



Module 7 reflection exercise

40 40

[Dan Wilton](#)
[All Sections](#)

For module seven we have two options for reflection.

Option 1

For this option we are suggesting a parallel approach in two parts. We ask you to do them in sequence.

Choose from one of the financing alternatives presented under objective 2 (You may also want to review the supplementary materials list). Keep your response to one page maximum.

- List the benefits you see flowing from it.
- List the challenges you see to advancing it.
- Note any limitations that you think it may have as a vehicle for systems change.

Review what you set out in the first part of this exercise. Pay attention to the politics of the landscape and regime level actors and issues. Does looking at different levels of analysis yield any new insights? Are there some targets and/or strategies relevant to spreading innovations and systems change that emerged for you? Keep your reflection to one page only.

Option 2

Reflect on what impact a Green New Deal (financed in a manner similar to the Bank of Canada between 1938 and 1975) could possibly generate if applied to GHG reductions. In module 2 you were asked to review land use solutions and in module 3 you were asked how changes in the food system could play a major role in reversing climate change. These are both part of the 80 solutions outlined in the book Drawdown. The key objective here is to stimulate thinking about how a Green New Deal could finance concrete solutions. Choose one or two solutions that interest you and then think about how public bank or interest free money available for investment could make a difference. Treat it as your personal brainstorm just to get some ideas stimulated and keep it to one page.

Present your findings below as a graphic, text, attached file, or combination of these.



<https://learn.canvas.net>



[/courses/2527/users/906739\)](#)

May 13, 2019

Financial reform is essential to GND and the re-order of social systems to serve people rather than corporate profiteers. Seemingly, this reform must happen first. In our state, we saw first hand how corporate banks (Wells Fargo, US Bank, etc) were very effective in blocking initial legislation to allow community and public banks.

At the same time, we saw the state's large utility work with banks and gas, oil, and coal extraction companies (all out of state corporations) block environmental efforts to transition to renewable energy sources.

In our community, we could use a community bank to create affordable housing and child care resources. We could also begin to established our own course as a community to reflect local values and priorities, rather than projects funded by federal and state grants that may not really serve the interests of our community. In sum, we are captive to the financiers and the structural government systems that in turn support a corrupt finance system.

When it all falls down, new opportunities will arise from the people.

[← Reply](#)

Michael Lewis (<https://learn.canvas.net/courses/2527/users/263480>)

Jun 6, 2019

CJ is there any documentation you could point me to on the politics and issues as the played out around the public bank blockage, the rationale used etc.

[← Reply](#)

Caroline Hurley (<https://learn.canvas.net/courses/2527/users/894561>)

Jun 9, 2019

Option 2:

[Owen Jones of The Guardian](https://www.theguardian.com/commentisfree/2019/apr/25/climate-change-oil-companies-extinction-rebellion) (<https://www.theguardian.com/commentisfree/2019/apr/25/climate-change-oil-companies-extinction-rebellion>) speaks for me, if he doesn't mind: "Why not use QE to buy a controlling stake in the fossil fuel companies? It has been estimated that the US [has spent nearly \\$6tn](https://watson.brown.edu/costsofwar/files/cow/imce/papers/2018/Crawford_Costs%20of%20War%20Estimates%20Through%20FY2019%20.pdf) (https://watson.brown.edu/costsofwar/files/cow/imce/papers/2018/Crawford_Costs%20of%20War%20Estimates%20Through%20FY2019%20.pdf) on its post-9/11 wars. If it has the resources to engage in catastrophic wars, could it not afford to pay a small fraction of that sum to help save the planet from destruction? The same goes for the banks – except rather than nationalising the risks and privatising the profit, as the state did in 2008, they

should this time be brought under democratic, accountable public control."

Btw, Edward Posnett, the writer of the article on Sardex, has a book called [Harvest](#) (<https://www.penguin.co.uk/books/111/1110654/harvest/9781847923875.html>), about the modern-day survival of niche micro-economies, coming out in August.

Edited by [Caroline Hurley](#) (<https://learn.canvas.net/courses/2527/users/894561>) on Jun 9 at 1:38pm

← [Reply](#)



[Michael Lewis](#) (<https://learn.canvas.net/courses/2527/users/263480>)

Jun 10, 2019

Caroline - take a look at the Jacobin article I posted on Murray Hidlebaugh's post just below. It relates to your advocacy for nationalizing FF companies....

← [Reply](#)



[Caroline Hurley](#) (<https://learn.canvas.net/courses/2527/users/894561>)

Jun 12, 2019

Thanks Michael. It's about time for governments to govern, and at least explicitly consider such bold steps, as Greta Thunberg urges.

I was surprised to find so little said about a UBI in this module. MLK's last book embraced direct distribution in that vein, in [Where Do We Go From Here?](#) (<https://www.penguinrandomhouse.com/books/205943/where-do-we-go-from-here-by-martin-luther-king-jr/9780807000762/>)

To eliminate the poverty trap, provide security for needs and encourage a downsized sustainable stable society, basic income might be the best solution.

← [Reply](#)



[Michael Lewis](#) (<https://learn.canvas.net/courses/2527/users/263480>)

Jun 12, 2019

Caroline, this is an extract from The Next Systems paper I wrote. It is from the second part of the paper where I attempt to synthesize some macro type options for addressing the crises. I am including it here as it deals with virtually debt free financing relevant to the need for massive investment in transition and it also suggests (though does not go into detail) that it could be applicable to Universal Basic Income or, GAI as it is termed in this piece. You might to take another look at the early resources in this module on what is money, how it is created, and the graphic that

shows the flow of money the depicts what Canada did between 1938 and 1974 before Pierre Trudeau caved to pressure from the Bank of International Settlements.

Meta-Goal 4: To increase government issuance of debt-free money, for direct investment in transition, despite deflation and low growth.

Currently, the option to reassert government control over even part of the money supply through the issue of debt-free money is not a subject of serious debate in many countries. Yet historically, the ability to invest directly into the real economy through the provision of long-term, low-cost financing has enabled the construction of priority physical and social infrastructure.

Canada is a prime example. From 1938 to the early 1970s, the Bank of Canada (BOC) bought federal bonds and charged interest to the government. However, as a wholly owned subsidiary of the federal government, the profits from these interest charges went right back into the public purse. The result was the creation of money at no cost apart from the net cost of the transaction between the BOC and its owner, the government of Canada.

The benefits were significant. Low-cost, long-term financing became directly available for investment in public priorities—the war effort, the Trans-Canada highway, the St. Lawrence Seaway, major airports, municipal infrastructure, and the social security system. Moreover, all of this was done without any discernible impact on inflation.

Forty years ago this source of no-cost money was lost when Canada turned over money creation to the banks. The decision has saddled the country with debt and significantly reduced its capacity to invest in priorities that advance the interests of its citizens. Governments must “live within their means” and not “saddle future generations with debt,” or so the refrain goes. Investments to accelerate the deployment of innovations, to adapt to known climate change threats, and to provide a BIG are severely curtailed because of the apparent necessity to borrow virtually all our money from the banks and pay them compound interest in return. It is an arrangement that benefits the richest 10 percent of the population. It is beyond the scope of this paper to explore how this could be carried forward in different countries. However, a few comments are in order.

In Canada, some progress could be made on the strength of a case currently before the Supreme Court. In December 2011, a citizens group, the Committee on Monetary and Economic Reform (COMER), filed a lawsuit to force a restoration of the BOC to its mandated purposes. In essence they want the BOC to provide interest-free loans to the federal, provincial, and municipal governments as stipulated in the Bank of Canada Act (1938). In January 2015, the federal government lost its appeal that the case be dismissed. The government had sixty days to appeal the decision and did not, paving the way for the case to go forward. COMER’s legal representative is the constitutional lawyer Rocco Galati. Of the current case, he says, “It impacts the entire country in a profound way, right down to the bone of our economics and the history of the way we’ve maintained and lost, through illegal action, our independent monetary policy. It’s huge.”⁵⁵ (https://thenextsystem.org/navigating-system-transition-volatile-century#footnote55_u99ob3z) In Europe, where member central banks operate

collectively through the European Central Bank, debt-free money is a much more difficult proposition. The Euro is the common currency and national central banks have no direct role in money creation. This is not the case in the UK where a Positive Money campaign has been generating much debate over the benefits of regaining State control of all or part of the money supply. Elevating the public discourse on the subject has been the call of the new leader of the Labour Party, Jeremy Corbyn, to institute quantitative easing for the people. He proposes that a portion of the money supply be created for direct investment in critical priorities, including renewable energy, critical infrastructure, and affordable housing.

The arguments being mounted against Corbyn are vociferous. Some say his proposals risk spendthrift interference in monetary policy by politicians who will be tempted to use the money for their own pet ends. Others argue that the proposals are a strategic response to the dangers of deflation and to significant unmet needs in the country, pointing to the billions that flowed into the banks during the financial crisis, which have done little more than help repair bank balance sheets and inflate the property and housing market. The debate is not going to go away.⁵⁶

https://thenextsystem.org/navigating-system-transition-volatile-century#footnote56_7j08fps

These measures would enable the accountable, systematic distribution of no- or low- cost, long-term financing to the investments most strategic to transition.

To bridge these divides it might be wise to establish clear boundaries as to the kinds of investment to which such money would flow. Transition priorities—accelerating renewable energy, energy conservation strategies, public transit, ecological restoration, BIG, etc.—would channel money directly into the economy. Growth would be stimulated in key sectors. Jobs would be created. New tax revenue would be generated. People's financial security would be significantly improved. A key worry for opponents is the possibility of political meddling in the direction and management of such investments. In this regard, it is useful to reflect on the experience of the Reconstruction Finance Corporation (RFC), a US government corporation that operated 1932-1957. The RFC provided financial support to state and local governments and made loans to banks, railroads, mortgage associations and other businesses. It was RFC financing to rural electricity cooperatives that helped close the gaps in rural America's access to electricity. To this day these cooperatives are generating and transmitting power to large swaths of the country. RFC also helped finance many of the direct job programs that put money in people's pockets during the depression years. During World War II, RFC organized production by establishing eight subsidiaries to supply a range of products—metals, synthetic rubber, tin, manila hemp—critical to the war effort.⁵⁷ https://thenextsystem.org/navigating-system-transition-volatile-century#footnote57_rmtk6k

In a like manner, an arms-length, government-owned corporation could channel investment to areas specified in a transition mandate. Sector-specific subsidiaries populated with public, private, civil society, and scientific expertise could be established.

Together, these measures would enable the accountable, systematic distribution of

no- or low-cost, long-term financing to the investments most strategic to transition.

← [Reply](#)



[Caroline Hurley \(https://learn.canvas.net/courses/2527/users/894561\)](https://learn.canvas.net/courses/2527/users/894561)



Jun 14, 2019

Thank you Michael. Even when I was a child, in the depths of '80s recession, I recall being surrounded by much more confidence that no matter what, there would be some government scheme or allowance to fall back on if all plans flopped. Although that could just have been my milieu. There was plenty of poverty and emigration, although many successful artists owe their formative periods to the benevolence of the dole! That was also a time when workers who received their pay checks after bank hours were warmly invited by hostelryes to cash them in such comfort that very often they left with most of the money spent! Half full half empty.

News is just in here in Ireland that the beloved Credit Unions, voted most trusted institutions in the country, now have to [limit the amount of savings](https://linkcu.ie/savings-limit/) people can lodge because of the banks' demands. There goes more of the commons.

I quake at what he says about the Greens, who have had the guts very often to stand for issues mainstream politicians scoff at as crazy for the economy, but it is nice to see that [Yanis Varoufakis](https://jacobinmag.com/2019/06/yanis-varoufakis-interview-greece-european-elections?utm_source=Jacobin&utm_campaign=aee2bc9245-EMAIL_CAMPAIGN_2019_06_13&utm_medium=email&utm_term=0_be8b1b2846-aee2bc9245-85436573&mc_cid=aee2bc9245&mc_eid=cb1071c1ae) is on the move again, edging past the dread of even more debt, on a opposition platform parallel to Corbyn. Maybe there really is something in that idea of network governance after all.

← [Reply](#)



[Murray Hidlebaugh \(https://learn.canvas.net/courses/2527/users/895967\)](https://learn.canvas.net/courses/2527/users/895967)



Jun 10, 2019



My reflection on the Green New Deal includes a brief history of the original New Deal in the USA. The 1929 stock market crash, leading to the “great depression”, was created by a combination of greed and ignorance. Roosevelt, fearing mass uprisings among the displaced population, enacted a series of financial reforms and programs, between 1933 and 1936, which was called the **New Deal**. However, the free-market economy stayed intact, there was no nationalization of industry, the social safety net was very small, and Capitalism remained unchallenged. It was a band-aid that provided short-term relief and avoided mass uprisings. It failed to achieve its main goal: ending the Depression. In 1939, the unemployment rate was still 19 percent. It was the American entry into the WWII that ultimately cured the nation's economic woes.

In Canada, Prime Minister Bennett did not show the same level of leadership or ability to predict the level of anger among the public. The image is of the strikers from the relief camps in British Columbia riding the rails, June 1935, heading to Ottawa. Bennett announced *that “his Conservative administration would simply watch from the sidelines. No need to do anything.”* By Calgary, the trek was becoming a crusade. What began as a strike against federal relief camps had been transformed into a popular movement against the federal government's handling of the Depression. Bennett stopped them in Regina on July 1st 1935, but only after a bloody riot. The government then decided to utilize the Bank of Canada resources to finance public works programs, to stimulate employment, and to develop safety social nets. However in Canada there also was no disruption of the capitalist system and private corporations made millions on social programs financed by the public sector. All the while they were bemoaning public debt and the abuse of the private banks by the public bank. Banking reform in 1991 gave back virtually total control to the large private banks.

I think the Green New Deal has the same fault lines. The financial crash in the USA in 2008 was fundamentally based on greed and ignorance. Quantitative easing, a euphemism for *stimulation of growth through debt-based consumption*, was introduced early. This was a strategic maneuver to

try to avoid the problems experienced in the Great Depression. Progressive leaders in the United States developed the “Green New Deal”. Its solution is based on growth (referenced 10 times in the document). It also references sustainability and economic stability over 50 times. There is nowhere in the GND that discusses total reduction in the Kwh of electricity used, just changing how it is produced. There is no discussion of environmental carrying capacity e.g. as discussed by William Catton, 1980, “Overshoot”. Nor is there a discussion of the need to look at the environment carrying capacity in ecocentric terms rather than anthropocentric terms.

In Canada our government has also promoted a policy of debt-based growth. One response to environmental degradation has been to introduce the Green New Deal to create economic growth while fighting climate change. Again we have followed the Americans. During discussions here, there seems little interest in exploring absolute reduction in the consumption of resources, only looking at substitution. “Growth” seems to be taken as a given. “Sustainable” seems to mean that we will keep our place in the world order, for ever.

I suggest the Green New Deal involves proposals for only incremental change that will provide the illusion of action in the face of imminent danger. However, the stakes are higher this time. In 1940 there were about 2.5 billion people in the world and significant resources. In 2019 there are 7.5 billion people and rapidly diminishing resources. Climate change is a symptom of a failure to address linear growth that is forced on us by compound interest. We will either contract with dignity or there will be chaos. Resource substitution and reducing waste are not a viable option.

Darrin Qualman’s 2019 book **“Civilization Critical- Energy, Food, Nature, and the Future”** provides important insight into what those seeking insight into why transformative change is needed to address the goals of restoring a healthy environment. It is an informative and easy to understand explanation of how fossil fuel energy has supported a linear development and exponential growth of our economic and social systems.

He shows how this is wreaking havoc on the circular flow required by our environment. He provides a compelling argument that relying on change to renewables and depending on technology and resilience to solve our environmental issues, including climate change and resource depletion, will not suffice. He states that we will need to transform our thinking and actions to embrace a circular flow of all resources, especially energy. He notes it can be done and offers some practical actions to take. He does caution that any expectation that technology and innovation will ensure we can continue along our linear growth and consumption trajectory, is doomed to failure.

↳ [Reply](#)



[Michael Lewis \(https://learn.canvas.net/courses/2527/users/263480\)](https://learn.canvas.net/courses/2527/users/263480)

Jun 10, 2019

Thank you, Murray. You raise several poignant points. I address via Jacobin magazine your point on nationalization of the fossil fuel sector, current an active consideration in the U.K Labour party. Take a look and see what you think of the strategy they are advancing for getting there. <https://jacobinmag.com/2018/03/nationalize-fossil-fuel-companies-climate->

[change](https://jacobinmag.com/2018/03/nationalize-fossil-fuel-companies-climate-change) <https://jacobinmag.com/2018/03/nationalize-fossil-fuel-companies-climate-change>

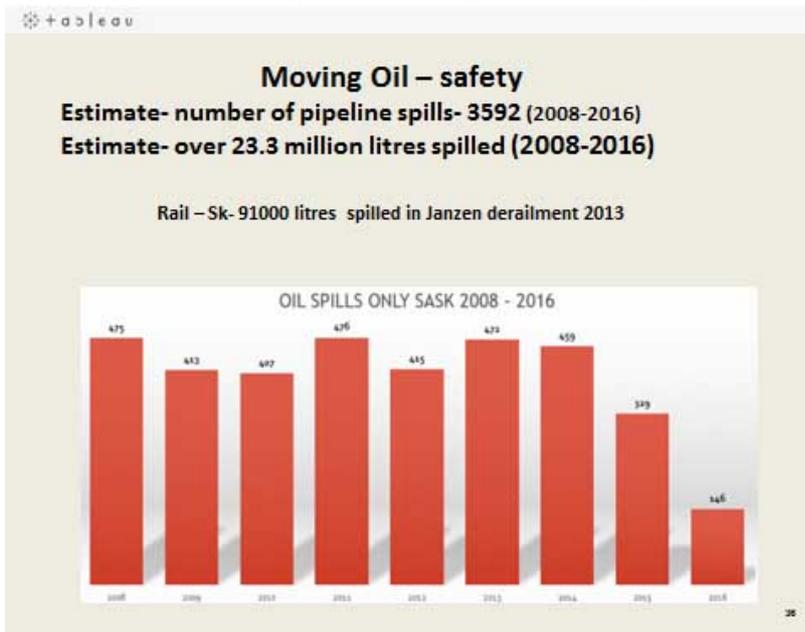
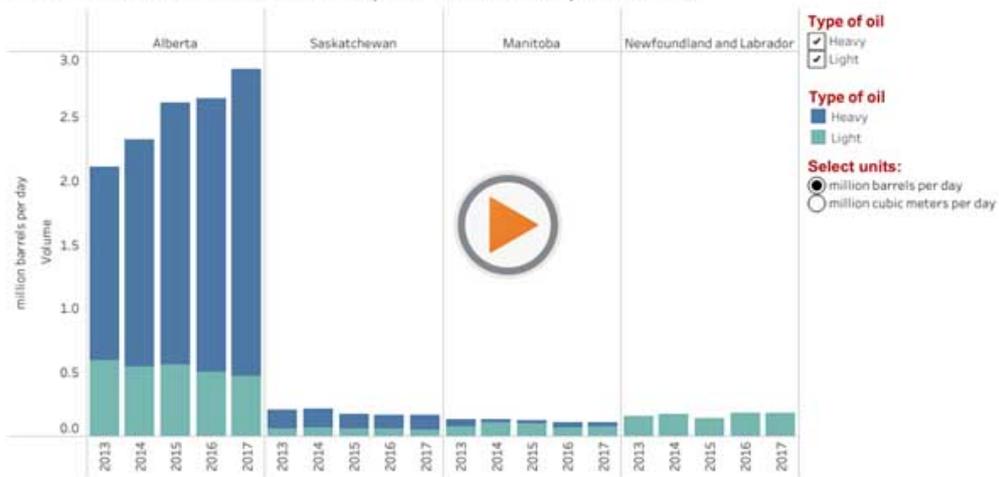
Combine this with a cap on fossil fuel emissions in the transition period (a huge political challenge) and the emissions side of the challenge we face could perhaps be turned around.

Will come back to you on other points later.

← [Reply](#)

[http](https://learn.canvas.net/courses/2527/users/895967) [Murray Hidlebaugh](https://learn.canvas.net/courses/2527/users/895967)
<https://learn.canvas.net/courses/2527/users/895967>
 Jun 11, 2019

Annual Historical Crude Oil Export Volumes by Province



Thanks for the note Michael. This is an interesting idea. Peter Lougheed had a system in place similar to Norway. He was also privately supportive of a national energy plan. He came as close to having a “nationalized” oil industry as we have had. Klein dismantled it with direction from big oil. (Kevin Taft, “Deep State”) It will be a huge challenge here to

nationalize oil, I think. And the current federal government's buying of the Kinder Morgan pipeline really doesn't bode well for any leadership from government on this file.

In Canada it might be easier to go the route of trying to create increased public pressure on government to start implementing policy requiring the oil companies to pay for all externalities including water use and water pollution, soil and air degradation, oil spills, and decommissioning all abandoned oil and gas wells. Also to eliminate all subsidies including royalty relief. And since bitumen mining is the greatest threat to climate change here and is the primary source for the oil industry in Canada it should be the first targeted along with lawsuits to decommission wells. The strategy would result in it being so unprofitable they would walk away. This is already happening in the uranium industry here. The clean-up cost will be enormous to the taxpayer but at least we won't be paying shareholders for what I think amounts to extortion.

I haven't checked the calculations in the article but assuming they are correct I am not sure that the assumption below is valid.

From article: *Economists largely agree that nationalization does not have a direct impact on the government's balance sheet due to the acquisition of public assets, a fact recently acknowledged by the [Financial Times](https://www.ft.com/content/b18a28ca-3af3-11e7-ac89-b01cc67cfeec) (<https://www.ft.com/content/b18a28ca-3af3-11e7-ac89-b01cc67cfeec>) in reference to Jeremy Corbyn's plan to nationalize the energy network.*

The government is not buying an asset as I see it. It is decommissioning an industry. That is a tangible cost to government. However, the benefits are intangible. Corbyn's plan is quite different. He is proposing to nationalize a working industry that generates direct revenue from the products it produces. I agree with that and think that should be part of community based, decentralized energy generation.

I have attached two graphs. One shows the rate of decline in production of conventional oil and increase in bitumen related to export. Addressing the need for oil in food production will be a challenge we need to address as well. Qualman's "circular flow" discussion is important here to educate the public that linear flow is a dead end.

The other chart shows the number of spills of oil in Saskatchewan from "safe" pipelines. The oil companies don't even need to report these anymore and are never charged for the total damage. I can't find any comprehensive public report on pipeline spills in Alberta.

← [Reply](#)



[Caroline Hurley \(https://learn.canvas.net/courses/2527/users/894561\)](https://learn.canvas.net/courses/2527/users/894561)

Jun 12, 2019

In a State of the World report from [Worldwatch](http://www.worldwatch.org/bookstore/state-of-the-world), **caution was urged as some nationalised corporations behave no better than privately-owned ones.** (<http://www.worldwatch.org/bookstore/state-of-the-world>)

A similar option, more plausible than it seems at first, is [buying off the fossil fuel](#)

[companies!](https://www.counterpunch.org/2018/12/07/what-if-we-just-buy-off-big-fossil-fuel-a-novel-plan-to-mitigate-the-climate-calamity/) (<https://www.counterpunch.org/2018/12/07/what-if-we-just-buy-off-big-fossil-fuel-a-novel-plan-to-mitigate-the-climate-calamity/>)

Regarding capping emissions, I'm just read that the European Union has been operating a cap and trade system for carbon since 2005, and while the first 2 phases produced dismal results, the EU ETS ([Emissions Trading System](http://lifeadaptate.eu/en/the-eu-emissions-trading-system/)) (<http://lifeadaptate.eu/en/the-eu-emissions-trading-system/>) is now working properly and promises to deliver significant reductions as per goals.

Other organisations like [the Next System](https://thenextsystem.org/about-next-system-project) (<https://thenextsystem.org/about-next-system-project>) also support hope.

Edited by [Caroline Hurley](https://learn.canvas.net/courses/2527/users/894561) (<https://learn.canvas.net/courses/2527/users/894561>) on Jun 12 at 3:37pm

← [Reply](#)



[Mike Gismondi](https://learn.canvas.net/courses/2527/users/227458) (<https://learn.canvas.net/courses/2527/users/227458>)

Jun 17, 2019

Hi Carolyn. Im more cautious about cap and trade and pricing carbon. You might find this Cornerhouse Brief helpful

<http://www.thecornerhouse.org.uk/resource/should-we-put-price-carbon>
(<http://www.thecornerhouse.org.uk/resource/should-we-put-price-carbon>)

Where I live the oil industry is investing heavily in reducing its carbon intensity per barrel of oil extracted and refined, to legitimate, ironically continuing to extract more fossil fuels by creating clean energy.

I think I may be leaning more to buying and decommissioning

Txs for your sharing your thoughts..

Mikeg

← [Reply](#)



[Caroline Hurley](https://learn.canvas.net/courses/2527/users/894561) (<https://learn.canvas.net/courses/2527/users/894561>)

Jun 19, 2019

I read the Cornerhouse brief, Michael, and also Naomi Klein's essay for The Nation, [Capitalism versus Climate](https://www.thenation.com/article/capitalism-vs-climate/%20) (<https://www.thenation.com/article/capitalism-vs-climate/%20>), where she says: "Free-market climate solutions," as they are called, will be a magnet for speculation, fraud and crony capitalism, as we are already seeing with carbon trading and the use of

forests as carbon offsets.'

I see what you mean. They're always one step ahead, aren't they, with no notion of ever hiding their talents under a bushel?

Edited by [Caroline Hurley \(https://learn.canvas.net/courses/2527/users/894561\)](https://learn.canvas.net/courses/2527/users/894561) on Jun 19 at 11:12am

↩ [Reply](#)



[Michael Lewis \(https://learn.canvas.net/courses/2527/users/263480\)](https://learn.canvas.net/courses/2527/users/263480)

Jun 12, 2019

Murray might you take a look at the excerpt I posted in relation to Caroline Hurley. I would be interested in how the comments posted stack up against your analysis in your excellent post.

↩ [Reply](#)



[Murray Hidlebaugh \(https://learn.canvas.net/courses/2527/users/895967\)](https://learn.canvas.net/courses/2527/users/895967)

Jun 15, 2019

Hello Michael: I am in complete agreement with your discussion on the role the BOC. I was involved for many years with the COMER chapter in Saskatoon. We had several meetings with Mr. Bill Krehm trying to get the provincial NDP government in the 1990s to make this financing option available to local municipalities for approved public projects. According to Bill, the Romanow government was extended a line of credit from the BOC in 1991 to address its fiscal issues- potential bankruptcy. However, after 10 years of proposals to work with the BOC to make this option available to municipalities our group was finally told, in effect, "to go away because the finance minister was not going to lobby the BOC." So we decided to change our strategy and approached several credit unions. All indicated they had support programs of their own but were not prepared to provide locally supported investment loans to build community infrastructure.

Further research led us to discussions through CCEDNET about JAK, ATB, community bonds, Bank of North Dakota and so forth. We think that a Saskatchewan Community Development Bank modeled along the lines of the ATB looks promising. It gives significant local control and is not too radical since it is in place in Alberta.

The following excerpt from your note to Caroline, regarding public control of finance is in line with our thinking.

These measures would enable the accountable, systematic distribution of no- or low- cost, long-term financing to the investments most strategic to transition.

To bridge these divides it might be wise to establish clear boundaries as to the kinds of investment to which such money would flow. Transition priorities —accelerating renewable energy, energy conservation strategies, public transit,

ecological restoration...

I had done a research paper on transition to local and presented it at a COMER meeting. Bill asked me to put together an executive summary. It was printed in COMER Vol. 17, #10, Oct. 2005 under the title Value of Urban Rural Partnerships. We had decided, as rural citizens with urban connections, we needed to bridge the urban- rural divide, where the political power was in urban and the problems were in rural. It also was an attempt to establish clear boundaries and show the linkages in shared costs and shared benefits on mutually agreed to public priorities. The term commons was not in use then.

We have continued to discuss how local people by taking control of local finance could actually have some control over their future. Everyone in rural is well aware there is no future in depending on private banking. We also decided that working to influence changing the BOC was taking too much of our energy. We really appreciate the work of Mr. Galati and the COMER members working on the legal case. However, we can't afford that, and we can't be sure our provincial government would even access it. A problem with the BOC legislation is that it only goes through the province and they have to ask. So we decided we needed to use our resources to work on a provincial strategy independent of the BOC.

We also decided we needed to have the provincial political capacity to make that happen. So we are working on building a political movement that will reconnect with rural and put in place provincial policies to enable local community economic development to occur, financed by local investment.

We are working with local community groups to establish what you have called "**transition priorities**". This discussion needs to be bottom-up and flexible to address regional priorities. There needs to be wide public support. (Public good) This process is intended to develop the space to have civil discussions on a financial model that will facilitate this while maintaining local control of both the flow of money and the priorities of development. As you can see this is a work in progress and all suggestions and ideas are most welcome and appreciated. Your information is very helpful as are observations and ideas from others.

↩ [Reply](#)



[Barbara Denbeigh Hollingworth](#)

<https://learn.canvas.net/courses/2527/users/901554>

Jul 10, 2019

"Climate change is a symptom of a failure to address linear growth that is forced on us by compound interest. We will either contract with dignity or there will be chaos."

Murray, once again you have hit the nail on the head. As a global community, we cannot sustain the linear growth paradigm. From the individuals in "developing" countries who want the abundance and luxuries that individuals in the "developed" countries enjoy to nations whose debt exceeds any possibility of repayment, there is absolutely no possibility of the

continuance of "business as usual."

The world we live in is a different world than that faced in the 1930's when the original New Deal was effected. As you point out, the capitalist system was in effect and big business(men) made many millions on the public purse. I believe that any part of the Green New Deal that supports the idea that by creating opportunities for ordinary citizens we can continue along linear growth lines, only more of the commoners can profit is appealing, but doomed not to solve the crisis that humankind is facing at present, with 7.5 billion - and growing - people all wanting and in most cases needing more. The crisis cannot be solved by simply rearranging who gets more and who gets less. For example, the big oil and gas companies like Enbridge are now investing in green energy and technology, with an eye to the future, as it seems inevitable that we must drastically reduce the extraction and burning of fossil fuels. This is true, and there is no indication that they have any intention but to profit from the linear growth of the sustainable energy industry. As long as a neoliberal government continues to support a neoliberal economy and remains in the service of the corporate empires, we cannot avoid crisis. A Green New Deal that supports drastic changes in the distribution of wealth, and works for social welfare rather than corporate welfare through coops of all kinds is hopeful and must be supported. However, I agree with Murray and Darrin Qualman that our basic paradigm must change to one of "contraction" in order for our species to survive. Getting people to adopt life changes that can fit into the existing paradigm is relatively easy; convincing them to change their basic paradigm of existence is very difficult, especially those with the power (money) for whom the present linear system is working well, and, I can personally attest, have no intention of supporting an egalitarian system and will fight with all the power they have to resist change. This is not to say that change will not occur, but it may come as a result of mother nature herself making the final decision.

↳ [Reply](#)



[Guy Dauncey \(https://learn.canvas.net/courses/2527/users/546983\)](https://learn.canvas.net/courses/2527/users/546983)

Jun 11, 2019

Leaving aside the possibility of politically-hostile legal challenges to the various new financing options.....

In my mind, I have designed a concept called Cooperative Public Renewal (CPR), which could be offered to any struggling community as the polar opposite of the IMF's structural adjustment. CPR as I'm imagining it is a package, which would require buy-in by the municipality, the business community, leading non-profits for social justice and environmental sustainability, and local universities and colleges.

The package would include:

- Training and start-up funds to establish a local currency based on WIR/Sardex
- Training and start-up funds to establish a [Community Shares](https://communityshares.org.uk/directory%20) system
- Training and start-up funds to establish a Community bank or a Community Development

Financial Institution, or to convert an existing credit union to this purpose, with a pre-requirement of a democratic reform to engage members, to avoid what's happened to most credit unions in Canada (with the notable exception of Vancity). The Community Bank could create money just as private banks do, but its money-creation would be guided by locally-determined purpose, using a democratic governance process.

- o Training and start-up funds to kick-start a local entrepreneurial culture, providing self-help groups for would be business, social enterprise and cooperative business initiators.
- o Training and start-up funds to work with anchor institutions to channel their purchasing dollars into local businesses and cooperatives, following the Cleveland/Preston model
- o Training and start-up funds to develop a cooperative networked core for key sectors of the local economy, such as the Food Economy, as EcoTrust is doing in Portland at [The REDD \(https://thetyee.ca/News/2019/02/22/Local-Food-Portland-Redd-Salmon-Nation/%20\)](https://thetyee.ca/News/2019/02/22/Local-Food-Portland-Redd-Salmon-Nation/%20)
- o Training and start-up funds to form a grassroots Community Economic Development function (not just a government-funded office that shares information on grants etc)
- o Training and start-up funds to start a local program similar to [Participatory City \(http://www.participatorycity.org\)](http://www.participatorycity.org) in Dagenham and Barking , London, which is working to engage 25,000 residents in networks of friendship, and thereby to grow 250 new projects and 100 new businesses, with the goal of creating connectedness sufficient to kick their community into a higher gear.
- o Training and start-up funds to enable local colleges to include modules on community-based economic development both as stand-alone courses and as mandatory components of their standard neoclassical economics courses
- o Training and start-up funds to enable local colleges to respond to ideas coming out of all this that call for training and retraining - in building retrofits or solar installations, for instance
- o Training and start-up funds to form a single coordinating network for all the core capacity-building pieces of the new economy, similar to [Chantier \(https://chantier.qc.ca/?lang=en\)](https://chantier.qc.ca/?lang=en) in Quebec

What else might anyone add to such a program of CPR?

← [Reply](#)



[Caroline Hurley \(https://learn.canvas.net/courses/2527/users/894561\)](https://learn.canvas.net/courses/2527/users/894561)

Jun 12, 2019

CPR is fantastic.

← [Reply](#)



[Michael Lewis \(https://learn.canvas.net/courses/2527/users/263480\)](https://learn.canvas.net/courses/2527/users/263480)

Jun 12, 2019

Guy you are pointing to a menu of key investments relevant to building the local and regional intermediary infrastructure . This is so critical to democratizing the economy in a way that is

relevant to the multiple transition challenges we face.

Having said this, almost all of the pieces you assemble require State support, other than the adaptation of Sardex/WIR. The question then becomes is this taxpayer based funding or, as I imply in my earlier response to Caroline, should it be included within the scope of a Green New Deal, or both. It is clear the discussion in the U.S. has not reached this level of design but as you know, and I know, this kind of intermediary infrastructure is of strategic importance and it takes a lot of time. As the crisis deepens drawing the necessary resources from the taxpayer is going to become very difficult, thus the emphasis in the module on reclaiming sovereignty over the money supply, on the one hand, and on the other the adaptive/survival strategies represented by WIR and SARDEX. Are they not both important?

Edited by [Michael Lewis \(https://learn.canvas.net/courses/2527/users/263480\)](https://learn.canvas.net/courses/2527/users/263480) on Jun 12 at 9:32pm

[← Reply](#)



[Guy Dauncey \(https://learn.canvas.net/courses/2527/users/546983\)](https://learn.canvas.net/courses/2527/users/546983)

Jun 13, 2019

I see financial resources for the Green New Deal or whatever coming from four sources:

- (a) Public banks, through social purpose money creation
- (b) Central Banks, through social purpose money creation
- (c) Progressive taxation
- (d) Community investments

In Canada, the UK and the EU, as I understand it the central banks could decide to create the money needed to tackle the crisis; all that's needed as a prompt is for their governments to say so, and to give the central banks a Triple Mandate: stable prices, full employment, and tackle emergencies. In America, I think I understand from Ellen Brown that legislation was passed in the 1930s prohibiting the Fed from doing this kind of thing, so their options are reduced, unless the Democrats take that legislation head-on, and change it. A GND package could therefore include a CPR package, and let the whole thing begin.

[← Reply](#)



[Benjamin Turner \(https://learn.canvas.net/courses/2527/users/897723\)](https://learn.canvas.net/courses/2527/users/897723)

Jun 13, 2019

Well said, Guy. I agree with your understanding. Where I get lost is how the private banks were able to successfully lobby the government in the 70s to leave this system. How could it be seen as beneficial to line the pockets of the private bankers when the track record of the Bank of Canada had been so successful funding government

projects with low to zero interest.

In regards to all of the New Green Deal projects, there is no reason they couldn't be funded through nationalized banks - as long as legislation was changed to do this. Furthermore, if fossil fuel subsidies were removed there would be billions of dollars freed up to fund renewable energy initiatives and other New Green Deal projects.

← [Reply](#)



[Guy Dauncey](#) (<https://learn.canvas.net/courses/2527/users/546983>)

Jun 15, 2019

My understanding is that it was the BIS, under the influence of Hayek and Friedman, which worked on nations to change from central bank zero interest financing to private sector bond financing. If that's so, then we can reverse the process, by coming up with a persuasive new economics that rebuts Hayek and Friedman.

← [Reply](#)



[Pat Conaty](#) (<https://learn.canvas.net/courses/2527/users/379202>)

Jun 26, 2019

Hi Guy

Yes it is the Modern Monetary Theory that insists that all money is debt and needs to be debt rather than alternatively going back to the Greenback fiat (based on Treasury notes not Federal Reserve notes), Gesell or the pre-capitalist tally stick sovereign money systems that operated in the UK for hundreds of years until the 1830s but also in other countries of Europe from the late Middle Ages..

Joseph Hubers' arguments for Sovereign Money takes issue debunks with the MMT school that in the USA seems to dominate emerging Green New Deal arguments.

Mary Mellor's eco-feminist piece in the NLR Green New Deal debate has just come out. Only a dozen pages and very succinctly argued. Find this attached.

Pat

[Mary Mellor, An Eco Feminist Proposal, NLR 116 117, March June 2019.pdf](https://learn.canvas.net/files/898150/download?download_frd=1&verifier=nLdwTI0LGLOJWBvdTXanHbQJLdNAkveJ2dGJNzVS) (https://learn.canvas.net/files/898150/download?download_frd=1&verifier=nLdwTI0LGLOJWBvdTXanHbQJLdNAkveJ2dGJNzVS)

← [Reply](#)



[Pat Conaty](#) (<https://learn.canvas.net/courses/2527/users/379202>)

Jun 26, 2019

Hi Murray, Caroline, Guy and Mike

A great discussion and exchange. Your historical analysis Murray about Canada during the 1930s and more recently is really helpful and fills in so much important detail. I am learning so much. Thanks very much indeed.

Of course in the USA but also elsewhere, 'social credit' as the early Guild socialists proposed in the 1920s as Economic Democracy and as Gesell intended demurrage to be issued for not just a small town but for the whole new republic of Bavaria from 1919, has been widely overlooked.

The early interest of Corbyn in People's QE when he was first elected party leader is a trail that has gone cold. Dismissed by May as the 'magic money tree.' Ellen Brown has been rebutting this and also Mary Mellor's work on Democratic Money and Participatory Budgeting. Her work is a vital attempt to revive this more root and branch thinking about monetary reform from first principles.

Your Co-operative Public Renewal list is superb Guy. Thanks so much. Working with Ellen Brown here in Wales over the past two years we established a Peoples Banks for Wales Action Group.

We originally focused on setting up a public bank for Wales along the likes of BND. This ran into a few problem and the project has since changed direction to establish a regional Co-op bank for Wales. We have had some good public meetings and support has been growing. From the public meetings, we won the support for the project from the new First Minister for Wales who was elected in late 2019. So we now have Welsh government support for work on the project to establish the bank over the next two years. Other parties beyond Labour are supportive. We have involved the credit union and community development finance organisation from the outset in the action group.

We are now working on how to bring all the pieces together and the Community Banking Partnership approach is very helpful. This approach has worked for uniting community finance organisations and social banks like Triodos and Ecology Building Society to co-finance Community Land Trusts. So extending this to a wider range of co-operative economy sectors is feasible.

John McDonnell's has just given a speech (here below) about a Green New Deal and Labour's plan for a credible plan to the Climate Emergency a growing number of local authorities and public bodies in the UK are signing up to. I take your caveats seriously Murray about New Deals but all this is open at least for real discussion about what can work the best for people and planet and how to gain some traction.

<https://labourlist.org/2019/06/full-speech-mcdonnell-launches-inquiry-into-shadow-banking/> (<https://labourlist.org/2019/06/full-speech-mcdonnell-launches-inquiry-into-shadow-banking/>)

Pat

 [Reply](#)



Guy Dauncey (<https://learn.canvas.net/courses/2527/users/546983>)

Jun 13, 2019



Some further thoughts, inspired by Positive Money's video about the £375 billion in QE:

When the 2008 financial crash happened due unregulated excesses of capitalist greed, in the UK the Bank of England came to the rescue, printing £375 billion as QE and distributing it into the economy. But how? There are many ways in which such money could have been distributed. The Bank of England is not governed democratically, however, so there was no public debate over how or why they do things.

The £375 billion they created could have been distributed in a variety of ways. Which do you think they chose?

1. They could have distributed it to every woman, man and child in the form of **Helicopter Money**, amounting to £6,000 per person or £18,000 for a family of three.
2. The government could have created **Affordable Housing Bonds**, given the bonds to approved housing agencies, and asked the Bank of England to buy the bonds off the agencies, giving them the funds to build affordable housing. If each new home received £100,000 in seed money, allowing it to attract private investment, the Bank's money could have built 3.75 million affordable homes.
3. The government could have created **Household Debt Bonds**, given the bonds to approved debt agencies with various strings attached, and asked the Bank of England to buy the bonds off the agencies, giving them enough money to retire most of Britain's household debt (£428 billion in 2019, £15,400 per household excluding mortgages).^[1]
4. The government could have created **Climate and Ecological Crisis Solutions Bonds**, given the bonds to approved agencies, and asked the Bank of England to buy the bonds off the agencies, giving them £375 billion to spend on climate and ecological crisis solutions. With leverage from the banks, this could have increased to £1.5 trillion.
5. The government could have created **Health Care Bonds**, given the bonds to the National Health Service, and asked the Bank of England to buy the bonds off the NHS, giving it £375 billion to invest in improved health and social care, including writing off its £4.3 billion accumulated deficit^[2] and increased its annual operating budget of £130 billion by 10% a year for 30 years.
6. The government could have created **Poverty Bonds**, given the bonds to the Treasury, and asked the Bank of England to buy the bonds off the Treasury, giving it the income needed to increase welfare payments, increase minimum public sector wages to a Livable Wage of £9/10 an hour, offer a tax incentive to every Livable Wage employer and raise the taxable income threshold, lifting X million households out of poverty.
7. The government could have created **Green Infrastructure Bonds**, given the bonds to the Treasury, and asked the Bank of England to buy the bonds off the Treasury, giving it the income needed to finance infrastructure investments in roads, sewers, water, and so on.
8. The government could have created **Community Wealth Bonds**, given the bonds to approved community agencies, and asked the Bank of England to buy the bonds off the agencies, giving them the income to invest in increasing community wealth, from a variety of cooperative economic development initiatives to parks, public transport and affordable childcare.

9. The government could have created **Youth Bonds**, given the bonds to the Treasury, and asked the Bank of England to buy the bonds off the Treasury, giving it the income to create an investment account worth £34,000 for each of Britain's 11 million children aged under 15, to be invested in stocks and bonds home purchase, education, or business start-up, with limits on withdrawal.[\[3\]](#)
10. The government could have created **Community Bank Bonds**, given the bonds to each of Britain's planned 18 regional community banks, and asked the Bank of England to buy the bonds off the banks, giving each bank £18 billion in seed capital to begin investing in local development projects.[\[4\]](#)
11. The government could have created **Common Good Bonds**, given the bonds to a portfolio of agencies engaged in all of the above public services, and asked the Bank of England to buy the bonds off the agencies, giving them the funds needed to pursue their chosen work in service of the common good.
12. The government could have created **Plutocratic Bonds**, given the bonds to the banks in exchange for toxic investments, and allowed the banks (based on their fractional reserves) to lend ten times that much money to wealthy people, enabling them to speculate in the housing market and to buy stocks and bonds.

[\[1\]](#) UK Household debt: <https://www.tuc.org.uk/news/unsecured-debt-hits-new-peak-£15400-household—new-tuc-analysis> (<https://www.tuc.org.uk/news/unsecured-debt-hits-new-peak-%C2%A315400-household-%E2%80%93new-tuc-analysis>)

[\[2\]](#) NHS deficit: <https://www.theguardian.com/society/2018/sep/11/nhs-suffering-worst-ever-staff-cash-crisis-figures-show> (<https://www.theguardian.com/society/2018/sep/11/nhs-suffering-worst-ever-staff-cash-crisis-figures-show>)

[\[3\]](#) Youth census data: https://en.wikipedia.org/wiki/Demography_of_the_United_Kingdom (https://en.wikipedia.org/wiki/Demography_of_the_United_Kingdom)

[\[4\]](#) Community banks: <https://www.csba.co.uk/regions/> (<https://www.csba.co.uk/regions/>)

Edited by [Guy Dauncey](#) (<https://learn.canvas.net/courses/2527/users/546983>) on Jun 13 at 7:30pm

← [Reply](#)



[Michael Lewis](#) (<https://learn.canvas.net/courses/2527/users/263480>)

Jun 15, 2019

Thank you Guy for your very creative and practical list of alternatives. I particularly like the nomenclature you chose for #12 on your list - Plutocratic Bonds. It very effectively communicates the general framework for government policy in response to the 2008 financial crisis, particularly in Britain and in America. It also describes most international transactions made by the IMF and, as we found out in the Greek crisis, by the policies of the European Central Bank, where they deliberately expanded poverty and hardship in Greece to ensure European bond holders were protected, even though the value they bought the debt for had already been paid back. The system is a consummate example of accumulation by dispossession.

One thing emerged for me on reviewing your list is its breadth. I wonder if it is too broad.?

Given the nature of the existential crisis we are in what I am struggling with is how to focus our attention on what the critical priorities are. Determining these priorities and mobilizing the resources towards them is, of course, the strategic challenge, one that requires coalitions that can politically organize around coherent, joined up solutions that fit the priorities.

The Climate Emergency, it seems to me has become the central issue around which we must focus our intention. Translating intention into action has many parts but politically pressing for effective joined up solutions that reduce emissions and drawdown carbon from the atmosphere are key. My guess is many of the foci in our list could be joined up to this central agenda. It might also bring more coherence into the work of social movements and the allies in various systems.

How to do this? My thinking has been shaped quite a lot by the solutions outlined in 'Drawdown' by Paul Hawken (editor). I believe current formulations of the Green New Deal could be significantly strengthened by systematically building a plan to guide GND investment around the 80 solutions Hawken's team has so thoroughly set out. If this was the core frame for a strategy, dozens of related investments in training, just transition, community resilience, infrastructure, community, regional and sector intermediaries and poverty reduction could be joined up into an integrated, multi-level effort that could create a synergistic, virtual cycle. Would be interested in your and other comment on this notion.

[← Reply](#)



[Karl Horak \(https://learn.canvas.net/courses/2527/users/903858\)](https://learn.canvas.net/courses/2527/users/903858)

Jun 15, 2019

I'm playing catch-up this weekend after a week of travel for my brother-in-law's memorial service. While thinking about the reflection exercise and aimlessly wandering the tangle of Facebook posts, I came across this -- https://ssir.org/articles/entry/creating_new_pathways_to_capital (https://ssir.org/articles/entry/creating_new_pathways_to_capital). I had not heard that New Mexico had an alternative financial system for under-served communities, but am happy to see that we're not totally trapped in traditional debt-based lending cycles. I was particularly pleased to see that this effort is spearheaded by a former New Mexico Cabinet secretary of Indian affairs and lieutenant governor of Santa Clara Pueblo.

[← Reply](#)



[Michael Lewis \(https://learn.canvas.net/courses/2527/users/263480\)](https://learn.canvas.net/courses/2527/users/263480)

Jun 15, 2019

Karl, glad to have you back. This article you shared is a modest approach to improving the access to credit, useful but small. It prompted me to think you might have an interest in a larger scale model in Maine. There was a brief introduction in module 7 to Coastal Enterprises. However, this case study, though dated, reflects the reach and scale of this kind of

Community Development Organization and the impacts it can generate. It also shows it as a source of innovation, designing and applying an integrated approach to environmental, poverty reduction and community development decision making

<https://community-wealth.org/sites/clone.community-wealth.org/files/downloads/article-dickstein-et-al.pdf> (<https://community-wealth.org/sites/clone.community-wealth.org/files/downloads/article-dickstein-et-al.pdf>).

If you have not heard of or sought out materials relevant to your interest in access to finance you might find some useful material from the Democracy Collaborative. This link will take you to New Mexico references.

<https://community-wealth.org/search-ex/New%20Mexico%20Community%20Development> (<https://community-wealth.org/search-ex/New%20Mexico%20Community%20Development>)

← Reply



Sandra Wheeler (<https://learn.canvas.net/courses/2527/users/903359>)

Jun 16, 2019

The San Juan Generating Station (SJGS) here in San Juan County, NM is now scheduled to close in 2022 along with the coal mine that fuels it. Sing Hosannah! Even though NM's largest utility plans a gas generator at the same location, and the city of Farmington has found a sketchy hedge fund with no experience in energy production that is interested in buying SJGS, I will use the coal plant closure as a thought experiment for providing a just transition.

Tax and Jobs Analysis of San Juan Generating Station Closure says, "significant overlap in the skill sets and salaries of various positions in the coal and PV industries" makes retraining fairly fast and efficient. The mayor of Farmington, the largest city in the county, has requested San Juan College reinstate its solar installation program. In the House Resolution on the Green New Deal, #3 is "meeting 100% of the power demand in the U.S. through clean, renewable, and zero-emission energy sources..." and rooftop solar is #10 in Drawdown. Since the county may not be able to employ enough solar installers to cover all the 450 soon to be unemployed, other green jobs could be retrofitting existing buildings to be more energy efficient. #5 in the HR on the GND is "upgrading all existing buildings in the U.S. and building new buildings to achieve maximal energy efficiency, water efficiency, safety, affordability, comfort, and durability..." Insulation alone is #31 in Drawdown; water saving--home is #46; retrofitting is #79. Fortunately many of these jobs have skill sets related to those of our workers, are predicted to increase between 5-19%, pay more than solar photovoltaic installer jobs, and are part of the building trades program already offered at SJC. Loans from the Fantasy Bank of San Juan County would cover retraining.

The act authorizing the closing of the SJGS allocates \$20 million to the county for worker retraining and community economic development. Looking into community development gave me a sense of how difficult a just transition is. We've never recovered from the 2008 financial collapse because we've depended on our large natural gas deposits at a time fracking has made natural gas accessible in other areas, glutting the market for years. Without SJGS, "[c]ounting indirect employment and induced ripple effects, the region could lose up to 3,180 jobs and \$213.3 million in

annual income, cutting annual tax receipts for local, tribal, and state government by \$43.3 million” [Albuquerque Journal, 1/1/18]. And it will cost the city \$97 million to replace the energy it buys from the generating station [Farmington Daily Times, 7/19/17]. So our \$20 million from the state is not going to go very far.

Two areas that San Juan county has wanted to increase are agriculture and outdoor recreation and tourism. Since I am the one and only loan officer of the Fantasy Bank of San Juan County as currently structured, only current regenerative farmers and those who are transitioning into regenerative farming need apply. #7 in HR on GND is “...to eliminate pollution and greenhouse gas emissions from the agricultural sector... by investing in sustainable farming and land use practices that increase soil health” and #11 in Drawdown. Outdoor recreation and tourism must mean our three rivers. #11 in HR on GND is “restoring and protecting threatened, endangered, and fragile ecosystems... [to] support climate resiliency.” Climate change means floods during droughts. So more loans to replace any culverts impeding flow of sediments or creatures, to restore native riparian vegetation and natural flood plains, and to provide rain gardens that filter pollutants before sending stormwater to rivers will provide more jobs and resiliency to climate change.

Unfortunately, even these fantasy loans might help the planet, provide jobs, and still leave the county in deep trouble. We need more economic boosts than I have figured out so far.

← Reply



Michael Lewis (<https://learn.canvas.net/courses/2527/users/263480>)

Jun 17, 2019

This is a very generative thought experiment Sandra. Your tax and job analysis depicts the scale of the challenge the county faces with the coal closure. The the NM State putting aside \$20 million in training and community economic development funds is rightfully revealed as being useful but inadequate. I very much liked how you linked investment of the meagre resources to the specific 'Drawdown' solutions. This is definitely where my reflections are focused at present. Our inclusion of Drawdown solutions into the course was in large part to provoke thinking such as what you have posted here.

One thing I would encourage you to more thinking about is the relationship between the scale of the challenge, the monetary policy at the macro level (see my post in response to Caroline Hurley above) and how we build the politics to get the scale of the challenge and the level of investment needed to implement Drawdown type solutions tailored to community, counties and larger governance units such as the State of New Mexico.

← Reply



karen nelson (<https://learn.canvas.net/courses/2527/users/905159>)

Jul 10, 2019

Love that Fantasy Bank.

When you get it up and running would you open a branch in Santa Fe where we have a long

way to go in the transition to clean energy and building retrofitting, etc.

Karen Nelson

← [Reply](#)



[Rolando Ramirez \(https://learn.canvas.net/courses/2527/users/893132\)](https://learn.canvas.net/courses/2527/users/893132)

Jul 2, 2019

Most interesting material..... and presentations..... but if we want to produce change, through the most vulnerables, those that don't read the economist, the biggest challenge will be to create a new language that is socially accesable and comprehensible to the people that will produce the change. We need to desintelectulize our vocabulary and perhpaps the history of the cooperative movement can be a source to remotivate communities to strengthen or innovate the management of local wealth.

← [Reply](#)



[Caroline Hurley \(https://learn.canvas.net/courses/2527/users/894561\)](https://learn.canvas.net/courses/2527/users/894561)

Jul 4, 2019

And that's a big long task that a lot of interests would resist, but worthwhile when you consider what is being done with public money e. g. 50% of US tax dollars is spent on the military. Seems war is an end in itself these days. As [one writer notes \(https://www.counterpunch.org/2019/07/04/homeless-rage-in-america/\)](https://www.counterpunch.org/2019/07/04/homeless-rage-in-america/), this sort of skewed budget is asking for economic war by the neglected at home. Still, illumination about the system can come from the strangest places.

← [Reply](#)



[karen nelson \(https://learn.canvas.net/courses/2527/users/905159\)](https://learn.canvas.net/courses/2527/users/905159)

Jul 10, 2019

I absolutely agree with you Rolando that clear, direct language is called for. Say it simple.

I have gained a lot from the course content while deploring the 'academese' (jargon) often employed in the articles.

This module has been especially useful....

Karen Nelson

← [Reply](#)

○

[Sandeep Chakravartty](#)<https://learn.canvas.net/courses/2527/users/48821>

Jul 26, 2019

⋮

Financial reform is essential to GND and the re-order of social systems to serve people rather than corporate profiteers. Seemingly, this reform must happen first. In our state, we saw first hand how corporate banks (Wells Fargo, US Bank, etc) were very effective in blocking initial legislation to allow community and public banks.

At the same time, we saw the state's large utility work with banks and gas, oil, and coal extraction companies (all out of state corporations) block environmental efforts to transition to renewable energy sources.

In our community, we could use a community bank to create affordable housing and child care resources. We could also begin to established our own course as a community to reflect local values and priorities, rather than projects funded by federal and state grants that may not really serve the interests of our community. In sum, we are captive to the financiers and the structural government systems that in turn support a corrupt finance system.

When it all falls down, new opportunities will arise from the people.

[← Reply](#)

○

[Lazaros Angelou](#) ([https://learn.canvas.net](https://learn.canvas.net/courses/2527/users/886724)[/courses/2527/users/886724](https://learn.canvas.net/courses/2527/users/886724))

Aug 4, 2019

⋮

The power sector currently accounts for around 40 percent of annual greenhouse gas emissions to the atmosphere, making it the highest-emitting sector, followed by industry and transportation. Of total worldwide electricity generation, fossil fuels represent 67 percent, nuclear 11 percent, and renewable energy sources just over 24 percent and growing, with the bulk (18 percent) being from large hydropower systems. In the last few years, the competitiveness of renewable sources for electricity generation has continued to increase due to the price evolution and the efficiency improvements of these technologies.

The Drawdown Electricity Generation Sector includes solutions both centralized and decentralized—such as *onshore wind power* and *rooftop solar panels*, respectively—and enabling technologies such as electricity storage systems that foster large-scale integration of renewable energy sources.

Included in Project Drawdown's rankings of the 100 most substantive solutions to global warming are 20* of the most impactful solutions for reducing greenhouse gas emissions, or for supporting the adoption and implementation of other solutions, in the Electricity Generation (formerly "Energy") sector.

The solutions included in this sector have significant positive climate and financial impacts in the

short, medium, and long term, since they can replace conventional electricity generation technologies such as coal, natural gas, and oil power plants.

SECTOR RESULTS BY 2050

REDUCED CO2 : 246.14 GIGATONS

NET IMPLEMENTATION COST : \$4.92 TRILLION

NET OPERATIONAL SAVINGS : \$20.96 TRILLION

Public bank or interest free money could stimulate local, regional and national level projects that would be financed taking into account the net implementation costs and net operational savings, prioritized according to local, regional and national social needs.

Prioritization procedures should be set by local, regional and national bodies, not by the authorities, the majority been under the control of the people.

← [Reply](#)



[Bernadette Cohen-James](https://learn.canvas.net/courses/2527/users/893046)
[/2527/users/893046](https://learn.canvas.net/courses/2527/users/893046)

Tuesday

	Conventional Bank (8% interest)	JAK style Bank
Loan	200,000	200,000
Time	25 years	25 years
Monthly repayment	1,568	667
Bank Fee	0	190
Savings amount	0	654
Total monthly amount	1,568	1,511
Total over 25 years	470,400	453,300
Credit balance	0	196,200

The JAK system is counter culture to conventional, private banking. Firstly, it is community owned and run which restructures the power dynamics the bank will be far more invested in their community development and will approve loans best serving of their hometown and individuals. The way loans are structured i.e. charging fees and encouraging saving uplifts the individual and community vs the Mount Everest compound debt system of private banks favoring the few.

The JAK system empowers community too in that as a community owned and run bank, people are invested in their regime and gives them direct voice into what projects are funded. This decouples them from the landscape of private banking, a system which has captured ownership of governments, corporations and individuals through debt slavery often at the expense of the environment. JAKs loan structure holds value i.e. backed by already existing resources i.e. hard cash vs the private bank system of created numbers on a screen that only has value once an IOU is paid back in cash.

The JAK approach of local community ownership and management of the bank creates an environment whereby members invest in projects and opportunities that are best for their

environment and can uplift the community in projects and innovations funded. This can be in stark contrast to private banking where loans are usually favored to large institutions and corporations who can "afford" and are able to manipulate the compound interest system.

JAK demonstrates how a community may empower itself and its members and create wealth, stability, connection and advancement in contrast to private banking which is a numbers driven, nameless, faceless game of chasing the bottom line. JAK's community focus brings the village back to the individual in contrast to the private banking sector who, in ownership of the debt of countries through to individuals, influence policies and procedures that further enhances the private bank and holds the world in slavery.

↳ [Reply](#)



[Caroline Hurley \(https://learn.canvas.net/courses/2527/users/894561\)](https://learn.canvas.net/courses/2527/users/894561)

Wednesday

That little table is rather beautiful!

I'm almost finished reading Thomas Grecco's book, *The End of Money*, recommended by several course participants, and he differentiates conventional banking loans from cooperative banking by showing how the former is pure debt while the latter is equity, or shared ownership. JAK requires their lenders to save, which presumably they cannot cash until the loan's repaid, but how glad they will be then with their nest egg! This is banking with heart and soul.

What about fees or interest for JAK to run their schemes, Bernadette? Can they 'borrow' from deposits for day-to-day expenses, or how does that work? Alternative currency seems to be as prone to mismanagement, fraud and counterfeiting as the mainstream type. Who does all the competent management required to set, maintain and monitor parameters? Grecco mentioned a small contribution for insurance against defaults, but they need to be kept to an absolute minimum. Here's a [recent article](https://www.opendemocracy.net/en/author/thomas-h-grecco-jr/) (<https://www.opendemocracy.net/en/author/thomas-h-grecco-jr/>) by him, with a link to his website.

I don't recall Argentina's [credito and Trueque](https://wiki.p2pfoundation.net/Argentine_Social_Money_Movement) (https://wiki.p2pfoundation.net/Argentine_Social_Money_Movement) systems being mentioned in the course but there seem to be plenty of schemes that partly meet the criteria for fair credit money e.g. [Green Shields stamps](https://en.wikipedia.org/wiki/Green_Shield_Stamps), (https://en.wikipedia.org/wiki/Green_Shield_Stamps) vouchers of various kinds and food stamps. During Ireland's Great Famine during the late 1840s, promissory notes transferred between butter buyers and sellers along the phenomenally successful Cork Butter Exchange saved quite a few lives because even as legal tender became worthless, the butter notes were honoured (cited in an obscure but informative book, [At The Sign of the Cow](http://catalogue.nli.ie/Record/vtls000233217) (<http://catalogue.nli.ie/Record/vtls000233217>))

Grecco would require the end of hyper-controlled legal tender, and reflection of real world value in exchange money used instead of unmoored debt money creation, for a meaningful reform of the global markets. Governments will be watching like a hawk, treating unofficial credit as competition, as this [news item](https://edition.cnn.com/2019/07/26/tech/irs-cryptocurrency-taxes/index.html) (<https://edition.cnn.com/2019/07/26/tech/irs-cryptocurrency-taxes/index.html>) about Revenue chasing taxes from crypto currency users

suggests.

Meanwhile, JAK, WIR etc keep hope alive :)

Edited by [Caroline Hurley \(https://learn.canvas.net/courses/2527/users/894561\)](https://learn.canvas.net/courses/2527/users/894561) on Aug 8 at 3:13am

← [Reply](#)



[Brendan Reimer \(https://learn.canvas.net/courses/2527/users/903250\)](https://learn.canvas.net/courses/2527/users/903250)

Friday

As with many of these modules, the challenge and scale of reform required to achieve the desired outcomes is overwhelming. Some of the examples provided are amazing, but still pale in scale to the global system. As a credit union person, and as someone who is extremely proud of the innovative things being done to create social and environmental impact, I also realize that our scale is really small from a global perspective.

And yes, it is a combination of political and economic (private sector) forces that resists change, supported by a society that is largely indifferent (believe existing models are fine), overwhelmed (believe nothing can be done), or feel helpless (don't know what alternatives are possible). This requires education, which I'm grateful for this course in its effort to tackle precisely this.

Having said that, I do see many models that matter, regardless of scale (insert story of the starfish here, or Rochdale Pioneers, or Muhammad Yunis, or Martin Eakes' bake sale, or WIR Bank founders, or) that matter on their own today, and may become something that achieves scale, or perhaps (Paul Hawkins' Blessed Unrest) it will be a global collection of smaller organisms working on their own but together in mission that achieve our outcomes. Yes, policy and power matter, but I also believe that when enough people are economically literate (thank you, Stewart Perry), they will chose to act to create something better for our collective futures. So then the future depends less on policy and power, and depends more on our ability to successfully educate and inspire.

Of course, the benefits are existentially important. The challenges are all the things explored: knowledge, policy, power, finance, markets, scale, etc. The solutions are there (Drawdown, all the models explored in this course, etc.).

I'll add a few local models that some might find interesting:

- o Similar to the CED Tax Credit described in Nova Scotia, Manitoba also has one and was used to raise \$600,000 for Peg City Car Co-op in the last year through 3 different offerings: <https://www.pegcitycarcoop.ca/invest/> (<https://www.pegcitycarcoop.ca/invest/>)
- o Another local currency with some tenure is Calgary Dollars. <http://www.calgarydollars.ca/about/> (<http://www.calgarydollars.ca/about/>)
- o Jubilee Fund pools money from investors (individuals and organizations) to provide loan guarantees for social impact financing toward initiatives that reduce poverty: <https://jubileefund.ca/about-us/> (<https://jubileefund.ca/about-us/>)
- o As a credit union, Assiniboine CU has achieved Carbon Neutral standing (<https://blog.assiniboine.mb.ca/celebrating-a-carbon-neutral-success-this-earth-day/>)

(<https://blog.assiniboine.mb.ca/celebrating-a-carbon-neutral-success-this-earth-day/>), opened up a branch in a low-income community abandoned by banks and flooded with exploitive financial services (<https://blog.assiniboine.mb.ca/growing-a-financial-community-in-winnipegs-north-end/>), provides patient and flexible financing for foreign-trained professionals to gain credential recognition (

[Recognition Counts - Immigrant Loan Fund Launches in Winnipeg](https://www.youtube.com/watch?v=liJ8qCiEukk)

(<https://www.youtube.com/watch?v=liJ8qCiEukk>)



(<https://www.youtube.com/watch?v=liJ8qCiEukk>)

), finances social impact initiatives (<https://blog.assiniboine.mb.ca/diversity-food-services-lives-up-to-its-name/>), invests in financial empowerment (https://ccua.com/credit_union_social_responsibility/success_stories/2015_05_07_financial_empowerment_through_asset_building)

(https://ccua.com/credit_union_social_responsibility/success_stories/2015_05_07_financial_empowerment_through_asset_building), and much more.

(https://ccua.com/credit_union_social_responsibility/success_stories/2015_05_07_financial_empowerment_through_asset_building)

(https://ccua.com/credit_union_social_responsibility/success_stories/2015_05_07_financial_empowerment_through_asset_building)

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(https://ccua.com/credit_union_social_responsibility/success_stories/2015_05_07_financial_empowerment_through_asset_building), and much more.

← Reply



Caroline Hurley (<https://learn.canvas.net/courses/2527/users/894561>)

Yesterday

Someone just told me that another international supermarket chain is shortly introducing reusable bags for fruit.

Regarding educating and inspiring, there are several options on [this list](http://www.openculture.com/free_certificate_courses) (http://www.openculture.com/free_certificate_courses) of thousands of [upcoming online courses](http://www.openculture.com/2019/08/3500-moocs-massive-open-online-courses-getting-started-in-august-enroll-today.html?utm_source=feedburner&utm_medium=email&utm_campaign=Feed%3A+OpenCulture+%28Open+Culture%29) (http://www.openculture.com/2019/08/3500-moocs-massive-open-online-courses-getting-started-in-august-enroll-today.html?utm_source=feedburner&utm_medium=email&utm_campaign=Feed%3A+OpenCulture+%28Open+Culture%29), mostly free, related to topics of community, environment, social justice and so on. Bit by bit...

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