



Local Prosperity Conference: New Economics for Rural Canada
Anapolis Royal, Nova Scotia – April 9-12, 2015

REPORT
compiled by Peter Smith

The Road to success is always under construction.
(overheard at a session on rural transportation)

INTRODUCTION:

On April 8th 2015 a group traveled from Huron County to Canada's East Coast to attend the Local Prosperity Conference: New Economics for Rural Canada. It took place in Anapolis Royal, Nova Scotia. Our hosts were gracious; the people we met in the local community were friendly and open to those of us from 'away.' And at the heart of it all was an overwhelming feeling of incredible joy that the winter of '15 was finally over.

It was three days of presentations, panel discussions, open forum, and impromptu meetings all focused on the rural economy. There were almost three hundred delegates networking and discussing their initiatives for economic development. Some of the programs are easily transferable and worth exploring for Huron County. There were compelling people in attendance from the worlds of business, art, government, academia, and economics - there was a broad age demographic. On the last day the newly elected Premier of the Province, the honourable Stephen McNeil, spoke to the assembled about the hope he has for rural communities and how they need to lead the economic renaissance.

Gregory Heming, President of the Centre for Local Prosperity, led off with this:

Finding solutions to the increasing economic, social and ecological disintegration of small rural communities may seem difficult, but practical and achievable solutions are possible. There are many examples from which we can draw inspiration.

The conversations we are having in Huron County about revitalizing our rural communities through creativity, innovation and entrepreneurship are akin to the conversations going on across the continent and indeed across the planet. Through networking the ideas shared can lead to opportunities for positive action. And I believe there is also the potential through networking to create a unified rural voice with a consolidated mandate about the exciting initiatives going on outside our urban borders.

What follows is a summary, a summary that includes some of the speaker's observations, thoughts presented in panel discussions, exchanges over meals, and articles about

interesting economic development strategies suggested at different points in the conference. I've also included the bios of the people who made this such an engaging experience.

A friend wrote recently about a project she is working on and she offered this at the conclusion of her note: *ours is a culture of inquiry - from imagination to legacy - identifying needs and responding with innovation.*

What follows is respectfully offered,

Pete

The town of Güssing in Austria was mentioned in one of the presentations. The story of this rural community and its revitalization is interesting in that the challenges faced, the hard decisions that had to be made, led to an incredible renewal. The mile wide and inch deep approach was supplanted by a single idea, a single advantage, and the development of that idea allowed the town to flourish.

Güssing, Austria: Powered Entirely By Renewable Energy

October 16th, 2013



A small town in Austria that had no significant industry or trade business is now thriving thanks to local renewable resources. Güssing (population: 4,000) sits in eastern Austria. In 1988 the region (population: 27,000) was one of the poorest districts in the country. It relied on agriculture, there was no transportation infrastructure, unemployment was high, and 70 percent of those who did have work were commuting to Vienna, 100 miles away. The town, where two-thirds of the working population was out of work and young people were moving away, was referred to as a dying town. Due to a lack of connections to the railway network and to the Austrian Autobahn (freeway) system, energy costs were extremely high. At the time the town of Güssing was said to be hardly able to afford its \$8.1 million annual fossil fuel bill. Several of the town leaders realized that \$8 million dollars going to pay for fuel oil (mostly for heating) and other fossil fuels (such as coal for electricity) from outside the region could stay in the local economy if they could produce their own energy. However, they realized if they wanted to be energy self-sufficient the first step was reducing energy use. In 1990, the town implemented an energy efficiency program, retrofitting all public buildings with new insulation and replacing all streetlights with energy-efficient bulbs, reducing energy expenditure in buildings in the town center by almost 50 percent. With greatly improved efficiency, the town then adopted a policy calling for the complete elimination of the use of fossil fuels in all public buildings, in an attempt to keep more money in the local economy.

HEATING WITH LOCAL RESOURCES



There is not a lot of wind in Güssing, but biomass is abundant—the town is surrounded by 133 hectares (328 acres) of forest. Some local residents, realizing that wood in the forest was decomposing and not being used, started to run a district heating station for six homes. With the success of that project, more small district heating systems were built. The mayor, who was looking for a way to revitalize the town, took notice. In 1996, the heating system was expanded to the whole town and was also generating electricity, all from renewable raw materials gathered from within a five-kilometer radius through sustainable forestry practices. Then, in 2001, with the help of the federal government, Güssing installed a biomass gasification plant, that runs off of wood chips from wood thinned from the forest and waste wood from a wooden flooring company. This was the first utility-scale power plant of its kind in the world. The plant uses steam to separate carbon and hydrogen, then recombines the molecules to make a form of natural gas which fuels the city's power plant. It produces on average 2 megawatts of electricity and 4.5 megawatts of heat, more than enough energy for the town's needs, while only consuming one-third of the biomass that grows every year. The town also has a plant that converts rapeseed to biodiesel, which is carried by all the fueling stations in the district.

BECOMING A MODEL COMMUNITY

In 2007 the New York Times reported Güssing was the first community in the European Union to cut carbon emissions by more than 90 percent, helping it attract a steady stream of scientists, politicians, and eco-tourists. One year later, Güssing built a research institute focusing on thermal and biological gasification and production of second-generation fuels. That same year a solar manufacturer started producing PV modules in Güssing, producing 850 megawatts of modules a year and employing 140 people. Several other photovoltaic and solar thermal companies have relocated to Güssing, installing new demonstration facilities in the district.

The little town has become a net energy producer—generating more energy from renewables than it uses. Altogether, there are more than 30 power plants using renewable energy technologies within 10 kilometers of the village. Now the goal is to take the lessons from the small town of Güssing and make the entire 27,000-person district an energy-self-sufficient net producer.

Currently around 400 people come to Güssing each week to visit the numerous demonstration plants. Even Austria's favorite celebrity, former California governor, and renewable energy advocate Arnold Schwarzenegger visited Güssing in 2012. "Güssing has become a green island," he said when he spoke at the Güssing renewable energy demonstration plant. "You have built your own district heating [system]. You are generating your own electricity. You are operating a biomass power plant, produce synthetic natural gas from wood and develop new fuels at the research lab. I have seen all of this with my own eyes. Everyone should follow your example. The whole world should become Güssing."

The town now has 60 new companies, 1,500 new jobs, and annual revenues of \$17 million due to energy sales, all resulting from the growth of the renewable energy sector. The downtown has been rebuilt and young people picture themselves staying there in the future. And other areas are following Güssing's lead. More than 15 regions in Austria are now energy independent with regard to electricity, heating, and/or transportation. The town of Güssing has shown that not only is a high-renewables future possible, but also

economically advantageous. Schwarzenegger must agree, because when he left he said, “I’ll be back.”

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SPEAKER: MICHAEL SHUMAN: is an economist, attorney, author, and entrepreneur, and one of the world’s leading experts on community economics and local investment. His address was entitled: **The Road Not Taken** – The New Principles and Practices of Local Economic Development.

His talk focused on the idea that small, locally-owned businesses, that are supported locally, are the key to rural economic renewal. He went on at length about the Ivany Report (a recent study released in the province) entitled Now or Never: an urgent call to action for Nova Scotia. He didn’t have a lot of good to say about the recommendations in the report and used it often in order to offer his counter proposals.

“You are at a crossroads and you have to choose the path for economic development ahead very carefully, because you can’t have everything. It’s not going to work.”

The cost of creating local jobs is integral to a growing economy. The cost to the public for large companies to create jobs locally can be as much as 30 times more than for local companies to create more secure, longer-term jobs. *“Micro economic development – creating jobs for as little as \$500 – really works.”* He said the Ivany report actually discriminates against small, locally-owned businesses by suggesting that the economic development powers-that-be not be biased about businesses supported for economic development. Ivany says business leaders and the wider community need to accept that not all businesses are equal in their economic impacts, and that just because an enterprise is small and locally-owned does not mean it is more deserving of government support than other firms that hold greater potential to generate wealth and employ more people over time.

“The possibility that local and small might actually generate more growth ... is not even considered.”

We must prioritize exports

Ivany’s report suggests prioritizing exports – an area where growth is going to happen. The report states that being a small province with slow population growth means Nova Scotia has a small domestic market. For most businesses to grow significantly, whether good producers or service providers, they have to have access to larger external markets through trade activities. Shuman agreed that “one million people (the population of NS) is small but objects to Ivany’s assertion that export-led trade is the only way to grow the economy. *“I’m somewhat more sympathetic to Ivany’s belief that we’ve got to build a coalition between people who want to expand the economy and people who want to protect natural resources.”*

Do The Opposite

“My criteria on how one builds a local economy is basically to go exactly the opposite direction of the Ivany Report. We need to maximize the percentage of jobs in locally-owned businesses because they are superior contributors to economic development. And we need to maximize local self-reliance. Not as a way of defecting from the global economy but it’s the only coherent way of participating in the global economy. And, finally, we have to get past the milquetoast declarations that we need to mix environment and jobs and be more specific. We have to identify great triple bottom-line businesses and spread them.”

Shuman spoke to each of the three themes of the Ivany Report. He said study after study proves that locally-owned businesses are superior for economic development. One British Columbia study looking at impacts of consumer spending at independently owned businesses and chains proves that every time a consumer puts money into an independent business of every dollar spent 45 cents stays in province of British Columbia. If money is spent at a chain store, that number drops to about 18 cents. In economic development terms, that means every time a BC consumer chooses local, the province gets 2.5 times the jobs, the tax collections, incoming wealth effects and charitable contributions. And if those people changed their spending patterns by just 10 per cent, there would be 30,000 more jobs in British Columbia.

“Don’t take my word for it, though. There have been two dozen of these studies. Apparently Mr. Ivany hasn’t read any of them. And they show that for every dollar spent in a local business you get between two and four times the economic development impact. And not a single study has shown otherwise.”

Another report from the Harvard Business Review says more small firms means more jobs. The study is a regression analysis of regions throughout the United States showing that those regions with the highest density of locally owned businesses had the highest job growth.

“Nor did Mr. Ivany read the Federal Reserve of Atlanta from two years ago, which did another regression analysis and showed that per-capita income growth was related to those regions with the highest density of locally owned businesses. In other words, if you want to get rid of poverty, if you want to get rid of inequality, the key is locally-owned businesses.”

Self-Reliance

He talked about maximizing local self-reliance is key to prosperity. The strongest community will be the one that sells as much as it can locally - and globally.

“We want to maximize sales to the local market and maximize sales to the global market. Well, the mistake that the Ivany Commission makes is to say we don’t care about the local market. The only thing that’s important is the global market. And they have causality exactly backwards because what we know is that globally-competitive

companies grow from small companies that initially start by selling things locally and then they gradually move to other markets.”

It’s a conflict between two ways of thinking – export-led economic development or import-replacement economic development.

“What’s the difference between a dollar gained from export-led development and a dollar gained from import substitution? Nothing! There is no difference whatsoever.”

Expanding

Shuman gave the example of a locally-owned business in Michigan, Zingerman’s, growing to its potential in its home community. Instead of expanding as a chain to other cities, it chose to grow deep instead of growing out. It created businesses complementary to the original one until there were 10 local companies employing 650 people and doing sales of more than \$50 million a year. Shuman said that if that company had followed Ivany’s advice, local growth would have been impossible because the company would have concentrated on trade opportunities and not on its import substitution options.

“It is time for you to choose a path that’s rooted in what we know works -- local businesses, self-reliance, triple bottom-line businesses. They created a sector – a cluster from scratch – and that is the ticket for rural communities everywhere to prosperity – is to create business clusters from scratch around local demand knowing, like Zingerman’s knew, that once you saturate local demand you naturally start to sell things outside of Michigan.”

Nurture Local

Shuman said there are six keys to boosting local economic development: the 6 Ps he calls them.

Planning – Plug the leaks and boost the business

People – Support entrepreneurs

Partners – Cooperate through collaboration

Purse – Put savings to work locally

Purchasing – Spearhead ‘Local First’ campaigns

Policymaking – Remove anti-local biases

Being a professor at Simon Fraser in BC he said a part of his job in giving marks. What follows are his marks on the Ivany Report when it comes to the 6 Ps.

“ Planning – D. There is no leakage analysis in this report whatsoever. No understanding of the potential of local demand. But I didn’t give them an F because in a small, little paragraph, this report says local food is a good thing and local energy is a good thing. But why local food and local energy are good things but local everything else is not – makes no sense.”

People – B. That’s the good thing in this report. It says lots of great things about entrepreneurship. Unfortunately, all of the examples they give are at least 25 years old so

they don't talk about the cutting edge of entrepreneurship programs ...”

Partnerships – C. There is some vague language about how businesses can work together but I, as a business, would get no guidance from this report,” said Shuman.

Purse – F. There is not a word in this report about people localizing capital. There is a reflection on the history of Nova Scotia that 100 years ago people in this province were able to put their money together and put it to use to the development of industry. But alas today in global capital all the banks are now national and all the securities are national. No recommendations on how to fix this problem.”

Purchasing – F. There is not a word, and this is incredibly embarrassing, not a word about local purchasing in this report.”

Polycymaking -- F

“You folks in Nova Scotia do not have unlimited money in public policy. That IS a theme in this report. You do not have unlimited dollars. And every hour of somebody's time in economic development spent on attraction or retention of a non-local business, every dollar spent in support of one of these global behemoths, is an hour and a dollar that cannot be put into the local businesses that we know are essential for economic development.”

Choose wisely, is Shuman's advice.

“Ray Ivany will have you choose poorly. It is time for you to choose a path that's rooted in what we know works -- local businesses, self-reliance, triple bottom-line businesses.”

Michael was a provocateur and he kicked the conference off with some people in complete disagreement to his assertions, and others who felt he was speaking the truth. The notion of buying local lives at the heart of his comments and throughout the conference that point was made over and over again.

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The Main Street Genome Project was mentioned during a panel discussion and on closer examination it could be something employed in Huron County across a variety of sectors with the potential to create jobs. Here is an interview with a co-founder of the Project...



Main Street Genome: An Interview with Co-Founder Eric Koester in...



What is Main Street Genome?

We deliver insight as a service for Main Street business owners to help them reduce risk and increase profit. What that means is we essentially use data that's generated about a business to target a specific action that would improve or modify their business. For example, we look at purchase prices from suppliers and we tell the business, you're being charged more than your neighbors and you could get a better deal. Or, we noticed that your business is underpricing coffee relative to your neighbors, you should really price coffee by 25 cents more. By giving businesses these suggestions for specific actions, we're able to help them improve their bottom line.

What inspired you to start Main Street Genome?

Scott and I realized how important Main Street businesses are to our economy and yet how little we know about them. These are the two million businesses that have about half a million to five million dollars a year in sales and generate about three trillion dollars towards our economy. Despite that, we don't understand very much about how they perform, other than that they fail at a very high rate – about 10% per year, and they're always kind of living on razor's edge.

We're both entrepreneurs and we spend a lot of time with other entrepreneurs and business owners, particularly those on Main Street. We were wondering how we can support these businesses since they're really important to our country and our economy. That was the main inspiration on diving into this project.

Can you explain how you chose the name Main Street Genome?

Good question. We were inspired a little bit by the basic idea that if you can understand at a fundamental level what's going on, then all kinds of powerful insights can be derived from that. If you look at the human genome project, or the music genome project on Pandora, in both those cases they took something that seemed unique at a surface level, like the human genome, or every song, and they spent time researching so that they could understand the basic elements of them. In our case, we wanted to do the same thing by developing a model where we can understand the DNA of a Main Street business and then derive all kinds of interesting value from that information. We picked the name Main Street Genome because we wanted to base it on understanding how these businesses actually perform, not just assuming that they're all exactly alike because they're small businesses.

What has been your process for reaching out to these businesses?

We've been focused right now on restaurants and recruiting them as our first members of the Genome. After that, we'll be recruiting dentists and physicians. A lot of it has been word of mouth and referrals from other owners. We've spent a lot of time trying to generate a community by having one owner introduce us to other owners. So far that's been the most successful way.

When you say you want them to join the Genome, what does that entail?

Becoming a member of the Genome means that they have access to both insights about their specific business and the knowledge that we'll be creating once we have a number

of businesses in the Genome. We can start to use that shared information to help every business owner leverage it by helping them to understand their costs, how the labor market is performing, and broader insights about their industry.

How did you come to partner with Scott Case?

We didn't know each other very well, but we met from both working on entrepreneurial non-profit organizations. I've served on the board of Startup Weekend for over five years now, and Scott was the founding CEO of Startup America. Those two organizations had a lot of overlap and basically worked together. Over time, we kept hearing each others names over and over again. Finally we realized we were both living in DC and met up for coffee one day. From that conversation, we actually started a process that combined Startup Weekend and Startup America together under the same umbrella organization. By working together as a part of this same organization we realized we both like working together and wanted to collaborate on something that was meaningful. We spent more time together and then decided we wanted to work on this idea and build a company together, and if we're right about it we could increase GDP by 1%. Let's work together and make it happen.

How did you find people to join? What qualities in particular were you looking for?

Part of what makes people successful in joining a startup is having a great deal of flexibility along with a lot of focus. This combination is very important. We want people in a startup to be able to change and adapt, but we also want them to be able to have laser focus on what their goals and objectives are. We're always looking for those two things. Our team is a whole mixture of people, from developers and data scientists to business people and designers, to former restaurant and small business owners. A lot of them were friends of friends or were recruited. The early team consisted of friends of Scott and I that we had all known beforehand.

What are the challenges and rewards of running a technology business?

I think the perception with a technology company is that you need to have amazing technology, and people kind of forget that technology is basically a product that you still have to sell to customers. Just because you've developed this amazing technology doesn't necessarily mean the customers will come. One of the things that I've had to really focus on is being able to slow down and focus on building something that people will love and then building the technology to fit that, versus building a technology and then hoping people will love it. That's the hard part, technology can be built really quickly, and can get in the hands of people really quickly, so sometimes we forget that you need to have the customer love what we're doing. It's not just about the technology, it's about making them love it.

Where do you see the organization going in the next few years?

Our goal is very simple. We want to basically build the world's first simulation of the main street economy, using real information and data. Over the next few years, our top focus is delivering something that our customers absolutely love, generating real insights about how the Main Street economy actually works. Our goal is to get a good cross section of businesses, restaurants contractors and plumbers and the like so that we can paint a really good picture of what's actually going on in Main Street. We're seeking small businesses that can bring good data to the genome and we're finding a way to use that information to help everyone perform better this year. It's a broad goal but we think if we're laser-focused on creating this network of how the main street economy works,

there's a lot of powerful things we can solve.

You started your career as a lawyer and then became a CPA before launching startups. How do you think this background has affected your career as an entrepreneur?

Law teaches you how to be a very analytical and critical thinker which has been a very helpful skillset as an entrepreneur. On the flip side, there's also been a bias as to what's a lawyer doing trying to start a company, so it's taken me a couple startups to get past that and prove myself. But I've been able to say, being a lawyer has actually made me a better entrepreneur because I've been able to use that analytical process to help me.

This is nowhere near your first startup and probably not the last – what are some of the hardest lessons that you've learned through working on startups?

I think that the hardest and the most important lesson is that startups are all about people. The best startups find amazing people to build teams and rise to the challenge of building an amazing place to work. Startups are all about helping people become great, and then the hard part of that is when they leave and move on to their next thing. It's always hard. That's the blessing and the curse of startups – they're all about amazing people, but those people leave for a new startup or their next venture.

What advice would you give to someone thinking about starting their own business?

I would say that the best piece of advice is actually to just get started, and do it soon. There's never a perfect time and there's never a perfect amount of information to have. If you think you want to start a company, keep your day job and just get started. Just start. That's the most important thing to entrepreneurship, is just doing it and it's hard along the way. The first step is the hardest and once you've made the first one, you just keep going and next thing you know you're up and running like an entrepreneur.

Anything else you'd like to add?

The only thing I'd like to add, in order to give a little background, is that Georgetown has a really important stamp on this company. We had 9 interns who were my MBA students working with us in the fall and we have 5 interns who are undergraduate interns working with us in the spring. We were a part of the Summer Launch program this summer, and that's how we got started.

SPEAKER: SUSAN WITT is from the Schumacher Center for a New Economics in Great Barrington, Massachusetts.

Susan spoke about the local economy and the importance of being creative and in support of it. But she also talked about ideas available in other parts of the world that can be adapted, about the importance of learning from our history - valuable lessons that were hard won and too often forgotten or dismissed as passe.

“Every movement needs a history to have a future. What are the building blocks of a new economy? Economics is nothing more than human ingenuity organizing human labor to transform the natural world into new products for use by others. That simple, that noble. That system could be degrading, or it could enhance the dignity of both people and the natural world itself. Earth, air, fire, minerals, and water are common inheritance, but are not themselves commodities, the basis, but not in the economic world of exchange. Money. In U.S. in 1800s, every commercial bank issued its own currency. Every region had available to it an amount of currency issued by people who knew the region and new

the assets of the region, natural and human. Mainstreet knowledge how to issue money responsibly. The way it was put into circulation was issuing for new production, productive loans, like a loan to farmer for seeds in the spring. As a community, we may experience ourselves as poor, issue new money for seeds that \$500 in money would produce \$10,000 in carrots and broccoli and lots of peas. Currency was centralized for a good reason. An accumulation of capital allowed for development of industry. But took away actual tool that connected us back to our own place and production in our own place. So democratization of money is a tool. Labor—we talk of “hiring” labor. Is labor what we’re buying and selling. It’s actually the products of labor. Think of paying for new production, begins to rebalance place of human beings. When land/labor/capital relationships are set right, when money is seen as tool for financing new products rather than as a commodity in and of itself, when the scale is tied to a particular community promoting face-to-face transactions, then we have a basis for a healthy economy.”

How do we build this new economy?

“We need a strategy. At Schumacher Center, we’re focusing on strategy from Jane Jacobs gave us, a strategy of import replacement. Cities and regions, she says, become stronger economically when they start producing goods they’ve been importing, creating jobs and economic self-sufficiency. Expanding the economy, but with smaller batch production employing more people.”

Susan outlined programs in place in the Bershires – the area surrounding the Schumacher Centre – many of the programs are now being explored in other parts of the world.

BerkShares: B\$ continues to receive almost weekly national or international media attention. Under the leadership of the Schumacher Center's Alice Maggio, who is working with a local non-profit board of directors, B\$ presents a transparent, regionally based alternative to troubled national currencies. A 380,000 Euro grant from the DOEN Foundation of Amsterdam will support the strengthening of this model community-issued currency and will support the development of the related Community Supported Industry initiative. (berkshares.org)

Community Supported Industry: One of the inefficiencies of building diverse regional economies is the time spent creating business plans for the multiple, interrelated small businesses. We are taking a page from the Mondragon bank in the Basque region of Spain to engage citizen "social entrepreneurs" in compiling an online library of business plans, including financial statements, from successful regionally scaled businesses. Our focus is on the basic necessities of food, clothing, shelter, energy, and transportation. See our CSI strategy paper and instructions for submitting business plans. (centerforneweconomics.org)

Sharing the Commons: Shaping a new economy that is appropriate for people and planet will take transformation in multiple spheres. The question of how we treat land, water, air, and minerals—our Natural Commons—in a new economy is at the core of this transformation. Should they be commodities traded on the market to the highest bidder,

allowing those with ownership to benefit from our common need and common heritage? If not via the market, how might the Commons be allocated? The Winter 2014/2015 conference, "Sharing the Commons," now in the planning stage, will draw on the experience of cultures around the world, including those of indigenous peoples, to suggest methods for fair and sustainable allocation of use.

Agrarian Trust: Concerned that productive farmland should be transferred to a new generation in a way that is secure, equitable, sustainable, and diverse, our board member Severine von Tscharner Fleming has initiated the Agrarian Trust project modeled on Terre de Liens of France. (agrariantrust.org)

Organizational Development: With IRS approval of our status as a 501 (c)(3) tax-exempt organization now in hand, we will expand the board and hire new colleagues who can help us guide the 33-year legacy of the E. F. Schumacher Society through another 33 years as the Schumacher Center for a New Economics.

Collaboration with other Organizations: A 2014 strategy of the board of directors calls for strengthening the multiple ways we partner with sister initiatives, supporting them and directing attention to their work to bring about economic change regionally, nationally, and internationally. A new economics "speakers bureau" will point out the range of interrelated initiatives needed to transform a failing system and showcase those developing practical solutions.

A Dutch Factory Town, Now a Design Center

By GISELA WILLIAMS JULY 29, 2011 – NY Times



Usine restaurant in a converted factory in Eindhoven, the Netherlands.
Herman Wouters /The New York Times

SOMETIMES the most sublime and unusual enterprises can grow out of the grimmest of circumstances. In the late 1970s and '80s, Philips, the multinational company best known for electronics, which had been based in the small city of Eindhoven in southern Holland since its founding in the 1890s, started to farm out its production to Asia. Not only were hundreds of skilled professionals out of work, but the city was also left with several abandoned and polluted factory complexes just a few minutes from the city center. Some buildings were converted into office space, but others stood empty for years — a dismal, physically dominant reminder of the destructive side of global outsourcing. But over time, the acres of empty factory space proved too tempting for graduates of Eindhoven's prestigious Design Academy, an institute that is widely recognized as the country's design source. In recent years, former students have laid claim to the buildings, which have been cleaned up and are now blooming with art studios, design fairs, alternative music events and pop-up restaurants.

SPEAKER: Stephen McNeil – Premier of Nova Scotia. He praised the organization for Local Prosperity for a tremendous event, not only for the community of Anapolis Royal but for all of Nova Scotia. He spoke of the past: how education was a thing done at home, in the classroom and in the hardscrabble of employment.

“In those days, I always viewed the government as a problem, and now I'm part of the government. As I look back over the last 20 years, Nova Scotia has the worst performing economic growth in Canada, and we continue to do the same old same old. Government will not solve all the economic challenges in front of us. We need to unleash communities and the entrepreneurial spirit that resides in communities. It will be different in every corner of the province. The shift requires us to start thinking differently. I must tell you, everyone suggests we must think differently, until that thinking differently affects them personally.”

The day before the conference the Provincial Government eliminated the Dept. of Economic Development and Tourism. The Premiere felt the department wasn't working and to try and tinker and make it better was a lost lead. He felt it was time to imagine a different form of economic development.

“We have not abandoned rural EcDev. For god sakes - I want to live here, I want to retire here. But what we were doing wasn't working – we need a new plan. There needs to be an overarching view that allows communities to begin to take charge – and unless NS wants to take charge of their own future, we're going to continue to spin our wheels. The passion I feel in this room is the passion that will move us forward – it has to come from each of us, encouraging those in the community where we live. We've seen it, we've seen successes.”

McNeil feels a real partnership has to be grown from the grassroots up. It will not succeed otherwise.

*“Passion doesn’t come from government, it comes from individual citizens in the communities where they live. What I really want is opportunity for my children to be here too, to have the life I had, not be forced to go somewhere else
Unless we change the model, our children aren’t going to be here, but I do believe they can be. This is a great start for us to build on. So many success stories in and around this room. You can’t just tell your neighbor, we need to tell all NS. It then becomes real, it’s not some abstract idea, it’s a real person, and it’s possible. There are stories we need to communicate to ourselves so that the next gen of our children realize it is possible because it is happening. Make sure that you take the energy out and back to your communities and continue to build on.”*

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ALTERNATIVE ECONOMIC INDICATORS were presented not as a way to replace GDP but to provide a different perspective in measuring the health of a community.

- Genuine Progress Indicator, or GPI, is a metric that has been suggested to supplement, gross domestic product (GDP) as a measure of economic growth. GPI is designed to take fuller account of the health of a nation's economy by incorporating environmental and social factors that are not measured by GDP.

- The Gross National Happiness Index is a form of measurement in Bhutan. The concept implies that sustainable development should take a holistic approach towards notions of progress and give equal importance to non-economic aspects of wellbeing. The concept of GNH has often been explained by its four pillars: good governance, sustainable socio-economic development, cultural preservation, and environmental conservation. Lately the four pillars have been further classified into nine domains in order to create widespread understanding of GNH and to reflect the holistic range of GNH values. The nine domains are: psychological wellbeing, health, education, time use, cultural diversity and resilience, good governance, community vitality, ecological diversity and resilience, and living standards. The domains represents each of the components of wellbeing of the Bhutanese people, and the term ‘wellbeing’ here refers to fulfilling conditions of a ‘good life’ as per the values and principles laid down by the concept of Gross National Happiness.

- The Stiglitz report recommends that economic indicators should stress well-being instead of production, and for non-market activities, such as domestic and charity work, to be taken into account. Indexes should integrate complex realities, such as crime, the environment and the efficiency of the health system, as well as income inequality. The report brings examples to show that more production doesn't necessarily correspond with greater well-being. "We're living in one of those epochs where certitudes have vanished... we have to reinvent, to reconstruct everything," then President of France Sarkozy told a press conference at Sorbonne university. "The central issue is [to pick] the way of development, the model of society, the civilization we want to live in."
- and on home soil there is the Canadian Index of Wellbeing...

Beyond the GDP – The Canadian Index of Wellbeing

New Ontario index puts wellbeing at the forefront



[How are Ontarians Really doing?](#) is the first provincial report to draw on the research used for the CIW's national index. Spanning the turbulent period from 1994 to 2010, it tells the story of Ontario's successes and challenges in each of the domains of wellbeing and makes comparisons to the rest of the country. It provides insights based on trends over that 17-year period and offers innovative policy options to build on strengths and address areas of concern. From 1994 to 2010, Ontario experienced a period of extreme uncertainty. For a province accustomed to being an economic engine for the country, changes in economic conditions hit hard. The recession hit earlier, lasted longer, and had a larger impact in Ontario than for Canada as a whole. By 2011, Ontario had still not fully recovered. While the economy is just the backdrop to the story of Ontario's wellbeing, it has had a significant impact on many aspects of our lives.

This report identifies highs and lows, points of tension, and the underlying complexity in Ontarians' quality of life.

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SPEAKER: Andrew Button: has created a Nova Scotia "mashup lab." He brings engaged people from the community together along with a series of investors. By process of elimination the investors select young entrepreneurs in order to create new startup businesses. Attached to his mashup lab is something called the **Awesome Foundation**. "It is a global community advancing the interest of awesome in the universe, \$1000 at a time." Each fully autonomous chapter supports awesome projects through micro-grants, usually given out monthly. These micro-grants, \$1000 or the local equivalent, come out of pockets of the chapter's "trustees" and are given on a no-strings-attached basis to people and groups working on awesome projects. Every chapter interprets "awesome" for itself. As such, awesome projects include initiatives in a wide range of areas including arts, technology, community development, and more. Many awesome projects are novel or experimental, and evoke surprise and delight. Awesome sometimes challenges and often inspires.

I met a woman named Linda Best who has put together something called **FarmWorks Investment Co-operative Limited**. It was incorporated as a for-profit Co-operative on May 18, 2011 by an association of community leaders concerned about social, economic and cultural needs. FarmWorks promotes and provides strategic and responsible community investment in food production and distribution in order to increase access to a sustainable local food supply for all Nova Scotians. There is significant potential for agriculture and food production to benefit health, employment, and the Provincial economy. FarmWorks Community Economic Development Investment Fund (CEDIF)

enables Nova Scotians annually to purchase common shares in a diversified portfolio of businesses that yield meaningful financial returns on investments. These investments provide subordinated debt financing for farms, food processors, and value-added food producers, helping to increase the viability and sustainability of agriculture and the security of a healthy food supply. FarmWorks creates meaningful partnerships with investors and with loan recipients, with businesses and other lenders. These partnerships contribute to the growth of food-related enterprises across the province. FarmWorks Directors and Advisors identify enterprises that will successfully and sustainably increase production and profitability, and work closely with them to mentor and promote their businesses and for the Board. In three years Nova Scotians have invested \$1,033,400 in FarmWorks. Loans have already been made to more than 35 businesses with more to come. Loan repayments are immediately available to lend to other businesses.

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CROWDFUNDING was a hot topic of conversations at some tables...

It's actually not that new. It's a business model that dates back to the 17th century in book printing, a financing model used often to fund books whereby many people gave small amounts of money and were in turn rewarded with things like a mention on the title page. Likewise, in 1884 they lost money to erect the Statue of Liberty so the Publisher of the New York World News, a man named Joseph Pulitzer, urged his readers to donate \$1, and raised more than \$100,000 in 6 months - an enormous amount of money back then – and with the money raised it meant that the statue was built. When you add the Internet to the equation crowdfunding can get pretty serious.

Some Stats: Crowdfunding websites helped companies and individuals worldwide raise \$89 million from members of the public in 2010.

It grew to \$1.47 billion in 2011 then...

- \$2.66 billion in 2012—\$1.6 billion of the 2012 amount was raised in North America. In 2012 more than one million individual campaigns were established globally and the industry was projected to grow to \$5.1 billion in 2013.

Is crowd funding a good source of investment for a new enterprise? There is much debate around that question but given the numbers crowdfunding cannot be ignored and appears to be here to stay. Is there a way to partner traditional investment while employing crowdfunding as top up? Or even the lion's share?

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Welcome to the 50% Local Food Club - a month-long initiative to increase consumption and purchasing of local foods in Nova Scotia.

Why? To support local food producers and farmers, to strengthen the local food movement in Nova Scotia, and simply to celebrate food. The 50% Local Food Club provides participants with the resources, support and inspiration necessary to incorporate 50% local food into their diet, and at the same time, connect them with other community members who share a passion for great tasting food.

I think we should implement a Huron County 50% Food Club for the month of September of this year. A dollar spent locally is good for everybody.

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I'll close on comments made by the Friday night keynote speaker. The dinner was held at a repurposed hall that was once the centre of naval activity in the region. The base has been closed for a while but the community refused to let it disappear. They got together, raised funds, and transformed the buildings, converting them into a state-of-the-art year round conference centre.

There were panels at the conference on woodlots and how banding together leaves us better off than remaining apart. There is a 240 small sawmill coop in the province of Nova Scotia – they share machinery, manpower, ideas, and cut costs by working together. There were conversations about employing underused community assets – converting empty buildings to alternative cultural centres. Rural transportation is a big challenge and one county is using school buses to get citizens around when the busses are not being used for students. We had conversations with many locals at the Legion Hall, the German Sachsen Cafe & Restaurant, the Ye Olde Towne Pub, The Bistro East and on our walks to and from our B&B to the recently closed highschool where the conference was held.

Going out into the world and experiencing the energy of people who are involved in the process of community building, sharing ideas, bringing some of those ideas back home, makes the journey worthwhile in my opinion. I want to thank the County for allowing me the opportunity to connect with our rural sisters and brothers from the east coast.

The last weekend of September of 2016 the Canadian Centre for Rural Creativity in Blyth is hosting R2R – a conference where Rural talks to Rural. It is a three-day conference to network, pitch, and share ideas on rural innovations that are going on across the country and into the US. I'll provide more information soon.

And now the very impressive Steven Joudry...

SPEAKER: Steven Joudry is a member of the Mi'kmaq Bear River First Nation. He is a retired military officer (Lieutenant-Colonel) and retired federal public service executive with nearly 40 years experience as a leader, manager, negotiator and advisor. He's an

adventurer who has worked coast, to coast, to coast in Canada and abroad, including on a year-long UN mission in the former Yugoslavia. He was operational military duty in Germany and several assignments in Canada's North. He is a recipient of the Queen's Diamond Jubilee medal. Steven has expertise in a variety of areas relating to the interests of First Nation across Canada, including: conservation, natural resource development, land management, land claim agreements, program management, comprehensive community planning, governance and intergovernmental relations. He is a graduate of the Canadian Forces Command and Staff College and the Public Executive Program at Queen's University. He is currently working in Labrador as a consultant to establish the Innu Roundtable Secretariat for two Innu communities and in the Yukon as a facilitator/negotiator on the Faro Mine Remediation Project.

He told a story about an experience he had as a negotiator. And he started the story by telling us that he had learned over time and via the hard way that there is "a lot of land between the either and the or." A large piece of land in NWT was given to Parks Canada in order to create a new national park. On the land an English mining company had already invested millions of dollars preparing a road and prepping the mine for workers. Two native bands were upset that treaty and land rights were being ignored and vowed to take the Federal Government to court. The sides weren't talking – in fact it was impossible to get them into the same room. The English Government were going back channels to secure rights for their England based mining company, Parks Canada were adamant that all work would stop and the mine would pull up stakes. And there was the threat of going to court by the native groups. Into this came Steve Joudry. He talked to each group individually – listened to their case – promised nothing. He took a week to study each organization and late one night jumped awake with a single thought – 'the mine stays.' Because he was new to the process he managed to get all the parties together in one room. He explained that there was only one thing they had to put into the rearview mirror - the mine stays where it is. The clarity of that caused much consternation but when he explained that there would be benefits to all groups in terms of road access, in terms of employment, and that there would be a strict policy when it came to mine expansion – it allowed the negotiation to move forward. He found the land between either

and or by creating a starting place. While not a happy making place maybe it turned out to be a fair place with the mining company investing in the park and in professional training for members of the native bands. The reason this story stuck is because too often we find ourselves at an impasse with no solution in sight. Remembering that there is a lot of land between the either and the or might assist us in getting unstuck.

That's it for me. Thanks for your time and happy summer everybody.

Pete

SPEAKERS/PANELISTS (The Conference for Local Prosperity - a partial list)

There were other speakers and panelists at the conference. But what follows will give you a sense of the quality of the presenters and their varied backgrounds. They represented a wide age demographic and were all involved in variety of rural initiatives.

Michael Shuman - US (michaelshuman.com) Michael is an economist, attorney, author, and entrepreneur, and one of the world's leading experts on community economics and local investment. Shuman has authored or coauthored eight books. His latest book *Local Dollars, Local Sense: How To Move Your Money From Wall Street to Main Street & Achieve Real Prosperity* highlights a broad range of local tools for funding enterprise. He's a founding board member of the Business Alliance for Local Living Economies (BALLE). He is also an adjunct instructor in community economic development for Simon Fraser University in Vancouver.

Teresa MacNeil – CAN. Teresa has gained broad and well-informed experience in community economic change within local, provincial and national levels of Canada. She was Professor of Adult Education and Director of University Extension at St. Francis Xavier University. She holds Masters and Doctoral degrees from the University of Wisconsin in educational policy studies. Teresa has been the Chair of the Board of Directors, and Acting President of the Cape Breton Development Corporation, and Chair of the Board for the Sydney Steel Corporation, when the objective was to transform or close the steel operation. She was the sole Commissioner for a Public Review Process conducted by the Canada-Nova Scotia Offshore Petroleum Board to examine the effects of gas and oil exploration offshore Cape Breton. She is the Chair of the Rural Communities Foundation of Nova Scotia, and she is a Member of the Order of Canada.

Rankin MacSween – CAPE BRETON - Rankin has served as president of New Dawn Enterprises (newdawn.ca), a not-for-profit social enterprise in Sydney, Nova Scotia for twenty years. Rankin has witnessed and sought to influence the rapidly changing social and economic Cape Breton landscape. In an effort to move towards its vision of a self-reliant people in a vibrant community, New Dawn today administers a Real Estate company, a Health Care company, a Community College, a Meals on Wheels program, a Community Engagement and Education division, the New Dawn Centre for Social Innovation, and a multi-million dollar Community Economic Development Investment Fund. Rankin has served as a Founding Director of Island Community Justice, Chair of the Cape Breton Branch of the Canadian Mental Health Association, and a Founding Director of the Canadian Community Economic Development Network. He is engaged in the follow-up to the One Nova Scotia Report as a One Nova Scotia coalition member.

Jack Novack – CAN. Jack Novack is a Professor and Director of the Local Government Program at Dalhousie University in Halifax, Canada. He has

developed and taught courses, workshops and seminars for elected and appointed local government officials in Canada and abroad. His teaching interests included council staff relations, strategic planning, financial policy and citizen engagement. He regularly consults with municipalities to help them resolve conflict, restructure the organization and plan for the future. He is passionate about local government and sees its greatest strength as a place where individuals can learn about and participate in the democratic process. He is currently working on the 2nd edition of “Grassroots Democracy: Local Government in the Maritimes”. He teaches a graduate course in local government in the School of Public Administration and is a former recipient of the Lieutenant Governor’s Medal for excellence in public administration.

Susan Witt - US (centerforneweconomics.org/staff) – Susan is the Executive Director of the Schumacher Center for a New Economics, heir to the legacy programs of the E.F.Schumacher Society. Over the past 35 years, Susan has maintained a deep commitment to implementing projects for the commons, such as land trusts, micro-lending and local currency initiatives.

Linda Best – CAN. Linda’s awareness of food-related health issues led to research into potential solutions for the decreasing production of food in Nova Scotia. She helped establish Friends of Agriculture and she is a founding member and Co-chair of **FarmWorks Investment Co-operative Limited** (farmworks.ca), a Community Economic Development Investment Co-operative that provides funding for farmers and food producers across Nova Scotia.

Andrew Button – CAN. Andrew is a social entrepreneur interested in doing things that really matter. After a 15 year career in various business and economic development roles in both corporate and social enterprise, Andrew founded Mashup Lab (www.mashuplab.ca) – a series of events and mentorship programs that activate, amplify, and connect startup communities in rural Atlantic Canada. His passion and energy is focused on unleashing entrepreneurial potential that has yet to be inspired into action. He believes we can build and grow world-class organizations from anywhere in Atlantic Canada. With a BBA from Acadia and a MBA from SMU, Andrew’s education and life experience help him propel ideas forward. Andrew is active with Junior Achievement, is co-founder of Awesome South Shore and the South Shore Business Growth Association, and was identified as one of 21 emerging leaders in Nova Scotia by 21inc (www.21inc.ca) in 2012.

Derek Gillis – CAN. Derek supports the advancement of sustainable transportation, educating Nova Scotians about community transportation challenges and solutions as a Board member of Community Transit-Nova Scotia (communitytransitns.ca). Derek brings expertise and knowledge gained from years of working with GPI Atlantic, co-facilitating the Youth Ride! Research and Action Project; with Schoolhouse Consulting investigating the potential to adapt existing school bus resources to advance community transit; and with Clean

Nova Scotia including the national Commuter Challenge, DriveWiser, Drive Less and Bike Valet initiatives. Derek is an active volunteer of Switch: Open Street Sundays.

Frances Schagen – CAN. Frances has a passion for community hubs. She is an instigator with HUB Annapolis Valley which opened for a short time in the fall of 2012 and she continues to research rural co-working models in preparation to opening again. Frances believes in the power of entrepreneurial ecosystems and of bringing small business together to help each other succeed. She is on the Board of Directors of the Kentville Development Corporation Ltd. She is involved with the New Media Community through Refresh Annapolis Valley and was on the organizing team for F5://Food Startup Weekend in January 2014. She started and ran the Crystal Clear Lunch & Learn series and she organized the annual Kings County Small Business Conference. She was Chair of the Friends of the Kentville Public Library working to build a new library for Kentville. Libraries are important community HUBs.

John Ferguson – CAN. John is currently the Chief Administrative Officer for the Municipality of the County of Annapolis, Nova Scotia. John's diverse 25 year professional career in Nova Scotia and New Brunswick as an administrator, an elected representative, and a consultant to government in community-based development techniques and strategies gives him a unique perspective from which to view the complex connections between municipal administration, municipal politics and community. His knowledge and experience in initiating, mediating, and embracing community participation is vital to our understanding of the role of government in the economy.

Will Martin – CAN. Will is the President of the **Nova Scotia Woodlot Owners and Operators Association** (nswooa.ca), as well as Chair of the new Medway Community Forest Co-op, Nova Scotia's first community managed forest. In the past few years Will has also been developing the Windhorse Education Foundation to extend the invitation to experience the 170-year old model of sustainability at Windhorse Farm (windhorsefarm.org). Will brings experience in building social innovations for vibrant rural communities and healthy forests.

Kari Easthouse – CAN. Kari helped to develop, and is now the manager of, the Cape Breton Privateland Partnership, a new initiative that provides independent advice and support to woodlot owners. Kari has extensive forest management experience and has been able to translate this into successful community-level forest initiatives. Kari is actively involved in numerous organizations, and is a past president of the Forest Products Association of Nova Scotia. He completed forest technology at Lakehead University as well as an undergraduate and Masters degree in Forest Management from the University of New Brunswick. Kari is from Roberta, Cape Breton, where he maintains a farm and woodlot with his family.

Harold Alexander – CAN. Harold grew up near Stephenville, Newfoundland. He graduated from the University of New Brunswick in 1978 with a Bachelor of Science in Forestry. He came to Digby in 1979 to work for Sissiboo Forest Management Ltd., a former small private woodlot management company. In 1988, Harold became self-employed operating a small sawmill and forestry management business, with his business partner Brian Thomas, in North Range, Digby County. Harold lives in North Range with his wife Meredith. They have three adult children.

Jim Drescher – CAN. forest ecologist and wood products business owner, has over 50 years of experience in forest stewardship, beginning in the family woodlot. He has been a co-director of Windhorse Farm for the past 25 years. Jim's principle interests are in the enrichment of the lives of individuals and communities, particularly through seeing nature as a mirror of mind and ecosystems as a natural metaphor for healthy human communities. Nurtured and raised in the love of nature, he has been a practitioner and teacher of meditation in the Shambhala Buddhist tradition for 40 years, and is a longtime practitioner and contributor to the ALIA Institute and the Art of Hosting community.

Marc Gauthier – CAN. Marc Gauthier is the Director of FICFA, Moncton's international francophone film festival and Chair of the Aberdeen Cultural Centre, a former school now housing multiple studios, cultural organizations, art galleries as well as daycare centres. Speaking on behalf of Aberdeen, Marc hopes to share some insights on transforming existing community infrastructures into thriving cultural hubs.

Survival is not to be underestimated

Rankin McSween
(a panelist from Cape Breton)