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Community-Supported Economy

by Susan Witt

In February of this year, 55 bookstores with names like Oblong, Whale of a Tale, Innisfree, Odyssey, Yellow Brick Road and Wild Rumpus each received grants of between \$2,000 and \$15,000 from bestselling author James Patterson. This was the first round of a million dollars in grants to independent bookstores from Patterson, earmarked for a wide variety of projects ranging from the replacement of worn store carpeting or the provision of staff bonuses to the online sharing of recorded events with authors or the purchase of a bookmobile.

The 55 stores are located in 55 different cities and towns, each with its own local media sources. When storeowners announced how Patterson's generosity enabled them to better serve their local customers, they drew public attention to the many contributions of community bookstores.

In an interview with *The New York Times*, Patterson said, "I just want to get people more aware and involved in what's going on here, which is that, with the advent of e-books, we either have a great opportunity or a great problem. Our bookstores in America are at risk. Publishing and publishers as we've known them are at stake. To some extent the future of American literature is at stake."¹

Patterson's approach is as bold as it is simple. He started by placing full-page ads in *The New York Times* to raise public awareness about the challenges faced by independent bookstores. Dissatisfied with the results, he changed tactics. His current approach of using grants has several defining elements:

The overall result is that a relatively small amount of funding, in philanthropic terms, leverages a high-impact outcome—an inspired example of 'community-supported industry.'

- A simple application process respectful of storeowners and their good judgment. The only requirement is a short letter outlining the proposed project and its cost. Storeowners are not subjected to overly stringent requirements but instead are trusted to understand and describe what is most needed for their own operations.
- Many winners. Instead of fostering competition, the grant process builds fellowship and a sense of shared mission within the independent bookstore community.
- Grants that go directly to *for-profit* bookstores. Turning traditional rules of philanthropy inside out, grant checks are written to individual bookstores instead of a non-profit advocate of bookstores. Tax credits are forgone but 'community credit' is earned.

If we are to transition to an economic system that is both equitable and sustainable, one that reflects unique regional cultures, cares for the well-being of its workers, and fosters stewardship of

the fragile ecosystem, we will need an economic system that values independent businesses with deep roots in their local communities. The result would be an economy that encourages more labor-intensive, small-batch production transported over short distances, creating more jobs but not more 'stuff,' with a smaller carbon footprint than that of a global economy with its centralized production systems.

To achieve this economic transition, we will also need a cultural transition. Conventional economic thinking pits consumers and producers against each other, with consumers vying for the cheapest price and producers committed to exacting the highest price. This thinking predominates when consumers and producers are strangers, but it is not intuitive in a place-based economy where residents and store owners work side-by-side on the school committee, where production methods can be visible through the integration of manufacturing into Main Street, and where the health of the forest is as much an interest of the furniture maker as the weekend hiker. In a place-based economy, there is a natural common association of interest between citizens and producers.

This kind of mutuality is most apparent in the local food movement, led by the growing number of Community-Supported Agriculture (CSA) farms, a model first pioneered by the Schumacher Center for a New Economics in the Berkshire region of Massachusetts. In a CSA, local residents become members by paying in advance for a share of a farm's yearly operating budget. In exchange, the members of the CSA receive a weekly distribution of the produce from the farm. In a year when the weather is perfect for basil production, bunches of basil fill every distribution box. But if it is a bad year for tomatoes, the boxes are empty of tomatoes. Members share the risk with the farmer and in the process become educated about regional growing conditions.

Since the establishment of the first CSA at Robyn VanEn's Indian Line Farm in South Egremont, Massachusetts in the 1980s, the concept has grown to a worldwide movement involving thousands of farms. CSA members understand that locally grown, high quality, fresh and seasonal food is best supported by the partnership of citizens and farmers. This support guarantees a fair price for farmers' labor and mitigates the risks of changing weather conditions, plant disease and equipment failure. As engaged risk-takers, the shareholders make up an informal marketing team for the farm and farmers, reducing marketing costs and serving as community advocates for farm-friendly policies.

What would it mean to develop a similar understanding for other forms of local production? Could concerned citizens model an ethos that would support a local furniture factory, a cannery, a humane slaughterhouse, a water-powered electric generation plant or the type of small business proposed by a neighbor? Could



Eric Wilska, owner of The Bookloft in Great Barrington, MA

we build the ‘import replacement’ businesses that provide well-paid jobs for our youth and keep the local economy vibrant with a diversity of production, skills and people while maintaining a commitment to a healthy ecology?

James Patterson’s grant program to independent bookstores provides a prototype for meeting this objective. Imagine the possibilities if a similar grant program were introduced at a regional scale. A group of 10 people interested in expanding a local wool industry might pool \$20,000 to give as grants. They would then seek applications from weavers, knitters, sheep farmers, shearers, carders and local retail stores for innovative initiatives to further the industry. The process would attract media attention, unleash the creativity of business owners, develop local pride in locally made wool products, and draw attention to the issues faced by small-batch production carried on under ecologically and socially responsible conditions—in other words, ‘Community-Supported Wool.’

The opportunities are limited only by the imagination of citizens of a region: Community-Supported Pottery, Community-Supported Textiles, Community-Supported Bicycles, Community-Supported Energy Generation. Consumers can help producers create the conditions needed for business to thrive in their local economy.

Transitioning to an economic system that is both equitable and sustainable will require many willing hands. Citizens can no longer stand on the sidelines waiting for the business community to take the lead. Our communities are at stake, our eco-systems are at stake, our very humanity is at stake in how we move forward. James Patterson’s bold example of grants directed to small independent businesses provides one of many potential strategies for building a community-supported economy. More are needed.

A Strategy for Change

One of the tensions in shaping an economic system that is both equitable and sustainable is how to create new jobs without increased growth. One approach is a strategy of import replacement.

Currently, the majority of goods purchased in the US are imported from distant countries and shipped across oceans to reach us. The goal of an import substitution strategy is to replace centralized production with small-batch regional production. This may be an ambitious objective, but necessary and urgent.

Such a strategy will mean activating citizen support for regional businesses. It will necessitate convening meetings of business owners, retired persons, youth, investors, organizational leaders, public officials and concerned citizens to ask the questions:

- What products might be produced in a region that are not there yet?
- How can citizens help create conditions to ensure the success of new enterprises?
- What skills can be offered to help in the process? These skills may include development or review of business plans, market research, site selection, equipment identification, mentoring, financing, permitting and skill development.

Implementation will involve securing affordable access to land, identifying (or training) skilled workers and accessing appropriate capital. It will mean maintaining an ongoing national dialogue about imaginative land tenure options, distributed ownership and the democratized issuing of currency.

We use the term ‘Community-Supported Industry’ to describe this strategy.

¹ www.nytimes.com/2014/02/20/business/media/james-patterson-giving-cash-to-bookstores.html

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