

# FACING THE NEW REALITY



# in A nutshell

Dear Friends and Colleagues:

*The Community Action Partnership* presents here an unprecedented and extraordinary report: “Facing the New Reality: Preparing Poor America for Harder Times Ahead.” This report is based on the equally extraordinary premise that much of what passes for reality in “the popular narrative” is not based on reality but instead on a collective denial of a genuine reality too difficult for most Americans to fully comprehend or accept.

There are many versions of the popular narrative but it tends to include the following beliefs: the United States will fully recover from a strong but temporary recession; we have access to enough energy from coal, natural gas and nuclear power to meet our needs for decades; our economy will return to growth and keep growing for the foreseeable future; technology will solve our energy and climate problems; conventional agriculture will continue to feed our nation and much of the rest of the world; and American prosperity will solve our collective debt crisis and bring a higher standard of living to all in a promising future.

This report suggests that these beliefs are fictions that serve many special interests while deterring us from facing the real and pressing need to prepare society now for unprecedented hardship, economic turmoil, resource scarcity and greatly increasing ranks of Americans living in poverty.

It may be helpful to know how this report came to be written. In 2004-2005, I began studying the compelling case for “peak oil” (the point when the world’s petroleum production peaks then goes into permanent decline) and catastrophic climate change. I concluded that these phenomena and their economic effects will have massive impacts on Community Action and our mission. I presented this information to the Partnership Board in 2006 and have provided updates since.

In 2008, Board Chair John Edwards asked me to serve as chair of the *Strategic Initiatives Task Force*, and the Board subsequently funded a project to bring together leading experts and writers on New Reality topics along with Edwards, Partnership CEO Don Mathis, myself and a few others, in order to focus on how these issues will impact low-income Americans. This group was convened at the Wye River Conference Center in Maryland in August 2010 and this report is an outgrowth of that meeting.

## **What is the “New Reality”?**

The phrase the “New Reality” is used in this report as shorthand for the near future, a period that we have already entered, projected out over several decades. The report factors in three global mega-trends that the report’s authors believe will be the dominant drivers shaping this period. These are: resource depletion, climate change and economic turmoil. While not yet fully developed, these mega-trends will interact in ways that will profoundly affect daily life.





**Resource Depletion:** The world's rapidly growing and modernizing population is consuming the earth's limited natural resources at an ever-increasing and unsustainable rate. Here are some major concerns:

- **PEAK OIL** – Energy is the resource that powers all human and economic activity and oil is the energy source we depend upon most. Global production of conventional crude oil peaked in 2005 and unconventional oil from oil shale and tar sands is barely making up the shortfall while creating new problems for water, land, wildlife and the atmosphere.

- **PEAK COAL AND NATURAL GAS** – Coal and natural gas reserves are extensive, but as more accessible, higher quality sources are depleted, growing practices like mountaintop removal for “dirtier” coal and hydraulic rock fracturing (“fracking”) for shale oil and natural gas carry high capital and environmental costs which limit their future viability.

- **PEAK EVERYTHING ELSE** – Population pressure and modernization is rapidly depleting many, if not most, of the resources we use to sustain civilization. Fresh water, arable land, phosphorus for fertilizer, seafood stocks, lithium, gold, rare earth metals, rainforest products and other resources are close to, or already past, peak production. When the easiest and cheapest resource stocks are gone, the rest become more expensive and generally come at a higher environmental cost.

**Climate Change:** Increasing levels of carbon dioxide and other greenhouse gases in the atmosphere have trapped more of the sun's energy over the past century and have warmed the earth's oceans, land masses and atmosphere. The warmer atmosphere can hold more moisture and has more energy to drive mass air movements and power huge storm systems. The results are featured on the nightly news week after week – more frequent and violent tornados, hurricanes, floods, droughts, snowstorms, heat waves, dangerous hail and lightning storms, and record rainfalls. We can expect:

- Increasing crop failures like those recently in Russia, due to extreme heat and drought; in Pakistan, due to extreme flooding; and in Australia, due to extreme heat, drought and extreme flooding.
- Increasing death, destruction and economic devastation as ever more powerful tornados, floods and hurricanes afflict larger areas across the United States.
- More forest fires and wildfires as droughts become longer and more severe.
- Greater damage from pathogens and insects as naturally balanced ecosystems begin to break down.

## in A nutshell

**Economic Turmoil:** While most agree that the global economy nearly collapsed in the fall of 2008, few acknowledge that nothing has fundamentally changed to prevent this from happening again. Recent bailouts of fragile European economies like Greece, Iceland and Portugal (like the bailouts of American financial institutions) increased the debt that first caused the defaults and likely set the stage for more economic chaos not far down the road.

Also, the bewildering array of derivatives – exotic financial instruments that create money but not real wealth, out of thin air – are now monetarily valued to far exceed the value of all real goods and services on the planet. As the hard physical limits to growth begin to appear in the forms noted above, the entire growth-dependent financial system may be headed for a very hard landing. We can expect:

- High inflation or deflation, either one further contracting the economy.
- Scarce capital or credit for job-creating development or badly needed infrastructure projects.
- Dramatic cuts in government services as debt liabilities grow and tax revenues shrink.
- Growing ranks of the unemployed and families descending into poverty.
- Possible, some experts say inevitable, global economic collapse.

This report follows the structure of the Wye retreat, where participants framed the topics for discussion including: the economy, employment, food and food systems, health care, housing, security, education, transportation, and community cohesion, communication, and culture. The authors of this report were asked not only to recount the retreat discussion but to update their topics with new information as these topics develop in ways that increasingly reinforce the premise, noted above, that the popular narrative is not supported by the facts.

For most of you, the future this report depicts is in marked contrast to the future you expect. The authors know this and understand that many of you may be very skeptical of the information and points of view expressed here. Some of you, like most Americans, may consider this report “doomer” nonsense. But it isn’t, and we simply can’t wait for the “popular narrative” to finally catch up with the facts.

As the New Reality continues to unfold around us, the preparation we make now for the real future may become the most important work we ever do. And while much will be lost as this New Reality advances, we have the opportunity to help recreate something wonderful that diminished during the age of abundance but will be essential during the age of scarcity: authentic community.

A stylized illustration of two hands, one orange and one brown, cupping a cluster of colorful beads in shades of blue, yellow, and brown. The background is a solid brown color.

*Peter H. Kilde*

Peter H. Kilde  
Third Vice President and Strategic Initiatives Task Force Chair  
The Community Action Partnership Board of Directors

Wye River meeting attendees are, in the front row, from left, Megan Bachman, Richard Heinberg, Peter Kilde, Dmitry Orlov, John Edwards; second row: Sharon Astyk, John Ehrmann, Delphia Shanks, David Reid, David Room; third row: Ken Meter, John Michael Greer, Janet Topolsky; fourth row: Don Mathis, Nate Hagens, Kelly Cain.

The cover illustration is inspired by graphic design of an earlier era, an era of its own scarcities and hardships. A reminder that times of scarcity need not limit beauty, elegance nor the power of the imagination.

Randall Rogers, Graphic Designer

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For in depth information and updated resources regarding the issues discussed in this report, go to: [www.communityactionpartnership.com](http://www.communityactionpartnership.com) and click on the New Reality Initiative tab.

# JOHN MICHAEL GREER

## overview

It can sometimes be hard, at least for those who were there, to remember that the energy crises of the 1970s are outside the experience of most of today's Americans. That era of gas lines, stagflation, soaring energy costs and conservation baffled many people at the time, and since its passing, little attention has been paid to the lessons learned in those years. This failure of memory bids fair to become a drastic liability to America and the world, for the conditions that brought those crises into being are emerging on a larger and more dangerous scale today.

Though many factors helped shape that time, the most important was that US petroleum production reached its all time peak in 1970 and declined thereafter. The United States, the first nation in the world to establish a petroleum industry, was also the first to reach the geological limits to petroleum production, and the inability of the US oil industry to boost production after 1970, despite major advances in extraction technology and generous tax policies, allowed OPEC to boost prices and wield its oil reserves as a political weapon.

In the wake of the 1970s, the United States and other Western nations scrambled to prevent a repeat of that troubled decade by pumping recently discovered reserves in the North Sea and Alaska's North Slope at a breakneck pace, and developing relationships with Middle Eastern nations that guaranteed a stable oil supply. That worked for a time, but it was a strategy with a limited shelf life. A rush to produce oil brought other nations one by one up against the same limits the US hit in 1970.

At this point, most of the world's oil-producing nations have seen their own production peak; in 2005, the world as a whole reached peak production of conventional petroleum, and production of all liquid fuels, including unconventional oil and petroleum substitutes, has been stuck in a bumpy plateau since then with the frantic production of alternative fuels struggling to keep up with the depletion of existing conventional oil.

This poses a massive challenge to nearly every dimension of modern life, because two factors make it impossible simply to replace petroleum with some other energy source. First, nearly everything put into service over the last century to refine, transport, and use petroleum, from autos and locomotives to gas stations and refineries, can only function with petroleum or its products. To use another energy source on the same scale, trillions of dollars of infrastructure will have to be replaced, requiring decades of lead time and the diversion of substantial resources from other economic sectors.

This presupposes that some other energy source can replace petroleum. The second problem with a smooth transition from oil is that forty years of intensive search have failed to turn up any resource as abundant and inexpensive to extract. This is a controversial issue, and proponents have made sweeping claims for many resources, with the recent wildly inflated estimates of shale gas reserves only the latest in a long string of enthusiastic statements poorly supported by fact. The consensus of most peak oil researchers—backed by a growing body of evidence—is that no resource or combination

## Community Action Possibilities:

In the New Reality, the mission of CAPs may need to shift from eliminating poverty to creating new understandings and new forms of wealth in a contracting economy.



of resources can replace petroleum on anything like the scale required. Furthermore, coal and natural gas—the other two fossil fuels, which account for the lion's share of non-petroleum energy in the United States—are not available in limitless amounts. They are also being depleted at a breakneck pace

and face geological limits of their own in the decades ahead. Whatever else the future holds, a new age of energy shortages is already on the way.

This is more than an energy issue or an economic problem because the sheer material abundance made possible by abundant fossil fuels has reshaped our society from top to bottom, fueling lifestyles most of us take for granted and very few are willing to relinquish. A society that has made the private auto racing down the open road a core image of freedom, and that too often treats the inefficiency of its energy use, compared to other industrial nations, as a sign of national superiority, is poorly equipped to deal with the end of abundant energy and the unwelcome limits on personal affluence and privilege that will result.

All this would be challenging enough if the peaking of global petroleum production were the only issue confronting America at the present time. It takes little more than a glance at newspaper headlines to show that, unfortunately, this is far from the case. We have treated many other resources, notably water and topsoil, as profligately as fossil fuels.

Another, subtler resource—the ability of natural systems to absorb the waste products of our technologies—has also come under heavy strain, with results ranging from diminished public health to an increasingly unstable climate. Finally, and partly as a result of these trends, the economic system that provides Americans with a share, however inadequate, of the nation's goods and services is lurching from crisis to crisis, and runs a significant risk of breaking down altogether in the years ahead.

A disproportionate share of the burdens imposed by these interwoven crises will inevitably fall on America's poor—and the institutions that provide services to the underprivileged will face wrenching transitions in the process. Most people involved in these institutions, and indeed most Americans, have assumed that poverty results from an inadequate distribution of abundance, not any genuine shortfall. During the age of petroleum, this was a reasonable assumption, but the end of that age renders it invalid.

The work of social service agencies in the years ahead thus will have to shift from seeking a fairer distribution of abundance to the much harder task of managing scarcity. The perspectives in this report are meant to help further this difficult but unavoidable shift.



”from seeking a fairer distribution of abundance to the much harder task of managing scarcity.

# NATE HAGENS the economy

Our economy is in trouble, and the elements that comprised its formula for success are no longer present.

For the past 50 years, we as a nation have grown our debt levels more than we grew gross domestic product (GDP) in each and every year. Since 2008, the U.S. government, in response to social pressures, had to create over twenty percent of GDP out of thin air (via large budget deficits, the growth of the Federal Reserve Board balance sheet and massive government guarantees).

Now, with fiscal stimulus a dead end, central banks have two choices: watch the economy collapse to a state far worse than its pre “quantitative easing” outset in 2009 or continue to support the economy by using short-lived monetary tricks. The so-called “recovery” is unsustainable and comes at an unseen cost: an increasing risk to our sovereign currency, the health of which is vital to a functioning system of trade, output and jobs.

Even with a mountain of new debt, there has been no growth for real private GDP since 2003-2004 and only about 0.7% average growth since 2000. Presumably, further deterioration in the economy, brought on by either high energy prices or the government’s inability to forever remain lender of last resort, will swell the ranks of both the unemployed and impoverished. Already, a recent Harris poll estimates that 34% of Americans have no retirement savings and 27% have no personal savings. Any further deterioration in the job market will obviously worsen these numbers.

Though scary, it is time to acknowledge that the drivers of growth that existed for the past two to three generations of Americans – cheap energy and cheap credit – are unlikely to be available going forward. Credit creation can bring consumption forward from the future to the present, but central banks and governments can neither print nor borrow inexpensive liquid fuels or natural resources.

Thus it is quite likely that we now face the end of growth, something all of our institutions and assumptions are built upon. In a world that will have “less each year” instead of the “more each year” we have grown accustomed to, prior debts will not be able to be paid back, more jobs will be lost and standards of living will drop. This New Reality will not only have severe implications for low-income people but will increase the low-income percentage of our population, possibly significantly.

Finally, additional risks beyond unemployment and recession exist. If and when some type of global currency dislocation occurs due to debt overshoot, international trade, and with it our complex just-in-time supply chains, may be disrupted. Given this trajectory, it may become very important to reinvent locally and regionally sourced goods and services delivery systems to meet basic needs for people in all income and wealth demographics.



## Community Action Possibilities:

CAPs could help create opportunities for low income families to become less dependent on money and traditional jobs by meeting more of their basic needs through other means.



Put a politician before a microphone, and before long you will hear the word “jobs” many times: job creation, support for small businesses that create jobs, job training, jobs, jobs, jobs.

But careful analysis shows that since the 2008 financial crisis, government investment in job creation has added more to the national debt than it has to the gross domestic product. This investment is an economic net negative.

Job creation has been, and continues to be, too anemic to keep up with population growth, making it an unlikely way to improve society’s well-being. To the contrary, our moderate job creation and increase in economic activity, to date, have strained our depleting resource base, driving up energy, commodity and food prices to record levels and further stressing a population whose wages have remained stagnant for generations.

Plus, the few jobs that are being created are mostly service jobs, while manufacturing jobs continue to be exported. Although economic theory has it that service jobs create value just as manufacturing jobs do, service jobs really create debt, which allows the countries with manufacturing and export-driven economies to accumulate large financial surpluses at our expense.

But people need money to meet their basic needs, and the only two legal ways to get money are from a job or public assistance.

If we dispense with the tired old “jobs, jobs, jobs” song-and-dance as ineffectual at best, harmful at worst, what is left that enables people to meet their basic needs? The simple and direct answer is: Work. There may not be jobs, but there is always work. The challenge is to enable unemployed people to do good work to help their community and, in turn, themselves.

Solutions to this challenge are unlikely to occur to someone unable to see beyond free market ideology. However, it is well-known that markets fail when key resources become scarce, which is our current situation. In such times, markets develop pernicious characteristics, such as hoarding and profiteering through speculation, that often cause governments to step in and institute rationing programs.

But there was life before markets, and there will be life after markets, thanks to social institutions that pre-date market systems by thousands of years and have demonstrated far greater resilience during times of scarcity.

The most important is the gift economy, centered around the potlatch, in which an individual’s value is measured not by what he or she has but by how much he or she gives away in presents.

This mutual support through reciprocal gift-giving has long existed in communities around the world. Gift-giving can partially overlap with barter arrangements and even evolve into local currency systems, providing financial representation for a society’s stock in trade of mutual favors.

To succeed, these endeavors must build upon existing cultural patterns of gift-giving and mutual aid. Religiously sanctioned patterns of almsgiving and charity found

# DMITRY ORLOV

## employment



”There may not be jobs, but there is always work.”

in Christianity, Islam and other religions can be used to expand the scope of non-commercial activity. In turn, they reduce reliance on commercialized, market-based relationships, making it possible for more people to survive without a job.

Examples include: free clinics, tool libraries, skill and labor exchanges, bicycle transportation and barter arrangements.

# KEN MEINER

## food systems

The New Reality is being systematically created by the prevailing United States food system, which has created poverty for generations, especially in rural communities that, ironically, generate most primary food commodities and considerable new wealth.

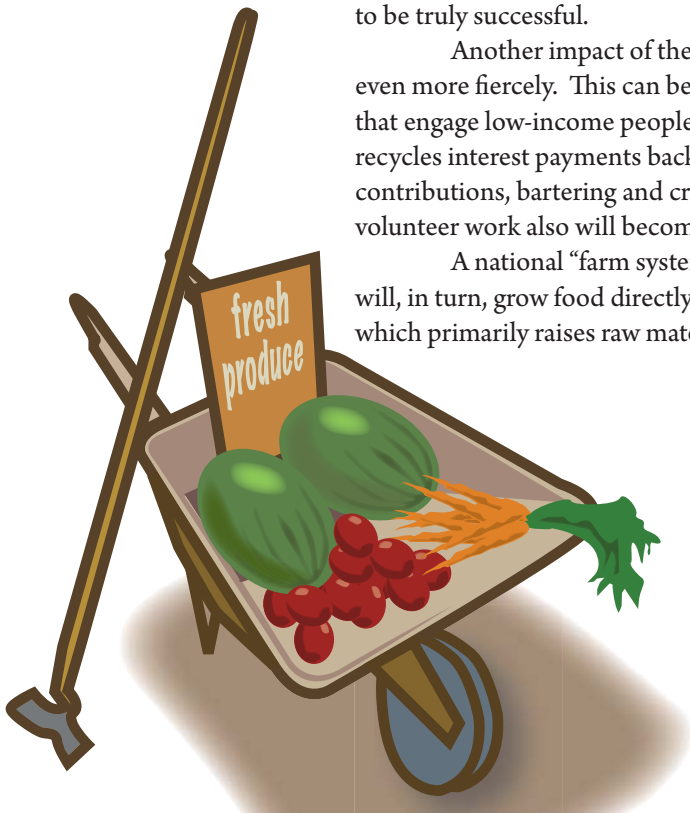
The food system is only the most visible channel through which resources are being drained from low-income communities, resources that include youth, raw materials, money, social capital and technical capacity. This extraction is endemic to the entire economy. Community Action Agencies could work to help reverse this.

Our food system is founded on the availability of cheap energy. As oil becomes both expensive and rare, low-income people will lose access to food, since they have little market power. One way to counteract this is to create community-based food systems that run on locally-produced green energy, which will give local food a competitive advantage over fossil fuel intensive conventional food systems in times of scarcity.

Ultimately, a complex local food infrastructure needs to be built that includes community kitchens (which have been forming for at least 15 years), root cellars, warehousing/freezer/cooler space, local food distribution channels and solid knowledge bases that make each local community the best data source for its own food supply and needs. Each of these efforts must engage low-income people productively to be truly successful.

Another impact of the New Reality will be that the wealthy will hoard capital even more fiercely. This can be counteracted by building regional investment funds that engage low-income people in creating and investing in a local vision, and that recycles interest payments back into further work that benefits the locale. Non-cash contributions, bartering and creating societal wealth based on food production and volunteer work also will become critical survival techniques.

A national "farm system" also needs to be created to grow new farmers who will, in turn, grow food directly as an alternative to the currently prevailing system which primarily raises raw materials for industrial processing.



## Community Action Possibilities:

CAPs could provide tangible supports for backyard and community gardens, like tillage and compost services, providing open-pollinated seed varieties, and gardening mentors. CAPs could also organize farmer's markets, cooking clubs, and arranging for use of commercial and communal cooking and dining facilities.



The good news (if one can call it that) about the health care crisis is that the strategies we can use to adapt to a lower energy, less resource-intensive society will serve a huge proportion of the United States population.

The fact that our health care system is in crisis may be a good thing because, unlike other systems that work well for most people most of the time, most of us recognize that the health care system has failed not just the poor but us all.

We can learn from those societies and cultures that maintain low-input, low-cost health care systems while also

achieving low infant mortality rates (Cuba's rate, for example, is lower than the U.S. urban rate), low maternal mortality rates, life spans equivalent to the United States and vastly lower health care costs. (The average Cuban spends under \$300 annually for care; residents of India's state of Kerala spend even less.)

By learning from these other societies and cultures, we might be able to create a shadow system in the United States that benefits people who have not fared well under our current system. Poor counties in parts of the United States are already seeing declines in life expectancy.

People living in Cuba, Kerala and American Amish communities – who, compared to most Americans, use vastly less health care but have comparable infant mortality rates and adult life expectancies – benefit from health care practices that the United States could draw upon. These include:

- Community-trained providers capable of evaluating whether there a health crisis and providing basic supports such as blood pressure checks.
- The use of herbal medicines, nutrition and changes in a person's environment as a first line of defense, rather than the immediate use of medicines.
- A strong culture of community support for the disabled and the aged.
- The de-medicalization of child birth. (Home birth has a higher safety rate than hospital birth.)
- Appropriate use of palliative care instead of expensive end-of-life interventions that can cause much suffering.

These practices could help produce a health care system that keeps people alive and well, at vastly lower cost. We should begin this work by replacing talk of “health insurance” – which has little or nothing to do with actual health and medical care – with the more correct term “health care,” which refers to the literal care resulting from human intervention, common sense and good community support.

## SHARON ASTYK health care



CAPs could organize, broker or coordinate basic health care and wellness programs and services in walkable urban neighborhoods and in small rural towns and villages.

# PETER KILDE

## housing

For Poor America, and indeed for all Americans, the New Reality will have a dramatic impact on housing. While much is unknown about how the New Reality will unfold in the months and years ahead, the transition from abundance to scarcity and the destruction of capital appear all but certain.

The scarcity of capital will severely curtail new construction of any kind. When combined with a federal government that is too bound by debt to fund anything beyond what it deems absolute necessity, the prospects for new affordable housing development, however “green” and intelligently designed, are very bleak. The future of housing is really about the future of existing housing and existing structures that could be re-purposed as housing.



With the vast majority of America’s housing stock constructed during the age of cheap fossil fuels and ample building materials, a fundamental question arises: Can housing built in a period of abundance be viable in a time of scarcity?

So a useful way to approach the issue of housing in the coming years is to evaluate existing housing structures using criteria that reflect the New Reality. This means examining, on a structure-by-structure basis, if an existing housing structure would still be viable:

- If there was no electricity for days, weeks or months at a time?
- If its current primary heating fuel was very expensive, available only intermittently or not available?
- If water and sanitation systems were unreliable or nonexistent?
- If fire protection was limited or unavailable?
- If the residents had little or no money to pay rent or a mortgage?
- If there was little or no motorized transportation to get to employment, food or other necessities not immediately accessible?

## Community Action Possibilities:

CAPs could create centers for information, training, and pooling resources in order to identify, assess and rehab neighborhood and community housing and potential housing structures to meet the requirements of the New Reality.

Most housing in America today would fail this test, especially urban, high-rise housing projects.

Another housing alternative, however, is the adaptive re-use of idled post-industrial commercial structures. Many factories and other commercial spaces will be empty and available as the economy contracts, and many of these structures are well-built and suitable for adaptation as housing.

So the next step in the evaluation process would be to determine if a specific structure could be made viable for housing using existing resources. (Many of these resources are currently available and affordable, but they will be much harder to acquire at the very time they will become increasingly necessary and in much greater demand. This is good example of the “Catch 22” that appears in many discussions about preparing for the New Reality.)

Other important questions to ask when evaluating potential housing structures include:

- Could the building be made habitable in northern winters or southern summers with passive or locally sourced energy and low-tech building modifications using re-cycled and locally sourced building materials?
- Could the required rehab be done with relatively simple tools and mostly semi-skilled or unskilled labor or trained volunteers?
- Could the structure accommodate home-scale production of goods or provision of services, or is the structure near facilities which could serve that purpose?
- Is the structure located where residents can access by foot, pedal power or very limited transit, productive land for growing food and fuel?
- Could this structure be made to withstand the increasingly violent tornados, hurricanes, hailstorms and blizzards already upon us as a result of global warming-induced climate change?

Clearly, the New Reality poses unprecedented challenges for housing increasing numbers of poor Americans. Nonetheless, Community Action’s extensive experience in weatherization and housing rehab could be an essential asset in evaluating and modifying homes so they work in the world of the New Reality.

Even larger and more challenging questions will arise as we are required to reconsider how many people can inhabit a city in this new world – surely a great deal fewer than the number who dwell in many cities today. What happens when we exceed that number? We may need to consider the housing needs of masses of former urban dwellers who migrate out of our cities to re-populate farms and small towns near productive farmland, as has happened many times in history.

”if you want to see the housing of tomorrow, all you have to do is look around.”



# DMITRY ORLOV

## security

As the global economic system continues to unravel in one place after another, affecting more people every day, it fails to provide basic necessities. One of these necessities is security. Unfortunately, what authorities tend to view as security, the population increasingly views as oppression. In country after country, from Russia to Egypt to Syria, the population begins to view the police as the enemy.

This may be an accurate characterization in some particularly distressed places, but it is not, so far, in the United States. But even in the United States, the police have a futile, thankless mission. They must protect property rights even when those rights conflict with the population's right to decent living conditions. As a result, people are forced to live on the streets while many residential properties stand vacant.

Police in the United States also must enforce laws against illegal drugs in the most drug-addicted country in the world outside of khat-chewing Somalia and Yemen. Absent an effective effort to make people's lives more fulfilling and meaningful, this crackdown on drugs is futile.

To top it off, given the state of municipal finances around the United States, police are in a job that can not only be very dangerous but a dead-end job. It may not even lead to a comfortable retirement, given the ongoing looting of city employees' retirement funds by desperate legislatures. In many communities around the United States, police are now an endangered species.

If the police become the enemy and then disappear, community-based security must fill the vacuum. For example, in East Boston, a predominantly Latino neighborhood, the neighborhood's mostly Irish and African-American police officers are treated with caution and avoided. When there is trouble, police are rarely called. Friendly and assertive Latino men unconnected to the police show up and quietly settle things. Having lived in East Boston, I can say that it is a safe, friendly, relaxed neighborhood. But the tension level does rise whenever the police are around.

At a time when there is little money for large-scale initiatives to improve security – with the exception of high-profile anti-terrorism boondoggles – community security will improve only when people in neighborhoods look out for each other. Voicing vague grand notions of public safety will not make it happen, nor will a renewed emphasis on law enforcement or crime prevention.

Instead, an effort should be made to establish and defend community standards that mitigate against homelessness, hunger, exploitation and abuse while supporting every person's right to a safe, dignified, fulfilling existence regardless of economic circumstances.

Both communities that have long been poor and communities that were once prosperous are now awash with unemployed or underemployed men and women, including discharged veterans. These residents are one resource that communities have to improve security. They can be excluded, for alleged economic reasons, or institutionalized, either as prison wardens or as prisoners. This will lead to disaster.

Or they can be given a meaningful role to play, looking out for and protecting those around them. Doing this, one neighborhood, one community at a time, can lead to improved security even as the larger economic and political environment continues to deteriorate.

## Community Action Possibilities:

CAPs could organize, broker, coordinate, or facilitate the training of neighborhood and community-based security services.

# KELLY CAIN education

In practical terms, education is a catchall term that a culture uses to describe the breadth and depth of its formal and informal conveyance of information, knowledge and skills from one generation to the next, regardless of whether this conveyance is viewed in a scientific, technological, economic and/or socio-political context.

While family, religious, political, and other institutionalized systems are also critical educational sources, formal education (both public and private) is the system by which one generation also passes to its offspring the values, principles, and practices for ethics and morality, civility, competitiveness, and cooperation, if not patriotism.

In the face of the New Reality, education, like all other cultural institutions will change in very dramatic ways. Finding themselves to be increasingly irrelevant to the subsistence issues of the day and part of the problem rather than part of the solution, formal education systems will most likely move from a centralized to a decentralized and fragmented existence at best, no longer capable of being supported by a collapsed monetary system. If it survives in any form, it will also move from a global to localized, place-based sense of context and relevance.

Consistent with traditional American values of self-sufficiency, self-determination, self-reliance, innovation, entrepreneurship and responsibility for self and community, the education system, like all other community-based systems such as agriculture, will become highly innovative, organic and dynamic.

The first educational priority will be to convey sustainability-based skills for subsistence in energy, food, water, shelter, clothing, transportation, health care, safety and security, and communication. In the struggle for survival with an ever-hopeful eye toward improving the quality of life, secondary attention likely will be paid to the arts and humanities, especially in the realm of adult education.

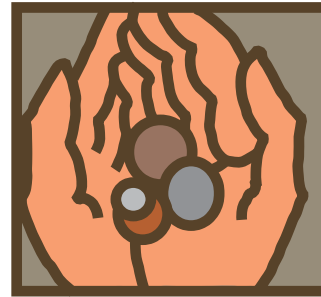
Rural versus urban educational systems will be as unique to the geo-political context of place and circumstance as all other essential frameworks. The education of children and young adults will most likely be home-based and/or provided in small multi-family, neighborhood or village locations. Larger K-12 settings, combined with adult education settings might be possible in more secure and vibrant communities, (especially those in warmer climates). Whether they will be religiously or spiritually based is yet to be seen.

Higher education as we currently know it might survive in some pockets of urbanized existence where climate, “wealth”, and human capacity allow such an institution to return to its roots of purpose (that of the uncensored pursuit of truth), but it would likely cease to exist in any form and scale currently familiar, especially in terms of large, fossil fuel dependent research universities. Small private schools with a strong history of subsistence-based programming, operation, and student work-study systems similar to the likes of Berea College might have a chance.

In the best of educational outcomes, a Community Economic Laboratory (CEL) –described by Richard Heinberg (see p. 19) as a local multi-function center

that helps people impacted by hard times – provides the germ to create centralized sites that combine localized economic enterprise centers with the multi-age education system, libraries and New Reality archives, especially for vocational craft and trades.

One would hope and expect that a CEL also would foster an appreciation for the educational and economic value of art, music, literature, and theater, not to mention classical philosophy and interpretation. This, in turn, could generate a renewed sense of personal and community purpose, solidarity, and the discovery of a cultural path that leads to a renewal of the human experiment.



CAPs could assist local populations with developing highly localized multi-purpose Community Economic Laboratories (CELs) that could also integrate kindergarten through adult educational programming with all other community subsistence functions.

DAVID  
REID  
PETER  
KILDE  
transportation

The greatly reduced availability of cheap liquid fuels for transportation will have profound effects not likely to be offset by alternative energy sources in the coming decades. (The global energy production from fossil fuel sources yields multiple times more useable energy than any known theoretical substitutes. The world in 2008 used multiples of between 20 and 100 times more energy from fossil fuels than from all current known renewable energy sources combined. About half of this fossil energy is used as liquid transportation fuels).

So we can expect that this will result in a lot less moving about of people and materials. As James Howard Kunstler put it succinctly in his 2005 book “The Long Emergency”, “Our lives will become profoundly and intensely local.” The transportation available will be very energy efficient, relatively low-tech, reliable, easy to repair and will favor renewable energy sources.

For personal and family transportation by land, likely options will include bicycles, bicycle-derived “taxis” and cargo haulers, and, with some luck, electric bicycles, which could use solar battery charging on a scale that avoids the expense and resource requirements of huge solar photovoltaic (PV) arrays.

A very unlikely candidate for future land transportation will be the personal automobile, at least as we know it in America today. Again, with some luck, very simple and efficient vehicles may continue to have some use, but mostly for transporting essential services and perhaps a few relatively affluent members of post-industrial society.

The democratization of transport produced by the personal automobile will recede, necessitating management of transportation inequality. Although effective in managing supply and demand, market-based solutions may further widen the wealth gap and bring about the return of the transportation underclass (for example via a resumption of third class travel).

Other likely solutions such as fuel rationing may avoid contributing to transportation inequality but will create other problems such as supply shortages that lead to government resentment and the creation of fuel black markets.

Urban areas may also see mass transit powered by wind, diesel or hydro-generated electricity, such as buses and even light rail or streetcars. This will largely depend upon the level of complexity and technology that the diminished resource base can support, which is difficult to confidently calculate. Furthermore, economic feedback loops from negative global energy growth will make new transportation infrastructure development disappointingly inadequate and underfunded. (History and modern industrial business show that experimentation and development funding is always the first cut in a resource or economic crisis. As our modern cheap fuel dependent just-in-time (JIT) supply chains become less reliable industrial supply lines will become harder to maintain, this puts even more pressure on anything not tried and tested. The ramifications of the Japan natural disaster give a model for how our interconnected system functions very poorly in anything other than ideal conditions).

Community  
Action  
Possibilities:

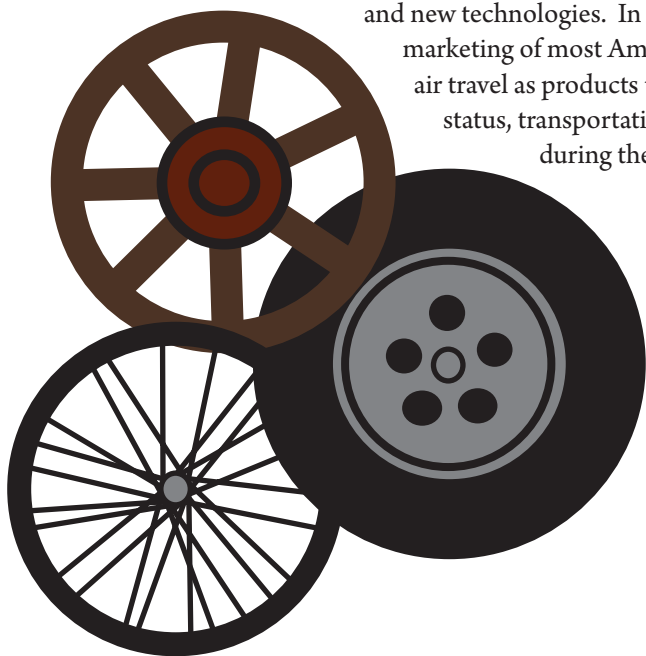
At least in the early stages of the New Reality, CAPs could organize shared vehicle or jitney (informal taxi) services, or pool resources for bussing folks to nearby productive agricultural areas or farmers markets.

A more orderly and rational transition to the New Reality may include the re-building of America's once-great and extensive railroads, though not as the high-speed rail we fanaticize about today. Peak oil is not End oil, so some diesel and other fuels will likely be available for high priority uses. Already efficient and abundant diesel-electric locomotives may well be deemed such a priority. Limited electricity may also be reserved for moving heavy freight rather than people. Our JIT shopping and manufacturing infrastructure that relies on full auto power on land will need more local distribution and warehousing.

Rural and some urban areas also could use draft and riding animals for transportation purposes. This has the added advantage of providing fertilizer for local garden and greenhouse production, although animals also consume a fair amount of local food-growing capacity.

Meanwhile, the rivers, canals, Great Lakes and seaboard harbors that played a vital role in the United States' largely pre-petroleum economies of the 18th and early 19th centuries can be expected to become vital once again. Much of this water transportation will use advanced sailing technology, which has progressed over thousands of years. As for air transportation, it will be used exclusively by the military and the very wealthy. It may cease entirely in the years ahead.

So, transportation in the New Reality will not be a throwback to some historical precedent. It will feature very practical and pragmatic applications of old and new technologies. In great contrast to today's marketing of most American cars, trucks, boats and air travel as products to be purchased for fun and status, transportation will be serious business during the coming time of scarcity.



“Our lives will become profoundly and intensely local”

-James Howard Kunstler

CAPs could also help to bring services and microenterprises to within walkable distances of residential neighborhoods.

# MEGAN BACHMAN

## community culture, communication & cohesion

Community will be vital in the New Reality. As food and energy prices rise, traditional jobs become scarce, and money dries up, people will rely more on each other, in their communities, to provide their essential needs. Cooperative arrangements for growing food, producing energy and sharing shelter as well as transportation will develop by necessity in urban neighborhoods and small towns across the country.

Cheap energy, overly plentiful credit, high mobility and the commercialization of human relationships have dismantled many informal social structures in communities and economic relationships among local people. Cobblers, farmers, butchers and a host of other jobs once proliferated in strong local economies. Today instead, cheap goods flood into our towns and people work for distant corporations.

Social relationships also have suffered. Neighbors often don't know one another and isolation, alienation and selfishness is common. Many people value wealth accumulation over strong relationships. But the values of community that are transmitted through interdependent living – values including cooperation, moderation, frugality, charity, mutual aid, confidence, trust, courtesy, integrity and loyalty – will prove essential in helping us respond to the coming challenges.

Community Action Agencies could help people meet their neighbors and establish meaningful relationships by sponsoring celebrations and social activities, facilitating local work exchanges, and promoting economic localization. Ventures such as community-supported agriculture, community-owned renewable energy systems and small business incubators should be supported. CAP agencies could also work to decrease racial and cultural tensions while increasing tolerance among community members by offering education programs on discrimination.

By strengthening relationships within their community now, before the worst of the crisis occurs, neighbors will be better prepared for the greater interdependence required in the future. As a result, when times get tough, people will be less likely to compete for resources but instead will share and conserve their local resources and take care of one another's basic needs. Building this social capital, especially in Poor America, is critical so that, in the words of Joanna Macy, a proponent of "deep ecology" environmentalism, "when things get hard, we won't, in fear, turn on each other."

## Community Action Possibilities:

CAPs could also help facilitate communication within and between communities by producing neighborhood newspapers or setting up shortwave radio networks if the Internet proves unsustainable.

# RICHARD HEINBERG

In especially hard times – such as the nation has begun experiencing – large numbers of individuals and families lose their jobs and incomes and, in turn, access to goods and services that the market economy formerly provided. Meanwhile, tax-starved governments are hard pressed to step in and make services available to rapidly expanding rolls of unemployed.

At such a time, it could be helpful to explore new and innovative ways of fostering self-sufficiency through the coordination of a variety of cooperative, non-profit, market-based and government-led ventures that spring from, and are adapted to, unique local conditions.

The Community Economic Laboratory (CEL), a local multi-function center that helps people impacted by hard times, would do this by offering a variety of services, as well as opportunities for self-improvement, learning, enterprise incubation and community involvement including:

- A food co-op.
- A soup kitchen.
- A commercial food-processing, food-preserving and food-storage center available at low-cost (or on a labor-barter basis) to small-scale local growers.
- A community garden with individual beds available for seasonal rental, as well as communal beds to grow produce for the soup kitchen.
- A health center offering free or inexpensive wellness classes in nutrition, cooking and yoga.
- A free (and/or barter) health clinic.
- Counseling and mental health services.
- A tool library.
- A work center that connects people with unused skills to people with needs in the community. Work can be compensated monetarily or through barter.
- A legal clinic.
- A recycling/re-use center that turns waste into resources of various kinds –including compost and scrap – as well as re-manufactured or re-usable products.
- A credit union offering low-interest or even no-interest loans (based on the model of the JAK bank in Sweden, a cooperative, member-owned financial institution).
- A co-op incubator.
- A local-currency headquarters and clearinghouse.
- A local-transport enterprise incubator, possibly including car-share, ride-share, and bicycle co-ops as well as a public transit hub.
- A shelter clearinghouse connecting available housing with people who need a roof over their head, including rentals and opportunities for legal organized squatting in foreclosed properties, as well as various forms of space-sharing.
- A community education center offering free or low-cost classes in skills useful for getting by in the new economy, including gardening, health maintenance, making do with less, energy conservation and weather-stripping.



one vision for  
community  
action in the  
new reality

# ASPEN WYE RIVER MEETING PARTICIPANTS

The 2010 meeting on New Reality topics at the Wye River Conference Center was facilitated by **John R. Ehrmann, Ph.D.** a founder and senior partner of the Meridian Institute in Washington D.C. Ehrmann has pioneered the use of collaborative decision-making processes for over 25 years at the local, national and international level.

- **Megan Bachman** has organized six national conferences on peak oil and climate change, spoken before nearly 100 groups, and appeared in Harper's Magazine and on MSNBC. Bachman co-wrote and co-produced the award-winning documentary, "*The Power of Community: How Cuba Survived Peak Oil*" (2006). She is a reporter for the Yellow Springs News in Ohio and a columnist for the Ohio environmental newspaper EcoWatch Journal.
- **Kelly D. Cain, PhD**, Kelly Cain is the Director of the St. Croix Institute for Sustainable Community Development (SCISCD) at the University of Wisconsin-River Falls, where he has also been a Professor in Environmental Science & Management for 25 years. SCISCD is one of the leading university "think & do tanks" in the country for entrepreneurial planning, design, development, and fine-tuning of integrated sustainable business and community models through a quadruple bottom line approach.
- **John W. Edwards, Jr.**, has been executive director of Northeast Florida Community Action Agency, Inc. (NFCAA) since October 1993. Edwards is chairman of the board of directors of Community Action Partnership in Washington, D.C., past president of the Florida Association for Community Action (FACA), past co-chairman of the Jacksonville (Fla.) Living Wage Coalition; and immediate past chairman of the Emergency Services and Homeless Coalition of Jacksonville, Inc.
- **John Michael Greer** is the author of three books on peak oil and the future of industrial society: "*The Long Descent: A User's Guide to the End of the Industrial Age*," "*The Ecotechnic Future: Envisioning a Post-Peak World*," and "*The Wealth of Nature: Economics as Though Survival Mattered*." His widely read blog, "The Archdruid Report," focuses on the ecological dimensions of the future and is translated into eight languages.
- **Nate Hagens, PhD**, is a well-known authority on resource depletion. He was, until recently, the editor of The Oil Drum, an on-line periodical. Previously, Hagens was a vice president at the investment firms Salomon Brothers and Lehman Brothers. A member of the Post Carbon Institute in Santa Rosa, Calif., Hagens lectures on ecological, economic and social systems. He has appeared on media outlets including PBS, BBC, NPR and the History Channel and lectured around the world on resource depletion issues.
- **Richard Heinberg** is the author of ten books including "*Blackout: Coal, Climate, and the Last Energy Crisis*" (2009), "*Peak Everything: Waking Up to the Century of Declines*" (2007), and "*The Party's Over: Oil, War & the Fate of Industrial Societies*" (2003) and most recently, "*The End of Growth*." He is a senior fellow of the Post Carbon Institute in Santa Rosa, Calif., and has authored essays and articles that have appeared in such journals as The Ecologist, The American Prospect, Public Policy Research, Quarterly Review, Z Magazine, Resurgence, The Futurist, European Business Review, Earth Island Journal, Yes!, Pacific Ecologist and The Sun.
- **Peter Kilde** is the executive director of West CAP, a seven-county community action agency in rural west central Wisconsin that shares a poverty reduction mission with 1100 other Community Action Organizations across the United States. He also serves on the national board of the Community Action Partnership, chairing its Strategic Initiatives Task Force and directing the Peak Oil in Poor America project.
- **Donald W. Mathis** is president and chief executive officer of the Community Action Partnership. He provides leadership and guidance to Community Action Agencies and oversees the development and implementation of several anti-poverty initiatives, including "Rooting Out Poverty: A Campaign by America's Community Action Network." Mathis came to the Partnership following ten years as executive director of the Boys & Girls Clubs of Harford County, Md.

- **Ken Meter** is one of the United States' most experienced food system analysts, with expertise in integrating market analysis, business development, systems thinking and social concerns. President of Crossroads Resource Center in Minneapolis, Meter has 39 years of experience with inner city and rural community capacity building. His "Finding Food in Farm Country" studies have promoted local food networks in 50 regions in 22 states and a Canadian province. He leads the proposal review process for the U.S. Department of Agriculture's Community Food Projects Competitive Grant Program and serves on the Journal of Agriculture, Food Systems, and Community Development's editorial advisory committee

- **Dmitry Orlov** was born in Leningrad and immigrated to the United States at age 12. He witnessed the collapse of the Soviet Union during several extended visits to his homeland between the late 1980s and mid-1990s. He is the author of "*Reinventing Collapse: The Soviet Example and American Prospects*" (2008, revised 2011) and blogs at "ClubOrlav". He is an engineer with a Bachelor of Science in computer engineering and a Master of Arts in applied linguistics.

- **David Reid**, who grew up on farms on Scotland's northeast coast, earned a Bachelor of Science in electronics engineering at Robert Gordon University in Aberdeen, Scotland, and worked as an engineer. He became a co-organizer of Seattle Peak Oil Awareness (SPOA) in 2005 and in 2008 started Sail Transport Company, an experimental petroleum fuel-free produce delivery service in Seattle.

- **Dave Room**, director of story-centered advocacy at Bay Localize, in Oakland, Calif., uses storytelling to build movements, engage communities and influence decision makers. His most important identifier is Melia's Papa. On stage, Melia's Papa uses storytelling and solo performance theater to awaken and activate mainstream audiences, people of color and youth. Room recently co-founded BALANCE Edutainment, which has three story-based edutainment platforms.

- **Delphia Shanks** was director of Community Development for the Community Action Partnership of Greater St. Joseph (CAPSTJOE) in Missouri from 2005 to 2010. At CAPSTJOE, she developed, implemented and evaluated the anti-poverty strategies supported by Community Services Block Grant (CSBG) funding in CAPSTJOE's four-county area. Prior to this, Shanks worked in the private sector and taught elementary school in Baton Rouge, La., through Teach For America. She is pursuing a doctorate degree in policy analysis at Cornell University.

- **Janet Topolsky** co-directs the Aspen Institute Community Strategies Group (CSG), which uses peer-learning and strategy-setting activities to energize and prepare people, organizations and collaboratives to do the best for their communities. CSG seeks to equip community leaders with the best ideas, tools and strategies available to improve community and economic development, strengthen families, sustain natural resources, create locally controlled philanthropic assets, and build vital and just civic cultures. Prior to joining Aspen in 1993, Topolsky worked independently as a development policy analyst and writer; as director of communication for the Corporation for Enterprise Development (CFED), the national asset-building nonprofit; as special assistant to the director of the Michigan Department of Commerce; and as an issue advocate and organizer.



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