social problems related to their daily needs. The basic principle of cooperative governance can be divided into three parts: place-based, relationship-oriented and citizen initiative.

"Place-Based" and Foundation for Local Communities The place refers to a base of life where citizens lead their daily life. It is a "village" where there are schools, small stores and daycare centers, neighbors walk around and meet each other in alleys and streets, residents can form face-to-face relationships, and daily life takes place. The village, a place for daily life, should be an important element of policies. Then, we can grasp the complexity of problems and notice the concreteness of policies. The place-based principle is one of the easiest ways in which public policies can avoid vain discussions and go beyond the narrow diagnosis of professionalism. Most of all, the village is the place where parties concerned with these problems live together and are willing to solve problems. It is the place where there is the highest chance to connect the resources necessary for solving problems. An agenda-centered approach is easily buried under duties and plans without reaching the principal agents of solving problems, because it is not based on the place where the communities exist. Now, we should move our focus from "agenda" to "place." By doing so, we can form a network among citizens of local communities and accumulate experiences with solving local problems.

"Relationship-Oriented" and Reinforced Citizen Power The policy sets an aim at solving problems visibly, but its goal must be relationship-oriented. The "relationship between citizens" must be formed first, so that citizens can appear on the stage one after another and take part in the process continuously. In general, citizens (residents) appear easily in the "intimate sphere" and grow up in the "public sphere." All the public policies, in particular, those in pursuit of cooperative governance, must set an aim at how well citizens (residents) appear on the stage and how citizens are connected to each other to build a relationship. Furthermore, they should accumulate experiences on growing to become a "public agent (citizenship)" in order to continue the formed relationship. The citizens can realize the "authority for public decision" and grow as a public agent through the "public sphere," where citizens can sympathize and discuss with various viewpoints and opinions and reach an agreement.

"Civil Initiative" and Cooperative Governance Administration In the process of promoting policies, it is important for citizens to exert their initiatives and acquire experiences on solving problems. It is directly related to how the administration facilitates and accept civil initiatives. We should consider how well the governance works as a public-private cooperative culture and institution. The administration should cooperate with citizens, but citizens are not ready all the time. Throughout history, the administration used to treat citizens as the subjects of control. Therefore, the administration has the responsibility to bring out citizens and help them grow. So far, the administration has taken the lead in public policies and still had an enormous amount of administrative and financial resources. Therefore, the administration should come forward and take the lead in cooperative governance. First of all, it must promote the administrative innovation in pursuit of cooperative governance. [The End] (September, 2016)

## Localization for Enhancing Community Resilience

Jeon Dae-Uk  
Center Director

**Correct interpretation of "Think globally, Act Locally" One needs to be behave in a small scope (within the range of my life) but also has to consider the whole (system of the society).**

Undoubtedly, one of the most noticeable features of the market economy in the 21st century is globalization. The economy has created a bigger site of transaction integrating regions and countries under the most ideal virtue of efficiency. The bigger the market and enterprises get, the smaller the individuals become in the market where they are the principal players.

Individuals are regarded as just a negligible component of an enormous manufacturing system of a gigantic society, and live with the misunderstanding that a specific work is their expertise while more and more fields are branched out. It is similar to making people believe that an ideal citizen fulfills their roles in society by working hard in their own field, getting economically compensated from the market and restoring some part of such remunerations to the society in the form of taxes and donations.

Think about Hurricane Katrina that hit New Orleans in the U.S. in 2005 and Cuba at the same time. Cuba became the country with the lowest GDP in the world after economic sanctions were established by the U.S. but hardly suffer damages from a hurricane even stronger than Katrina in 2008. The U.S., the country with the biggest GDP, saw such results and asked them how it was possible, and the Cubans said, "Americans believe that they fulfilled social responsibilities by paying taxes on time, to which we couldn't disagree more." What does the rich U.S. lack that the poor Cuba has?

We feel highly comfortable, living in apartment complexes. It is my own independent space where I don't have to care about other people and where I can clean water by opening the tap and release wastewater into the drain. Do we have to know where the clean water comes from or where the wastewater goes? We easily get to believe that we have played our social roles as we spend a whole day working in a specific field and pay utility bills and taxes

But we also have gone through economic crises which forced us to lose our jobs overnight regardless

of our willingness after working hard throughout our life. While people work at the market their whole lives, there is no one at the traditional markets regardless of such efforts. Hard-earned money invested in a derivative fund of an enormous financial market disappear in an instant, or values of our stocks gets halved at the news of a case of avian influenza in a country with no relations with us. Sometimes reality makes the lease deposit for my house skyrocket so high that my family have to move out no matter how hard I work and try to save money

My willingness and efforts have become such negligible things in the flow of a huge society. Individuals have no influence on the system, and our communities get merged into the flow of the market and determine my fate regardless of what I have done. Casting one single vote, my independent way of political expression, will not affect the result, and maybe the winner and policy are already decided even without my vote. There is nothing that an individual can do in these days of representative democracy and market economy.

Korea may have achieved materialistic abundance but has turned into 'Hell Korea' where happiness dwindles as we have more money and things. What is the society that makes its people happy? I'd like to say that it is the society where anyone can achieve their goals as long as they're willing and trying. We feel unhappy as there is nothing we can do against the flow of the huge society. Besides eating, drinking or resting, there are few sources of fun and joy. This is the age when consumption is the only way to differentiate myself from others.

The way that I can be happy in this society is to identify a life of small scope where I can create my own life. In other words, it is to create a small bond as a medium between individuals and the society in the world consisting of two components; individuals and the society, to develop a fate-community with those in similar fate as me so that our lives stay firm, to provide mutual care and respond to external influences, to make a better choice than just 'staying still' even though it is like trying to break a rock with an egg by forming a small band and solidarity, to start a small association to realize my will on my own instead of choosing someone who will represent me on my behalf.

The small solidarity starts from restoring the lost space known as a 'region' that has fallen prey to the gigantic society even though I'm living there. The society has gotten so big that there is no way to tell where the tap water comes from and where it goes, but at least assembling power of residents and blocking incoming influence will drastically change living conditions of my neighbors means restoring our own lives with our own wills and leading our lives to our passion through solidarity.

Unlike the Americans who thought that they did what they could do in the society by paying all the taxes, the Cubans sad that the attitude of thinking about what they can do in their community is "Community resilience", or the power of community. Though each individual is independent, the solidarity of organizing behavior of the individuals while considering the whole system creates power. This power can be considered as the source of happiness for the Cubans.

Small individuals grow dependent on the country and the enormous market under the governance of a representative democracy, but self-organization by them creates resourcefulness of coming up with creative measures based on horizontal consolidation and cooperative governance between diverse members. As a small community, as an independent module in the society bridges and links with a society with wider scopes, the bigger and organic relation network consisting of solidarity of communities turns into a social and ecological system with naturally nurtured health.

Such an autonomous and organic system of modular small communities are called a 'Resilient society'. The social capital by which capable members of the community consider the whole and self-organize local behaviors to create new resources and alternatives through solidarity of small bands, provided the power that secured people in spite of a huge catastrophe like Cuba, or the power that stabilized the local economy of Mondragone in the midst of economic downfall of all of Europe that caused mass unemployment. The solidarity economy or local community that we develop provides the power that boosts resilience of our society, which is called "Community resilience".

Localization stands for restoring local communities lost in the gigantic society and creating solidarity and economic governance. Small businesses at a traditional market serve a supplier in the modularized local economy, but also functions as a consumer that spends the money given to them for the supplied product. Due to the fact that one organism is the predator and another is the prey, the ecosystem enables the cycle of substances and energy through the food chain, values are circulated for expanded reproduction when one economic unit is the supplier and another is the consumer. The downfall of today's local economy is highly related with the massive market. Market and enterprises absorb consumers of local small businesses, which causes the loss of multiple roles like the suppliers and the consumers, and it leads to the destruction of the value circulation chain of the local economy. Localization plays the role of turning a local economy into a module and circulating it again. It becomes an important tool to restore community resilience in that it restores ecological health and creates economic governance as a community for economic units in the economic food chain.

The town community and social economy that we talk about means the association directly linked with

our life in a small area. The association has been made possible because of the governance by which natural resources, household goods and even the manufacturing system found in traditional towns along with residents formed complex networks of interest among themselves within the governance to form a single economic community. That's the ecosystem and the sustainable economic governance that Elinor Ostrom, a Nobel prize winning economist, mentioned as a tool to overcome the tragedy of the commons. Such economic governance is formed while jointly managing shared resources that may easily escalate to tragedy in horizontal relations.

Horizontal and cooperative governance to restore and manage shared assets serves as a significant foundation to develop community resilience. Community resilience is required to advance towards a solidarity economy and ultimately the steady-state economy, and one way to develop resilience is to restore common resources, to establish organic governance and form an association as an economic community.

In order to facilitate the community resilience of Jeonju and boost localization, nothing matters more than restoring community assets joint owned by the citizens and local communities. Also, we need to autonomously develop economic governance in horizontal relations. Simply making town communities or social economy organizations does not suffice. Development of associations like town communities starts from forming shared assets and autonomous governance to jointly manage the assets, and such shared assets and governance will further reinforce local identity by linking citizens into a large and organic network of relations, which will ultimately become the competitive sources of the region. Following this, the associations have to serve as members of the ecosystem where they weave networks of interest to self-organize the modularized solidarity economy of Jeonju as an ecological community, beyond providing voluntary works to create social values. That's the true meaning of localization and the path to arm ourselves with local community resilience.

## Discussion on Local Future and Localization

Kim Nam-gyu

Policy Committee Chairman of the Peoples Solidarity for Participation and Autonomy in Jeonbuk

### Need for Reconstructed Recognition of Region and Local Community.

When I hear the word "local," I am doubtful that the concept of "local" or "province" exists truly in our society. All the national power and capital are concentrated in metropolitan areas. Even though a local self-governing system has come into operation in Korea for more than 20 years, a local government's finance and authority have become weaker and weaker under the growing control and interference from the central government. Therefore, when it comes to the local future, the most fundamental and important task is to give back local communities their local authority in political and economical aspects as well as their right of self-determination in a decision-making process. In a discussion on localization issues, we have had the tendency to exclude or ignore the structural problems of politics and economy so far.

Furthermore, the concept of "local" has been recognized as a "scope of administrative space." Localization limited to the "residents" within an administrative district can be too narrow of a way of looking at it. However, the concept of "local" should be redesigned again "in a broader sense." Of course, it is not be easy to do so because the authority for budget and business is divided for each local government. Let me give you the example of "local food," which has been a hot issue these days. We need to think about what is the scope of "local" here. Unfortunately, the regional political circles have had a tendency to divide regions in a political sense. Such an act of causing regional conflicts has served as an obstacle to localization.

Against these backdrops, "local" should be reconstructed not "in an administrative and geological sense" any more, but "in a living, economical and political sense." In other words, it must be reconstructed in a local community sense. We should put more focus on a living community rather than putting "local" under control in a spatial and administrative scope.

### Localization, Citizen-Centered Governance

Just as those obsessed with the Seoul-centered thinking express all the provinces as the "country," the country people yearn for Seoul and treat themselves as people left behind, too. Local residents are alienated not only socially and economically but also politically and emotionally. Therefore, localization should go beyond the social and economic barriers to extend toward its historical and cultural areas,

infusing local communities with self-esteem. Another important task for localization is to recover local self-esteem and community spirits by shedding a new light on local history and culture.

A localization project should be performed under the system of "citizen-centered governance." Now, most local governments have about 100 committees of various types, and they have more in the case of including other informal committees. Also, Jeonju City is running "Dawool Madang." In spite of its various efforts, however, its governance has failed to take a step further than "administrative procedure." Its governance has been expanded in quantity, but in many cases it has considered "citizens as reference" only in quality. That's because citizens have not participated in the whole process of plan-execute-evaluate, only playing a role in part of the process. The committee, in which experts are the main participants, tend to consist of those who suit the administrative taste. Through elections, the heads of local governments can be replaced with others, but participatory experts cannot be replaced. An administration-led, performance-oriented governance plays a role in undermining the spontaneity of local communities. A variety of local organizations have adapted themselves to such administrations and have continued to lose their critical functions more and more. Their voluntary projects with citizens have become more and more dependent on the administration, too. Therefore, as the administration becomes greedy, the local community's dynamics and spontaneity regress.

Civil society organizations have failed to keep up with the changing times, too. When facing opposite values and needs, some fundamentalist groups have resorted only to "struggle" to solve problems or have tended to avoid local problems by setting them aside as the central government's (institutional) issues rather than putting their heads together to address problems. On the other side, such a fundamentalist attitude can be also found in Jeonju's recent policy of an ecological city. It insisted on some improvements in automobile-centered roads/transportation policies, but has come up with a plan for extending green space with a reduction in roads. Without any clear measure for traffic distribution, including the bypass, it seems to follow the value orientation in a hurry. It should have been more persuasive to "provide more convenient public transportation," rather than simply saying that "If they find it inconvenient to drive cars, people will be willing to use public transportation." On the contrary, some organizations have adapted themselves to and tried to suit the taste of administrative demands. That's a problem, too.

Localization should put more importance on process design and civic participation. Its process itself is a part of the localization and restoration of local communities. The heads of local governments should give up their greed for better performance, and put focus on the process itself.

## CHPATER 06

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### Workshop Session 2 'Local Food'

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- Necessity for New Food System Construction Raymond Epp
  - 'Establishing a local food system to establish a sustainable city'  
Na Yeong - sam
  - 'Strategic approach to establish a sustainable local food system'  
Song Mi - ryeong
  - 'Establishing a Local Food System for City Sustainability'  
Jeong Min - cheol
  - Practical conditions and implementation methods for facilitating  
local food culture Jeong Cheon - seop

## Workshop Session 2 'Local Food'

- To prepare a place for exchanging visions and experiences with overseas experts, related organizations at home and on-site entrepreneurs, who pursue common goals in the ecological city and social economy fields, which are considered the important values of the 6th popularly-elected government in Jeonju.
- To raise the civic awareness by sharing the value of and increasing public interest in "Economics of Happiness," going beyond ongoing fierce competition and polarization of wealth.

### ■ Programs

Time		Classification	Description
14:00 ~ 14:10	10'	Opening	Opening Address, Introduction of Presenters/Debaters/Case Speakers, Introduction of Guests, and Guide to Workshop Programs
14:10 ~ 14:40	30'	Presentation 1	<b>Necessity for New Food System Construction</b> Raymond Epp   Director of Meno Village, Naganuma, Japan
14:40 ~ 15:10	30'	Presentation 2	<b>Local Food, "Establishing a local food system to establish a sustainable city"</b> Na Yeong-sam   Leader of Jeonju Food Team, Jeonju City Hall
15:10 ~ 15:20	10'	Recess	
15:20 ~ 16:30	70'	General Discussion	Song Mi-ryeong   Director of the Agricultural Outlook Center Jeong Min-cheol   Director of the Collaboration Farm Jeong Cheon-seop   Director of JEONJU Food Foundation
16:30 ~ 17:40	70'	Q&A and Free Discussion	Q&A and free discussion with presenters /debaters/case speakers
17:40 ~ 17:50	10'	Closing	Closing and taking commemorative photographs

Chaired by So Sun-yeol (Professor of Agricultural Economics at Chonbuk University)

## Necessity for New Food System Construction

Raymond Epp

The pursuit of past agricultural policies to "modernize" farming has resulted in urbanization and a distancing of farmers and eaters living in the cities. Market structures mask the problems being caused by this system. To make a shift towards a more local, democratic, ecologically sound food system an education and advocacy organization is a helpful step. We need to think of the problems we are facing are a matter of scale and not necessarily technological. For example, global warming when thought of as a problem of scale means that all of us can participate in recovering our relationship to people and to our place. Local, organic agriculture reduces fossil energy usage through reduced transport, chemical fertilizer usage and local food processing promotes nutrient recycling and carbon sequestering. In the present system powerful corporations lobby governments and shape public perceptions to maintain public good will so that they can continue to function and profit from business as usual. At times, an advocacy and education organization will have to resist these ideas and actions unmasking them and propose other ways of addressing the problems. The organization also can also be working to educate urban and rural people about new structures and models of moving food from farm to table. It can serve as a link between farmers and city people and restaurants. Information about appropriate food processing technology can also be made available to help diversify local economies, promote internal recycle of money and nutrients and create local jobs.

Local food economies are not just a matter of copying existing structures. We need to creatively think through what it is that we want to do and create structures that reflect the best of our intentions. Organizing to renew the national food system would not necessarily be seen as an effort by the national government. The local imagination can help us to organize and advocate for a nation of food systems and a globe of local food systems embedded in a culture of caring.

## 'Establishing a local food system to establish a sustainable city'

Na Yeong-sam

Chief of Jeonju Food Team, Jeonju City Office

### Issue-raising: The power to overcome globalization lies with regionalization

- ① A faulty food system has been derived from green innovation farming and free movement of food.
  - Korea's FTA with 52 countries is expected to result in food dependency on imported goods of up to 75% by 2030
- ② Worsening joint crisis of household food supply and agriculture in Korea
  - Food self-sufficiency has severely deteriorated (23%, 5% with rice excluded), Full-on opening of the rice market (2016)
  - Sharp downturn of family farms, super aging of farmers, severance of reproduction system of family farms
  - Biggest importer of GMO-based food, GMO marking system, breach of civil rights for knowledge, attempted of commercialization of GMO-based products.
  - Monopoly of 100-trillion Won food market: Distributors (capital in distribution industry), food suppliers (capital in food industry)
  - Penetration of large conglomerates relying on capital and technology (commercial capital) into agriculture-related manufacturing (smart farm, plant farm)
- ③ Powerful implementation tool leading regionalization: Local food
  - From globally propagating mass manufacturing - mass consumption system to local manufacturing - local consumption system
  - U.S. (CSA, Farmer's market), Italy (Slow food, Slow city), Japan (Focus on local production and consumption)
  - Recent popularity of local food in Korea: By overcoming limitations from perspectives of direct transaction, the current system needs to facilitate creation and propagation of relational economy using the two principals of food-related decision making farmers (manufacturer) and consumers (citizens)
  - Comprehensive local food policies: Virtuous cycle of manufacturing - processing - distribution - unified consumption, all in the region

Grounds for 'Jeonju Food 2025 Plan': 3 regional needs

- ① Citizens deprived of the right to choose food: Drastic gap between manufacturing and consumption
  - According to Engel's coefficient of Jeonju, the city's total household cost for food is more than KRW 1 trillion (3 trillion including dining out)
  - Ratio of local production / local consumption (Local food) in Joensuu: 0.5% (Approx. KRW 50 billion) per year
  - Food forced onto citizens: Imported food from manufacturers far away, GMO-based food and etc.
- ※ Threat to basic civil rights of food and health: Results of entrusting the rights to competition-based capitalist market
- ② Family farms facing the imminent crisis of getting eliminated
  - Worsening restructuring of agriculture from scale-based policies: The economic conditions caused farmers and their families to leave the area of Jeonju.
  - Farms with annual income of less than KRW 10 million make up more than 65% of all farms (Source: National Statistics, 2014)
  - No youth wanting to start a farm (Crisis of having family-based farms completely eliminated)
- ※ Agricultural potential of Jeonju: Farmland of 5,000ha, 8,000 farms and 24,000 farmers
- ③ Predatory economy facilitating unilateral out flux towards "non-local" regions
  - Monopoly of Jeonju economy by distributing conglomerates: Big marts (7), SSM (26), convenience stores
  - The sole purpose of these conglomerates is to produce a profit: With more than KRW 1 trillion of profit, investment in the area is negligible (0.1%)
  - Weakening the local economy: Accelerating the downfall of traditional markets and local marts

Goals of 'Jeonju Food 2025 Plan'

- ① 'Ensuring the civil rights to safe and healthy food for any citizen' is the fundamental responsibility of Jeonju's administrators (Basic rights to food, health, happiness...)
- ② Ensuring access to food for citizens, recreating family farms by youth and establishing an independent economy in Jeonju by improving the ratio of local food from 5% to 20% (an amount of KRW 200 billion per year) over the next decade
- ③ Implementing strong policies regarding food for citizens and facilitating the evolution of the basic paradigm of food dependency on global food imports into local manufacturing
  - local consumption system

※ Slogan: 'Jeonju - City of healthy citizens, sustainable agriculture & independent economy'

Features and details of 'Jeonju Food 2025'

- ① City administration emerges as the principal resolver of food issues (Implementing related policies)
  - Setting up dedicated organizations in the administration system, hiring civil experts with capabilities to plan and execute (2015.4)
  - Establishing on-site execution teams - Foundation of Jeonju Food Comprehensive Support Center (2015. 9)
  - Announcing Jeonju Food 2025 Plan (2015.10), MOU with 7 adjacent agricultural cities (2015. 11)
- ② Designing comprehensive policies and detailed implementation tasks (6 strategic tasks, 15 policy tasks)
  - Task 1) Establishing a sustainable manufacturing system: Planned manufacturing, local processing, cooperative food for mutual development
  - Task 2) Ensuring access to food for citizens: For general citizens, future generations, vulnerable people, and local traders
  - Task 3) Solidifying a comprehensive management system: Installing Jeonju Food Hub to ensure safety control system
  - Task 4) Training 'Food Citizens' Organizing consumers and enhancing their roles, Food/agricultural training for the next generation
  - Task 5) Developing agriculture into 6th industry and facilitating a cooperative economy: For cooperative economy involving both local government and farmers
  - Task 6) Establishing governance: Enhancing roles of related organizations, installing and operating public foundations

Action plan (2015-6)

: Organized power is essential to overcome 'capital' and 'competition'

- ① Restoring local manufacturing power with a focus on family farms
  - Enabling more opportunities for more than 1,000 family farms / Restoring diversity of seeds and items
  - Switching to small quantity of many items rather than large scale manufacturing of a single item for ensuring year-long supply
- ② 3 direct transaction sites to improve access to food for citizens

- Operational method: Farmers pack and display the products themselves, with settlement on a weekly basis
- Management: Foundation of Jeonju Food Comprehensive Support Center
- Joined by: 839 medium/small farms (917 items) / Monthly average of 30,000 citizens
- Expected results: Monthly average revenue of KRW 300 million, with 90% returned to farmers

- ③ Installing and operating Jeonju Food Hub as a public food supply support center
- Site: In the Jeonju World Cup Stadium (2016. 10)
  - Area of 1,760m<sup>2</sup>, including comprehensive agricultural logistics facility, farmer-based processing facility, whole processing facility
  - Expansion to public food supply including local schools, welfare food supply, local restaurants and supply to local marts

**Future vision: Reinforcing the network to achieve an independent economy in Jeonju**

- ① Expansion: Linking Jeonju Food initiative with food welfare for schools, public institutions and vulnerable people
- Establishing a virtuous cycle of local food with more than KRW 200 billion, restoring manufacturing using 5,000 family farms
- ② Connection: Setting up a local community platform (Jeonju Food + Local economy + Handmade foods + Local products + Local currency)
- Developing synergy by linking diverse initiatives contributing to the benefits of citizens and the region, instead of conglomerates
- ③ Spreading the initiative: Spreading food strategy for cities and Jeonju Food Plan while working to boost them as a national agenda
- Establishing a practical shield from globalization and market opening, expanding the cases of relationships between cities and agriculture.

**Strategic approach to establish a sustainable local food system**

Song Mi-ryeong

Chief of Agricultural Observation Center, Korea Rural Economic Institute

**Encouraging and supporting the creation of a challenging future agenda on the level of local government**

- Providing sufficient meaning to production and consumption of local food
- Expectation to recognize the opportunity to reevaluate the value of 'agriculture and rural areas' which tends to get underestimated in the growth-oriented economy

**Definition of 'Happiness'**

- Approaching from the perspective of a subjective economy of individuals matters more than overall economics
- For individual citizens, quantity of food matters more than quality
- Gap between reality and ideals → If the best outcome cannot be achieved, it is desirable to pursue the second best alternative

**Theoretical discussions on the definition of local food and why we have to focus on it still have significance in order to facilitate a constant agenda and strategic implementation of our society, but current approaches need to be made from a productive point of view**

- Reconsideration of realistic definition of local food
- Magnitude of 'local' food market in Korea and structure of agricultural manufacturing, processing and distribution
- Changing the consumption trend of consumers of agricultural products and restructuring future consumer awareness of local food

**Meanings of implementation cases related with local food**

- Why are CSA of the U.S., Local Production – Local Consumption of Japan and Slow Food movement of Italy still alternative approaches?
- Why cannot the early morning market case of Wonju in Korea be applied to other regions?

- How can practical and implementable models be developed?
- How can local farms and consumers be organized and by whom?

### 2025 Initiative of Jeonju

- Step-by-step approaches for establishing common future visions
- 'Jeonju - City of healthy citizens, sustainable agriculture & an independent economy'
- Is an independent economy viable and desirable?
- What value does it pursue? What are the goals of related policies and plans?
- Difference of vision and goal- Need to set up the goals of policy plans for evaluating future performance. Such goals are essential to attract engagement of farmers and civil community

### Principals and drive system

- Checking what are practical and implementable strategies for local governments
- Need to share roles between administration and civil organizations  
(Public policy vs. Civil movement)
- Checking step-by-step implementation strategy and priority
- Identifying requests to be reflected in the policies of central and local governments

## 'Establishing a Local Food System for City Sustainability'

Jeong Min-cheol

Director of the Young Cooperative Farmers' Association

As a farmer myself, it seems right to me that I would read the subject of this section, "establishing a local food system for city sustainability." Then, I thought it is very welcoming that finally cities realize the importance of rural areas, especially the importance of agriculture. We heard so many times, repeatedly, farming is not sustainable in the current food system. Now we can confirm that even cities are never sustainable in the current food system. That's why I was impressed by the City of Jeonju taking the initiative and I would like to share some ideas which are shared among farmers about local food in my town Hongseong, Chungcheongnam-do province.

**1. Among the two words, local and food, I would like to focus on 'local' first.** Let's consider that local is a scope of life and activity. Try food locally. That is, we try to expand the scope of application further than nation, and even toward the world. We tried hard to make anything more economic and efficient and consider this as the best approach. But, now I would like to urge you to switch your direction to local (not decrease). What is fundamental and should be included with priority in a local food system is, I believe, the agriculture and farming community (not only, agricultural products), and this is local food. Agriculture and farming houses have had reduced significance so far that farmers supply produce to city consumers (they just grow agricultural products and sell them out to survive). However, now we are here to revisit the fact that the sustainability of the farming community and convergence with farming community are required for cities to have sustainability. It is not simply about industrialization of agriculture, suburbanization or assisting means of the city. But, it is imperative for our future to change the city's development direction and it is also important to maintain and sustain farming-based rural communities. Local food is the starting point of such transition.

**2. If local food does not replace the existing food system but instead is about building up a different food system, then we have to think who should be the major players in the process.** The existing food system is based on wholesale market-oriented supply like an auction. Therefore, a large-scale farm could take advantage in the current system (accompanied with single-crop farming, large-scale farm land, mechanization and standardization). The current agricultural policies have been supporting the farmers who do large-scale farming, and technological development for the large scale farming and the

industrialization of farming. Roughly 20% of the farmers are seeking large scale agriculture and they have many different structures. The same would be true for the new farming system. Industrialized farmer's smart farms and ICT farming are under a spotlight and become the primary recipients of R&D subsidies. It is highly likely that in large-scale farming, "corporate farmers" would take a large portion of the production, unknowingly, and farmers would degrade to laborers as they are doing in the existing food production system.

We need to come up with a different production method for a new local food system along with new organization and system. When considering the welfare and survival of already-aging rural communities, its sustainability and the succession structure have inevitable limits. An appropriate preparation is urgent for rural communities considering the reality of the farmers and its sustainability.

**3. Change in the food system means change in the producer-consumer relations.** Production and consumption had been completely separated in the old system, and relationships were created in a separate distribution space. Producers and consumers participated in the system separately. In order to drive a change not only in the agricultural distribution channel but also in the society, environment and culture, the structural relationships between producer groups and consumer groups and their willingness for involvement are important. There must be a middle support group to promote networking between consumers and producers, but how those two groups are organized is more important to have sustainability in the system.

**4. I think consumers also have to change their recognition.** According to a survey (2015, KREI, multiple choices), 83.3% of consumers answered that they choose eco-friendly agricultural products for family health and safety. Only 1.5% answered for environmental protection and 3.3~4.4% for agricultural sustainability. This shows a stark difference from the EU survey. (98% answered environmental protection and 78% local food) (The 4th 5 Year Plan on Promotion of Eco-Friendly Agriculture, Ministry of Agriculture, Food and Rural Affairs). The difference comes from our focus on "safe agriculture for health of myself and my family." Agriculture and its environment, rural areas, could not slow down its speed of destruction until now. Pesticide residues are not detected from dying soil and the farming environment, therefore the crops and vegetables grown in such environments are not "safe agricultural products." We should consider recovering the local space where our food is grown and maintaining its sustainability and health. This is the way to secure food safety for ourselves and our families. We can re-position our farmers to play the roles of maintaining and protecting farming lands, forests and the surrounding environments and also restoring the destructed environments in the process of green revolution and reasonable compensation should be guaranteed for their activities of public goods.

**5. It's time to diversify the function of agriculture.** Farmers have been forced to fulfill its industrial function of producing agricultural products as a primary part of the industry. But the farmers should break away from such stereotypical ideas that the production is all about agriculture. Eco-friendly farming has one more function of environmental restoration to agricultural production. Now it has more social functions to add on, which include education, culture and caring. With more emphasis on the industrial function of agriculture, the cutting-edge farming represented as "plant factory" will participate in the local food movement with an advantage. Then general farmers will lose their ground in a new competition while participating as a small part and as a result urban areas can't also maintain their sustainability.

**6. The scope of local food has been controversial.** You can define it clearly as city or county in terms of administration, but the definition of local should be expanded further based on livelihood or network. We have experienced violence inflicted under the name of localism. We have to seek more creative ways to achieve open localism rather than closed localism. Our localism should be based on cooperation between local communities and assist small-scale communities in building up self-sufficiency and originality. We can expand the meaning of local in this direction.

**7. Korea is competing with Japan for the title of lowest food self-sufficiency.** It's getting clearer when we look at the ratios locally. Hongseong's food self-sufficiency is 800% for rice and strawberries, 400 ~500% for red peppers, sweet potatoes, beef and milk, 2,000% for pork, 80,000% for chicken. But the ratio for beans, adzuki beans, cabbage, lettuce and spinach are so low and hard to show in numbers (Man-cheol Jeong, Necessity to Establish Local Food System in Hongseong and Strategies, the 3rd Agricultural Policy Development Forum). One of the objectives for local food is to increase local food self-sufficiency. If some industrialized farming areas see an unprecedentedly large number of metropolitan cities as their consumers, then how can they establish or be encouraged to establish a self-sufficient system of producing agricultural products which are not in production now (which can be produced). However, I do not think we have to force them to produce under the name of local food if it requires a huge amount of energy to produce.

I believe local food cannot be achieved by a single local community. We have to put as much emphasis on coalition and cooperation among local communities as we do on local food.

## Practical conditions and implementation methods for facilitating local food culture

Jeong, Cheon-seop

Chief of Jeonju Comprehensive Food Support Center (Foundation)

### 1. Starting points of determination

- Farming population of last year (2015. Statistics Korea) was recorded at 2.57 million (16% decline), while the aging population older than 65 made up 38.4% of the total population. Actual aging rate of senior citizens older than 65 in smaller administrative districts suffering constant decline of farmers reaches a whopping 75%.
- Jeonju has a total of 23,006 farmers from 8,604 farms, of which 71% (5,080 farms) work on agricultural areas smaller than 1ha, with 4,510 farms having a second job (2015. Report from Jeonju city office).
- According to a report from Statistics Korea, the national average income of farms was reported to be KRW 37,215,000 (with agricultural income of KRW 11,257,000) and the average in Jeollabuk-do was KRW 36,129,000 (with agricultural income of KRW 9,850,000).
- Jeonju's population of 670,000 pays no less than KRW 1 trillion to purchase agricultural and food products (access to restaurants or publicly available food related facilities not included, per household, Engel coefficient-based comparison), but the amount supplied by the farms in Jeonju takes up a mere KRW 50 billion (5%).
- Interviews with farmers in Jeonju from July to September of 2015 show that more and more aged farmers are leaving the area and that annual average income from agricultural work by farmers older than 65 is about KRW 6.7 million.
- Food-related risks posed to consumers such as food poisoning incidents, violation of the rule to mark the origin and Food Sanitation Act and detection of residue chemicals keep raising their ugly heads in spite of numerous announcements, guidance, training and crackdowns.
- According to the 'Analysis of Fulfillment Performance of Mutual Prosperity Agreement in the 4th quarter of 2015 by Major Distribution Conglomerates in Jeonju' covered by a local paper, a mere KRW 88,593,800 from the total revenue of KRW 212,268,706,542 made by such conglomerates was restored to the society (0.042%, Saejeonbuk Paper, 2016. 6.)

### 2. What is urgently needed?

- In spite of powerful trends of emphasizing the roles of non-capital areas in the sustainable development of a country, few regions appear to accurately analyze local conditions and situations in order to develop policies for reinforcing local capacities and implementing step-by-step and organized methods.
- There is currently no viable measures to combat the issues of the sharp decrease of farmers and their income, aging population, increase of farms with a secondary job, migrating farms and polarization of farmers.
- Rather than resolution of production-related issues, farmers are demanding sustainable life through distribution channels where they can

reliably sell their products as well as reliable income (recognition of proper prices in consideration of manufacturing cost).

- The gap between manufacturing and consumption caused by multi-level distribution channels, importation and competition is one of the core complaints from the consumers.
- Consumers are demanding 'food with a face' so they are able to see who made the food, how it was made and whether the food is safe, and are severely concerned over repeated cases of food poisoning and violation of related laws.
- Compared to the enormous revenue of distribution conglomerates playing significant roles in the distribution of agricultural products, consumption of local farm products and social restoration are quite negligible and having adverse effects such as out flux of local capital and damage on the virtuous cycle of the local economy.

### 3. What can be done?

- Precise analysis the local situation and conditions must be prioritized in order to come up with measures and policies appropriate for the reality of the local community. The 5.3 Project of Jangsu-gun, Local Food initiative of Wanju-gun, Making a Town of Jinan-gun and City Food Plan of Jeonju can be cited as examples of poor implementation.
- The system encompassing everything from manufacturing to the tables of households must be designed from the perspective that everything is related. It has to be noted that until now, policies neglected synergy and continuity by being fragmented and partial.
- A system is required to train human resources who will conduct needed work in the area.
- Honest and transparent governance is needed which involves local government, farmers' organizations, consumers' organizations and research institutes. Governance focusing on on-site cooperation is needed so that learning at the site and policy implementation processes can be systematically discussed and operated.
- Thus, such governance and turning such on-site execution organizations into corporate bodies will enhance actual execution power.
- The administrators need to be equipped with an operating system that enables them to evaluate and analyze the processes, results, local impacts and ripple effects while providing feedback.
- Policy preparation, budget allocation, system setup and reinforcement of implementation capacity (both human and physical) have to be worked on simultaneously, while securing comprehensive policies and execution power is a core task for establishing a virtuous cycle of the local economy.

# CHAPTER 07

## Workshop Session 3 'Local Currency'

- 
- Mobilising finance for local economic development Jonathan Dawson
  - Story of Hanbat LETS – How it did not end up as a success but managed to survive Kim Seong-hun
  - Preceding Tasks for the Development of a Local Currency Model  
Lee Jae-min
  - The Importance of Local Currency and Social Finance Son Hyeon-ju
  - Dreaming of a town where no one worries about money JCha Hae-ok

## Workshop Session 3 'Local Currency'

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14:00 ~ 14:10	10'	Opening	Opening Address, Introduction of Presenters/Debaters/ Case Speakers, Introduction of Guests, and Guide to Workshop Programs
14:10 ~ 14:40	30'	Presentation 1	<b>Mobilising finance for local economic development</b> Jonathan Dawson   Head of Economics at Schumacher College, the U.K.
14:40 ~ 15:10	30'	Presentation 2	<b>Story of Hanbat LETS – How it did not end up as a success but managed to survive</b> Kim Seong-hun   Vice-Director of Daejeon Mindle Health Welfare Social Cooperative
15:10 ~ 15:20	10'	Recess	
15:20 ~ 16:30	70'	General Discussion	Lee Jae - min   Professor of Woongji Accounting and Tax College Son Hyeon - ju   Full-Time SSK Researcher of Chonbuk University Cha Hae - ok   Director of the Eunpyeong-gu Sharing Center
16:30 ~ 17:40	70'	Q&A and Free Discussion	Q&A and free discussion with presenters/ debaters/case speakers
17:40 ~ 17:50	10'	Closing	Closing and taking commemorative photographs

Chaired by Yu Nam-hui  
(Professor of the Industry–University Cooperation Foundation at Chonbuk University)

## Mobilising finance for local economic development

Jonathan Dawson

There are serious problems associated with the way in which money is created today, for the most part issued as interest-bearing loans made by commercial banks. This builds in a macroeconomic growth imperative: skews the allocation of capital towards the most profitable businesses, making it difficult for small, locally-based businesses to get access to finance; and drives a systemic transfer of money wealth from the poor to the rich in the form of interest payments.

In response to these systemic consequences of the current system, many thinkers and activists have devoted much energy to the creation of alternatives. This paper looks in turn at models that have been developed to i) mobilise financial and other forms of wealth; and then ii) to keep that wealth circulating locally, enabling multiple exchanges and mutual enrichment, rather than leaking out immediately into the wider, corporate-controlled economy.

A number of different models for mobilising money wealth have emerged in recent years, some building on well-established organisational forms. These include

- official (state sanctioned and supported) regional, local and ethical banks that have a proven record in stimulating balanced economic activity and providing widespread access to finance
- credit unions, member-owned financial cooperatives, democratically controlled by their members, that are currently seeing a resurgence in popularity
- community banks and a range of other community development finance institutions
- community share issues that are enabling communities to take ownership of a range of resources and facilities, especially in the renewable energy sector;
- crowdfunding, a system of peer-to-peer financing mediated by internet-based platforms and
- local investor circles that link up social entrepreneurs with mentors and other resources in their home areas.

There has been a similar wave of innovation in the design and development of community currencies that enable people and small enterprises to provide each other with credit and enable trade among themselves using a currency of their own making. Once again, modern innovations have often been successfully been grafted onto much older rootstock.

There are three principal types of community currency

- mutual credit systems. These cover both local exchange trading systems (LETS) that are generally used to enable trading between individuals; and business-to-business barter (B2B) networks that enable small enterprises to trade their stock and spare capacity within the network of members. B2Bs have proven to be especially effective in promoting mutual support within the trading community and in promoting macroeconomic stability due to the counter-cyclical nature of the currencies
- Regional currencies, that often take the form of notes and that have seen an especially strong growth in recent years Germany and in Transition Towns initiatives worldwide. These currencies are created explicitly to encourage greater local trading. They typically trade at parity with the national currency (with which they are generally bought) and can be spent only in independent shops within distinct local areas. In recent years, this type of currency has gained a higher public profile; some can now be used to pay local taxes; some are issued by main-street banks; and some are benefitting from active government support
- Time credit systems have been around since the 1980s. They enable people to be paid for work that they do in service to their communities in the currency of time: one hour of help of any kind given to another member earning one time credit, exchangeable for an hour of help in return. These has seen numerous applications, including eldercare in Japan, youth court jury service in the US and community re-building in deprived areas of the UK. Time banking has proved especially powerful in helping people become more involved in the design and delivery of the official support services that they benefit from, a trend called 'co-production'.

The main lessons to emerge from the innovations currently in train are : i) there is a high level of heterogeneity in the field 'community investment' and 'community currency' can be seen as umbrella terms covering a multitude of different vehicles and organisational forms; and ii) careful analysis of the problem to be addressed is a necessary prerequisite for identification of the model(s) likely to be most effective.

## Story of Hanbat LETS – How it did not end up as a success but managed to survive

Kim, Seong-hun

Vice President of Daejoen Mindeulle Health Cooperative

"It must not start with the question, 'What should someone learn?' but with the question, 'What kinds of things and people might learners want to be in contact with in order to learn?'"

– Ivan Illich

### Paradox of local currency initiative

We cannot create a new and different world without changing and renewing ourselves. That's why we pursue knowledge and information, go to higher schools and keep looking for educational institutions after college. But are we putting in sufficient efforts in the relationships we have with people that we run into in daily life, relationships with nature or new / different relations? A person cannot be changed without a new relationship, and cannot find a new world without becoming a new person, can they?

LETS from Hanbat, LETS is an acronym that stands for "Local Exchange & Trading System". The system is often cited as one of unique cases of "local currency initiative" as it allows local residents to use bills and coins produced by themselves. The idea of local currency starts from the issues of the legal currency system. As Hiroda Yasuyuki, an old friend of Hanbat LETS from Japan, once said, current currency suffers from issues like 1) amount control through debt of banks, 2) compound interest and shortsightedness and 3) attachment to the economic cycle. In other words, benefits from issuing and distributing the currency are dominated by a certain social class while the currency is circulated based on interest after debuting in the market as a fictional product so that our livelihood and relations are led to self-destructive competitions. So some people try to come up with new ideas of currency which hardly work in practice. The problem lies with the fact that the 'relation' whereby the currency is exchanged is more fundamental than the currency itself. Local currency does not work unless the relations of the users involve mutual benefit and redistribution of giving, receiving and returning and if such relations focus on the chain of product, currency and competition of selling and purchasing. To put it differently, local currency aims to restore deteriorated local communities, but the idea suffers the paradox that the currency will not be circulated without restoring such communities in the first place. Starting an alternative initiative always faces the challenge of having issues to overcome.

Hanbat LETS is now in the 17th year, but is not a successful case, and rather a case of managing to survive. It dreams of a society where everyone can be proud with or without money, but its growth

has stalled and poor people have difficulty accessing it. Nevertheless, what enabled Hanbat LETS to survive while numerous organizations attempting to launch a local currency in Korea just failed would have some meaning to those pursuing a different economic system with the belief that a different world is possible in the age of neo-liberalism and globalization. Not ending up as a success, but managing to survive – maybe it could serve as our foothold for approaching our journey towards better future.

### Different relations – How do we develop them?

Hanbat LETS was launched in 1999. It featured the LETS system and 'Duru', the bill to replace traditional currency. More than 20 organizations started their own local currency system back then, but now they are all nowhere to be found. Many people built a system and named the bill but failed to issue the bill. What exactly is the act of issuing bills?

More than 70 members got together to start transactions which hardly occurred. Complaints about limited range of items and inconvenience with account management systems were raised. But the most destructive issue was that people did not know each other and did not have trust in them in the end.

Local currency system starts from the residents who issue bills. What requires attention here is that the act of issuing bills cannot be a private act by an individual. The act assumes that the bills will be exchanged. Currency used as expressions instead of exchanges assumes a promise. Trust that the promise will be kept is the credit and the essence of the currency system, which is why issuance of bills is called creating credit in general economics. Bills cannot be circulated without the belief that the currency that I earned from providing a product or service to you can be used for the same value to fulfill my needs and desires in future, and uncirculated bills are not bills.

Thus, issuing bills is the act of promising that the delayed value will be transferred and forming a social trust that the promise will be realized. Also, the market where the bills will be used has to be attractive enough. Market herein does not mean the self-controlling market operating based on the functional relation of supply and demand. It is a so-called mutually beneficial market in which supply and demand are jointly established by the local community. Attractions of such markets are ultimately the human relations and the products and services to fulfill peoples' needs and desires. These two types of attractions matter anywhere but LETS in particular needs the attractions in relations.

As of January 2012, about 40 organizations are known to issue and use local currencies. But the introduction of just the technical system and expectation that the local currencies will be circulated, without a fundamental understanding of why the currencies are issued, will end up as failure.

Local currency can be expressed as a social currency. Society here means the opposite concept of the country as an oppressing organization representing the interests of a certain social class, but the place where people live their lives through human relations. The slogan of developing a welfare oriented

society prior to a welfare state fundamentally is the expression of determination towards mutually beneficial, autonomous society and voluntary establishment of relationships among people rather than forcing them to form relations through systems, laws and oppressive organizations. Needless to say, the two concepts are interlinked. Thus, when we understand that local currency is a social currency, we assume that the term 'local' contains the meaning of a mutually beneficial relationship. But are the local communities in reality mutually beneficial and supportive enough to enable a new local currency for the residents and the society? Are they voluntary and autonomous enough to operate the local currency?

Here is the first dilemma of local currencies. The goal is to develop an organization with voluntariness and autonomy, or a mutually supportive local society through local currency, but it is a 'prerequisite' not a 'result.'

Almost all organizations attempting to develop their own local currency apply the 3 programs initiated by Hanbat LETS to form mutually supportive relations. When we first proposed them, it was a desperate measure to facilitate transactions. Now, we realized the existence of something universal while witnessing that the programs are able to survive and spread to other areas. When an organization consists of people aiming to convert opposing relations into solidarity rather than form a spontaneous program, they will gain some understandings from the following 3 programs.

These programs are <Pumasi Manchan (Mutually supportive banquet)>, <Pumasi Hakgyo (Mutually supportive school)> and <Pumasi Nori (Mutually supportive play)>.

### Pumasi Manchan as mutually supportive market

If the market economy aimed to turn society into a market, a mutually supportive market turns it around and makes the market into a society. The place where socialization of livelihood occurs based on the principles of solidarity and cooperation so that people, or humans and nature coexist, is called the mutually supportive market. The core element of the operative strategy of a social economy organization such as cooperative movement and local currency initiatives is to appeal to the society and rely on cooperation. Therefore, the market is one where such social values are priorities and individually manufactured products and services can be shared on the principle of mutually supportive relations. Relations must come before the currency and there has to be a market where everyone lives more abundantly by sharing household goods of each other. How do we create such a market?

We decided to start from gathering for a meal. Each of us brings our own food and shares it. That's called the potluck party in the U.S., which is derived from 'Potlatch'. It is a word from the Indians on the North American coast of the Pacific and means 'giving' or 'being generous'. It is an event presided

over by the chief of the tribe and held at occasions such as a coming-of-age ceremony, a marriage or a funeral, or when there was something to celebrate. The host gave away goods such as canoes, bowls, spoons, sculptures, tools or blankets collected in daily life to the guests to show off richness and fame. Potlatch is considered as an attempt to boost one's social status through good-faith competition. Hanbat LETS referred to our meals as 'Pumasi Manchan'. Pumasi Manchan was not created with any knowledge of cultural anthropology. It started from the idea that a mutually supportive market cannot be developed and no transaction based on local currency will be made without getting rid of people's own barriers and becoming friendly. So we pondered over how to become friendly, and reached the conclusion that eating together could be a way. People became friends by sharing carefully prepared foods, broke the barriers to share their personal story, and there was also dancing and singing. Also they brought their own gifts that they wanted to give to others, and exchanged them with 'Duru', our local currency. About 30 people from 15 districts were at the first Pumasi Manchan, which left powerful impressions on them. The concept of local currency was so complex that both the speaker and listeners had difficulty understanding, and the more details the speaker tried to go into, the harder it was to understand. However, one session of Pumasi Manchan was enough to understand what Hanbat LETS intended to do, and most importantly, the gathering felt heartwarming and fun. Most of the 287 transactions in 2000 were made at the Pumasi Manchan held every other month. There was mutual support in place of competition, gifts in place of products and most of all, people who ate together. That's how they became a family.

### Pumasi Hakgyo teaching through relationship

The application form of Hanbat LETS has a box where the applicant writes what they can offer and what they want to request. The items are aggregated into a transaction list to be shared with other members and are posted on the board titled 'Want to trade'. Many of these items include teaching or learning something from others. Cooking, home fashion, English, Japanese, computer hardware and software and etc...

But many of them do not turn out to be successful. Some people want to learn what others teach, so why don't they work? That's because of the inconvenience of one to one transactions. Both the teaching member and student do not feel up to be engaged in the transaction because of the one to one situation that lacks special trust. The process of discussing cost also feels awkward.

That's what prompted us to start Pumasi Hakgyo. The first was a computer course. It was started around the time when personal computers were gaining huge popularity, which troubled housewives and senior citizens as they had no idea where and how to learn about computers. Now we have so many private institutes teaching computer courses, but they were quite rare back then. A member who used to service

computers of others started a course and people who trusted the member flooded into it. It was not just a course to learn about computers, but a place where the learners became friendly. Maybe the course was more valuable as a site of life exchanges than a computer class. This was followed by numerous courses about knitting, Japanese, making eco-friendly detergent, cooking, tea and yoga and such, Pumasi Hakgyo provided depth to relations in the Hanbat LETS. Most of all, it proved that everyone needs to learn and anyone can teach. As learning occurs in the midst of relations between people, the members that experience those good relations have a better learning and that people gathering to learn a specific subject always get to learn more than that. Performance of such learning is boosted when money is not the goal, and the members find themselves trying to teach what the learners did not even ask for.

### Pumasi Nori – Economic development for housekeeping, not for moneymaking

Distribute 2 pieces of paper and ask attendees to write '-(What to request)' and '+ (What to offer)' on the top of each paper respectively.

People gather around and write down at least 5 items on each.

- (What to request)	+ (What to offer)
<p>Name: John Doe</p> <ol style="list-style-type: none"> <li>1. Side dish</li> <li>2. Private mathematics class for my 2nd grade middle school student</li> <li>3. House cleaning</li> <li>4. Taking mother to the hospital as she's been feeling unwell</li> <li>5. Someone who can join my trip to a mountain</li> </ol>	<p>Name: John Doe</p> <ol style="list-style-type: none"> <li>1. Teaching Japanese</li> <li>2. Editing documents</li> <li>3. Driving a car and offer local car hire</li> <li>4. How to brew a drink</li> <li>5. Childcare over the weekend</li> </ol>

Most people fall into deep meditation when they are asked to fill in the blanks. Surprisingly, they have difficulty with writing down what they need. Is it understandable? Modern people who buy and consume a lot of things every day find it difficult to write about what they need. Some just write things down without much thought and even smile, but when they are asked to present their needs, they confidently say, "Money." That's how we learn. That we all have been beating our brains about how to make money because we thought "Money talks.", without considering that we need a specific commodity to get what we want, that labor is required to get the commodity and that relationships are needed so that the commodity reaches me. That is the idea of iconolatry of money.

Pumasi Nori proposes that you erase the thoughts about money and think about what you wanted to do with the money and that's when people start to think about the one they were forgetting about, relationships between them and nature. When they present what they wrote down to others, their needs, desires and talents start to appear. Things left unknown after 10 years of acquaintance, such as how they live their life or what they want are revealed in natural ways. There is a mixture of understanding, sympathizing, tears and laughter. When 10~15 people have this kind of meeting for about 2 hours, they come to realize why we need each other, how our lives are interconnected and that we have been so busy in our life without ever knowing these. Pumasi Nori is an excellent way of self-introduction and forming relations. It also is effective for forming a community or researching local opinions without the local currency initiative.

### Mindle Health Welfare Social Cooperative

#### - Another economic experiment based on Hanbat LETS

In the early days of Hanbat LETS, a couple of doctors specializing in western and oriental medicine joined and a restaurant owner with the intention of joining a community movement followed them, and a virtuous cycle started when a farmer of organic agriculture took part. They built a relationship from Pumasi Manchan where they shared their own food together.

When the separation of prescribing and dispensing pharmaceuticals was fully enforced in 2000, a discussion was naturally initiated with the topic of 'civil rights of health' with members who were medical experts. Mr. Na Jun-sik, a relatively new member who was an internal medicine doctor, was serving his military terms as a physical examiner for conscription at that time. He became friendly with others as a father of two children and a bread earner for a family. He exchanged labor like helping with farm work or sharing secondhand goods such as children's clothes and toys with other members. Members consulted him when their child suddenly suffered high fever in the middle of the night or any severe disease struck them or their family. They found it a great source of pride to have a trustworthy medical expert among them. When Mr. Na completed his service as an examiner, members asked him to stay in the group. Not just for random consultation, but they requested him to become an official doctor for the community who will prescribe them pharmaceuticals and give injections. Further, some even suggested that they can start a healthcare initiative based on the power of community developed through LETS if the government system is incapable of guaranteeing rights to health. They found that a cooperative will be ideal for such a goal as everyone can make investment and become a member instead of setting up a private medical institution. Hanbat LETS had a healthcare cooperative in 2001, and an establishment preparatory committee was set up consisting of willing citizens from the area. That's how Hanbat LETS, as a mutually supportive network of relationships based on trust, gave birth

to a precious baby called Mindle Health Welfare Social Cooperative where local residents and medical experts cooperated for their own and local health. Currently, Mindle Health Welfare Social Cooperative is owned by more than 2,500 households, with western and oriental medicine clinics and a dental clinic in two towns along with a checkup center, a senior welfare center, a family care office and a psychological consultation center.

Its birth from Hanbat LETS represents its evolution from Pumasi (mutual help) to Dure (cooperative). Experiencing one on one help through Pumasi naturally leads to the need for a cooperative or a shared workplace for a town. Recently, more and more social economy organizations have been established, including social enterprises, town businesses and self-supporting communities but they suffer great difficulty as they are forced to compete in the market with some government subsidies without consideration for the overall society while the society is basically getting lost.

### Another experiment with local currency

Pumasi Cooperative and Pumasi Town Social Cooperative issued a new local convertible currency named 'Pum' in 2015 with the goal of creating a local and independent distribution platform. Also Mindle Health Welfare Social Cooperative is planning 'Bom', a new type of bank based on the concept of a 'time bank system' beyond experimenting with Duru, which garnered successful crowd funding and allowed them to work on the development of an application for Bom.

## Preceding Tasks for the Development of a Local Currency Model<sup>1)</sup>

Lee Jae – min

Professor of Woongji Accounting and Tax College

Bill Totten insisted in his book 『100% Money』 that "the amount of money necessary for world trade is nothing but 1% of the money for whole foreign exchange transactions." According to his claim, the remaining 99% is used for the transaction of financial speculation.

Money was invented for gift purposes according to the economic anthropologists. Currency was a great invention to help people confirm the reciprocal relationship and maintain such relationship among them. In the conventional economic studies, currency was regarded as a means to activate market trading and accordingly to promote material prosperity. In market trading, currency is used just as a simple medium for exchange, being independent from human relationships. It is a cold unit for value calculation and a means to clear the deals. Therefore, money is like a knife that severs even the existing human relations.

According to Bill Totten, the 99% of money is used as a means to build wealth and serves to further expand the gap between the rich and the poor through the "process that money makes money." Especially when the economy is getting worse, the rich-poor gap deepens because the interest payments of the debtors directly go to the rich people with big financial assets.

Alternative currencies refer to all currencies complementing or replacing the national currency. There are various types of alternative currencies. They are called in many names : local currency when it is based on specific regions, community currency when it is based on certain communities, welfare currency when it is linked to welfare services, education currency when it is linked to educational services, and so on. The alternative currencies that can be exchanged with the national currency have advantages in circulation because its credit is guaranteed. On the other hand, however, they are unsuitable in solving the problem that economically independent people are socially excluded. It is not necessary to guarantee their convertibility with the national currency as long as the credit of alternative

1) Jae-min Lee, Majored in Behavioral Economics, Ph.D. in Economics, Associate Professor of Woongji Accounting & Tax College, Member of Policy Committee of Jeonbuk Social Economy Solidarity Conference

2) 『100% Money』 : アングロサクソン資本主義の正マネで日本は復活する

currencies can be secured in any type. It can be made in the type of paper money. For the purpose of convenience, plastic card type or electronic transfer method can be taken. How to establish the system depends on the objectives and conditions.

There is a tendency that the interests in the alternative currencies expand and their usage increases whenever the economy gets worse. When Korea suffered from the foreign exchange crisis, there were active and nationwide attempts to introduce the alternative currencies. In case of Jeonju, the "Jeonju Counseling Center for Workers" circulated a local currency called "Pumassi (meaning exchange of labor)" for socially excluded people in 1998. Then, "Jeonbuk Medical and Social Cooperative Association" had been using a local currency named "Pum (meaning labor)" until 2013. "Pum" is not currently in use but its reuse and circulation are under consideration.

The alternative currencies have 4 effects. First, the use of alternative currencies can activate the circulation economy of the relevant regions by preventing the currency outflow. Second, it can regenerate the community by increasing the contacts and homogeneity among the users. Third, it can enable the recirculation of goods and services whose values were not admitted as commodities on the market, so as to help the community members find their values back again. Fourth, it may alter the ways of life by reminding the members of environmental ethics and consumption ethics. The alternative currencies will contribute to the establishment of sustainable regional circulation economy and happy community. As a result, they can play a part in creating the environments where the social economy works well.

There are some points to consider when one wants to activate the circulation of alternative currencies in a region. First, it is necessary to clarify the purpose. An alternative currency to strengthen a community should take small area as its circulation range. On the other hand, an alternative currency to vitalize the regional circulation economy should take broader area. Smaller area is advantageous in establishing the system but disadvantageous in activating circulation because there are small number of transaction accounts. In case of a larger area, it is recommended to ensure the convertibility of the alternative currency with the national currency because it is impossible to operate the alternative currency system on the basis of credit capital. However, it is not easy to cover broad area if the community members have little local patriotism. Actually, there is no case evaluated to be successful in circulating the alternative currency for broad areas. "Bristol Pound" of UK was considered successful to be the best of such cases, but there is no objective ground that it vitalized the regional economy actually. In Korea, "Suwon Citizen Currency" had been circulated for 6 months on trial but the total transaction amount was not significant. Therefore, there shall not be jump in the logic to activate the regional circulation

economy. As Jeonju claimed to stand for "Happy City," it would be better if the regional circulation economy becomes supplementary.

Second, it is necessary to make a clear motive for use of the alternative currency. The incentives acquired by using the alternative currencies are not bigger than those of the national currency. Sometimes payment is more inconvenient. Sometimes it is impossible to buy an item of interest. Nevertheless, what are the incentives to have people use the alternative currencies? It is essential to let the people know that the alternative currencies contribute to the realization of social values and make the residents have confidence that the users of alternative currencies take a direct role in such contribution. The economic motives like discount benefits, point earning, and so on can be considered as a part but such measures may eliminate spontaneity and self-esteem.

Third, it must be precisely designed. In Korea, there are only a few regions where the local currencies were circulated successfully. It means lots of efforts shall be made. A detailed design can reduce the efforts and increase probability of success. Convenience in use, broad usage, enough amount of currency in circulation, motivation for continuous use, and so on shall be ensured.

Fourth, it must always be operated in the way of strengthening communal spirit. One can say quite clearly that the biggest reason of the success of "Hanbat LETS" was that the relationship among the users strengthened through parties held periodically. The fact that someone has another person with an open mind for a heart-to-heart talk in the society facilitates the use of alternative currency. Therefore, the activities to build up the communal spirit shall be included for whatever objectives an alternative currency system is designed for.

Fifth, in order to develop the transaction subjects, it is necessary to survey the members' resources to find items that are not yet put into the market. It is possible to select those items in an order of higher proportion of labor input. It helps to rediscover the roles of those items and makes transactions easy because of low supply costs.

Sixth, the alternative currencies can be freely issued in the form of paper currency unless they are made by counterfeiting the national currency. However, one may meet the legal requirements raised by the constraints on such forms of electronic money or account transfer. Therefore, it is essential that the costs to prepare for the legal requirements, as well as to decide the issuance forms of alternative currencies, are closely considered.

Finally, the following points should be taken into consideration. While the alternative currencies have been going through changes from LETS in the 1980s, Time Bank, Ithaca Hours to SOL, the communal spirit of alternative currencies have faded away, the complementary measures for the national currency have become enhanced, the reciprocity-oriented nature has been switched to the market-oriented one, and the spontaneous use of alternative currencies by the regional communities has turned to government-led use. Since the financial crisis in 2008, the interests in the alternative currencies increased again in connection with the discussions on basic income, allowance for the youths, unemployment, welfare, and so on in Korea. The local currencies introduced in conjunction with the local governments, such as Gyeonggi-do and Gangwon-do, tended to have convertibility with the national currency and to set market-oriented and sustainable regional circulation economy as a goal. Yet the effects resulting from the activation of regional circulation economy shall not be exaggerated. It must be emphasized that the possibility of failure is high if the importance of strengthening happy communities is ignored and only the economic performances are considered. It is clear that the public awareness and the degree of happiness increase if the alternative currency systems are successfully operated. However, it is also true that such success does not come easily.

Jeonju City is operating an alternative currency system by which one can pay for the certificate fees in the public offices with one's accumulated volunteer work hours. Mutual trades of social economic organizations including nonprofit service organizations, rehabilitation-related organizations, social enterprises, cooperative associations and Ondurae (meaning all cooperative groups) community, marketplace for secondhand articles held periodically by region, town newspaper, local food, and so on, provide favorable conditions for the circulation of alternative currencies. In particular, Jeonju Hanok (Korean traditional houses) Village can be a desirable space for the pilot operation of tourism currency.

## 지역화폐 및 사회적 금융의 중요성

Hyun-joo Son

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Local currency and social finance can be used to cope with the problems that Korean society is confronted with, and to facilitate its sustainable development in various ways. In addition, they form a part of the efforts to restore the collapsing local communities and to activate the regional economy. Today's society, which places emphasis on efficiency in production and consumption, has caused lots of problems in the aspects of health, safety, environments, human rights, and labor. Repeated global financial crises, scarce energy resources, and abnormal climate resulting from global warming have intensified the crisis of regional societies. To overcome the problems that the regional societies have, it is necessary to seek alternatives completely different from the existing paradigm, which has brought about such problems. In this regard, community movements that deny the value of individualism and are collectively led by the local residents shall be newly reviewed and examined.

The community movements have been developed taking many different forms, such as sharing economy for collaborative consumption movement, local currency pursuing alternative economic system, campaigns for community organizations seeking happy life, cooperative associations jointly owned and democratically operated, social finance to invest in the social values rather than to seek profits, and etc. With respect to alternative economic systems, this paper will be focusing on the importance of local currency and social finance.

Local currency means the money used in a systemized institution. In particular areas, transactions of goods and services can be made among the community residents with virtual community money even though they do not have the actual money. Different from the state currency like Korean Won, US Dollar, and Japan Yen, issued by relevant countries, local currency can be classified as complementary currency, local currency, independent currency, free currency, membership currency, community currency, green dollar, eco-money, original money, and etc. As for the nature of local currency, LETS is used in the nature of complementary currency, Time Dollar is used for time-based transactions, and Hours is issued based on time transaction in the currency type.

Local currency can play 5 important roles in the alternative economic system. First, local currency facilitates the formation of community society and helps individuals not feel left out. In modern society

running in a materialistic and large-scaled system, people have experienced individual and social alienation, by being unable to take the central place but being forced to remain as bystanders. Under the local currency system, people are not forced to sell their labor force, work in a repressive hierarchy, and become evaluated based on the financial gains or economic values resulting from their work. Instead, the system operated based on the individual values and freedom people have in the community. The main principles of the system are agreement, no interests, sharing, and releasing of information. Emphasis is put not on the money and in relation of goods, but on the humans and in relation to them, thus solving the problems of dehumanization and avoiding the alienation of human beings.

Second, ethical consumption becomes possible in the system. Ethical consumption refers to the consumption that considers the results that will be brought by the consumers' selection to the relevant region, global society, economy, culture, politics, and environments, and refuses to consume unethical goods that may exploit and harm human beings, animals, and environments. As community residents get to know the direct counterparts and the results that are in the local currency transactions while living their daily lives as consumers, they can choose altruistic consumption instead of the selfish one, showing safety and life oriented consumption attitudes and community sharing-oriented consumption behaviors. Also, eco-friendly consumption can be realized because this consumption in nature tries to minimize energy waste in the process of distributing goods between regions. Therefore, local currency can serve as a momentum to facilitate ethical consumption.

Third, it contributes to the activation of regional economy. Local currency is allowed to use only among residents of specific regions. It invigorates shops in the region and facilitates local production and local consumption, creating virtuous economic circulation structure that vitalizes the regional economy consequentially.

Fourth, it can afford the means to develop occupational ability of community members and to provide jobs to unemployed people. Local currency is used to exchange necessary goods or services by a certain number of people collectively living in a specific region, where people with talents instead of money are able to live their daily lives as consumers. Even unemployed persons without money can get along to some degree on the barter transactions. In other words, jobless people without income and available cash can buy daily necessities and services through local currency transactions. For example, assume there are person A, a former part-time instructor, who needs to repair his house but has inadequate amount of money, and person B, a house maintenance worker, who wants to make his children receive tutoring but cannot afford to hire tutors. Both of them can acquire what they actually need without paying money if A teaches B's children and B repairs A's house in return. In that sense, the local

currency system can make the best use of the abilities not only of the unemployed but also of talented local residents, thus resulting in helping them develop their abilities further.

Fifth, it can contribute to the establishment of reliable society through active communication. Communication among participants is facilitated because the system encourages participation of residents and stimulates exchanges among people. As residents live in a free-of-interest situation, where simple ownership cannot guarantee the growth of wealth, they are free from competition and possessiveness. When you are free from competition, you may feel less deprived and anxious. Thus, the local currency system can be helpful in creating a reliable society where people can trust each other.

Social finance as one of the monetary systems is focusing on creating social values rather than economic profits. Its concept is related to lending and investing in organizations like social enterprises and cooperative associations, whose goal is to realize the values of communities. Social finance in modern meaning can be classified into micro-credit, community finance, investment in social purposes, and cooperative finance. Current social finance tends to solve financial alienation problems of the disadvantaged, and to take interests in the capital-raising of socioeconomic organizations, such as social enterprises, cooperative associations, and etc.

The importance of social finance can be described as follows. First, social finance can contribute to the formation of positive social relationship and sustainable growth. The operation of ethics bank or social stock exchanges enables individuals or small and medium sized enterprises to buy deposit options or to purchase stocks at less than market rates. Such activities may result in establishing a system that compensates for the loss of social enterprises, covers a part of business risks, and accordingly attracts positive social changes. Also, it concentrates its investment on the ethical businesses such as renewable energy, eco-friendly organic farming, fair trades, and etc., in order to help the sustainable growth of society.

Second, it helps disadvantaged people overcome their poverty and become financially independent. The micro-credit, a representative type of social finance, grants the microcredit loans to the lower income groups to help them escape from poverty and achieve financial independence. The benefits of social finance are expected to be provided especially for finance minority groups, including the female heads of households or young people in the state of unemployment. It is required to develop various microfinance programs in the system for women and young people.

Third, it contributes to the activation of regional economy. The community finance rooted in the regional communities provides their residents and organizations with financial services. The community finance lends money to the small companies, social enterprises, and nonprofit organizations, based on their regions. By making money flow within regions, the community finance helps the revitalization of regional economy.

Fourth, social finance is one of the ways to alleviate regional polarization of wealth. It responds to the social problems like unemployment and polarization proactively by providing disadvantaged people with various kinds of supports, job creation, and social services. In addition, it takes a part of welfare that should be taken faithfully at the state level by providing various welfare services and social investments. In order to make social finance work effectively to alleviate polarization, it is necessary to revitalize the multilateral cooperative networks of the governments, civic groups, and the general enterprises.

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## "Dreaming of a town where no one worries about money"

Cha Hae-ok

Director of the Eunpyeong-gu Sharing Center

In an effort to establish a happy town that is free from financial concerns in this era, when money has become indispensable, and to recover lack of trust through human relationship, Eunpyeong e-Pumasi (an initiative for voluntary help) aims to create the world where everyone can communicate and be happy while pursuing financial benefits of the family within the community by introducing a local currency, an alternative currency system, to traditional service labor-based economy activities, such as Pumasi and Dure (farmers' cooperative), which used to enable our ancestors to be friends hundreds of years ago.

We managed to open the doors of the neighbors with contribution of talents in woodwork and initiated economic virtuous cycle with the local currency as the medium in the Eunpyeong area, while sharing the space where people could be friends and form gatherings of neighbors and people who run small businesses.

Multi-party economic virtuous cycle was established in the Eunpyeong area as the gatherings now attracted more than 2,400 members, the number of groups where they can register themselves at the 'talent bank' reached 53 and the number of stores capable of providing practical and economic help including healthcare services increased to 58, as they accepted up to 30% of payment with the local currency.

A monthly Pumasi market was set up where online transactions on a dedicated website were made by members posting 'what they want to donate' and 'what they want to receive,' which includes certain events, such as flea market, talent presentation and sports games.

We also operate "Pumasi Fun School for Shared Economy," where the local currency-based economic system can be experienced in fun ways. Residents can bring stuffs that they do not use but kept because of personal attachment, and sell them for local currency while encouraging and acknowledging each other by presenting their talents to boost self-confidence.

Experiences of the power of sharing that made us realize that the more we share, the more we can

have, enabled us to apply to the Seoul Metropolitan Government for the Residents' Project Proposal, for which we won, thanks to active support, so that the Eunpyeong Sharing Center had the opening ceremony in July 2015 as the first sharing center in Korea.

Each floor of the 4-story building of the center has different purposes – The ground floor is for sharing goods, the 2nd floor is for sharing knowledge, the 3rd floor is for volunteering (sharing talent), while the 4th floor provides shared spaces. More than 1,400 local members have benefited from the center for the past year, while sharing of knowledge and talents was joined by 1,233 members, and there were more than 1,615 cases of sharing goods, resulting in more than KRW 240 million of economic benefits that provided practical help to the residents. The amount represents economic benefits to the residents who access the sharing center.

Those with talents but lacking social roots are trained as activists, and home repair specialists are trained for the underprivileged to provide voluntary help on a monthly basis. The sharing center not only just enables virtuous cycle for local economy, but also naturally attracts social participation. The sharing culture is proliferating within the area as individual ownership is expanded to joint sharing.

While the community of trust based on Pumasi activities was the 1st phase, activities in the 2nd phase will involve spaces for cooperation of private and public sectors, as well as equipment and goods that can be shared, all of which are managed by the residents independently so that the birth of the 2nd and the 3rd sharing centers may be witnessed through economic help, empowering households to restore financial sovereignty.

We have discovered the most precious resource in people based on the belief, "People and nature are the resources of the biggest importance," and are living the life of realizing the idea of the world where people can have dreams through relationships with others.

One of the goals is to restore happy daily life to those who forgot how talented they were and lost the sense of presence against their wills, while working hard to make ends meet and operating household economy.

It is certain that happiness in the world lies with sharing in good faith rather than mere equal distribution, while capital of the future will focus on relationships and trust, instead of money. We will constantly create virtuous economic cycles in our area by identifying dormant talents while people meet up, and linking them with economic values, as well as by sharing goods and spaces that each of them is in need of.

We believe that switching from ownership to sharing is not just for those with abundance, but starts by opening one's mind as it begins from the mindset of sharing what I and the other person sympathize with. Such power of sharing will bring sustainable happiness.

## CHPATER 08

### Workshop Session 4 'Discussion on Happiness, Power of the Region'

- "Power of Region" Diagnosis tool and workshop Hasegawa Masako
- Activities of Jongno–gu Happiness Giving Leader Bae An-yong
- What's important? That is happiness! Eom Seong-bok
- 'Prior tasks for the discourse of happiness' Heo Moon-kyung

# Workshop Session 4

## 'Discourse on Happiness, Power of Region'

- To prepare a place for exchanging visions and experiences with overseas experts, related organizations at home and on-site entrepreneurs, who pursue common goals in the ecological city and social economy fields, which are considered the important values of the 6th popularly-elected government in Jeonju.
- To raise the civic awareness by sharing the value of and increasing public interest in "Economics of Happiness," going beyond ongoing fierce competition and polarization of wealth.

### ■ Programs

Time		Classification	Description
18:30 ~ 18:40	10'	Opening	Opening Address, Introduction of Presenters/Debaters/ Case Speakers, Introduction of Guests, and Guide to Workshop Programs
18:40 ~ 19:10	30'	Presentation 1	"Power of Region" Diagnosis tool and workshop Hasegawa Masako CSO Network Japan   Director of "Power of Region" program
19:10 ~ 19:40	30'	Presentation 2	Activities of Jongno-gu Happiness Giving Leader Bae An-yong   Leader of Jongno-gu Happiness Giving Leader Project
19:40 ~ 19:50	10'	Recess	
19:50 ~ 20:30	40'	General Discussion	Eom Seong-bok   Director of the Citizen Policy Department in Jeonju Council for Sustainable Development Heo Moon-kyung   Research Professor of Jeonju University
20:30 ~ 20:50	20'	Q&A and Free Discussion	Q&A and free discussion with presenters/ debaters/case speakers
20:50 ~ 21:00	10'	Closing	Closing and taking commemorative photographs

Chaired by Gu Ja-in (Senior Researcher of the Chungnam Institute)

## "Power of Region" Diagnosis tool and workshop

HASEGAWA Masako

Program operator CSO Network, A general foundation

### 1. "Power of Region" Diagnosis tool

#### 1-1. Background

The great East Japan earthquake on March 11th of 2011 and the resulting accident at the Fukushima 1st Nuclear Power Plant, urged the whole country of Japan for fundamental introspection about the future direction of the Japanese society. It was a psychological milestone for many people to think about what actually matters as well as whether the society for our future generations is structurally healthy. Even before the earthquake, diverse regions of Japan were making efforts to develop sustainability to protect the ecology of the environment and people's lives. Many parts of Japan are realizing "Inner Development" with no dependency on external support or resources while actively working on utilizing the currently available local resources, economic independence of primary industry and exchanges with different regions.

The "Power of Region Forum", a research group for which the CSO Network is serving as the secretariat, has been identifying advanced measures of these regions for 2 and half years since 2013, and managed to learn numerous valuable lessons from such efforts. The regions boasted of fruitful relations among people as well as between humans and nature, along with effective activities by the residents themselves. We identified common elements in these regions as "Power of Region". We also determined that "Power of Region" is the core element to boost happiness of the residents in the region, to be recognized as attractions by those in other regions and to enable sustainability.

Japan recently has many local governments that develop diverse happiness indexes to evaluate quality of life, including the Arakawa ward of Tokyo. The diagnosis tool of "Power of Region", while taking such trends into account, aims to turn the powers of the regions, of which principals are the local residents, into indexes and explain them in easy-to-understand ways. It is my wish that residents will learn to utilize the indexes to review what's going on in their area with the goal of evolving into the 'internally developing area'

#### 1-2. Aim and subject of diagnosis tool

The "Power of Region" diagnosis tool empowers the residents of an area to determine how sustainable their community is. The aim is to enable them to identify current situations of the area and embark on new projects based on the diagnosis.

The tool can be applied to areas seeking activities engaged by the residents in order to tackle the tasks such as resolution of issues like depopulation and aging, development of a sustainable primary industry, natural protection and the virtuous cycle of the local economy. The scope of "Region" can be considered as the range of activities for developing the area

#### 1-3. Construction of diagnosis indexes

The "Power of Region" diagnosis indexes consist of 6 fields such as "Society of symbiosis", "Economy, finance, industry", "Coexistence with nature", "Daily life and livelihood", "Public equipment and facilities" and "Culture and tradition". Residents give answers to questions related to each field, which are collected and aggregated into a regular hexagon shaped chart to provide the current status of the area at a glance. Questions include ones regarding the individual degree of satisfaction about the area. Relations of the results with the answers are analyzed to identify specific elements that boost the happiness of the residents. Indexes in each field will be frequently reviewed in the process of collecting the opinions of the residents.

Meanwhile, the diagnosis indexes have been developed by referring to the structure of "Sustainable Livelihood Approach". The 5 elements therein such as "Human capital", "Social relation capital", "Natural capital", "Physical capital" and "Economic and financial capital" are reinforced by adding 'Inheritance of traditional culture' as an element of "Cultural capital" which is considered significant as a regional power of Japan. Also "Subjective happiness" of individual residents has been measured as the result of owning each of above mentioned types of capital.

## 2. Workshop utilizing "Power of Region" diagnosis tool

### 2-1 Workshop overview

The diagnosis tool is intended to be utilized by the residents at gatherings in the format of a workshop following the instructions of a moderator who has a good understanding of the tool. Attendees at the workshop listen to the concept of "Power of Region", overview of the indexes and how to provide answers before giving answers to the questions of each index. The moderator of the workshop collects the results and aggregates them into a single chart to share the information. Attendees discuss the information to identify strengths and weaknesses of each area, which serves as the basis to find measures for issues.

### 2-2 Workshop cases

The aforementioned efforts were made in areas such as Towa, Nihonmatsu of Fukushima Yamato and

Kitakata of Fukushima in 2015 which were working on the development of sustainable regions as well as Mariko, Suruga and Shizuoka of Shizuoka in 2016 that launched a workshop utilizing the "Power of Region" diagnosis tool.

#### 2-2-1. Towa, Nihonmatsu of Fukushima

Towa is a farm village with 6,500 residents who make livings from farmlands and mulberry fields arranged in tiers. When the Towa Town was merged into Nihonmatsu (Current population: 56,600) in 2005, the residents who were concerned about their original administration projects getting neglected formed a resident committee. In other words, residents were engaged in activities individually and established the "Towa Town Development Committee" when their hometown got merged.

The committee actively accepted ideas such as development of agriculturally processed products and welcoming returning city residents while making efforts to develop tourism projects for their farms. Public officials and staff at social welfare organizations took part in a workshop utilizing the "Power of Region" diagnosis tool to achieve more tight administrative cooperation. "Society of symbiosis" turned out to be the most highly appreciated field as it sought after cooperation with residents while encouraging their engagement, while "Coexistence with nature" gained popularity and brought about newfound strengths of Towa such as organic farming, environmental protection, recycling and upcycling. As for the "Economy, finance" field, it has been considered that Towa has great potential for sustainability in terms of self-supporting economic activities regardless of the size, and there were opinions that a closer connection between commerce and farming is needed to establish the virtuous cycle of the local economy.

#### 2-2-2. Yamato, Kitakata of Fukushima

Yamato, with a population of 3,300, is a beautiful village at the boundary between Fukushima and Yamagata. Though it became a "marginal" town after merging with Kitakata (Current population: 49,000) in 2006, the town enjoyed continuous prosperity for its specialty, 'Buckwheat noodle' and still has quite a few incoming immigrants along with active exchanges with large cities. Many local organizations joined the workshop as well as public officials from the administration of Yamato. Diagnosis results showed that "Society of symbiosis" and "Daily life and livelihood" had higher scores while "Coexistence with nature" and "Public equipment and facilities" got relatively low scores. Strengths included advanced human networks and the high number of returning immigrants from cities. In the discussion for future projects, establishment of the Communication Center regardless of time and generation and the project of inheriting traditional culture from senior citizens were specifically mentioned. Further development of the buckwheat noodle was discussed too.

#### 2-2-3. Mariko, Suruga and Shizuoka of Shizuoka

Maiko (Population: 12,000) is a town of history located at the western tip of Suruga (Population: 212,000) which is located south of Shizuoka (Population: 710,000). In 2011, the "Mariko Development Committee" was set up in an effort to make the town a better place to live despite depopulation and aging issues. Now projects such as local festivals, educational and utilization of abandoned farmlands and support for seniors and the disabled for walking around are under way. Diagnosis showed that "Society of symbiosis" was the most appreciated field thanks to strengths such as diversity of local organizations and active local volunteer fire services. The lowest rated field was "Economy, finance". Specific tasks and issues included lack of successor of farming, forestry and fisheries as well as poor business environment and shortfall of product development. Meanwhile, the "Mariko Development Committee" initially suffered difficulty with cooperating with the town administration such as information exchanges, but now is officially capable of obtaining information from local governments after switching to a public interest corporation.

#### 2-3. Looking back at workshops "Power of Region" and happiness

Answers to the question about subjective happiness from all regions including Towa, Yamato and Mariko showed attachment to the area, pride and the intention of the residents to live in their current town. The clearest reason for such attachment and pride was based on the strength of human relations and good personalities of the residents. Correlation between the pride for the area and the intention to keep living there turned out extremely strong, and another result showed that the prouder a resident felt about their town, the more they were likely to keep living there. About the question "What do you think makes a happy area?", many residents answered "mutual help and support as well as empowerment to the residents for independence." It has been confirmed that conditions for a great area to live in and to be happy for many people included strong ties with neighbors and leading capacity of the residents.

## Case Presentation on Activities of Jongno-gu Happiness Giving Leader

Bae, An-yong

Project Leader Jongno-gu Happiness Giving Leader

### 1. Beginning of Happy Imagination

Jongno is a historic place. There are palaces of the Joseon Dynasty with 500 years of history, many museums and historical relics buried. Jongno is also a transportation hub as well as an attractive place for tourists. Lots of people and vehicles come in and out every day, making Jongno one of the most crowded places. Regardless of the fancy appearance and antique atmosphere, however, the residents living in Jongno seem to have many problems.

In 2014, a group of staff in Jongno-gu Office made an internal club, whose members had interest in the key word, "happiness." It was kind of happiness club in Jongno-gu Office that intended to think and study why the residents were in such reality as they could not feel happiness in their daily lives, in spite of economic development and many good policies achieved in the society. The club members developed their discussion further and suggested the installation of a taskforce only for 'Happiness.' Actually, a dedicated team named "Giving Happiness Team" was newly organized in January 2015. And the Giving Happiness Team thought it would be better to take a community involvement method that makes the residents participate and lead the project from the beginning stage. The team publicly recruited people who would work as "Jongno Happiness Giving Leaders."

What is the happiness for people who live in a town named Jongno and live in the same alley, beyond the level of individual happiness? Happiness index of Korea is said to remain in the lower ranks in the world. Then, what should we do to become happy? Residents and administrative authority tried to solve these issues together. I think that could be a good enough beginning of the journey toward happiness.

In that way, we started our "Happiness Giving Leader" activities in trying to find out solutions for the problems of traffic environments and safety of residents caused by increased number of tourists, improvement of residential environments, problems of educational and medical services, preparation for retirement, expansion and sharing of public services to support community formation of residents, and so on.

The journey towards happy life consists of various things from boring tiny ones to bigger and more

complicated ones that need a long-term plan. It is not easy to get on with such things steadily in patience. However, I got to have belief that I can make it one step at a time while tearing down my own walls and starting to talk with the neighbors over the disappeared walls.

### 2. Beginning of Happy Journey

At last, we had "Starting Ceremony and Orientation of Jongno Happiness Giving Leader" on March 10th, 2015. 37 residents who volunteered for Happiness Giving Leader activities, experts and officials who would support the volunteers, and 2 District Delegates of Jongno-gu Council as advisors participated in the event with high expectations from the beginning. Of the resident participants, there were a yogurt-delivery person, housewives, a lawyer, a scientist, old retirees, and so on. They had various reasons of participation; someone joined it because of the cool name of the movement, another did so in order to find individual happiness and some others did so to share their ability with the regional society.

Leaders for Giving Happiness set executive office autonomously and elected project leader and deputy project leader. We had not only a monthly regular meeting but also a constant communication channel using an SNS Application named NAVER Band to share our opinions via daily communication. In regular meetings, we studied cases related to 'Happiness' and discussed personal concept on 'Happiness.' A part of such experiences was reflected on the policies and ordinary projects of the "Jongno Giving Happiness Project."

We had a unique workshop titled in "Jongno Happiness Imagination Table" at Mugyewon, Jongno-gu, on April 21st, 2015. The theme was, "What Can I, We and Administration Do Now?" to realize the imagination about the happy Jongno 30 years later in spite of ever-present real difficulties. During the workshop, the Happiness Giving Leaders exercised their unlimited imagination which was accumulated as data useful in creating Jongno Type of Happiness Index later. Also, they were able to think about what I can do for the happiness based on such imagination.

In the process of exchanging their imagination, the team launched 4 work groups through a regular meeting of Happiness Giving Leaders held on May 7th, 2015. The work groups sought ways to keep Jongno's happiness and our happy imagination, and to solve the problems that we shared with the other residents.

The first one was "Work Group for Establishment of Happiness Ordinance." The main job of this work group was to set plans to ensure the sustainable activities of Happiness Giving Leaders. The second

and third ones were the work groups taking proof pictures in the east part and in the west part of Jongno respectively. "Proof Photo Shot Campaign Searching for Happiness" was intended to upload the photos containing happy moment with relevant captions to the SNS of Happiness Giving Leaders or to transmit such photos using mobile phones for the purpose of sharing. The campaign became a civic movement to share the happiness felt while living in Jongno. The shared materials were accumulated in an administrative platform and would be actually reflected in the development and happiness index and happiness policies. To the participants of the "Proof Photo Shot Campaign Searching for Happiness," various kinds of awards, such as "Happy Story Award (for the most meaningful and touching story)," "Happy Expression Award (for the most beautiful expression of face)," "Happy the-More-the-Better Award (for the photo taking the highest number of people)," and "Happy Lucky Award (for the xth participant)" were given. It was more meaningful that the Happiness Giving Leaders donated the award gifts for the event. The fourth one was "Work Group for SNS PR." The mission of PR work group was to make public promotions and share the "Proof Photo Shot Campaign Searching for Happiness" and the activities for "Ordinance Proposed by Residents" conducted by the Happiness Giving Leaders on Facebook, blogs, and so on for the communication with residents.

There was an idea contest for policies on happiness titled in "Please Look after Jongno to be Happy" in Jongno-gu in 2015. Some of the Happiness Giving Leaders took part in the contest and proposed several projects. The Leaders also participated in the event as judges to evaluate around 180 pieces of ideas with the eyes and minds of the residents.

### 3. Beginning of Happy Project

Jongno's policies on happiness should be sustainable ones, instead of a slogan or one-time remedy. After reaching a conclusion that it was essential to institutionalize such policies in order to achieve the goal, the residents themselves prepared "Jongno-gu Happiness Ordinance." The residents living in Jongno decided to propose the ordinance with their strong wishes that the 'Story of Happiness in Jongno' would be shared everywhere in Jongno. As it was difficult for the residents to meet together due to their personal situations, they gathered early in the morning or in holidays to study items related the ordinance, to get advices from the experts and the administrators, to have discussions and to amend the draft of 'Jongno Happiness Ordinance.'

The Leaders invited the experts and the residents to hold a "Forum to Debate on Jongno Happiness Ordinance" on September 10th, 2015. Taking the opportunity of the event, the residents came to have confidence in the significance of the ordinance that was full of residents' spontaneous participations and

their strong wishes. They made themselves a promise to establish the ordinance.

When the final version of the "Ordinance for Assurance and Enhancement of Jongno Residents' Happiness" was completed through big and small gatherings for 8 months, the residents submitted "Request for Ordinance" to the Jongno-gu Office. Then we conducted signature-collecting campaign for residents to claim for legislation of the Happiness Ordinance for 3 months. Around 60 volunteers ran up and down through the alleys even in the cold winter season with passions hotter than those of anyone else.

The Happiness Ordinance of Jongno-gu contained 'Happiness Enhancement Projects,' 'Development, Measurement and Feedback of Happiness Index with and by the Residents,' 'Happiness Effects Evaluation,' 'Operation of Happiness Forum with and by the Residents', and so on. Many residents joined the signature-collecting campaign willingly because they agreed to the intentions of the ordinance to have our own happiness index rather than the global one by which we had to be ranked in the lower position and to facilitate the proactive participations of the residents to the implementation of Jongno-gu policies.

On February 4th, 2016, we acquired 5,342 signatures from the residents exceeding 3,500 signatures required for the residents' claim for legislation, and submitted the signature papers to the Jongno-gu Office. The Happiness Giving Leaders and the volunteers were deeply touched by such accomplishment. However, we came into conflict with the District Council that misunderstood the participation of residents as political activities. On February 4th, 2016, the Construction and Welfare Committee of the District Council rejected the residents' claim for legislation of Happiness Ordinance for procedural reasons without any consultation or discussion with the residents on the matter, although the claim was submitted according to the legal procedures. Now, the claim is pending by the Jongno-gu District Council. The residents who participated in the signature-collecting campaign had a protest press conference, submitted written questions to the District Council, insisted that there was no problem in the procedures of Jongno-gu Office, and called for review on the contents of Jongno Happiness Ordinance and debate with the residents.

### 4. Beginning of Happy Life

The Happiness Giving Leaders reached a dead end when the Jongno Happiness Ordinance became pending by the District Council. However, we recruited 2nd term Happiness Giving Leaders in last March and tried to make projects for "Happiness in Jongno" through new imagination and programs. I

can say that we share happiness made by residents' participation in challenging various policies and institutions in a decisive manner.

4-1 Development and Measurement of Jongno-gu Happiness Index with and by the Residents (Using the budget for residents' participation of the Seoul Metropolitan Government)

It is to develop and measure the happiness index only for Jongno-gu. We applied for Seoul City's program that allocates budget for the residents' participation project and succeeded in getting the budget. The project will be carried on in Jongno-gu in 2017.

4-2 Happiness Giving Guerrilla Gardening (A project proposed by the residents of a town community in Jongno-gu)

It is a project to meet the neighbors by the medium of flowers while implementing the guerrilla gardening projects in many places of Jongno-gu. Through the project proposed by the residents of a town community, we meet people living in the alleys together, greet each other and share our stories, building up small happiness.

4-3 Let's Sing Happiness on the "Hope Table" of Saetteul Town in Donui-dong.

There are Donui-dong dosshouses near Jongno-3ga where poor people live tough days in darkness, even in the daytime, and narrow spaces. People made a community named 'Saetteul Town' to have dinner together in running a gathering named 'Hope Table' to share meals with mobility-impaired neighbors. Jongno Happiness Leaders shared joys and sorrows while playing guitar, singing songs together, planting flowers and drawing wall paintings. Thanks to the project, the residents of Saetteul Town, volunteers and the Happiness Giving Leaders are sharing happiness through the process of becoming neighbors.

4-4 Everyone is a Happiness Instructor (A project proposed by the residents of a town community in Jongno-gu)

A small classroom was made to share the stories about happiness. Everyone has stories about happy experience and wisdom of life. The project named 'I Am Also a Happiness Instructor' was planned to share the time and space for such stories. You can see the fact again that happiness is getting bigger while sharing small happiness through the process that you share your wisdom of life and listen to the opinions and wisdoms of the other people.

4-5 Happiness Giving Boomerang (Connected to a Social Contribution Project of a private company)

The 'Happiness Boomerang' project of Jongno-gu is in progress with the theme of 'Know Your Neighbors.' It is a civic movement to expand happiness practices of the residents in relay. Happiness Giving Leaders are participating in the project proactively. The 'Happiness Boomerang' project was

planned to visit the neighbors in need, to give handwritten letters and food to unfamiliar neighbors, and to give small gifts to the volunteers around you to whom you are usually thankful. For the project, Happiness Giving Leaders put a kind of happiness in practice and designated a successor who will carry on happiness practices, making a connecting link of happiness. Such link of happiness was divided into many branches through the whole area of Jongno-gu so that happiness projects are implemented here and there.

## 5. Be Happy Today and Tomorrow

While we have been working as members of Happiness Working Leaders, we came to recognize the residents are not the mobilization target for certain projects anymore and that the resident participation system is not used just to make specific policies look better. The system helped us share our ideas with the neighbors and find happiness of participation. We do not have deep knowledge about difficult things like policies, laws and regulations. But we have deeper understanding from experience that sharing small pieces of stories with neighbors brings happiness to us and our families. Happiness is close but it takes a lot of time to find it.

Happiness Giving Leaders think they begin to feel happy when looking at the people around them. To look at my family again, to take another look at my neighbors and to think again about Jongno where I live – that is the beginning of my happiness.

I share my things with neighbors not because I have a lot but because I believe my small action to share my small things will spread happiness flying on the flapping wings of the butterfly and will come back to me eventually. I want to be happier not through the 'Happiness Project' but through my life itself filled with happiness.

What's important? That is happiness!

Eom Seong-bok  
Citizen Policy Department Director

People struggle to buy happiness! Will money make people happy? We believe so. To put it more correctly, we are made to think so.  
Money is only one condition to lead a happy life. In particular, when material needs are satisfied to some degree, the effect money has on happiness is very small. However, we mistakenly think that happiness and money have a direct correlation.

Why do we live in the delusion that "money makes you happy," even if happiness and money do not have a direct correlation? There could be many reasons. One of the main reasons is the use of Gross National Product (GNP), criterion of measuring social development. Money is only one tool or means needed to live a happy life. Therefore, the criterion necessary for us should be Gross National Happiness (GNH), rather than GNP.

I've been thinking that if GNH, instead of GNP, was used as the criteria for development, our society and cities can become happier. However, as I learned about the cases of Japan's "the power of the local community" and Jongno-gu's "Jongno happiness guide," I realized my views were short sighted. The criterion for measuring social development is important. But what's more important is what citizens think of the criterion. Many citizens already know about the happiness index. However, we still think money plays a critical role in happiness. What's more important is not the happiness itself, but the changes in citizens' lives.

A city where citizens are happy isn't built by itself. Various efforts are necessary as shown in the cases of Japan's "the power of the local community" and Jongno-gu's "Jongno happiness guide." If citizens were to make efforts to be happy, even if it were only a tenth of their efforts that they put into making money, their lives would be much happier than they are now.

In a society where money is the purpose of life, it's not easy to live with happiness as the purpose of life. Therefore, people who think the value of happiness is important should take the lead. The cases of Japan's "the power of the local community" and Jongno-gu's "Jongno happiness guide" are very inspiring.

What I want to know about the presented cases was first, how much those who participated in "the power of the local community" and "Jongno happiness guide," not the citizens, have become happier while participating in the activities.  
Second, how and how much do the activities of Japan's "the power of the local community" cooperate with administrators?  
Third, I wonder the specific response of citizens to Japan's "the power of the local community" and Jongno-gu's "Jongno happiness guide."

## Prior tasks for the discourse of happiness

Heo Moon-kyung

Research professor of Jeonju University

### Definition of the concept of happiness

The title of this session is "the discourse of happiness, the power of the local community." That means the scope of the discussion on happiness is limited to the local community. It is very important to draw the boundary before the discussion begins. The subject of happiness is discussed in psychology, sociology, and economics. But as each academic field has a different perception basis and problem solving methods, defining the concept of happiness itself is not easy. However, in a social phenomenon which is actually shown, problems are entangled with multiple aspects and multiple layers. The discourse of happiness in this session is to discuss, for example, "ways to encourage local residents to participate in governance activities for enhanced happiness of the local community and methods to improve the system." Defining the concept of happiness, for example, the term "happiness" means "the happiness of the local residents," and reaching an agreement of the definition should precede the discussion.

Therefore, the first point of the discussion is to decide how to draw the boundary of the discussion, and how narrow the boundary should be, in order to make the discussion easy, rather than pursue a solution for the fundamental problem of "what is the happiness?"

### The boundary of the concept of happiness

The first discussion, "the power of the local community" is based on the perception that one of the factors of voluntary development is that the power of the local community, enhances the happiness of the local people, makes the local community appeal to people from different regions, and leads to the sustainability of the region. The scope of the discussion is defined in the first discussion as well. The target of "a diagnostic tool for the power of the local community" is local communities which plan to encourage residents to participate in local tasks such as dealing with population drain, aging populations, carrying out businesses in sustainable primary industries, conservation of nature, and the circulation of the local economy. In other words, the boundary of "local" is defined as the scope of activities for building the local community.

The second discussion is to address the "Jongno happiness guide." Jongno-gu plans to develop its own

happiness index in 2017. The happiness index, a tool for measuring happiness is not yet completed. At the current stage, Jongno-gu is promoting its project for encouraging the happiness of residents in Jongno-gu and carrying out activities to expand resident participation.

Geographically, Jongno-gu is located in the central area of Seoul, the capital of Korea, and is known as the hub of Korean politics. However, according to recent reports, the number of students in each elementary school in Jongno-gu, which has 120 years of history, is approximately 200, and the number of new students is around 30. These numbers show explicitly the phenomenon of a "Doughnut City" or the hallowing out of the city center. The areas taken up by government agencies and commercial districts are about 50% of the total area, and the residential area is expected to be reduced in Jongno-gu. We are wondering what kind of sense of community do residents, working in various fields, have, and what sort of activities can be done in the region?

In line with the global trend of measuring happiness, the Seoul Institute, in the process of developing a happiness measurement index for Seoul's citizens, defined happiness as "the life satisfaction of local residents" (Byeon Miri, 2013). In addition, within the boundary that debaters understand, the most value-neutral and clear definition of happiness may be "objective living conditions and subjective satisfaction (Diener et.al., 1985)," a definition based on social psychology. Better Life Index (BLI), designed by the Organization for Economic Co-operation and Development (OECD), also uses both an objective index and a subjective index at the same time.

Against this background, when comparing "the power of the local community" and "Jongno happiness guide," the former focuses on "autonomous capability" to improve "objective living conditions." On the other hand, in terms of happiness discussed in the latter, "passive acceptance" of relatively well-organized conditions appears to be included in the expression of "subjective satisfaction."

Therefore, the second point of the discussion should be about how to deal with the problems of "objective living conditions" and "subjective satisfaction." According to the characteristics of the communities, some regions might need administrative services which put a priority on the improvement of "objective living conditions." On the other hand, the method for increasing "subjective satisfaction" is dealt with in social psychology, and therefore, should be approached with professional knowledge.

Activities for building local communities are expected to improve such complex conditions. Regions with characteristics of a metropolitan city and small and medium-sized cities, such as Jeonju-si, and, in particular, cities with farming populations of 25,000 out of a total population of 650,000 have

problems observed in cases like Japan and Jongno-gu, which this discussion addresses. Hopefully, the achievement earned in the discussion will be reflected on the field. In addition, as mentioned before, developing a measurement index for quality of life is a global trend. As of 2014, 22 local governments in Japan developed their own index (Tsuji, 2014). The continuous application and improvement of happiness indexes are more important than the development and measurement of the indexes.

# CHPATER 09

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## Theme Lecture 2

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- New Media for a New Economy *Zan Boag*
  - Mobilising finance for local development *Jonathan Dawson*

## New Media for a New Economy

Zan Boag

We live at a time of incredible change □ in the way we communicate, the extent to which we use technology and consume media, and our relationship with the environment. This change represents opportunities and dangers. Some hail this as a time of great progress, yet this comes at a cost to the natural world and our mental and social health. Some hail this as a time of cooperation across borders, yet this comes at a cost to the diversity of cultures that have flourished for centuries. Some hail this as a communication revolution, yet amidst the flurry of emails, texts, and posts we are saying less – certainly less that is meaningful. More words, less meaning. More communication, less connection.

And there is no question that humans are suffering as a result of this version of 'progress' – we are suffering from innumerable mental afflictions, particularly those living in cities, and from various physical ailments due to a decrease in physical activity and an increase in the consumption of foods high in sugar and artificial ingredients. What's more, the economic gains made from 'progress' over the last century have not been shared equally. In short, this form of 'progress' isn't benefiting the majority of humans and other species on the planet.

Although we face myriad challenges in this period of great change, undoubtedly the greatest issue of our time is the destruction of the environment. What use are our advances in technology, what good is our increase in knowledge, what is the point of a deeper awareness of our place in the world if we can no longer drink the water, if the soil cannot grow food, if the air is unfit to breathe?

These challenges can, at times, feel too difficult to face, it can seem that we have gone too far to undo the damage caused. But I am hopeful that it is not too late. I am hopeful that we can create a better future – but this will only be achieved if we stand up and fight for what we believe in. It will only come to pass if we are actively involved in creating a world in which future generations will flourish.

For my part, I try to help create such a world through my personal interactions with others and through the way I conduct my businesses. What underpins my activities is an ethical framework that ensures not only are my business affairs ethical, but that my actions have purpose. Ethical entrepreneurship would be an appropriate term for what we do \* the primary aim of the business activities is to have a positive influence on the world profit is not the driving force.

Our businesses include

- two award-winning, advertising-free international publications that are distributed in more than 16,000 stores in 18 countries around the world;
- an independent bookstore aimed at intellectuals, and;
- an ethically-produced, organic tea label.

The two magazines provide a forum for discussing the central issues of our time from an ecological and social perspective rather than from a commercial one – with each edition of the tackling a difficult issue from a contemporary viewpoint – such as the role of technology, the aim of education, the pursuit of happiness, and the modern notion of progress. We encourage common-sense discussion and debate. And we refuse all advertising.

The independent bookstore is a gathering place for intellectuals, with books available from thinkers past and present \* books from the Ancient Roman scholar Seneca sit beside the latest Peter Singer book; you’ ll find Lao Tzu next to David Suzuki. The bookstore is defined as much by what isn’ t there, as what is available \* that is, we don't have romance novels or the latest thriller or the recent celebrity tell-all unapproved biography.

Lastly, we have an ethically-produced, organic tea label, which is distributed through our partnerships with other independent bookstores and is also sold in our bookstore. We think that good tea and good books is a good combination.

Across all three businesses, how we do business matters most, not how much we make.

As children, we tend to have a clear idea of right and wrong, we can identify justice and injustice; we know how we should treat one another, and how we should respect the natural world and all the creatures in it. To highlight this point, I would like to tell you three childhood tales □ tales with which each of you are likely to identify – and how these sentiments expand as we become adults. They are tales of love, of outrage, and of a burning desire to challenge injustice.

Let's start with love. My mother often tells a story of me as a boy of 3 years old, when I used to watch her play tennis with her friends. Every now and then the game would have to stop as I ran on to the court demanding a hug □ the love of a child for his mother has power beyond compare. As an adult, I still love my mother deeply, however my love has grown beyond her to a love for Mother Earth – or,

as I like to call it, Spaceship Earth – the planet that sustains me, my community, and all the living creatures that grace its surface.

Second, there is our outrage at vandalism and destruction. For me, as a child, this first surfaced when a beautiful old tree was cut down to build a bus shelter. At the time, this was devastating – devastating to see such beauty removed for a trivial convenience. Today, the bus shelter has been removed, so now we have no tree, and no convenience. My outrage at the vandalism and destruction we are causing has since grown to include all the needless destruction and pollution of the natural environment that is happening for trivial conveniences today, which are only to be discarded and forgotten tomorrow.

And finally, there is our burning desire to fight against injustice. As a child, this surfaced myriad times in a household of four children – whether it was the unequal allocation of sweets or toys, or unequal opportunities to take part in activities. As an adult, this burning desire to fight against injustice has grown to include all humans, all creatures, in all areas of the world.

Now each of you is likely to have similar stories of relating to love, outrage, and a burning desire to challenge injustice. What I want to impress upon you is how important it is that we remember these stories and, as adults, ensure that we honour the wishes of the child we once were; and fight for what we believe in. We must make the child we once were proud of who we have become.

Today I will speak to you of the challenges we face – environmental, social, and communication. If we are to tackle these challenges it is essential that each and every one of us acknowledges the seriousness of the issues at hand.

Back in the 19th century, the Danish philosopher Soren Kierkegaard was worried about the flippancy with which humans tend to treat serious matters, and I think he sums up perfectly the danger we face when it comes to the profound and permanent effect humans are having on the world in this so-called Age of the Anthropocene – the age where humans are directly affecting the environment on an unprecedented scale. Kierkegaard tells an anecdote of a clown and his audience, and I quote : "A fire broke out backstage in a theatre. The clown came out to warn the public they thought it was a joke and applauded. He repeated it; the acclaim was even greater. I think that's just how the world will come to an end: to general applause from wits who believe it's a joke."

Well, Kierkegaard's point is as true today as it was back in the 19th century: the destruction of the environment is not a joke. The pollution of our waterways and the melting of polar ice is no laughing

matter. But we are not taking this matter seriously enough. The environmental problem – a problem caused by our actions – must be treated with the utmost seriousness while we still have time. If we fail to act, then our generation will be remembered forever more as the generation who, as Kierkegaard puts it, "applauded while the fire burned" – believing it was a joke.

Once we do admit that this is a serious matter, the question that follows is : What should we do? And what can we do? Obviously this is a complex issue and there isn't a simple one-line answer to these questions. However, I believe that there is a fundamental problem that needs to be addressed if we are to have any hope of tackling the environmental issue, and that is the problem of 'distraction' that results from living in a time where the media permeates almost every aspect of our lives. We are living in mediated times.

There is no question whether the media influences what we believe, what we deem important. There is no question whether the media influence who we become, and who we look up to. The media defines the narrative of our lives, providing us with heroes and villains, moments of triumph and heartbreak.

So the influence is undoubtedly there – the question is, to what degree does the media shape us? An analysis of the research provides a snapshot of the influence of media in people's lives in the 21st century. While these figures are for the US, they equally apply to Australia and to Korea, and to most of the rest of the world.

Let's start with the time spent with electronic devices: the average adult spends over 11 hours a day on electronic gadgets, according to a new report from US research house Nielsen. To put it another way, people spend approximately 70% of waking hours in front of a screen.

Now it's even more terrifying when you look at the figures for children. According to US organisation the Kaiser Family Foundation, a typical 8- to 18-year-old lives in a home containing four TV sets, two CD players, three radios, three DVD players, two video game consoles, and two computers. The amount of time children spend consuming media each week – at 52 hours – is seven and a half times the amount of time spent on hobbies, 6 times more than the time spent doing physical exercise; and trounces the amount of time spent doing homework – children now consume media 9 times more than they study.

In short, they spend more time with media than doing any other activity besides sleeping.

Now, traditionally, it was the education system and the family that provided the most significant influence in a young person's life. Not so any more. For every one hour children spend with their parents, they spend four hours consuming media. Put another way: media has four times the opportunity to influence children that their parents have.

What's more, according to US research house Nielson, the type of instruction children receive during the day at school is playing a less significant role in their overall education. Nielsen reports that while children in the US spend 900 hours a year immersed in the school curriculum, they spend 2,500 hours each year – almost three times as much time – consuming media. This includes 1,500 hours per year – almost double the time spent at school – in front of the television. In other words, the media – led by the television – is by far the leading educator of children today.

So what is the media teaching our children? Of concern here is not just how much media children are consuming, but what they are consuming. When you look closely, the data is disturbing. By the time the average child finishes primary school they will have watched more than 8,000 murders on television. They will witness 8,000 murders before they are 13! By age 18 a young adult will have witnessed 16,000 murders and 200,000 acts of violence.

In addition to murders, another media staple is sex. Two out of three television programs in the US include sexual content, and over 58 per cent of youths aged 14 to 17 report having seen a pornographic website.

Neil Postman wrote about this disturbing trend more than 20 years ago, in his bestselling book The End of Education. And I quote : "Between the ages of three and eighteen, the average American youngster will see about 500,000 television commercials, which means that the television commercial is the single most substantial source of values to which the young are exposed."

Washington University notes that 100,000 of these advertisements watched by US teens – 20 per cent of all advertisements – are likely to be advertisements for beer.

So it seems that alcohol, sex, and murder are the subject majors for children these days. Before the advent of television and the Internet, only those from those from drug-addicted homes or violent neighbourhoods witnessed such violence, drug abuse, murder, and random sex acts, Today, all children are exposed to these distressing and harmful scenes. This is hardly the equality we should be striving for.

What we're seeing is an erosion of values that were previously deemed important. What we're seeing is an ambivalence towards nature because people are no longer engaging with the natural world.

But instead of looking at screens, we need to be engaging with nature and one another – perhaps both at once. As the Belgian philosopher Luce Irigaray says, "it is rare to see people fighting in a garden."

But let's get back to the screens – which seem to take up most of our time and energy. American economist Thomas Schelling refers to the mind a "consuming organ" – he claims that we are built to consume. While our ancestors spent the bulk of their day gathering and preparing food, today supermarket chains and food outlets meet these basic needs for us. So, freed up in time, we've moved onto consuming other things – mostly conceptual consumption to meet psychological needs. Today, we spend most of our time consuming concepts and information. And a quick look at the latest headlines in the media would suggest that what we're consuming is likely to make us sick.

With the contemporary notion of what constitutes progress, we see an unquestioning embrace of technology – however this seems only to be leading us down a path of distraction, destruction, and dislocation from the natural environment and from those around us. We have communication without connection. We are destroying our only source of food and shelter. When you look closely, this doesn't seem like progress at all.

I have focused on the negative influence that the media plays – while there are many problems with the way the media represents information and what it represents, what is at the heart of the problem with the media is advertising – thanks to advertising, media has morphed from communication to corporate propaganda. And the message is to consume as much as possible, without regard for the planet or those who will inhabit it after we're gone.

This is one of the – many – reasons I believe that the media should not contain advertising. It is for this reason that we refuse to accept any advertising in our publications. People often say to me : "But you could make so much money if you ran advertisements in your magazines." My response is that I have more ethics by refusing advertising. It is my hope that ethics becomes the new money – the more of us become driven to be more ethical and wise, rather than being driven to simply be more wealthy.

Today we live in a world of images, increasingly divorced from matter. Today a person can become 'famous' by the sheer number of times their image is reproduced, nothing more. Products, too, become more valuable the more they appear on billboards or the sides of buses. A political event becomes more

intense as photographs of the event appear in the media.

The dominance of the photograph in everyday life is often dismissed as light-hearted foolery and entertainment, and indeed, the companies that reproduce photos for human eyes know all too well that these stories are generally just a prank, a trick, an illusion – whether that's the illusion of power, wealth, beauty or fame.

French theorist Guy Debord says that we've been drugged by these spectacular images. "All that once was directly lived has become mere representation," he wrote in *The Society of the Spectacle*. For Debord, social life declined from a state of being in the physical world, to having and then merely to appearing. The problem is, as we internalise the image, we increasingly mistake the images around us for our real world, and the pranks and tricks created by image-makers begin to exert profound, and dangerous affects on our mental health.

Media critic Dr. Jean Kilbourne points out that the average American is exposed to some 3,000 advertisements every single day. Just as children learn a language or learn how to walk and play ball, adults too learn through repetition. Repeated messages beamed down via screens teach us how to act and how to feel. Dr Kilbourne says, and I quote : "Advertisements sell more than products. They sell values, concepts of love and sexuality, and most importantly of normalcy. They tell us who we are and who we should be."

Most people assume that advertising is harmless, that they are personally exempt from the influence of advertising. However, Dr Kilbourne says that it's a mistake to think we're not influenced, that "advertising's influence is meant to be subconscious and it is emotional." Kilbourne cites Rance Crain, former senior editor of the *Advertising Age*, the major US publication for the advertising industry : "Only 8% of an ad's message is received by the conscious mind. The rest is worked and reworked deep within the recesses of the brain."

Kilbourne concludes, and I quote: "Just as it is difficult to be healthy in a toxic physical environment, breathing poisonous air and drinking polluted water, so it is difficult to be healthy in a toxic cultural environment...an environment that surrounds us in unhealthy images and constantly sacrifices our health and sense of well being for the sake of profit."

What is the solution to these problems? Well, I believe that we need new media for a new way of thinking. That new way of thinking starts with questioning the current state of play.

We need only look at the history books to see that entertainment has been used before to distract people from more important matters. Harvard psychology professor Mihaly Csikszentmihalyi notes that a society that's well fed and well entertained isn't necessarily a mark of accomplishment if history is anything to go by. He writes, and I quote : "The record seems to suggest that a society begins to rely heavily on leisure – and especially on passive leisure – only when it has become incapable of offering meaningful productive occupation to its members."

The phrase 'bread and circuses' refers to the strategy of keeping people content by fattening them up or stupefying them with entertainment. Csikszentmihalyi writes, and I quote : "In the Persian Wars, the first historian of the West, the Greek Herodotus, describes how Atys, king of Lydia in Asia Minor, introduced ball games some three thousand years ago as a way to distract his subjects when a series of bad crops caused unrest in the hungry population. A similar pattern developed in Constantinople during the waning of the Byzantine Empire. To keep the citizens happy, great chariot races were held in the city."

It is no different today – except instead of bad crops, we have the destruction of the natural world. Just as happening in days gone by, the warnings of impending doom are going largely unheeded while the majority of the population is fed and entertained.

But it doesn't have to be this way. We can change this state of affairs through our persona choices and the way we conduct business and the society in which we live. There is certainly a rise in the number of socially-minded businesses across the globe, and an increase in co-operatives.

Only six weeks ago Mr. Heo Moon-kyung mentioned to me in an email that the Jeonju city government had started development policies for social enterprises and co-ops in the region. This is happening in our region as well. Helena Norberg-Hodge, who – apart from running the Economics of Happiness conferences and many other initiatives – helped set up the organic food store co-operative where I live. The food is ethically source and organically grown, and is a raging success in the region.

While there appears to be little resistance to co-operatives, we enter more difficult territory when it comes to 'progress' and consumption. This is evident where I live and here in Jeonju. For example, the population in Jeonju is divided in the case of a new shopping mall – half of the citizens protested the construction claiming a huge shopping center would ruin the local economy. But the other half actively supports the development. I think the problem here is that the question is not just an economic one, but also a social and ethical one. We really should be asking: what effect will the shopping centre have on

the environment? And how will it affect our mental, social, and cultural well-being?

I began with a story of how I felt as a child – which, I imagine, reflects how each one of us felt as children – when each of us had a love for that which sustains us, an outrage at destruction and vandalism, and a deep-seated desire to right unfairness in the world.

Now, it is essential that we do not forget those children. We are still those children. And we must be those children – those children who express their love for Mother Earth, who show outrage at destruction, and fulfill a desire to remedy unfairness – we must be those children if we are to ensure that the earth and all its inhabitants have a chance to flourish for many generations to come.

I'd like to finish with a quote from the Belgian philosopher Luce Irigaray, who I mentioned earlier. She speaks of the importance of connection with nature. And I quote : "Nature offers us a wonderful place in which to dwell. One and unique, it is also always changing and becoming, according to the seasons and the geographical place. It provides us with all we need at each time – to breathe, to eat, to contemplate through all our senses, and also to share. How rich is the rhythm of the seasons in comparison with our calendar! Our annual schedule looks so abstract, grey, ruled by money, in relation to the uncountable variety that the seasons bring to us. Nevertheless, we continue alternating work and rest, the time of shopping for the feasts and the time of sales, and so forth, rushing from one to the other without finding a moment to contemplate our natural environment, without making time to enjoy, cultivate, and share life. And so life, little by little, vanishes – ours, that of our planet, and that of all living being that inhabit it."

We cannot allow life to vanish. We must cultivate, enjoy and share life, protecting what we have left of the natural world, what we have left of our strong and vibrant human cultures. It is not up to someone else to make things right. It is up to you. You must take a stand for what you believe in, you must help preserve the environment and your culture for the unborn, for those who are yet to enjoy the awe of being alive in this magical place we call Earth.

You must examine your life and ensure that you direct your energy towards something that you think is worthwhile. You must, to paraphrase the ancient western philosopher Socrates, make your life a life worth living.

There is no one way of doing this, but I know of a good place to start: lead an ethical life. To do this it is essential that we think and act within an ethical framework, which means leading an ethical

personal life, undertaking ethical business practices, and – most importantly – holding to account those individuals and companies who don’ t act in an ethical manner. You must fight to create the world you wish for your grandchildren, and their grandchildren.

There is no doubt that future generations will judge us both by our actions and for our inaction. If we have any hope of being judged well, we must take into consideration not only other living creatures currently on the earth, but also all those who will come after us. Their future is in our hands...

## Mobilising finance for local economic development

Jonathan Dawson

'Savings or suitcases!' That was the defiant challenge thrown down by the Catholic priest, Jose Maria Arizmendiarieta, to the citizens of the Basque community of Mondragon in the 1950s who were watching their young people pack up their bags and leave in search of job opportunities in the cities of Spain and beyond. The choice was stark and clear: if we do not find a way of pooling our financial and other resources, our communities and cultures will die. Sixty years later, the path they forged has led to the evolution of Spain's 6th largest industrial complex, comprising over 250 cooperatives employing 75,000 people working in four areas of activity: finance, industry, retail and knowledge.<sup>1)</sup>

This is a remarkable – and rare – story of success in an age of ever-greater concentration of corporate wealth. The problem facing communities such as Mondragon in seeking to grow their own local economies is two-fold; how to mobilise financial and other forms of wealth in the first place; and then, how to keep it circulating locally, enabling multiple exchanges and mutual enrichment, rather than leaking out immediately into the wider, corporate-controlled economy.

Before looking into some of the main innovations in these two areas, let us explore in a little depth how the current money system works. According to conventional economic theory, money acts as a neutral lubricant to the system, enabling transactions to take place in the most efficient way possible. If this is the case, why would people choose to invest the generally considerable time and expense involved in creating alternative, parallel systems for saving and exchange?

At the heart of the problem is the way in which money is created in the first place, for the most part issued as interest-bearing loans made by commercial banks. There are a number of significant problems associated with this system of money creation. In the first place, it builds in a growth imperative, as borrowers need to expand their activities so as to be able to repay interest as well as capital. Secondly, it skews the allocation of capital towards the most profitable businesses – almost by definition, the most destructive, globalised actors whose profits are largely based on the externalisation of social and ecological costs – and makes it difficult for small, locally-based businesses to get access to finance.

Third, it drives a systemic transfer of money wealth from the poor to the rich in the form of interest payments. Figure 1 overleaf illustrates income received and payments made in the form of interest

1) <http://www.mondragon-corporation.com/eng/about-us/>

payments in Germany in the year 2004. Dividing the population into ten equal parts of 2.5 million households each (with the poorest 10% on the left, the richest on the right) shows that the poorest 80% of the population pays almost twice as much as they receive in interest payments; the next 10% receives slightly more than they pay and the wealthiest 10% receive more than twice as much interest as they pay. What these figures reveal is that in 2000 there was a daily net transfer of around one billion Euros from those who work for their money to those who can make their 'money work for them'.<sup>2)</sup> Given these systemic consequences of the current system, it is clear that far from being a neutral lubricant, money has a profound effect in shaping our economies in ways that favour the already powerful. It also makes it clear why so many thinkers and activists have devoted so much energy to the creation of alternatives.

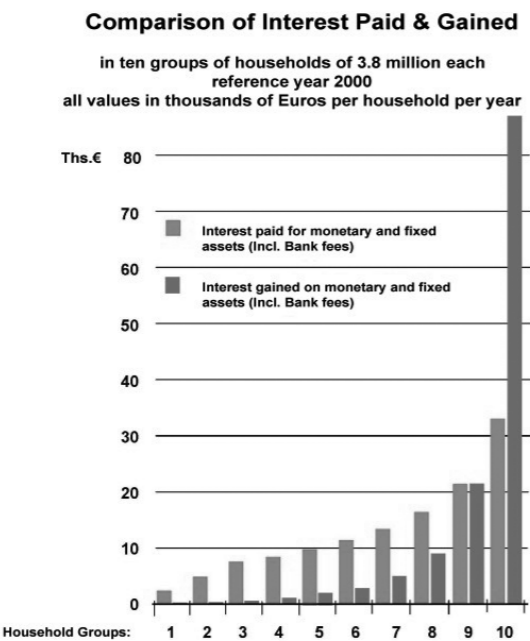


Fig 1: Comparison of Interest paid and gained, Germany 2014

#### Tools for mobilising local finance

How, in this context, are locally-based, ethical and cooperative economic initiatives to finance

2) M. Kennedy, Interest and Inflation Free Money, Seva International, 1995, <http://userpage.fu-berlin.de/~roehrigw/kennedy/english/Interest-and-inflation-free-money.pdf>

themselves? There exist a number of longstanding financial structures that are geared towards the needs of such enterprises, many of which are currently seeing a resurgence in popularity.

Some countries have a long tradition of official governmental support for local and ethical banks. In Germany, for example, the Kreditanstalt für Wiederaufbau (KfW), established after World War II to act as a development bank for reconstruction, continues to operate today and plays a strategic role in the implementation of Germany's carbon reduction and green economy programmes. Germany has been an EU leader in green energy since the 1990s and currently employs more than 370,000 people in the sector <http://www.energiewende2015.com/wp-content/uploads/2015/03/Factsheet-Renewables-from-Germany.pdf>, with KfW playing a leading role.<sup>3)</sup>

KfW provides capital at 1% to the German retail banks for on-lending. The German municipal savings banks and the co-operative banks comprise the majority of this market. Loans at 2.65% are provided for both homeowners and small businesses to retrofit housing and commercial premises. Additionally, a strong factor in the strength and resilience of Germany's regional economies is its extensive network of regional banks whose constitution dictates that they must make a high proportion of their loans within their home regions.<sup>4)</sup>

This is the case also with the publically owned Bank of North Dakota (BND) in the US that plays a significant role in promoting local economic diversification, providing a model that many other states in the US are currently looking at with great interest. The BND is North Dakota's second largest bank and provides loans to students and small businesses, farmers and affordable housing developers. More than half the profit goes back into the state's General Fund offsetting North Dakotans' taxes, with the remainder being invested locally as new loans.<sup>5)</sup>

Another long-lived cooperative financial structure that is seeing a resurgence worldwide in the wake of the current financial crisis is the credit union. First launched in 1852, credit unions are member-owned financial cooperatives, democratically controlled by their members and aiming to provide credit at competitive rates for their members. There are today 57,000 credit unions in 105 countries around the world, enabling 217 million members to access affordable financial services.<sup>6)</sup>

A whole range of community-finance institutions are springing up on every continent, capitalised partly by members' savings, partly by grants and other funds from central and local government, as well

3) P. Conaty, Co-operative Commonwealth: De-commodifying Land and Money, The Commons Transition, 19 January 2016 <http://commonstransition.org/co-operative-commonwealth-de-commodifying-land-and-money-part-1/>

4) Ibid.

5) E. Brown, Public Banks are Essential to Capitalism, New York Times, 2 October 2013 <http://www.nytimes.com/roomfordebate/2013/10/01/should-states-operate-public-banks/public-banks-are-essential-to-capitalism>

6) <http://www.abcul.org/credit-unions/international-movement>

as foundations. Among the most famous of these is the Banco Palmas in Brazil, created in 1998 to provide micro-credits for local production and consumption with low interest rates and no requirements for registration, proof of income, or guarantor (neighbors guarantee the borrower's reliability). With support from the federal government, Banco Palmas has replicated another 52 community banks across Brazil <http://imaginationforpeople.org/en/project/banco-palmas/>.

Another longstanding model for community financing that is growing in popularity is the community buy-out-an investment vehicle that enables communities to take ownership of resources and facilities that are of strategic importance to them. This is being used to enable community ownership of, at one end of the spectrum, neighbourhood shops, pubs and community centres (that might otherwise be closed due to falling profitability in the face of austerity); to, on the other, municipal energy facilities. Over half of all renewable energy in Denmark, for example, is community-owned, while Berlin and Hamburg have pioneered community take-overs of the city energy grid – a route being followed by a number of other German cities.<sup>7)</sup>

Grassroots community investment is especially strong in the energy sector as people seek to bring their behaviour as savers and investors into alignment with their values as citizens. One of the most prominent such initiatives in the UK is the Bath and West Community Cooperative (BWCE). Over the last six years, it has succeeded raising nearly £13 million through 9 community share and bond offers; installed 31 MW of renewable energy facilities, sufficient to supply the equivalent annual electricity demand from over 5,000 homes; and created a development cooperative, part-owned by participating community energy enterprises, to take on and expand BWCE's development work with other community energy groups.<sup>8)</sup>

The internet has also opened up new channels for the funding of community-based organisations and activities through peer-to-peer lending and investment channels, in a model known as crowd-funding. This enables those seeking investment to post details online, requesting loans or gifts from distributed small-scale investors. Some of these platforms, such as Goteo, have explicitly ethical objectives, showcasing only those organisations and initiatives that meet its criteria for social and ecological impact and ownership. Crowdfunding is growing exponentially: funds raised worldwide increased from US\$5.1 billion in 2003 to US\$16 billion in 2014, with estimates for 2015 at US\$34 billion.<sup>9) 10)</sup>

One final model for resource mobilisation within communities that is worthy of mention has emerged from the Transition Towns movement, a citizens' initiative to build resilient communities that has gone

viral internationally over the last decade. One of the most interesting Transition projects is REconomy <http://www.reconomy.org/> that aims to create new livelihoods and enterprises as a way of building economic resilience. One of REconomy's showcase annual events is the Local Entrepreneur Forum (LEF) that brings together local social entrepreneurs with potential investors and mentors. Organisers of the LEF playfully launch proceedings with the declaration that 'We are all investors!', meaning that there are multiple ways in which we can support our local entrepreneurs other than simply investing cash – from office space to volunteering, mentoring to child care.<sup>11)</sup>

In the US, BALLE (Business Alliance for Local Living Economies) <https://bealocalist.org/attracting-investment> has also had considerable success in creating local investor circles and linking up social entrepreneurs with mentors and other resources in their home areas.<sup>12)</sup>

Community currencies

So much for mobilising finance within and for communities. How about ways of keeping resources flowing within communities rather than leaking out into the globalised economy? Here it is useful to think of our local economies as leaky buckets (a concept developed by the new economics foundation in London) while money pours into our communities in the form of salaries, welfare payments, remittances and so on, in most cases, much of it pours straight back out again due to the lack of goods and services provided locally. Up to 90 per cent of money spent in supermarkets typically immediately leaves the local economy.<sup>14)</sup>

Here, introducing means of exchange that have some autonomy from the national currency and that only be spent locally can form part of an effective strategy for enhancing local economic capacity and resilience.

This is an area that received huge attention in recent years; community currency innovation tends to be especially strong in periods of crisis in the formal economy and a good number of the initiatives we are seeing proliferate today are echoes of experiments dating from the period following the Wall Street crash in the late 1920s. The shock of understanding how our national currencies are currently created and the associated multiple systemic weaknesses and injustices has led many people into experimenting with the creation of alternative community-friendly means of exchange.

This often looks tantalisingly simple to pull off. Alas, in reality community currency (CC) creation and maintenance has proved far more difficult than generally assumed and it is fair to say that a

11) <https://reconomycentre.org/home/lef/>

12) M. Shuman, *Local Dollars, Local Sense: How to Shift Your Money from Wall Street To Main Street and Achieve Real Prosperity*, Chelsea Green, 2012

13) <http://pluggingtheleaks.org/about/>

14) [http://realitiesandwich.com/88181/ithaca\\_hours/](http://realitiesandwich.com/88181/ithaca_hours/)

7) <http://energytransition.de/2013/10/hamburg-citizens-buy-back-energy-grid/4>) Ibid.

8) <http://www.bwce.coop/about-us/our-achievements-to-date/>

9) <http://en.goteo.org/>

10) Barnett, Chance (June 9, 2015). "Trends Show Crowdfunding To Surpass VC In 2016". *Forbes*.

relatively small proportion of those launched have been successful over the long term. There are three main reasons for this. First, in many communities the problem is more fundamental than the lack of a community-based means of exchange; it is rather that there is a lack of diversity of products, skills and services within that community to trade with. In one Scottish intentional community, Findhorn, the mutual credit system failed because the community shop had accumulated around 20,000 credits, but was unable to find the kind of blue-collar services (painting, carpentry, plumbing, etc.) within the network of CC users that it needed.

Second, there is a widespread lack of awareness of the wide range of models that fall under the umbrella term 'community currencies', each of which serves a different function. Not infrequently, currency creators begin by deciding that they want to launch a CC in advance of having clearly determined exactly what is the problem that they are setting out to address. This tendency is exacerbated by the iconic nature of note-based CCs. Even when little used for trading, these can act as a powerful educational tool and rallying point, a clear and potent way for a community to declare its intention to address its own economic problems. However, the circumstances in which most note-based systems work effectively is fairly limited and these may end up more as a symbol than as an effective tool for building community economic resilience. This has been the experience of the Totnes – in Devon, England, for example, much loved and admired, but more popular with visiting tourists than local shopkeepers.

Third, it simply takes a lot of work and expense to create and manage many types of currency: conceiving and designing it, (where necessary) printing it, building in design features and mechanisms to prevent forgery, persuading local businesses and citizens to use it, making sure that it is flowing and not 'getting stuck' at bottlenecks in the local economy. The Bristol – in the UK had a team of researchers, employers and volunteers almost 10 strong working over two years on its design and launch. In the US, the dependence on volunteer hours of the iconic Ithaca time-dollar (the notes proudly bear the slogan 'In Ithaca We Trust!') was revealed when its use dramatically dropped following the departure of its founder and principal promoter, Paul Glover.<sup>15)</sup>

In short, while CCs continue to have a great allure for community economy activists, they have proved to be a harder nut to crack than many had imagined. Moreover, they have not been without their critics. One of the most common reservations is the fear that by monetising or otherwise providing rewards for community-building activities, they run the risk of undermining the kind of selfless, neighbourly generosity on which healthy communities depend. The habit of supporting one another only if there is a reward for doing so is a dangerous road to travel down.

Enough for the moment of the challenges and criticisms associated with CCs. Let's now turn to look at the bright side, highlighting some of the more notable success stories. We can then attempt to derive from these examples of good practice some broad lessons about how CCs may be more widely used as effective tools for community and economic enrichment.

There are three principal types of CC: mutual credit systems, regional currencies (that are often note-based) and time-credit systems.

Mutual credit systems

These generally enable individuals and/or small and medium-scale enterprises (SMEs) to trade between themselves using a currency that they themselves have created. The first of the modern wave of community currencies falls into this category: the Local Exchange Trading System (LETS) model introduced by Michael Lipton in Canada. These enable communities of people to trade with each other using a currency of their own making.<sup>16)</sup>

In most cases, the 'currency' does not take a material form but could be more accurately described as a (generally electronic) accounting system, enabling members to track who is in debt and who in credit to the trading community, and by how much. Many LETS systems issue regular (often monthly) newsletters listing all members, what services they offer and their current balance. These systems work well provided that i) members do not get into significant credit or debt to the system and ii) the diversity of skills and services on offer within the trading circle is sufficiently wide that members can meet a significant portion of their day-to-day needs through use of the currency. Sadly, these conditions have often not been met, the case of Findhorn mentioned above being illustrative of the pitfalls in a system where one member (the community shop) attracts many credits, but is unable to find enough relevant services within the system to spend them on. Findhorn is far from the only system to fold under such pressures.

While the record of mutual credit systems among private citizens can be described as mixed at best, there has been significantly greater success when the model is adopted by independent businesses. This model is generally referred to as 'business-to-business barter' (B2B systems). The first such scheme dates back to 1934 with the creation of the Wirtschaftsring-Genossenschaft (WIR) in Switzerland. Starting with 16 members, today the trading circle comprises 62,000 SMEs active in fields as diverse as hospitality, construction, manufacturing, retail and professional services. Annual sales in the WIR currency between network members are in the region of 6.5 billion Swiss francs (US\$6.8bn.).

The WIR encourages SMEs to trade among themselves with a reduced need to generate national

<sup>15)</sup> <http://www.investopedia.com/terms/l/local-exchange-trading-systems-lets.asp>

<sup>16)</sup> J. Stodder and B. Lietaer, The Macro-Stability of Swiss WIR-Bank Spending: Balance, Velocity and Leverage (April, 2012) [http://www.ewp.rpi.edu/hartford/~stoddj/BE/WIR\\_Panel.pdf](http://www.ewp.rpi.edu/hartford/~stoddj/BE/WIR_Panel.pdf) 17) [http://realitiesandwich.com/88181/ithaca\\_hours/](http://realitiesandwich.com/88181/ithaca_hours/)

currency reserves to be able to do so (since most of the transactions between members occur with a combination of WIR and the Swiss national currency). Members are permitted to draw on credit from the system (that is, to buy from other members in the trading circle) up to a maximum agreed with the administrators of the system on the basis of a calculation of their ability to provide goods and services to the network. The credit lines are secured by members' assets.

"WIR" is both an abbreviation of Wirtschaftsring and the word for "we" in German, reminding participants that the economic circle is also a community. According to the cooperative's statutes, "Its purpose is to encourage participating members to put their buying power at each other's disposal and keep it circulating within their ranks, thereby providing members with additional sales volume." Critically, the currency is counter-cyclical, in that during periods of crisis in the mainstream economy when liquidity is tight, local independent businesses simply switch to the mutual credit currency. This feature has been hypothesised as being a factor in the Swiss economy's notable stability through the second half of the 20th century.<sup>16)</sup>

This model has inspired a number of generally successful imitations in recent years. Two are especially worthy of mention. Created in 2013, the Bangla-Pesa currency in Mombasa, Kenya (named after the Bangladesh slum in which it is used), provides a means of exchange for local SMEs that is complementary to official money while at the same time providing a stimulus to local business incubation.<sup>17)</sup>

Once accepted into the trading network through a process of approval by four guarantors, each business is allocated an identical number of Bangla-Pesas, issued in the form of paper vouchers, free of charge. Members agree, where possible, to buy and sell goods and services from each other using the local currency. This encourages participants (around 75 per cent of whom are women, selling food, tailoring, shoe-making, engaged in manual labour, hairdressing and so on) to trade their spare capacity among each other. Poor people are thus enabled to meet many of their daily needs by use of the Bangla-Pesa, thus saving their national currency for health, education and other services brought in from outside the community.

A survey of the impact of the Bangla-Pesa found that around 83 percent of participants reported that their total sales had increased as a result of the vouchers and that the 22 per cent of daily trades that are conducted using the Bangla-Pesa represent additional sales which would not have happened without the program.<sup>18)</sup>

A second recent B2B initiative worthy of mention is the Sardinian system, Sardex. Launched in 2009

in Sardinia, Italy, as a way to revitalise local economic activity during the financial crisis, the Sardex is an electronic accounting system used to track trades between network members, with the value of the Sardex pegged to the Euro.

Each participating SME determines annually the amount of goods or services it is prepared to make available to the exchange network, on the basis of which the system administrators determine credit lines for each. These can then be accessed similarly to an overdraft facility on a standard bank account. Membership has grown strongly year-on-year and by late 2013 there were 1,300 participating SMEs, with exchanges amounting to 10 million Sardex.<sup>19)</sup>

#### Regional currencies

There has in recent years been a wave of regional currencies created by communities to facilitate local trading, most notably the Regiogeld currencies in Germany and the Transition currencies in the UK. These are perhaps the highest profile community currencies currently in use. This is because they generally take the form of notes that are often artistically creative and attractive, featuring locally important personalities and often resulting from participatory processes within the community. The Brixton Pound, operating in the south-east London district of that name features on its notes the deceased pop star David Bowie and environmentalist scientist, James Lovelock; while the Salt Spring Island dollars in Canada carry, among other things, beautiful images created by island-based artists of local wildlife.<sup>20)</sup>



Fig 2: Brixton Pounds

These currencies are created explicitly to encourage greater local trading. They typically trade at parity with the national currency (with which they are generally bought) and can be spent only in independent shops within distinct local areas. In some cases, such as BerkShares, a local currency for the Berkshire

<sup>17)</sup> <http://grassrootseconomics.org/bangla>

<sup>18)</sup> <https://www.brookings.edu/blog/up-front/2013/07/17/bangla-pesa-slum-currency-and-implications-for-the-poor-in-developing-countries/>

<sup>19)</sup> Community Currency Knowledge Gateway, Sardex.net, <http://community-currency.info/en/needs-translation/sardex-net/>

<sup>20)</sup> <http://www.bing.com/search?q=regiogeld&src=IE-TopResult&FORM=IETR02&conversationid=https://cop21.transitionnetwork.org/the-rise-of-local-currencies/>

region of Massachusetts, that can be spent at more than 400 locally owned participating businesses, a discount is offered on purchases in the local currency.

In at least one other, the Chiemgauer in Germany, greater velocity (the rate at which a currency is spent) is promoted by the use of demurrage, effectively a negative interest rate. How this works is that each quarter, every Chiemgauer note loses two percent of its value in order to spend the note, the consumer needs to attach a special sticker onto the note to the value of two percent Fig 2: Salt Spring Island dollars

of its value. The currency, accepted by 600 businesses in the region, typically is spent 18 times per annum, three times more than the Euro, generating additional business for local artisans and shopkeepers.<sup>21)</sup>

Interestingly, community currencies are showing signs of leaving the margins and we are today seeing a growing recognition by more formal sector actors of the potential and actual impact of this type of currency. In the case of the BerkShares, for example, the currency can be bought at sixteen branch offices of four local main-street banks. In Bristol and Brixton in the UK, the community currencies can be used to pay a number of local taxes. In both these cases, electronic banking services including a payment system using mobile phones has been added.

In Brazil, the federal government twice unsuccessfully took the creators of the Palmas currency created by the Banco Palmas to court for breach of currency legislation. On the basis of what they learned in the trials, they commissioned the founder of the bank, Joaquim de Mello, to re-create the model across the country. Today, there are more than sixty similar community banks across Brazil.<sup>22)</sup>

Several important lessons emerge from the experience of this type of currency. First, scale is an issue; to be successful and to significantly contribute to local economic vitality and resilience, there needs to be a substantial population as well as a wide range of goods and services available within the trading network. Bristol's population at almost half a million compared to that of say, Totnes (8,000) has been a significant factor in the relative success of the two currencies.

Second, it makes sense to embed a community currency initiative within a wider integrated programme of local economic generation rather than seeing it as a stand-alone intervention. The success of the Palmas in Brazil is especially notable in this respect, with the currency but one of a number of interventions aimed at stimulating both consumer demand and local productive capacity. In the absence of such capacity building, the increase in potential local purchasing power may not translate into many new purchases. This is especially true given that those likely to make the effort to convert their national currency into the community currency are likely to be precisely those most likely to have previously made local purchases anyway!

Third, persuading local authorities to accept the community currency in payment of taxes appears to be an especially powerful breakthrough. This reduces to near zero the risks involved in accepting the currency since one will always be able to spend it.

#### Time credit systems

The concept of 'time-banking' was created by US law professor, Edgar Cahn in the 1980s. Cahn lamented the breakdown of community relations that he noted in the great cities of the US. He noted that much good work needed to be done in these areas (caring for the elderly and infirm and for the built environment, growing good-quality food for local people, etc.) and that there was no shortage of mostly young unemployed people able to do this work, but no way of linking up the two. So, he proposed a system whereby people would be paid for work that they did in service to their communities in the currency of time: one hour of help of any kind given to another member earning one time credit, exchangeable for an hour of help in return.<sup>23)</sup>

From such modest and simple roots, multiple different forms of community-serving activity have sprouted. In Japan, for example, the Fureai Kippu, (literally caring vouchers) system has been working



<sup>23)</sup> E. Cahn, No More Throwaway People

<sup>24)</sup> Gratis Basis, Fureai Kippu: Compassion is the New Currency, July 2013 <http://gratisbasis.com/?p=498>

<sup>25)</sup> E. Cahn, 'Time Banking: An Idea Whose Time Has Come?', Yes Magazine, November 17, 2011 <http://www.yesmagazine.org/new-economy/time-banking-an-idea-whose-time-has-come>

<sup>21)</sup> <https://wiki.p2pfoundation.net/Chiemgauer>

<sup>22)</sup> M. Pozzebon, The Expansion of Community Banks in Brazil: Discovering Palmas' Methodology, GVCasos, 4:2, 2014, [https://www.researchgate.net/publication/277621214\\_The\\_expansion\\_of\\_community\\_banks\\_in\\_Brazil\\_discovering\\_Palmas%27\\_methodology\\_Notas\\_de\\_ensino](https://www.researchgate.net/publication/277621214_The_expansion_of_community_banks_in_Brazil_discovering_Palmas%27_methodology_Notas_de_ensino)

for 20 years, providing people with time credits for looking after elderly people in their communities <http://community-currency.info/en/currencies/asia/fureai-kippu/>. Currently, some 374 non-profit organizations in Japan are issuing and participating in exchanging across the country Fureai Kippu through two computerized clearing houses.<sup>24)</sup>

In Washington D.C. for the past ten years, teenagers have earned time credits by serving as jurors in the Time Dollar Youth Court, which hears the cases of peers accused of nonviolent crimes. Re-offending rates are less than ten percent, a fraction of that in cases heard in conventional courts and the Urban Institute estimates that the District saves \$9,000 for every offender who goes to Youth Court instead of the traditional system.<sup>25)</sup>

Meanwhile, starting in Cardiff, Wales but now also operating in several regions of England, the Spice time-bank has negotiated a series of rewards from partner organisations to complement the offer of peer-to-peer mutual assistance as a way of promoting community-serving work. These include access to health, leisure, sport and entertainment facilities and events. An evaluation of the work of the Spice time-bank found that 77% of those questioned reported that participation in the time-bank have had a positive impact on their quality of life while 66% had a better knowledge of the range of support services available to them.<sup>26)</sup>

Time banking has perhaps had most impact when combined with efforts to democratise health and other social support services, in a broader area of activity known as 'co-production'. This refers to efforts to enable people to become more involved in the design and delivery of the services they use (education, health, elder care and so on), rather than remaining largely passive recipients of programmes traditionally put together and implemented by distant 'experts'.<sup>27)</sup>

By way of example, the Rushey Green doctor surgery in east London has been operating a time bank for the last 15 years that enables people to earn time credits for helping out their neighbours with lifts, gardening, phone support, child care and other forms of support. In the case of Rushey Green and many other time-banks, the internet is proving to be a useful tool in linking up the spare capacity within communities with the work that needs doing; it makes it much easier for those in need to speedily and cheaply identify appropriate support. The community building that results has improved health and happiness in the community, as reflected in a reduced demand for medical services.<sup>28)</sup>

After 25 years of experimentation, learning, and expansion, the United States has 300 registered time banks. The smallest has 15 members; the largest, 3,000. At present, time banks have enrolled 30,000 members in the United States, 30,000 in the United Kingdom and an additional 100,000 scattered across 34 countries.<sup>29)</sup>

Conclusion

We are today living through a strong wave of innovation both in the mobilisation of financial and other resources in support of community economic development and in means of exchange that build local relationships and keep wealth flowing locally. To some degree these are being facilitated by the internet, making it easier to identify community-based investment opportunities and to link up spare capacity with unmet needs. However, this dimension is being grafted onto much older tradition of mutual, cooperative assistance. Economic crisis and technological innovation are combining to open up myriad channels for community-based investment and means of exchange. Limitations of space means that we have done no more than describe the tip of the iceberg here.

Two findings emerge especially strongly from this description. The first is the high level of heterogeneity that exists 'community investment' and 'community currency' can be seen as umbrella terms covering a multitude of different vehicles and organisational forms.

Given this, the second finding is that those seeking to become involved in the field need to begin with a very careful analysis of precisely what the problem is they are setting out to address. Each of the models discussed here is finely honed to the performance of specific functions.

Too long have national currencies dominated the financial landscape, serving (as we have seen) narrow economic interests and tying us into a growth-oriented trajectory. The need as well as the opportunity today is to develop what currency commentator Bernard Lietaer calls an ecosystem of financial vehicles and currencies, each geared to lubricating different elements of our societies and economies. The various models described here can be considered as the scaffolding around which we now need to build.

26) <http://www.justaddspice.org/our-work/scale-impact>

27) Boyle D. and Harris M., The Challenge of Co-production: How equal partnerships between professionals and the public are crucial to improving public services, NESTA, 2012 [http://www.nesta.org.uk/sites/default/files/the\\_challenge\\_of\\_co-production.pdf](http://www.nesta.org.uk/sites/default/files/the_challenge_of_co-production.pdf)

28) Boyle D. How time banking is making a difference to patients' lives, Guardian, 6/2/2015 <https://www.theguardian.com/healthcare-network/2015/feb/06/time-banks-patients-lives-long-term-conditions>

29) E. Cahn, 2011, Op. Cit.

