

# —Relocalization —Books

by Jim Tarbell and Ruth Caplan

For David Korten, his book, *Agenda for a New Economy, From Phantom Wealth to Real Wealth*, is the synthesis of his thinking over many decades. His conclusion is in the subtitle: “Why Wall Street Can’t be Fixed and How to Replace It.” Korten clearly distinguishes between capitalism which is “what happens in a market without appropriate rules” and a market economy. He elaborates: “Proper market rules preclude speculation, the acquisition of monopoly power, and the destruction of real wealth to create phantom wealth” (see Korten in Winter JR).

He emphasizes that “markets work best within a caring community. The stronger the relations of mutual trust and caring, the more the market becomes self-policing.” He calls for a living economy where each community has “a sense of its own identity and a shared commitment to investing in the human, social, and natural capital crucial to its vitality and capacity to serve its members.”

The most intriguing of his twelve specific recommendations is to “transfer to the federal government the responsibility for issuing money.” This is in contrast to the present system where money is created by the banks through lending and by the bank-run Federal Reserve through its bailouts. He elaborates on the production of money, saying, “government would spend it into existence to meet a public need, preferably a public investment in infrastructure, education, or technology development.” It seems this could be the core of the federal role in the transformation to a living economy if meeting public needs led to a more equitable distribution of wealth, as well as furthering local self-sufficiency, so that all communities could thrive and become sustainable.

Mark Roseland and New Society Publishers have pushed the creation of sustainable communities since 1992 with multiple editions of *Toward Sustainable Communities: Resources for Citizens and Their Governments*. In the 2005 third edition, they have evolved to applying “a new framework based on the concept of ‘community capital,’ to understand city development as a process of developing and managing natural, social and economic capital.” They emphasize that “we need to find ways, at the community level to become masters of the market forces that drive the unsustainable and inefficient development of our settlements.”

The book goes on to describe the basic elements of a sustainable economy: natural capital, human capital, social and cultural capital, physical capital and economic capital. They then outline general policies, practical examples and lists of resources for managing these different aspects of our sustainable future. Water, waste, energy, air and transportation are all looked at. Smart Growth and new urbanism, a sense of place and the value of community are all considered. Their chapter “Community Economic Development” looks at local self-reliance, community development organizations and financing possibilities as well as tools and policy resources that communities can utilize to achieve their goals. Part Three of the book looks at mobilizing citizens through public participation and shared decision making from the neighborhood to city hall. The last chapter lists the tools and resources to get this done.

But will it make us happy? In the *Economics of Happiness: Building Genuine Wealth*, Mark Anielski says yes and tells us how to get there. He has been working on this theme for a quarter of a century and has finally put down his knowledge in this important book. He delves into how economics took a wrong turn in the past, and he illuminates the road ahead in creating an economics that can measure our genuine human, natural and social capital that are so essential to a world that maximizes happiness for all of nature. His “vision of a living, sustainable economy is founded on the mutually reinforcing and integrated principles of efficiency, equity and reciprocity...inspired by the cooperative economy of Emilia Romagna, a nourishing and vibrant region of Italy.” He shares examples of communities that are undertaking an effort to create an economics of happiness, and finally he delves into money and reveals a “model that returns the power of money creation to the people in community...to serve the genuine needs of an economy of happiness.”

Finally, Jan Martin Bang’s 2005 book *Ecovillages: A Practical Guide to Sustainable Communities* takes us into the world where people are intentionally creating sustainable communities. He tours us through 24 sustainable communities around the world and introduces us to why people are creating these new lives, the philosophies they are thinking about, the designs and technologies they are utilizing and finally the economics they are embracing. His take on money and the financial economy as opposed to the real economy is a prescient analysis of the world we find ourselves in today and how to find our way out.

