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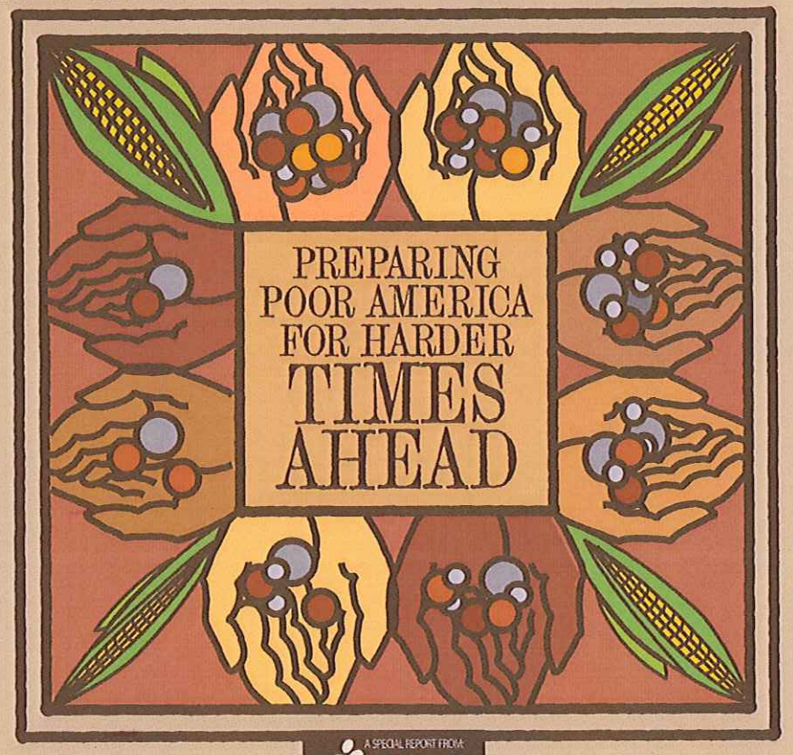
A SPECIAL REPORT FROM: community Action PARTNERSHIP

FACING THE NEW REALITY



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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.

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Dear Friends and Colleagues in Community Action;

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 what I call "the popular narrative", is not based in reality at all, but in a collective denial of a factual reality that is too difficult for most Americans to fully comprehend or accept. Elements of the popular narrative vary in its many versions, but tend to include the following beliefs; that we are recovering from a strong but temporary recession, that America has access to enough energy from coal, natural gas, and nuclear to meet our needs for many decades, that our economy will return to growth and continue to grow for the foreseeable future, that technology will solve our energy and climate problems, that conventional agriculture will continue to feed our nation and much of the rest of the world, and that American prosperity will solve our collective debt crisis and bring a higher standard of living to all in a promising future, etc. This report suggests that these beliefs are all dangerous delusions that deter us from our real and pressing need to prepare our society 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 encountered and studied the compelling case for Peak Oil and catastrophic climate change and concluded that these phenomena and their economic effects would have massive impacts on Community Action and our mission. I presented this information to the Partnership Board in 2006 and have provided ongoing updates since then. In 2008, Board Chair John Edwards asked me to serve as chair of the Strategic Initiatives Task Force, and the Board subsequently approved and funded a project to bring together leading experts and writers on New Reality topics along with John Edwards, Don Mathis, me and a few others, in order to focus on how these issues would impact low-income Americans. This group was convened at the Wye River Confrence Center in Maryland in August of 2010, and this report is an outgrowth of that meeting.

The report follows the structure of the Wye retreat, where various participants framed these topics in turn for discussion; the economy, employment, food and food systems, housing, health care, security, education, transportation, and community cohesion, communication and culture. The authors of this report were not asked not just to recount the retreat discussion, but also to update their topics with new information as these issues continue to unfold, and to unfold over time 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 depicted in this report is in marked contrast to the future you expect. All of the authors of this report know this and expect that many of you, like most Americans, will consider this to be "doomer" nonsense. But it isn't. And as the New Reality continues to unfold around us all, it is the preparation we make now for the real future that may be the most important work we ever do.

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

FACING THE NEW REALITY

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JOHN MICHAEL GREER

overview

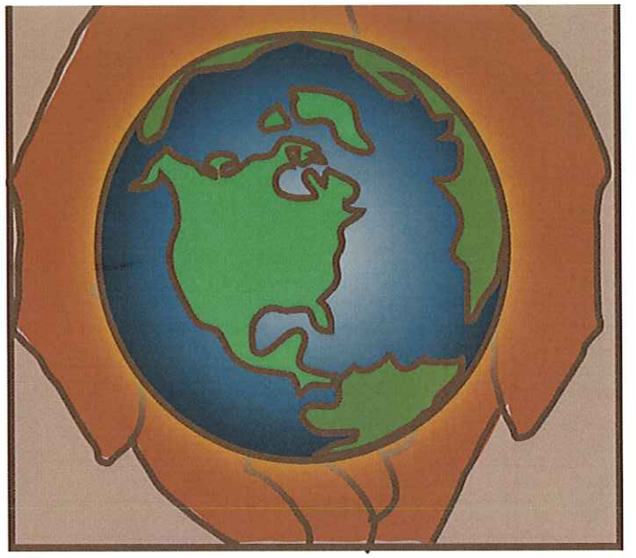
It can sometimes be hard, at least for those who were there, to remember that the energy crises of the 1970s are outside the experience of most of today's Americans. That era of gas lines, stagflation, soaring energy costs and conservation baffled many people at the time, and since its passing, little 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.

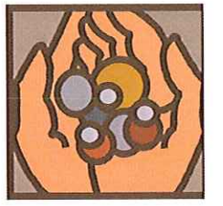
Though many factors helped shaped that time, the most important was that US petroleum production reached its all time peak in 1970 and declined thereafter. The United States, the first nation in the world to establish a petroleum industry, was also the first to reach the geological limits to petroleum 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 US 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—"peak oil" for short — and production of all liquid fuels, including unconventional oil and petroleum substitutes, has been stuck in a bumpy plateau since then as frantic production of alternative fuels struggles 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 as petroleum. This is a controversial issue, and proponents have made sweeping claims for many resources, but the consensus of most peak oil researchers—backed by a growing body of evidence— is that no resource or combination 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 US— are also being depleted at a breakneck pace and face geological limits of their own in the decades ahead. Whatever else the future holds, in other words, a new age of energy shortages is already on its 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 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 follow from that fact.

A disproportionate share of the resulting burden will inevitably fall on America's poor, and 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 always 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 will thus 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 that difficult but unavoidable shift.

NATE HAGENS
the economy

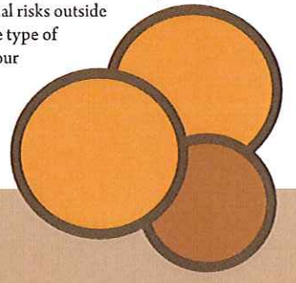
Our economy is in trouble, and the elements that were its formula for success to date, are no longer present.

The official US unemployment rate has oscillated between 9 and 10% for the past 2 years. This statistic conservatively excludes those who have given up looking for work, those forced to work part time because they can't find full employment, etc. Broader measures that incorporate these factors show US unemployment north of 20%. (http://www.shadowstats.com/alternate_data/unemployment-charts). Further, a recent Harris poll estimates that 34% of Americans have no retirement savings and 27% have zero personal savings. Any further deterioration in the job market will obviously make these numbers worse.

For the past 50 years, we in the United States have grown our local, corporate, individual and government debt levels more than we grew GDP in each and every year. Since 2008, in order to prevent a repeat of the 1929-33 deflationary collapse, the US government has borrowed and spent an equivalent of 30% of private GDP. The so-called "recovery" to date is attributable to unprecedented government borrowing and spending and central bank printing to guarantee virtually all bank loans, and provide liquidity for banks to shore up their balance sheets while accumulating a growing share of gov't deficit spending. This 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.

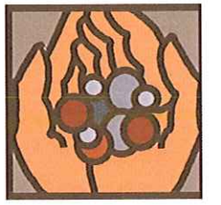
Even with this new debt bringing consumption forward, there has been no growth for real private GDP since '03-'04, and only about 0.7% average growth since '00. Presumably, further deterioration in the economy, brought on by either high energy prices or the inability of the government to paper over private credit generation, will swell the ranks of both the unemployed and impoverished. Though credit creation can bring consumption forward from the future and the periphery to the center, central banks and governments can neither print nor borrow inexpensive liquid fuels.

As such, the drivers of growth that have existed for the past 2-3 generations of Americans –cheap energy and cheap credit– are likely to be unavailable going forward. In a world that will have 'less each year' instead of the 'more each year' we have grown accustomed to, prior debts cannot be paid back, more jobs will be lost, and standards of living drop. This new reality will not only have severe implications for the low income demographic, but causes its share as a % of our population to increase, possibly significantly. Finally, it goes without saying that additional risks outside of unemployment and recession exist. If and when some type of currency reform occurs, international trade, and with it our complex just in time supply chains may be disrupted.



(Harris poll source) http://www.allheadlinenews.com/briefs/articles/90033063?Poll%20finds%20growing%20number%20of%20Americans%20have%20no%20savings%20or%20retirement%20funds#ixzz1DHwj62hi

DMITRY ORLOV
employment



Put a politician before a microphone, and before long you will hear the word "jobs"—not once but many times: job creation, support for small businesses that create jobs, job training, jobs-jobs-jobs. Meanwhile, careful analysis shows that since the financial crisis of 2008 government investment in job creation has added more to the national debt than it has to added to the GDP: it is an economic net negative. Job creation has been and continues to be too anemic for it to keep up with population growth, making it an unlikely source of improvement in societal well-being. To the contrary, even this moderate increase in economic activity has put enough additional strain on a depleting resource base, driving up energy, commodity and food prices to all-time record levels, and putting further stress a population whose wages have remained stagnant for several generations. Add to this the fact that the few jobs that are being created are service jobs, while manufacturing jobs are continuing to be exported.

While economic theory would have it that service jobs create value just as manufacturing jobs do, it can be readily observed that what service jobs create is 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 means of getting that money are through a job or through public assistance. And so, if we dispense with the tired old "jobs-jobs-jobs" song-and-dance routine as ineffectual at best harmful at worst, what is left? The simple and direct answer is: There may not be jobs, but there is always work. The challenge is to make it possible for unemployed people to do good work to help their community.

A solution to this problem is unlikely to occur to someone who is unable to see beyond free market ideology. However, it is well-known that markets fail in times when key resources become scarce, such as the time we are living in now. In such times, markets develop pernicious characteristics, such as hoarding and profiteering through speculation, which have often caused governments to step in and institute rationing programs. But there was life before markets, and there will be life after markets, based on social institutions which pre-date market systems by tens of thousands of years and which have demonstrated far greater resilience in times of scarcity. The most important of these is the gift economy, centered around the institution of the potlatch, in which the value of an individual is not measured by what she has but by how much she gives away in presents. This form of mutual support through reciprocal gift-giving has existed, and continues to exist, in numerous communities throughout the planet.

Such systems of gift-giving can partially overlap with barter arrangements and even evolve into local currency systems, which provide some financial representation for the society's stock in trade of mutual favors. To be successful, all such endeavors must start with and build upon existing cultural patterns of gift-giving and mutual aid. Religiously sanctioned patterns of almsgiving and charity, such as exist in Christianity, Islam and other religions, can be used to expand the scope of non-commercial activity and, in turn, reduce reliance on commercialized, market-based relationships, making it possible for more people to survive without a job.

KEN METER
food systems

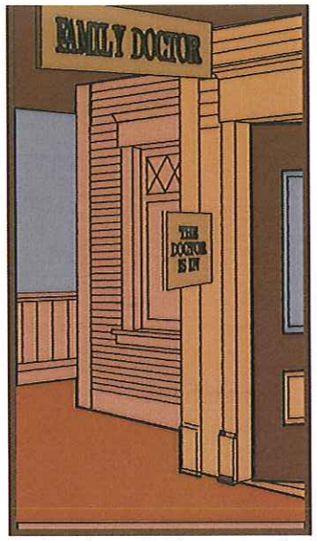
The New Reality is being systematically created by the prevailing U.S. food system, which has created poverty for generations, especially in rural communities where, ironically, most of the primary food commodities, and considerable new wealth, is generated. The food system is only the most visible channel through which resources, including youth, raw materials, money, social capital, and technical capacity are drained from low-income communities. This extraction is endemic to the entire economy. CAA must work to reverse this.

In turn, the New Reality will have dramatic impacts on low-income people. Most optimistically, the banking crisis makes the extractive nature of the economy more visible and as such, an easier issue to address than at any other point in my lifetime. While this may open up tremendous new opportunities, the New Reality may also make people more prone to rushing into a shallow "feel good" projects that fail to address the underlying issues, in the guise of treating people's "immediate challenges during a crisis."

Most dramatically, the food system we have is founded on the availability of cheap energy. As oil becomes both expensive and rare, low-income people will lose access, since they have no market power, unless mediating solutions are found. 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 in times of scarcity. Ultimately, a complex array of local food infrastructure needs to be built, including community kitchens (which have been forming for at least 15 years), root cellars, warehousing/freezer/cooler space, local food distribution channels, and knowledge bases that are so solid that the local community is the best source of data regarding its own food supply and needs. Each of these projects must engage low-income people productively, or poverty will deepen.

Another impact of the New Reality will be that capital is being even more fiercely hoarded by the wealthy. An antidote for this is to build regional investment funds that engage low-income people in setting and investing in a local vision, and that recycle interest payments back into further work that benefits the locale. Non-cash contributions, barter, and creating societal wealth based on food production and volunteer work will also be come critical survival techniques.

A national "farm system" needs to be created to grow new farmers. This work will scarcely compete with the prevailing food system, since it will not require a great deal of land, and since farmers do not primarily feed people, they raise raw materials for industrial processing.



SHARON ASTYK
health care

The good news (if one can call it that) about health care is, that whatever strategies we apply to the health care crisis to adapt to a lower energy, less resource-intensive society, will only help serve the huge proportion of the U.S. already affected by these issues. In many ways, the fact that our healthcare system is in crisis may be a good thing – because unlike other systems that work well for most of the people most of the the time, as long as the oil flows, most of us recognize that health care provision has failed not just the poor, but all of us.

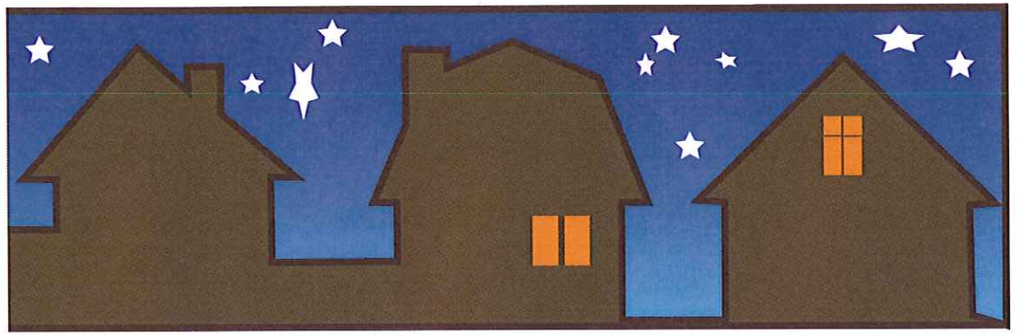
We must take our lessons from societies and cultures that maintain low-input, low cost health care systems that also have low infant mortality rates (in some cases, as in Cuba, lower than U.S. urban rates), low maternal mortality rates, lifespans equivalent to our own and health care costs vastly lower (the average Cuban spends under $300 annually for its care, the Keralan much less). In doing so, we might be able to create a shadow system that would have immediate value again to those already experiencing the consequence of our health system (poor counties in part so the U.S. are already seeing declines in life expectancy).

Societies like Cuba, the Indian state of Kerala and the American Amish – all of whom use vastly less health care than we do but have comparable infant mortality rates and adult life expectancies – offer models that we might draw upon. They include: in community trained providers who can evaluate what is a crisis and what isn't and provide basic supports like blood pressure checks, etc…; the use of herbal medicines, nutrition and environmental changes as a first line of defense, rather than an immediate move to medicines; a strong culture of community support for the disabled and the aged; the de-medicalization of childbearth and childbearing (homebirth has a higher safety rate than hospital birth) and appropriate use of palliative care rather than high cost, high suffering interventions at the end of life.

We know that these interventions can enable a system that keeps people alive and well, at vastly lower costs per person. We can begin to separate out "health insurance" which has little or nothing to do with actual health and medical care – and speak more correctly of "health care" – the literal caring that human interventions, common sense and good community support can provide.

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 too debt-bound 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 of existing structures that could re-purposed to become housing.



With the vast majority of America's housing stock constructed in 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. On a structure by structure basis, would this housing still be viable:

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

Most housing in America today will fail this test, especially urban, high-rise housing projects. Another housing alternative, however, is the adaptive re-use of idled structures of the post-industrial age. Many factories and commercial spaces will be empty and available as the economy contracts, and many of these structures are well-built and suitable for such adaptation.

So the next step in the evaluation process would be to determine if a specific structure could be made viable 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 be much more necessary and in much greater demand. This is good example of the sort of "Catch 22" that appears in most discussions about New Reality preparation.)

Other important questions to ask of potential housing structures include:

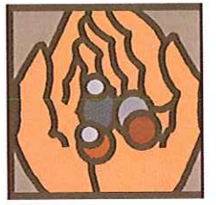
- Could the building be made habitable in northern winters or southern summers with passive or locally sourced energy and low-tech building modifications using re-cycled and locally sourced building materials?
- Could the re-hab required be done with relatively simple tools and mostly semi-skilled or unskilled labor or trained volunteers?
- Could the structure accommodate home-scale production of goods or provision of services, or is it near facilities which could serve that purpose?

Is the structure located where the residents can access, by foot, pedal power or very limited transit, productive land on which to grow food and fuel?

- Can this structure be made safe from the increasingly violent tornados, hurricanes, hailstorms and blizzards that are already upon us as a consequence of global warming induced climate change?

Clearly, the New Reality poses unprecedented challenges for housing the 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 that could be made to work in the world of the New Reality. Even larger and more challenging questions will arise as necessity will instruct us on how many people can inhabit a city in the new world. Surely a great deal fewer than dwell in many cities today. What happens to those in excess of that number? As has happened many times in history, we may need to consider the housing needs of masses of former urban dwellers migrating out to re-populate farms and small towns near productive farmland.

"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 unwind, in one place after another, affecting more people every day, it fails to provide the basic necessities. One of these necessities is security. Unfortunately, what the authorities tend see as security, the population, more and more often, experiences as oppression. In country after country, from Russia to Egypt, to Camden, New Jersey; the population begins to see the police as the enemy.

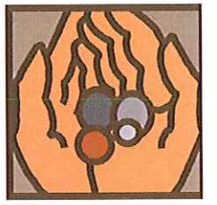
This characterization may be accurate in some particularly distressed places in the world, but in the U.S. so far, there is no need to go quite that far. Still, we must recognize that even here the police are pursuing a futile, thankless mission. The police must protect property rights even when they conflict with the population's right to decent living conditions, forcing people to live in the streets even as many residential properties stand vacant. They 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 life more fulfilling and meaningful, this is all much worse than futile. To top it off, given the state of municipal finances around the U.S., they are in what amounts to a very dangerous dead-end job, one that, what with the ongoing looting of retirement funds by desperate legislatures, may not even lead to a comfortable retirement. In many communities around the U.S., police are now an endangered species.

What must fill the vacuum if the police become the enemy and then disappear is community-based security? For example, in East Boston, a predominantly Latino neighborhood where English doesn't get you very far at all, the mostly Irish and African-American police precinct is treated with caution and avoided as much as possible. Instead, the locals stand up for each other. When there is trouble, police are rarely called. Instead, friendly and assertive Latino men entirely unassociated with the police show up and quietly settle things. Having lived there, I can say that it is a safe, friendly, relaxed neighborhood, but the level of tension does rise whenever the police are around.

In an environment where there is little money for large-scale initiatives to improve security, with the exception of high-profile anti-terrorism boondoggles, if community security is to improve, it must start with people in each neighborhood looking out for each other. It must start not with vague, grand notions of public safety, nor with a renewed emphasis on law enforcement or crime prevention. Instead, an effort should be made to establish and defend community standards: against homelessness, hunger and every form of exploitation and abuse; for everyone's right to a safe, dignified, fulfilling existence regardless of economic circumstances.

Both poor and formerly prosperous communities are now awash with unemployed or underemployed men, discharged veterans not least among them. They are the one resource that communities have for improving security. They can be excluded, claiming economic reasons, or they can be institutionalized, either as prison wardens or as prisoners; this way leads to disaster. Or they can be given meaningful roles to play, looking out for and protecting those around them. One neighborhood, one community at a time, this can improve security even as the larger economic and political environment continues to deteriorate.

KELLY CAIN
education



In practical terms, education is a catchall term by which a culture refers to the breadth and depth of its formal and informal conveyance of information, knowledge, and skills from one generation to the next (whether that is seen in scientific, technological, economic, and/or socio-political contexts).

More subjectively, besides through family, religious, and political practice, education is the system by which one generation passes the values, principles, and practices for ethics and morality, civility, competitiveness, and cooperation, if not patriotism, to its surviving off-spring.

In the face of hard versus soft-path collapse of life as we know it and the "Un-Sustainability of the Status Quo", education, like all other cultural institutions (that find themselves as part of the problem rather than part of the solution), will move from a centralized to a decentralized existence; from a global sense of context and relevance to a re-localized, place-based sense of context and relevance.

Consistent with traditional American values of self-sufficiency, self-determination, and self-reliance, innovation, entrepreneurship, and responsibility for self and community, education (like all other community-based institutions such as agriculture), will become highly innovative, organic ,and dynamic. Priorities will first and foremost fall to conveyance of sustainability-based skills for subsistence in energy, food, water, shelter, clothing, transportation, health care, and communication. In the struggle for survival with an ever-hopeful eye for rising quality of life, secondary attention will likely be paid to the arts, and humanities, especially in the case of adult education, where most energy will be focused on subsistence.

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

In the best of educational outcomes, the existence of a Community Economic Laboratory (CEL) as described by Richard Heinberg, provides the germ of centralized sites for combining localized economic enterprise centers with the multi-age education system, libraries, and New Reality archives, especially for that of vocational craft and trades. Obviously in the best of all worlds, one would hope and expect that a CEL will also be the source for fostering the educational and economic value in art, music, literature, and theater, much less classical philosophy and interpretation; all of this in celebration of a renewed sense of personal and community purpose, solidarity, and the finding of a cultural path that results in renewal of the human experiment. CAP Agencies should focus on assisting local populations with: Multi-purpose CEL locations that integrate kindergarten through adult educational programming small scale neighborhood schoolroom and curriculum planning, etc.

DAVID REID
PETER KILDE
transportation

The greatly reduced availability of cheap liquid fuels for transportation will have profound effects which will not likely be offset by alternatives in the coming decades. The total energy output of current liquid fuel production is orders of magnitude higher than any known theoretical substitutes.

So we can expect that there will simply be a lot less moving about of people and materials than there is today. As author James Howard Kunstler put it succinctly in The Long Emergency, "Our lives will become profoundly and intensely local." The forms of transportation that will be available will be very energy efficient and relatively low-tech. They will be reliable and easily repaired, and will favor renewable and real-time energy sources.

For personal and family transportation on land, likely candidates include bicycles, bicycle-derived "taxis" and material haulers, and with some luck, electric bicycles, a technology which lends itself to solar battery charging on a scale that avoids the expense and resource requirements of huge solar 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 have some use, but mostly for essential services and perhaps a few relatively affluent members of post-industrial society.

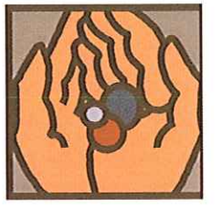
The Democratization of transport given by the personal automobile will recede, necessitating management of transportation inequality. Market based solutions (price arbitration) though effective in managing supply and demand may lead to further wealth gap effects bringing a return of the transportation underclass (resumption of third class travel). Other solutions based most likely on rationing may avoid some of the pitfalls of inequality but will host their own problems in the form of supply shortages leading to government resentment and the creation of fuel black markets.

Urban areas may also see some modes of mass transit such as busses and even light rail or streetcars powered by, wind, diesel or hydro-generated electricity. Again, this largely depends on what level of complexity and technology can be supported by the diminished resource base; a very difficult calculation to make with any degree of confidence. Furthermore, economic feedback loops from negative global energy growth will render new transportation infrastructure development disappointingly inadequate and underfunded. Yet, a more orderly and rational transition to the New Reality may include the re-building of the once-great and extensive American railroad, though not to become the high-speed rail we fanaticize about today. Peak Oil is not End Oil, so there will most likely be some diesel and other fuels for the highest priority uses, and 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 for moving people.

Rural and some urban areas could utilize draft and riding animals for some transportation purposes. Such systems have the added advantage of providing fertilizer for local garden and greenhouse production, though they also consume a fair amount of growing capacity.

Just-in-time shopping and manufacturing infrastructure relying on full auto power will need more local distribution and warehousing while the rivers, canals, Great Lakes and seaboard harbors that played a vital role in America's 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 utilize advanced sailing technology, which has continued to progress for thousands of years right up to the present. Air transportation will become exclusively used for 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 be very practical and pragmatic applications of old and new technologies. In great contrast to the consumption for fun and status which sells most American cars, trucks, boats and air travel today, transportation will be serious business indeed in the coming time of scarcity.



"Our lives will become profoundly and intensely local." -James Howard Kunstler

community action possibilities:

MEGAN BACHMAN

community, culture & 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 be more reliant on one another, in community, to provide for their essential needs. Cooperative arrangements for growing food, producing energy and sharing shelter and transportation will arise out of necessity in urban neighborhoods and small towns across the country.

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

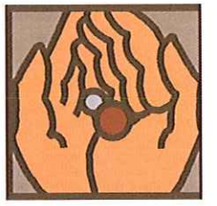
Social relationships have also suffered. Neighbors often don't know one another and isolation, alienation and selfishness is common. People value wealth accumulation more than strong relationships. But the values of community transmitted through interdependent living are essential to help us through the coming challenges – values such as cooperation, moderation, frugality, charity, mutual aid, confidence, trust, courtesy, integrity and loyalty.

CAP agencies could help people get to know and establish meaningful relationships with their neighbors 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. They could also work to decrease racial and cultural tensions and tolerance among members of a community through education on discrimination.

Strengthening relationships within a community now, before the worst of the crisis, will prepare neighbors for greater interdependence in the future. Then, instead of competing over resources when times get tough, people will share and conserve their local resources and take care of one another's basic needs. Building social capital in Poor America is critical so that, in the words of deep ecologist Joanna Macy, "when things get hard, won't, in fear, turn on each other."

RICHARD HEINBERG

AN IDEA



one vision for community action in the new reality

In especially hard times—such as the nation has begun experiencing—large numbers of individuals and families lose jobs and incomes, and therefore access to the goods and services that the market economy formerly provided them. At the same time, tax-starved governments are hard pressed to step in to 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 CEL would do this by offering a variety of services, as well as opportunities for self-improvement, learning, enterprise incubation, and community involvement:

- A food co-op
- A soup kitchen
- A commercial food-processing, food-preserving, and food-storage center available at low cost (or on labor-barter basis) to small-scale local growers
- A community garden with individual beds available for seasonal rental, as well as communal beds growing 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 who have currently unused skills 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—and into re-manufactured or re-usable products
- A credit union offering low-interest or even no-interest loans (on the model of the JAK bank in Sweden)
- 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-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, weather-stripping, etc.

ASPEN WYE RIVER MEETING PARTICIPANTS

The meeting was facilitated by **John R. Ehrmann**, Ph.D. a founder and Senior Partner of the Meridian Institute. Dr. Ehrmann has pioneered the use of collaborative decision making processes for over 25 years at the local, national and international level.

• **Sharon Astyk** is the author of *Depletion and Abundance: Life on the New Home Front; A Nation of Farmers: Defeating the Food Crisis on American Soil* co-authored with Aaron Newton, and *Independence Days: A Guide to Sustainable Food Preservation and Storage*, published by New Society Publishers. She has been interviewed by the New York Times, the Washington Post and National Public Radio among other media.

• **Megan Bachman** organized six national conferences on peak oil and climate change, spoke 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 and a columnist for the Ohio environmental newspaper EcoWatch Journal.

• **Kelly D. Cain, PhD** is Director of the St. Croix Institute for Sustainable Community Development at the University of Wisconsin – River Falls, where he is also a Professor in Environmental Science & Management. He is the Sustainability Coordinator for the campus and co-coordinator for the Masters Degree program in Sustainable Community Development, launched in May 2006.

• **John W. Edwards, Jr.,** is currently 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 Washington, DC; past President of Florida Association for Community Action (FACA); past Co-Chairman of the Jacksonville Living Wage Coalition; and current 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* and *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 currently 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. Previously, Hagens was a Vice President at investment firms Salomon Brothers and Lehman Brothers. A member of the Post-Carbon Institute, Hagens is widely valued as a lecturer with insight into ecological, economic, and social systems. He has appeared on PBS, BBC, NPR, the History Channel and many other media outlets. He has lectured around the world on issues related to resource depletion.

• **Richard Heinberg** is the author of nine 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). Richard is a Senior Fellow of the Post Carbon Institute and has authored scores of 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** has been executive director of West Central Wisconsin Community Action Agency, Inc., (West CAP) since 1995. He currently serves as third vice chair on the national Community Action Partnership Board of Directors, where he chairs the Strategic Initiatives Task Force currently focused on energy resource depletion and climate change as they affect low income communities. He has often served as a resource person to the Annie E. Casey Foundation and the Aspen Institute on low income housing and transportation policies.

• **Donald W. Mathis** is President/CEO of the Community Action Partnership. Mathis provides leadership and guidance to CAAs 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 organization following ten years as Executive Director of the Boys & Girls Clubs of Harford County, Maryland.

• **Ken Meter** is one of the most experienced food system analysts in the U.S., integrating market analysis, business development, systems thinking, and social concerns. As president of Crossroads Resource Center in Minneapolis, Meter holds 39 years experience in 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 one Canadian province. He heads the proposal review process for USDA Community Food Projects, and serves on the editorial advisory committee of the Journal of Agriculture, Food Systems, and Community Development.

• **Dmitry Orlov** was born in Leningrad and immigrated to the United States at the age of 12. He was an eyewitness to the Soviet collapse over several extended visits to his Russian homeland between the late eighties and mid-nineties. He is an engineer with a BS in Computer Engineering and an MA in Applied Linguistics.

• **David Reid** grew on farms in the North East coast of Scotland until he gained a BSc electronics engineering at Robert Gordon University and became a professional engineer. He became a co-organizer of Seattle Peak Oil (SPOA) in 2005 and in 2008 started "Sail Transport Company" an experimental petroleum fuel free produce delivery service.

• **Dave Room.** As Director of Story-Centered Advocacy at Bay Localize, Dave Room is using storytelling for building movements, engaging communities, and influencing decision makers. Dave's 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. He recently co-founded BALANCE Edutainment which has three story-based edutainment platforms.

• **Delphia Shanks** was recently the Director of Community Development for Community Action Partnership of Greater St. Joseph. In that capacity, she was responsible for developing, implementing and evaluating the anti-poverty strategies supported by CSBG funding in CAPSTJOE's four county area. Prior to CAPSTJOE, Delphia worked in the private sector and taught elementary school in Baton Rouge, Louisiana, through Teach For America. She is pursuing her Ph.D. in Policy Analysis at Cornell University this fall.

• **Janet Topolsky** directs the Aspen Institute Community Strategies Group (CSG). Through CSG's Rural Development Philanthropy Learning Network, she helps build the capacity of rural-focused leaders to grow community endowment funds and make strategic investments that will advance economic prospects for families, businesses and communities. In work with the Annie E. Casey Foundation, she designs and delivers Family Economic Success Action-Learning sessions for community and policy leaders across the country. Prior to joining Aspen in 1993, Janet worked independently as a development policy analyst and writer. From 1985-1990, she was director of communication for CFED, a national non-profit organization that develops and promotes innovative asset building and economic opportunity strategies for people and places. From 1983-84, Janet served as special assistant to the director of the Michigan Department of Commerce.