The Localization Movement. Creating a Viable Local Economy. Challenging the New World Order

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A number of different initiatives are being pursued at the grassroots level, all aimed at building resilient and sustainable communities. These include local currencies, buy-local campaigns, Transition Towns, farmer's markets, community gardens, local co-ops, and others. Such initiatives are springing up all over the world. The movement is growing geographically, but unfortunately it is not succeeding in significantly transforming very many local economies.

Activists are leading the initiatives, and early-adopters are participating, but most people are not typically getting involved. Without widespread participation in these initiatives, at the local level, the benefits to the community remain marginal. The fact is that most people are not willing to spend their time with idealistic pursuits, and most people don't think it's realistic to expect to change society by our own grassroots efforts. If we want to get more people involved in our initiatives, we've got to find a way to offer people a reason that appeals to their immediate self-interest. If our localization initiatives could offer significant economic benefits, we can bring in those who aren't motivated by idealism.

The underlying goal of our localization initiatives is to create a viable, local sub-economy, with minimal dependence on the unstable globalized economy. The problem is that we're approaching the problem piecemeal. We create a local currency, and hope people will think of things to trade using it. We promote buy-local, but people can buy what they need cheaper from the big chains. We promote Transition Towns, but most people aren't interested in developing five-year plans.

Our initiatives do make economic sense, but we need to pursue them in a systematic, integrated way, if we really want to create viable sub-economies. We need to weave the pieces together in a way that unleashes the potential synergies among the various initiatives. To put it bluntly, we need to take a business-like approach to localization.

We need widespread participation if we want to transform our communities economically, and we need widespread participation if we want to create communities in which people are engaged in controlling their own destinies. We haven't been able to achieve widespread participation by promoting these kinds of idealistic goals, but we may be able to achieve it by drawing people in, by offering them significant economic advantages. The best way to wake people up to empowerment is by giving them the experience of empowerment. As people learn to run their own affairs, they may begin to embrace the goals that motivate our initiatives.

Creating a viable local sub-economy

The appropriate framework for a viable sub-economy is a democratically governed cooperative. Not just a consumer co-op, nor just a single-product worker's co-op, but a cooperative entity that includes a variety of enterprises and shared resources, so that there are significant internal transactions. In this way we get the benefits promised by a local currency, as the internal transactions can simply be recorded on our books as co-op credits and debits.

Such a cooperative can be seen from two different perspectives. Viewed from the inside, the co-op is modeling the kind of society we want to create. Viewed from the outside, the co-op is a viable start-up business. By being a model of what we want, it is 'building the new'; by being a viable start-up business, it is thriving 'in the shadow of the old'. In order to serve as a model of the new, our co-op needs to operate in the way we want our new society to operate. In order to be a viable start-up business, our co-op needs to be launched with a sound business plan.

If we can 'build it' – a co-op that offers people real economic benefits – then 'they will come'. If the co-op grows and prospers, more people will join. Ultimately, the community itself could be operating as a cooperative, participatory, entity. We would be building the new society in the shadow of the collapsing old society. A society in which people control their own destinies, working together. A society with a transformed culture, a culture based on participation, collaboration, empowerment, and inclusiveness.

A straw-man example

Imagine a cooperative that includes several worker-owned businesses, a supermarket / general store, supply agreements with local farmers and other suppliers, a community / conference center, warehouse space for startup ventures and other uses, several electric vehicles, a small apartment building, and a co-op bank / revolving-loan-fund. If the co-op owns its own wind turbine, the credits obtained by selling energy to the grid would provide enough free energy to run all co-op operations and households. Members would enjoy many kinds of benefits and discounted services. As the co-op grew, it could increasingly become a supplier of local electricity, employment, housing, food, and transport – and transactions could increasingly be done in a local currency, or simply as local bookkeeping entries.

This sketch is admittedly short on details; it is meant simply to spark your imagination about what might be possible, if we put our minds to it.

Essential elements for success

Economic viability is essential if we want to build a localization movement that can bring in 'ordinary people', but we need more than that if we want to transform our culture and our society. Our co-op needs to model the culture we want to create – a culture based on participation, collaboration, empowerment, and inclusiveness.

All members need to have an equal say in determining co-op policies, and our co-op needs to be inclusive: anyone who wants to join our co-op, and embrace its culture, needs to be welcome – regardless of religion, ideology, or political views. And we need to use effective processes to ensure that all voices are heard and all concerns are taken into account.

Membership needs to involve participation – being a member means you put in hours working with other members in doing the overhead work of the co-op. Not only does this

help build a culture of collaboration, it also enables this overhead labor to be accounted for in our local currency / accounting system. And in putting in their hours, people can choose those jobs they are best at and most enjoy.

Mondragon Cooperatives – *a useful model*

From Wikipedia: "The Mondragon Corporation is a corporation and federation of worker-owned cooperatives based in the Basque region of Spain."…"Scholars such as Richard D. Wolff, American professor of economics, have hailed the Mondragon set of enterprises, including the good wages it provides for employees, the empowerment of ordinary workers in decision making, and the measure of equality for female workers, as a major success and have cited it as a working model of an alternative to the capitalist mode of production."

Over many years, the Mondragon folks have evolved a very successful way of organizing and operating cooperative enterprises. Externally they are viable businesses, and internally they model a culture based on participation, collaboration, empowerment, and inclusiveness. The following sources provide more information on Mondragon, along with ideas for applying the ideas elsewhere:

- [The Mondragon Experiment](#) – video documentary – BBC Horizon
- [Worker Cooperatives for the 21st Century](#) – PDF – MIT CoLab
- [A Cooperative Development Strategy for the Bronx](#) – PDF – Nicholas G. Iuviene
- [Mondragon Corporation](#) – Wikipedia

Harmonizing everyone's concerns

All to often we equate 'decision-making' with 'debate'. Our competitive culture has a deeply imbedded assumption that one side must win, and another lose. We take it as obvious that there must be a vote, if a decision is to be made, with the majority winning. In order to win the voting game, people gather into sides, each side comes up with a proposal, and then the biggest side passes its one-sided proposal.

There is, fortunately, a quite different way of approaching decision-making and problem solving. Underlying every proposal is some set of concerns. If we start by getting everyone's concerns on the table, we can then enter into a creative conversation, a collaboration, to find solutions that address everyone's concerns in a fair way. This can be done, and the solutions found are typically better than anyone's original proposal.

In aboriginal cultures all over the world, this is how decision-making has been routinely approached. In one culture, their process was described this way: "We keep going around the circle, each one speaking from their heart, until finally it is clear to everyone what needs to be done". Our culture doesn't give us these kinds of harmonizing experiences, and that's why attention to process is so important – if we hope to model participatory democracy, where everyone is empowered, not just a majority 'side'.

There is a whole universe of group processes and facilitation methods, with different ones being appropriate to different situations, kinds of problem, number of people involved, etc. Sometimes considerable time must be invested in facing a difficult problem, and sometimes a skilled facilitator is needed, but the investment is well worth it. When everyone's concerns

are included in the solution, then everyone is motivated to do their part in implementing the solution – voluntary collaboration becomes an effective management paradigm.

 In setting up one of our cooperative entities, attention to process is just as important as attention to sound business practices, and attention to relevant technical expertise. Tom Atlee, author of *The Tao of Democracy*, has assembled a sizable list of group processes, along with links, on his co-intelligence.org website. You can check it out here.

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