



The International Conference  
on the Economics of Happiness 2019, Jeonju

# 2019 행복의 경제학 국제회의 전주

---

지역화의 지속가능성  
sustainability of localization

---

**10.16.(수) - 10.17.(목) 한국전통문화전당**

Oct. 16 - 17. 2019, Korea Traditional Culture Center

주 최



Local Futures  
국제생태문화협회



전국 사회연대경제 지방정부협의회

주 관 2019 행복의 경제학 국제회의 조직위원회



# Contents

---

|                                              |    |
|----------------------------------------------|----|
| ■ Programs .....                             | 6  |
| ■ Major Figures .....                        | 8  |
| ■ Purpose Statement of Conference Host ..... | 16 |

## CHAPTER 01 – OPENING SESSION

|                                                                                 |    |
|---------------------------------------------------------------------------------|----|
| ■ Opening address: Oh Chang-hwan – Chairman of the Organizing Committee .....   | 19 |
| for the International Conference on the Economics of Happiness 2019 Jeonju      |    |
| ■ Welcoming speech: Kim Seung-su, Mayor of Jeonju City .....                    | 21 |
| ■ Congratulatory address: Park Byung-sool, Chairman of Jeonju City Council..... | 23 |
| ■ Congratulatory address: Chung Won-oh, Chairman of AKLGSES .....               | 24 |

## CHAPTER 02 – MESSAGES FROM OVERSEAS SPEAKERS

|                       |    |
|-----------------------|----|
| ■ Ellen Brown .....   | 27 |
| ■ Anja Lyngbaek ..... | 28 |
| ■ Della Duncan .....  | 29 |

## CHAPTER 03 – KEYNOTE ADDRESS

|                                                             |    |
|-------------------------------------------------------------|----|
| ■ Restoring the Korean Economic Miracle   Ellen Brown ..... | 33 |
|-------------------------------------------------------------|----|

## CHAPTER 04 – SUBJECT LECTURE 1

|                                                                             |    |
|-----------------------------------------------------------------------------|----|
| ■ Progressive Policies For Healthy Local Food Systems   Anja Lyngbaek ..... | 47 |
| ■ Urban Regeneration through Community Restoration .....                    | 62 |
| Lessons from the San Francisco Bay Area   Della Duncan                      |    |

## CHAPTER 05 – WORKSHOP SESSION 1

### 【Community Capitalization and the Sustainability of Urban Regeneration】

- ..... 74
- Sustainable Strategies for Urban Regeneration | Lee Tae-hee ..... 98
- Urban Regeneration and Community Assetization | Jeon Eun-Ho

## CHAPTER 06 – WORKSHOP SESSION 2

### 【A direction and objectives of Jeonju Food Plan 2025】 ..... 112

- A direction and objectives of Jeonju Food Plan 2025 | Kang Seong-wook

## CHAPTER 07 – WORKSHOP SESSION 3

### 【Measures to vitalize social investment funds and the role of the private sector】

- A Report on the Results of Half-Year Experiment on Local Currency  
'Flower Exhibition' | Hwang Eun-ju ..... 118
- Measures to vitalize social investment funds and the role of the  
private sector | Lee Sang-jin ..... 159
- Economic Community Dotori Union | Lee Dong-geun ..... 172

## CHPATER 8 – SUBJECT LECTURE 2

- Community recovery is the key to happiness. | Jo Hyun ..... 191



# The International Conference on the Economics of Happiness 2019 Jeonju

## ■ PROGRAMS

| October 16 (Tuesday) |                                                                                              |                                                                                                                                                                                                        |                                                               |
|----------------------|----------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------|
| Time (min)           | Program                                                                                      |                                                                                                                                                                                                        | Venue                                                         |
| 09:00 ~ 09:30 (30')  | Registration                                                                                 |                                                                                                                                                                                                        | F2, Performance Hall of the Korea Traditional Culture Center  |
| 09:30 ~ 09:59 (29')  | Opening session (30min)                                                                      |                                                                                                                                                                                                        |                                                               |
| 09:59 ~ 10:00 ( 1')  | Commemorative Photography                                                                    |                                                                                                                                                                                                        |                                                               |
| 10:00 ~ 10:40 (40')  | Keynote address                                                                              | · Restoring the Korean Economic Miracle / Ellen Brown (40' )                                                                                                                                           |                                                               |
| 10:40 ~ 11:50 (70')  | Subject Lecture 1                                                                            | · Progressive Policies For Healthy Local Food Systems / Anja Lyngbaek (35' )<br><br>· Urban Regeneration through Community Restoration : Lessons from the San Francisco Bay Area   Della Duncan (35' ) |                                                               |
| 12:40 ~ 13:40 (60')  | Lunch                                                                                        |                                                                                                                                                                                                        |                                                               |
|                      | Session One, Community Capitalization and the Sustainability of Urban Regeneration '         | <b>Presenters</b> Della Duncan, Lee Tae-hee, Jeon Eun-ho<br><b>Chairperson</b> Kim Chang-hwan<br><b>Panel</b> So Young-sik, Jo Sun, Ko Woo-ri, Jeong Jae-jin, Choi Tae-woo, Heo Na-gyum                | F3, Seminar Room Hall of the Korea Traditional Culture Center |
| 14:00 ~ 17:00 (180') | Session Two A direction and objectives of Jeonju Food Plan 2025                              | <b>Presenters</b> Anja Lyngbaek, Kang Seong-wook<br><b>Chairperson</b> Hwang Young-mo<br><b>Panel</b> Park Su-young, Choi min-young, Jo Kyung-ho, Kim Hee-yeon, Kim Yang-woo, Jang Sun-cheol           | F4, Seminar Room of the Korea Traditional Culture Center      |
|                      | Session Three Measures to vitalizesocial investment funds and the role of the private sector | <b>Presenters</b> Ellen Brown, Hwang Eun-ju, Lee Sang-jin<br><b>Chairperson</b> Sohn Hyun-joo<br><b>Panel</b> Yu Yu-mi, Ju Se-yun, Lee Dong-geun                                                       | F4, Training Center of the Korea Traditional Culture Center   |

## October 17 (Thursday)

|                     |                   |                                                               |                                                              |
|---------------------|-------------------|---------------------------------------------------------------|--------------------------------------------------------------|
| 10:03 ~ 10:30 (30') | 워크숍결과발표           |                                                               | F2, Performance Hall of the Korea Traditional Culture Center |
| 10:30 ~ 11:00 (30') | Subject Lecture 2 | · Community recovery is the key to happiness / Jo Hyun (30' ) |                                                              |
| 11:00 ~ 11:30(30')  | Closing Session   | · Closing Performances<br>· Commemorative Photography         |                                                              |

*The International Conference on the Economics of Happiness 2019, Jeonju*

Sustainability of Localization

## ■ MAJOR FIGURES

---



**Keynote speech**  
Ellen Brown

- (U.S.A.) President of PBI(Public Banking Institute) in U.S.A.
- Graduated from UCLA Law School
- A civil litigation attorney in Los Angeles for ten years
- A member of the Green Party in U.S.
- Book: The Web of Debt: The Shocking Truth about Our Money System and How We Can Break Free (2009)



**Plenary speech**  
Anja Lyngbaek

- (Denmark) Local Futures Director  
International Alliance for Localization Coordinator
- Co-founder and Program Director of “Microcuenca del Rio Citlalapa” – a local NGO in Veracruz, Mexico
- Participated in several projects such as British Local Food program since 1986
- Talks on a variety of subject related to food, farming, localization and eco-technologies



**Plenary speech**  
Della Duncan

- (U.K.) Professor, Schumacher College
- Working as economist, teacher, and broadcast journalist, she is leading the Next Economy lectures for alternative economics teachers and consultants and Gross National Happiness Master Trainer courses.

## ■ KOREAN MAJOR FIGURES



**Kim Seung-soo,**  
Mayor of Jeonju  
City

As the incumbent seventh Mayor of Jeonju City elected by popular vote, Mayor Kim pays close attention to people, culture, and the ecosystem that determines the city's identity. He also studies changes in the urban development paradigm, to usher in a brilliant period of prosperity for Jeonju, along with Jeonju citizens for a better world. He promotes the old city center village regeneration and the Jeonju Food Plan, and endeavors to launch Jeonju as a social and economic leader through sustainable growth support of social and economic organizations, and job creation. In addition to co-chairing the Governors Club, a gathering of seven local government heads elected by popular vote, Mayor Kim is the vice chairman of the National Large City Mayors Council and chairman of the Happiness Realization Local Government Council for 2018. Through these roles, he is building solidarity and a cooperative system with other local governments. Mayor Kim is working hard to make Jeonju the Happy City, where citizens look forward to a brighter tomorrow with passion and devotion



**Park Byung-sool,**  
Chairman of Jeonju  
City Council

As the fourth-elected Councilor of Jeonju City Council, Chairman Park is the 11th (first half) Chairman of the Jeonju City Council, and the 8th Chairman of Jeonbuk Governors Councils. With sincere and exemplary council activities, he realizes the value of the local autonomy era. In particular, he contributes enormously to regional economic development with great passion, in view of shaping Jeonju's Southeast Area Cultural Belt, securing urban infrastructure facilities for rural area, and proposing ordinance on the use of Jeonju City big data, as well as establishment and operation of a Senior Citizens Welfare Fund. Chairman Park strives for the recovery of regional community culture in his role of secretary-general of the Jeonbuk Senior Citizens Welfare and Filial Duty Research Institute, and devotes himself to the implementation of "Council Making Citizens Happy"



**Chung Won-oh,**  
Chairman of  
AKLGSES

Chung serves as the seventh Seongdong Gu (Seoul) Head elected by popular vote for a second term. Seongdong Gu is trying to realize a city sharing knowledge and technology in the Fourth Industrial Era with all residents, a city without alienation, where all citizens enjoy educational, cultural, and welfare benefits, for a "Smart and Embracing City Where All Residents Become Happy Together". Currently, as Chairman of AKLGSES, he makes contributions to the unity and cooperation of basic local government heads nationwide, both socially and economically. He is also a specially-appointed professor of the Business School at Hanyang University and Chairman of the Local Government Council to Prevent Gentrification. His published works include "Urban Paradox, Gentrification", and "Urban Innovation, Smart City"



**Jo Hyun**  
Hankyoreh's  
editorial writer

Cho Hyun, who has been walking, reading, sweating, and drinking with others, is a Hankyoreh's editorial writer. He is the author of the best-selling book, 'We decided to live differently,' and the author of 'A Journey to Find Me,' and 'Greek School of Life.' He is one of the 300 representative writers selected by the Korean Publishers Society.

He graduated from Chonnam National University with a degree in journalism, served as an advisor to the Seoul Metropolitan Government's low-rise residential regeneration project, and is currently the operator of a web magazine called 'Hushimjeong' and an editorial board member of a magazine called 'Sound of Seals.'

## ■ 국내주요인사



**Session 1**  
Lee Tae-hee

He received Ph.D. degree of in the field of study of Urban Regeneration Business Process in Department of Town and Regional Planning, University of Sheffield, U.K. The former research area in Suwon Research Institute was mainly Housing Regeneration and the present research area in Construction Economy Research Institute of Korea focuses on Economic and Central City Type Regeneration. He studies about how to effectively improve the quality of local residents' life and make sustainable urban space through Urban Regeneration projects.



**Session 1**  
Jeon Eun-ho

He majored in Urban Engineering and Urban Administration, worked as researcher in Korea Research Institute for Human Settlements and Seoul Social Economy Support Center, and currently works as Director of Mokpo City Urban Regeneration Support Center, after working as Director of Community Assetization Support Center(시민자산화 지원센터) in Institute of Land and Liberty and the Team Lead of Community Assetization(시민자산화) in The Sharing for Future. He dreams of the society where people can co-create the value of the space and leave the place of daily life as gift for the next generation. He searches solutions to urban issues based on Commons and Principle of Solidarity Economy and makes efforts to create the sustainable and resilient community.



**Session 2**  
Hwang Young-mo

He graduated from Department of English Language and Literature in Kyung Hee University and received PhD in Department of Agricultural Economics in Jeonbuk National University. Currently he works as Head of Department of Research & Planning(연구기획부장) in Jeonbuk Institute, after working as researcher in Hokkaido University in Japan. His research covers various areas such as Local Food, Food Plan and etc. in the view of Local Circular Economy and Social Economy. He also works as a member of Regional Development Committee in Jeonbuk Province, a member of Seoul Food Citizen Committee(서울시 먹거리시민위원회), a member of Assessment Advisory Group of Regional Development Committee and the Director of Korean Food Marketing Association.



**Session 3**  
Hwang Eun-ju

With the expectation to create a Welfare Ecosystem Community where everyone helps one another with their own inherited gifts and receive help from the neighbors - as a result, lacking nothing - , she is serving working as a local Welfare Activist of Haksan Community Welfare Center in Pyeonghwa-dong area. She is charge of the pilot project for Jeonju-type local currency since 2018, and is arranging the organization of citizens for Exchange Management and community-type(공동체형) local currency model.



**Session 3**  
Lee Sang-jin

He is the President of Korea Social Innovation Finance leading the Social Finance through investment, loan, consulting and policy researches. He is a specialized expert in finance, who provided business consulting services for many banks, insurance companies and investment companies while working for global consulting companies such as AT kearney, KPMG, etc. and took charge of management innovation at Woori Financial Group. He began working in the field of Social Finance as he established and managed 'Social Innovation Fund' - a self-help fund - with 140 social innovation companies in 2014. Currently, he actively works for Korea Social Economy Network, Seoul Council of Social Enterprise, Worker Coop(노협연합회), Seoul Public-private Partnerships, Gyeonggi Province Social Economy Policy Promotion Group, Gangwon Province Social Finance TF, etc.



**Session 3**  
Lee Dong-geun

Ever since he learned about the local currency movement introduced in a bimonthly magazine <Greenreview>, he has been participating in the movement to promote the alternative currency/alternative finance from a critical point of view on the modern monetary system. Currently, he works as the Chairman of <Economy Community Dotori>, the Secretary General of Intermediate Group <Community revitalization and livelihood> and the Executive Director of Local Currency Movement Group(지역화폐 운동단체) <Hongseong Local Currency Exchange Ip(홍성지역화폐거래소 앞)>, while living in a small rural area Hongdong-myeon, Hongseong-gun, Chungnam Province.

## ■ ORGANIZING COMMITTEE OF THE INTERNATIONAL CONFERENCE



**Oh Chang-hwan**

A Ph.D. in Earth Environmental Science at Stanford University, Oh has been serving as professor of the Dept. of Earth Environmental Science at Chonbuk National University. He has led environmental movements presenting alternatives through mediated-settlement, by which environment and regional development can co-exist to solve social conflicts caused by Saemangeum Embankment Development that brings about serious environmental destruction. He is currently the co-chairman of Jeonbuk Federation of Environmental Movements. Hwang is the chairperson of Jeonju Council for Sustainable Development, and has been playing a pivotal role in Jeonju becoming one of the best regions nationwide for private-public cooperation, through activities in the Jeonju Council for Sustainable Development for 15 years.



**Heo Moon-kyung**

Heo is a research professor of Jeonju University, and a researcher in the sustainable development and socio-economic field.

She is serving for the Presidential Commission on Policy Planning, Jeonbuk Social Economy Network, and policy member of Jeonju Council for Sustainable Development. She studies field policy cases, and feels fruitful by returning the case study results to the places where the results are needed policy sites. After guiding Helena Norberg-Hodge to Jeonju, she has devoted herself to the success of the International Conference on the Economics of Happiness.



**Go Eun-ha**

Go is the Jeonju Self-support Center Director. She dreams of and devotes her talents to developing a welfare environment by which people live prosperously by helping their neighbors. Through Jeonju Social and Economy Network, she strives to realize a labor-intensive socio-economic corporate complex in the community with communication and solidarity, to disseminate the value of sharing. She served as the Operation Committee Chairman of Jeonbuk Coalition for Cooperative Society Committee and Director of Jeonbuk Medical Welfare Social Cooperative.



**Kang So-yeong**

Kang is the secretary-general of Jeonju Council for Sustainable Development, which was established as a private-public cooperative organization tasked with overcoming earth's environmental crisis. Jeonju Council for Sustainable Development carries out the index movement by which regional sustainability can be assessed, eco-traffic campaigns including public transportation and bicycle activation, energy savings and home sunlight power plant energy movement, and an urban regeneration movement through vitalization of education on the old city center.



**Kim Chang-hwan**

Kim's vision is for an old and original city center, traditional market, and rural village through public studio SimSim and social enterprise Ieum. He learned policies and gained practical experience in village community and social economy at Wanju CB Center. Currently, he conducts various experiments and challenges for sustainable and humane city development at the Social Economy Urban Regeneration Support Center.

## ■ 국제회의의 조직위원회



**Jang Woo-yeon**

As a researcher in the city field at Jeonju Policy Research Center, Jang conducts research on urban regeneration and village community. While studying architecture and cities, he was actively engaged in region-based and site-centered research and activities, including citizen-participatory urban planning, village community, and community business at the Hope Institute, a private think tank of the civil society. Since last year, he has been carrying out research on future heritage and gentrification, while learning region by coming to Jeonju City as the extension of such activities. Jang is preparing for session three of the local currency workshop at the international conference.



**Sohn Hyun-joo**

As a visiting scholar of Science, Technology, and Civilization at Chonbuk National University, Sohn is currently serving as an editing director of the Korea Association for Futures Studies. He earned his Ph.D. degree in futurology from the Dept. of Politics at the University of Hawaii. He is researching Korea's alternative future and realizable utopia. In the data society based on hyper-connection, Sohn is interested in new economy movement by which humans, values, and communities can survive. He intends to build a society where humans and robots can co-exist.



**Kang Sung-wook**

Starting as a contract public official in Wanju Gun in 2010, Kang has been working in the local food planning organizations, including Community-supported Agriculture (CSA) and Wanju Local Food Cooperative. Since 2015, he has been implementing the Jeonju Food 2025 Plan, a project to realize rights by which safe and healthy foods for all Jeonju citizens can be guaranteed by Jeonju Food Foundation.



**Lee Jae-min,**

Lee holds a Ph.D. in Economics and is currently associate professor of Woongji Accounting and Tax College. He is a policy committee member of Jeonbuk Social Economy Network, and is actively engaged in Jeonbuk Regional Development Cooperative. He asserts the fundamental importance of the market's dominant role, barter, and exchange. He insists that the principle of barter can exist, taking up dependent role within a society where the principles of reciprocity, redistribution, and home economy do not rule a society, but can exist within the society. He presents the direction and alternatives of new economics (altruistic economics).



**Kim Jin-ok**

Kim is the 11th Urban Construction Committee Chairman of Jeonju City Council. He endeavors to make Jeonju a safer and more pleasant environment-friendly green eco city, improving citizens' quality of life and happiness through city infrastructure expansion and residential environment improvement in the low income bracket. Above all, he is doing his best to make Jeonju a prestigious green city, with high quality of life vibrancy, and a people-oriented approach to solving housing problems.

## ■ PARTICIPANTS IN WORKSHOP



**Session 1**  
**So Yeong-Sik**

Designing and executing various policy projects in the urban areas, rural areas and traditional markets, he continues to research on how the provided space and program are involved in and affects the lives of the citizens. It seems that he reached the age to realize the fact that the reality does not allow any room for advancement for the citizens as the beneficiary of the services, the balance point(균형점) between production and consumption – from consumer – and the owner of problem-solving.

He likes cities and architecture, so he works in this field. He concentrates on finding solutions to different issues on the site by utilizing 3D and realistic approach, which he likes planning and executing the whole process, while



**Session 1**  
**Go Woo-Ri**

Majoring in Business Administration and Social Studies in Jeonbuk National University □ one of the Flagship Korean National Universities, she became interested in Urban Regeneration. During the Internship of the Social Economy Leader Course, she was able to have a real-life experience through 'Jeonju Urban Regeneration Site Support Center □ Original City Center Team' on what she studied in the class. She keeps learning about Urban Regeneration by working hard as the Editor for 'Citizen Competition Project' and 'Car Free Streets for People Planning Team'.

She learned that we would end up bothering others if we try to help them without accurate knowledge. She hopes that she could help other in the right way by developing her capacity and by expanding her work experiences.



**Session 1**  
**Jo Seon**

She has been working as a journalist in the field focusing on the local area and local citizens for the sake of grassroots and public interest. She is now working in a Community, support organization for Urban Regeneration in order to leave her previous position of observer as a journalist and to move over to help more actively the community and regeneration the region through her works and activities. At the same time, she studied Urban Engineering in Graduate School to learn about urban history and present. Especially these days, she concentrates on studying the interface with Social Economy, Community Assetization(시민자산화), Maker City to locate the connecting point with the sites and to find solutions to sustainable Urban Regeneration.



**Session 1**  
**Jeong Jae-Jin**

To build a sustainable city, he cooperates with the local citizens in order to identify various issues of different area regarding social, economic cultural and environmental problems and find solutions. He believes that the interest and efforts of the citizen community play vial role in it. As the local citizens will continue to stay, he tries to find solutions to design the Urban Regeneration Projects that meets the needs of them by developing the policy and managing the sites.



**Session 1**  
**Heo Na-Gyeom**

He works in Yongmeori Yeouiju Village(용머리여의주마을) in Wansan-dong, Jeonju – the Urban Regeneration New Deal Project site for Revitalizing Our Town Type since 2019. She joined the site of Urban Regeneration to learn from the real-life experience while she studied Cultural Anthropology and Local Community in the University. Regardless of age, she enjoys learning and studying due to her endless curiosity on the world.



**Session 1**  
**Choi Tae-Woo**

He works as the manager of Mulwangmeol Community of Jeonju and as the CEO of Cheongchuk Dongbang.

Mulwangmeol CCBL(Community- Challenge Based Learning): Provides programs that support the cooperation process in identifying good questions together with colleagues, teachers and experts, intensifying the deep subject area knowledge, solving issues and sharing the experiences so that they might understand the course in the context of the local society and to utilize the same in a practical way.

## ■ 워크숍 참여자



Session 2  
Jo Gyeong-Ho

He is the Chairman of Regional Agriculture Research Institute(사)지역농업연구원). While he participated in the agriculture personally, he dedicated himself in Farmer Movement. Out of deep interests in research on Agricultural Policy, he completed his PhD in Economy in Chungnam National University. His main focus of research is Organization of the Regional Agriculture and Rural Industry by Endogenous Growth Theory.



Session 2  
Park Suyong

He works as the manager of General Affairs in the Association of Wonju Eco-friendly Agriculture and as the Executive Director of Hanal Maeul(사 한알마을). He is former Secretary General of Wonju Catholic Farmers Association.

He has great interest in regional agriculture, local food, Coop and social education etc. and works as a local activist in Wonju area.



Session 2  
Kim Hee-Yeon

She works as a Horticultural Therapist, an Urban Agriculture Manager and a Fooducator(먹거리 강사 Food+Educator). She had provided Horticultural Therapy after graduating from Konkuk University College of Agriculture Horticultural Science major, but she started to realize the significance of food for life when began to study Urban Agriculture. Therefore, she makes efforts to search for and put in practice the safe food policy not just by improving habits of her own family but also by training the consumers.



Session 2  
Kim Yang-Woo

He is the Chairman of Association of Manufacturers of Jeonju Food(전주푸드 생산자회) and is the former Vice President of Jeonbuk Chapter of Association of Agricultural Engineers(사단법인 농업기술자협회 전북지부). Since age 20, he was in the agricultural field only and he is currently producing agricultural products of Jeonju Food in Saekjang-dong, Jeonju.



Session 2  
Jang Sun-Cheol

He plays a pivotal role in providing the local food and makes efforts to promote the activation of the local economy and the sustainable development of Jeonju Food through the Business Agreement with Jeonju Food Integration Support Center. He makes thorough research such as developing meat processing system certified by HACCP. He was the former CEO of Apple Nongsan and now he is now serving as the Chairman of Association of Jeonju School Meal.



Session 2  
Choi Min-Yeong

Executive Researcher of Nyeorum, Agriculture & Farmer Policy Research Institute(농업농민정책연구소 너름)(2018~19). He majored in Industry & Labor Relations Studies and has Master's degree in Rural Sociology. He is interested in the practice of building the sustainable society with agriculture and food.

## ■ 워크숍 참여자



**Session 3**  
**Yu Yu-Mi**

She began to work in the Social Welfare field while she was serving as the General Team Lead of Uijeongbu Self-Help Center. Currently, she works as an Executive Director of Association of Korean Citizens Cooperation(전국주민협동연합회) and a Director of Social Cooperative Neomeo(네머), and a Member of Committee of Fund Review Board of Gyeonggi Province. She won awards from Mayor of Uijeongbu, Minister for Health and Welfare and Governor of Gyeonggi Province for her contribution in promoting Self-Help business. Currently, she plays an active role in social finance field by participating in Credit Research of Self-Help Finance(자조금융공제연구) of Seoul Social Economy Support Center.



**Session 3**  
**Ju Se-Yun**

He works at Social Finance Center of Dongjak Credit Union. He searches for solutions to realization of social values through finance while supervising the fund management for Seoul Social Investment Fund and Korea Inclusive Finance Agency. He works as an Editor for Commentaries on Saenghyup Cooperative(생협평론) and as the Director for Todak Bank.

### Purpose Statement for Hosting the International Conference on the Economics of Happiness 2019 Jeonju

The City of Jeonju co-hosts the “International Conference on Economics of Happiness” with Local Futures and the National Local Governments’ Council on Social Solidarity and Economic Cooperation in order to create a happy community for all beyond competition and polarization through localization of economy.

This is the fifth The International Conference on the Economics of Happiness held in Jeonju and the 23rd held by Local Futures around the globe.

Jeonju expresses its will to protect the local economy against globalization by holding the annual International Conference on Economics of Happiness, which is the result of citizens and Jeonju local government's efforts to establish a sustainable community for the past 20 years.

The International Conference on Economics of Happiness 2019 Jeonju is subtitled “Sustainability of Localization” to provide an opportunity to closely cooperate with the local government and civil society. To this end, there will be lectures and workshops with experts in localization as well as renowned international speakers including Ellen Brown, Anja Lyngbaek and Della Duncan.

In each session of the workshop, it is expected that the direction of Jeonju toward the possibility of localization will be given through the discussions on “community assetization and sustainability of urban regeneration,” “the direction and challenges of Jeonju Food Plan [Jeonju Food 2025]” and “activities of the social investment fund and the role of the private sector.”

Ellen Brown, the founder of the US public bank, will give a keynote address on energy exhaustion and local funding solutions. During the workshop, he will present the ways to revitalize the social investment fund and how to grant a role to the private sector. Anja Lyngbaek will introduce the policies around the world for a healthy local food system and talk about regenerative agriculture and local community-based economic models. Della Duncan, a professor at Schumacher college which is a world-renowned education institution in ecology, will share examples of various social movements, including San Francisco, and urban regeneration through community restoration led by community leaders.

These programs will be held on the first day of the conference. On the second day, with the results discussed in each session, we will think about what we need for sustainability of localization. Also, Cho Hyeon, the author of the best-selling book “We Decided to be Different” and an editorial writer of Hankyoreh, will have a lecture on the ways to proceed for local communities in Jeonju.

Please join in The International Conference on the Economics of Happiness 2019 Jeonju to create a sustainable future together.

「2019 행복의 경제학 국제회의, 전주」조직위원회

## CHAPTER 1

---

# OPENING SESSION

---

- Opening address : Oh Chang-hwan  
Organizing Committee Chairman of the International  
Conference on the Economics of Happiness 2019 Jeonju
  - Welcoming speech : Kim Seung-su  
Mayor of Jeonju City
  - Congratulatory address : Park Byung-sool  
Chairman of Jeonju City Council
  - Congratulatory address : Chung Won-oh  
Chairman of AKLEGSES
-



## Opening Address



**Oh Chang-hwan**

조직위원회 위원장

I would like to say “Thank you and welcome to all of you.” for attending the 5th International Conference on the Economics of Happiness hosted in Jeonju. Under the sub-topic of “Sustainability of Localization”, many interested ones in the Economics of Happiness will discuss and give presentation here for two days. I am confident that this process will help Korean local governments and the whole world including Jeonju City move ahead for the Economy of Happiness.

The past 4 times of International Conference on Economics of Happiness held in Jeonju helped many Korean local governments have interest in the Economics of Happiness. Encouraged to realize happiness, each local government is now working on the concrete Happiness Policy. Mayor of Jeonju, the city of the Economics of Happiness □ is in charge of the permanent chairman of the Association of Local Governments for Happiness Realization. Furthermore, the Meeting for Association of Local Governments for Happiness Realization is planned during the International Conference on the Economics of Happiness this year in Jeonju. My expectation is that a more concrete case can be created by “2019 International Conference on the Economics of Happiness in Jeonju “ to export to the whole world.

Currently, it seems that the globalization based on the fierce competition is one of the most serious problems that we are facing as a society. Recently, more imported food items are available at lower price range, and internet made it possible to purchase better and more products for lower cost from other regions. However, the result of this shift is that many shops around us are closing down, and our neighbors are losing jobs. The local economy will fall under the superior economic power in the vicinity or other countries. The future of the region will disappear. In other words, this shift towards the fierce competition based on the globalization seeking only their own personal benefit without considering the neighbors at all will result in concentration of wealth on a few large-sized international corporations while causing the socio-economic collapse of the region. Moreover, we forget about the happiness while trying to find it personally in the wrong way. In order to buy things that we don’ t need, to overeat food to the point of harming our health condition, to keep us away from doing exercise, to have various cultural facilities that threaten our health, we need

to earn money in the environment of the fierce competition. As a result, the winners get stressed and the losers continue suffering economically in the middle of the extreme and ever-growing competition. Serious efforts are desperately needed to overcome the social and personal crisis. I hope that this International Conference on the Economics of Happiness can find us the answer to this matter.

For “2019 Economics of Happiness Conference in Jeonju City”, the subtitle 「Sustainability of Localization」 is chosen based on the results of the last 4 years’ international conferences on Happiness Economic held in Jeonju City for the purpose of searching for policy directions of the areas which the city and its citizens should take interest in and try to deal with. For this, we will invite President Ellen Brown, Director Anja Lyngbaek and Professor Della Duncan and have lectures on related subjects and discussions on ways for progressive policy and invigoration of social investment fund for the basic direction of Happiness Economics, urban regeneration through community capitalization and healthy local foods based on the world’ s localization.

In this international conference, we will introduce and evaluate the application examples of former conferences’ results to Jeonju City, and continue the discussions of the last conference. For example, based on the analysis and discussion on the local food’ s influence on the city and its outcome, which is discussed in the local food part for the past 2 years, in this time we will have discussion on ways to apply it to Jeonju City’ s administrative policies by examining concrete policy examples. Moreover, based on the results of the last year’ s discussion on local currency we will discuss in detail on direction of local currency in the future by examining the outcome and result of Kkot-jeon, a local currency in Jeonju that has been issued from the start of this year. We believe that the basis for pursuing Happiness Economics for Jeonju City and other local governments will be established by lively discussions and exchange of opinions on these subjects.

Lastly, I would like to express my sincere gratitude to Helena Hodge, who actively supported to hold the conference and even sent an opening celebration video, everyone involved in Local Futures Secretariat, the Mayor of Jeonju City, the Head of Association of Korean Local Governments for Social Economy and Solidarity and related public officials, and I would like to express my deep gratitude again to everyone involved in Jeonju City and the experts, who conducted meetings about 10 times for preparation of the conference. I would like to finish the opening speech with my expressing gratitude to each organization and the citizens in Jeonju who participated in the conference and helped the work.

**Organizing Committee of the International Conference**

## Welcoming speech



**KIm Seung-su**  
전주시장

We all dream of a society where everyone prospers. We started grappling with how to give prosperity to all at some point in history and have tried multiple approaches. After going through a series of trials and errors, we found the answer in material abundance and convenience in daily life.

Driven by cut-through competition nationwide, the Republic of Korea has achieved remarkable economic growth in less than half a century, which is a stunningly short period of time. Economic development and quantitative growth have become an absolute indicator of happiness and an ideology that governs Korean society.

However, as this perception became widely entrenched in our society, meaningful social values started disappearing. Unexpected consequences such as social inequality, economic polarization, environmental degradation, generational disputes, youth unemployment and unstable senior livelihood have reared their ugly heads, stifling the lives of the public. While quantitative growth was accelerated, less and less happiness was felt by the public.

This spawned another set of questions. “What is the fundamental problem?” , “What can be done?” In order to find the answer to these questions, we narrowed in on “human” , which constitutes the pillar of everything in our society. Then, we turned our eyes to the concept of “social economy”

The social economy aims to create a sustainable human-centered economy featuring mutual trust, cooperation, coexistence and unity. In other words, it is a stable economy where the public interest is put before individual gains and economic power, concentrated on a handful of conglomerates, is equitably distributed to society at large, providing a glimpse into true happiness.

Jeonju, the city of alive humanistic values, has been focusing on the values of social economy and dedicated to spreading those values nationwide. The city will stay committed to serving as a leading city of happiness and promoting social economy so that more people can join us in our effort to create a social economy.

The 2019 International Conference on the Economics of Happiness in Jeonju will be held as part of the effort in creating a social economy ecosystem. In this conference, participants will have meaningful discussions about how to build a sustainable future, under the theme of “sustainability of localization” . I hope that everyone of you will join the event and take a moment to ponder ways to achieve genuine happiness.

I would like to close my remarks by expressing my deepest gratitude to President Ellen Brown of the Public Banking Institute, Associate Director Anja Lyngbaek of Local Futures, Professor Della Duncan of Schumacher College as well as all the esteemed panelists and distinguished guests. Thank you.

2019. 10. 16.  
Kim Seun-su  
The Mayor of Jeonju, South Korea

## Congratulatory speech



**Park Byung-sool**

전주시의회 의장

I would like to express a big congratulations on holding the International Conference on Economics of Happiness 2019 Jeonju and welcome all of our distinguished guests with open arms.

It' s an honor to participate in the meaningful international conference on economy for co-existence and cooperation which enhances social value and shares cooperative spirit such as building happy community, securing sustainability of urban regeneration and establishing social investment fund.

Even though we enjoy the opulent lifestyle brought by globalization and progressive ideas, we also witness the unfortune nations and local communities suffering from the free-market economy.

In particular, as the income polarization and asset inequality become more severe and, accordingly, the social conflict is deepen, many people feels disenfranchised and marginalized.

The “Economics of Happiness” has great implications to us by speaking of the sustainable development which brings up the power of localization and raises the self-esteem of human beings when the national government cannot solve everything.

People, ecology and culture are indispensable values in sustainability of the local community. I hope 2019 will be another year of seriously considering these values and spreading and empathizing the Economics of Happiness.

Again, congratulations on holding International Conference on Economics of Happiness and I look forward to your great wisdom and keen insights.

Thank you.

October 16, 2019  
Park Byung Sool  
The chairman of Jeonju City Council

## “International Conference on the Economics of Happiness 2019 Jeonju”



**Jeong Won-oh**

전국사회연대경제  
지방정부협의회 회장  
(성동구청장)

Hello. I am Jeong Won-oh, the president of Local Governments' Council on Social Solidarity Economy and the head of Seongdong-gu, Seoul, Korea. On behalf of the 45 member local governments, I would like to congratulate you on holding the fifth International Conference on the Economics of Happiness 2019 Jeonju.

The International Conference on the Economics of Happiness Jeonju has constantly worked to find answers to the sustainability issues that Korea as well as the whole world faces. In particular, Helena Norberg Hodge, the founder and director of Local Futures, the producer of the Economics of Happiness and the author of Ancient Futures took part in from the start and contributed to spread the need for a new economic system for citizens to be happy.

The happiness of residents is the reason and purpose of a local government. Because local governments should provide the public services that residents require, plan to develop the communities, and make the region better place to live for everyone.

Since the foundation of our council in 2013, we have worked to develop social economy through solidarity and cooperation among local governments, and to make our communities happier.

In this regard, it is very meaningful and timely to hold International Conference on the Economics of Happiness 2019 Jeonju to bring together experts at home and abroad to discuss various topics including local food and local community-based social finance.

I hoped that this conference will provide a rich discussion to set a new direction for community development and to find out how local governments and actors in the local communities should make efforts for the residents' well-being.

Our council will join in and provide support to practice Economics of Happiness in the local communities.

Thank you.

## CHAPTER 2

---

# Messages from Overseas Speakers

- 
- 엘렌 브라운 (Ellen Brown)
  - 델라 던컨 (Della Duncan)
  - 아냐 링백 (Anja Lyngbaek)
-



## Greetings Message



**엘렌 브라운**

Ellen Brown

Greetings, Jeonju!

I am really looking forward to meeting you all and seeing your fair city. I've read that it is called a "slow" city, not just because the pace of life is slow but because you have been slow to give up your traditional values, which is very good. Korea has undergone unbelievable development in the last half century □ "as if Haiti had turned into Switzerland," as economist Ha-Joon Chang wrote.

But speedy development can take its toll on the culture and lifestyle of the people. I'm looking forward to discussing ways of integrating technological progress with a pace of life that lets us take time to smell the roses, enjoy our families and friends, and pursue our unique talents and passions. That means designing an economy that allows us each to have "a room of our own," as author Virginia Woolf said □ a space to live, create, and manifest our fullest potential.

## Greetings Message



**델라 던컨**

Della Duncan

To our esteemed hosts,

My name is Della Duncan and I am grateful for this opportunity to contribute to the 2019 Economics of Happiness gathering in Jeonju, South Korea. I identify as a Renegade Economist who uses teaching, coaching, consulting, and broadcast journalism as strategies to build more equitable, just, and sustainable economies. I come representing the International Inequalities Institute at the London School of Economics as an Atlantic Fellow for Social and Economic Equity and the Upstream Podcast as the host and producer of a radio documentary series sharing stories of economic alternatives.

I believe that my local work in San Francisco on the San Francisco Public Bank Campaign and community renewable energy projects as well as my global work teaching and consulting about Gross National Happiness, Ecological Economics, and the Not-for-Profit Business Model will echo and complement the work and wisdom from my fellow plenary speakers in the conference. I also hope that I will offer fresh ideas and exciting stories of my own context of working in Silicon Valley to the conversations and sessions that will inspire reflection, collaboration, and learning.

Changing the goal of an economy from blind growth to human and planetary wellbeing is one of the most noble and necessary points of leverage in economic systems change in our time. Coming together this fall for this “economics of happiness” conference is worth both our attention and actions. Thank you for inviting me and for calling us together for this important and timely theme.

In solidarity,

Della Duncan

[www.dellazduncan.com](http://www.dellazduncan.com)

[www.upstreampodcast.org](http://www.upstreampodcast.org)

[della@upstreampodcast.org](mailto:della@upstreampodcast.org)

## Greetings Message



### 아냐 링백

Anja Lyngbaek

It is an honour to be here in Jeonju again and to be part of this process towards an economics of happiness.

In 2012, Local Futures, hosted the first International Economics of Happiness conference, in Berkeley, California, USA. At the time, we didn't know that other conferences would follow. We simply thought that a conference that would bring together people and groups from different sectors, to discuss the implications of the global economy and its alternatives, could help catalyze a movement for systemic change.

After three decades of trying to raise awareness and instigate an open discussion about the shortcomings of the dominant economic model, our criticism had more often than not, been met with skepticism. People would see our warnings of social injustice and environmental degradation as exaggerated, and argue that the global economy is inevitable – a sign of evolution. They would frequently claim that the growth economy was lifting people out of poverty and that more growth was needed to solve our environmental problems,. They would likewise say that a shift in the other direction – towards place-based economies – was romantic and unrealistic.

However, after the release of The Economics of Happiness film in 2011 (which gave way to the conference series) and the first conference in 2012, there was a notable shift in attitude. More and more people had come to question the global growth model, as the unprecedented disparity between rich and poor became common knowledge and the environmental and climate crisis became impossible to ignore and deny.

Suddenly, a lot of people in many countries say “this is not right” and started looking for alternatives.

And gradually more and more people contacted us to say “please, let's do an economics of happiness conference here” . We started co-hosting conferences with local organisations, institutions and progressive governments (Jeonju), at first with the aim of opening up for a broad critical debate about the global economy and (with a growing emphasis) the exploration of viable alternatives.

I have just returned from the latest conferences in the series – one in Ladakh in the Himalayas and another in Bangalore, India – the 22nd and 23rd conference respectively.

To my surprise, the majority of the participants at these conferences were young people. This is another marked change that has taken place recently. Before, it was mostly older people, my own generation and upwards, that were protesting status quo and calling for system change. However, now young people are looking for transformation, both on a systemic level, and in their own lives. They are worried about the climate, about our common future, and are familiar with loneliness and mental

health problems. In Ladakh, the youth I met were looking for opportunities for dignified lives in tune with their own traditional culture and natural environment, while in Bangalore, many of the young are searching for a way out of their jobs in the corporate sector and ways in to more meaningful life, for example, through land-based livelihoods. The young are hungry for change and eager to make a positive

A key part of the economics of happiness message, is the need to rebuild our food systems as a first step, since food is fundamental for our survival and wellbeing. The relocation of food systems is one of the quickest way to strengthen local economies, bring life back to local communities, improve public health, while decreasing carbon emissions and our ecological footprint.

During my previous visit here in Jeonju in 2017, I shared about a range of inspiring local food initiatives from across the world. Since then, many more have emerged. However, despite this positive trend, there is an urgent need to scale-up fast, to move from micro-trend to systemic change. To do so, serious policy shifts, in favour of regenerative farming and local food systems, are required.

During this conference, I will be sharing about progressive policy-strategies in that can speed up the process and take us in the right direction.

I am delighted to have the opportunity to contribute to Jeonju 's advanced work on the local food front. I look forward to learning more about what your present policy strategies and initiatives to share, with people in other parts of the world.

## CHAPTER 3

---

# Keynote Address

- 
- Restoring the Korean Economic Miracle | Ellen Brown
-



## Restoring the Korean Economic Miracle

Ellen Hodgson Brown  
법학박사

행복의 경제학 국제회의 전주, Jeonju, South Korea, October 2019 <http://EllenBrown.com>

Satisfaction in the workplace is a major component of the “happiness” index; but it is a satisfaction that young people joining the workforce today are not feeling. In a 2017 book titled *Kids These Days: Human Capital and the Making of Millennials*, Malcolm Harris asks why the millennial generation — those born between 1981 and 1996 — are so burned out. His answer is, “the economy.” Millennials are bearing the brunt of the economic damage wrought by late 20th century capitalism, with economic insecurity throwing them into a state of perpetual panic. Harris argues that if they want to meaningfully improve their lives and the lives of future generations, they will have to overthrow the system and rewrite the social contract.

A similar crisis of capitalism is being faced by millennials in South Korea, which has been ranked near the bottom of the OECD’s “Better Life Index.” Warabel, meaning “work-life balance,” is a new term for an old movement that began in South Korea in the 1970s, after a 22-year-old workers’ rights activist committed suicide by setting himself ablaze in protest over the poor working conditions in South Korean factories. His death brought attention to the substandard labor conditions and helped the formation of a labor union movement in South Korea.

Today Korean millennials are protesting in other ways. In an April 2019 article titled “South Korean Millennials Challenge the Country’s Powerful Chaebol,” Olivia McCall observes that millennials have become more vocal about their work grievances — so vocal that they have been the strongest advocates of workplace diversity and the strongest critics of employee abuses and exploitation. As a result, they have actually brought about changes to some questionable corporate values.

The power of South Korea’s millennial generation to change work cultures is displayed in how they are starting to turn away from the country’s most stoic economic pillars, the chaebol. A combination of the Korean words for “wealth” and “clan,” the chaebol are massive family-owned enterprises that own a significant number of subsidiaries across different industries. The largest include Samsung, LG, Hyundai, SK, and Lotte. Since the chaebol are family-run, management positions are traditionally reserved for members of the founding families, and chances of promotion for outsiders are slim. A

recent report from Reuters observed that a growing number of South Korean millennials, burned out by working night shifts and the slight chances of promotion, are leaving their white-collar jobs and moving to farmlands in the provinces in order to pursue a more laid-back lifestyle. That means more time for family, friends and personal interests, but it also means giving up income, promotions and economic security.

Adding to millennial dissatisfaction with the chaebol are the scandals, corruption and other workplace abuses in which some top executives have recently been embroiled. The executives have usually escaped prison through presidential pardons or the mere payment of fines. A notorious case involved the sentencing of Jay Y. Lee, head of Samsung Group, to five years in prison after being found guilty of bribery, embezzlement and perjury in 2017. His jail term was later reduced to just five months, but a bribery case linking him to Park Geun-Hye, then the president of South Korea, resulted in the president being jailed for corruption and his replacement by Moon Jae-in. <sup>8</sup>Also challenging the power of the chaebol are some of their foreign minority shareholders, including Paul Singer's Elliott Management, which was instrumental in bringing the case against Mr. Lee and the former president. But Singer and his "vulture fund" are not the sort of players South Koreans should want leading a revolt against their economic pillars. The vulture fund model is to buy up the debt of struggling companies or countries at a deep discount, then engage in protracted court battles for payment in full plus interest, reaping massive profits in the process. Singer's Elliott Management notoriously extracted billions of dollars from Peru, Argentina, and the Congo this way. In the case of companies, "activist" hedge funds buy minority shareholder stakes, then trigger proxy battles for a greater share of the profits, changes in the board, liquidation of assets, or outright sale of the company.

In the US in 2009, Elliott Management and two other vulture funds extracted \$1.5 billion from Delphi, General Motors' troubled auto parts manufacturer, and is said to have virtually destroyed North American unionized labor in the process. Delphi's 20,000 retirees lost up to 70 percent of their pensions, an estimated 8,500 workers lost their jobs nationwide, and all but four factories were closed. In Korea, intrusions by foreign "activist" hedge funds have resulted in hundreds of billions of won being extracted from the chaebol, money that could have gone for research and development and for improving the conditions of workers.

Upon assuming the presidency, Moon Jae-in vowed to revive South Korea's dormant economy, but the government's approach -- raising taxes and the minimum wage -- has made it difficult for businesses to compete with Chinese industries. There is another alternative for funding economic and social development, one that was pursued by South Korea in the past and will be explored here.

The chaebol led South Korea's "economic miracle" of the last half-century. Rather than destroying

their cultural legacy, their best features need to be transmuted into a vehicle for serving the people and their local communities. This paper will suggest some possibilities for achieving that result, including a way to maximize the “impact” investment in social enterprises now being promoted by the Korean government. Before getting to solutions, however, we will look at Korea’s economic history, at how the chaebol contributed to its dramatic rise, and at the unique funding mechanism that made its “economic miracle” possible.

### **Korea’s Fifty-Year Economic Miracle**

In 1961, South Korea’s per capita GDP stood at \$103, making it one of the poorest countries in the world—poorer even than North Korea. Per capita GDP skyrocketed to \$5,438 in 1989, \$20,000 in 2007, and \$30,000 in 2010, placing it solidly in the club of wealthy first-world nations. According to Cambridge economist Ha-Joon Chang in *Bad Samaritans: The Myth of Free Trade and the Secret History of Capitalism*, it was “as if Haiti had turned into Switzerland.”

South Korea’s achievements were all the more impressive considering the country’s rocky start after World War II. President Syngman Rhee, a staunch anti-communist educated in the United States, had followed American economic prescriptions; and the nation’s banks, which had been government-owned under Japanese colonial rule (1910–1945), had been privatized. The economy suffered runaway inflation, highly unfavorable trade balances, and mass unemployment; and it was dependent on U.S. foreign aid. South Korea’s war with North Korea in the early 1950s was one of the bloodiest in human history, claiming four million lives and destroying half of Korean industry. The corrupt, authoritarian Rhee regime was finally toppled by a student uprising in 1960; and in 1961, General Park Chung Hee seized power in a military coup.

Educated at the Japanese imperial military academy in Tokyo before serving in the imperial Japanese army in Manchuria, Park was well aware of Japan’s rapid economic progress in the 1950s based on its experiment in “state-guided market capitalism.” Under the new Japanese model, the state determined the priorities and commissioned the work, then hired private enterprise to carry it out. The model overcame the defects of the communist system, which put ownership and control in the hands of the state.

Chalmers Johnson, president of the Japan Policy Research Institute, wrote in 1989 that the closest thing to the Japanese model in the United States was the military/industrial complex. The government determined the programs and hired private companies to implement them. The U.S. military/industrial complex was a form of state-sponsored capitalism that had produced one of the most lucrative and

successful industries in the country.

The Japanese model achieved that result, however, without the pretext of war. The Japanese managed to transform their warrior class into the country's industrialists, successfully shifting their focus to the peaceful business of building the country and developing industry. The old feudal Japanese dynasties became the multinational Japanese corporations we know today □ Mitsubishi, Mitsui, Sumitomo, and so forth. The government was at the helm directing the economy in a way that served the public interest. Japan proved the new state-guided model by rocketing from a per capita GDP of \$610 in 1962 to \$38,500 in 2006, a 63-fold increase in GDP in less than half a century.

Japan's impressive growth was not lost on South Korea, Japan's former colony. After Park Chung Hee came to power in the 1960s, he instituted Japanese-style state-guided planning and development, including nationalization of the banks. South Korea replicated the Japanese model, adopting a similar system of economic planning, life-time jobs and export assistance, and close copies of the Japanese Ministry of Finance, Ministry of Trade and Industry, and Development Bank of Japan. It also replicated the industrial conglomerates that in Japan were called keiretsu and in South Korea were called chaebol. State-owned enterprises (SOEs) were used extensively and the government was highly protectionist, including controlling foreign currency and investment. South Korea's version of the Japanese model was a stellar success, with per-capita income increasing nearly twenty-fold as early as 1978.

## Cooperative Corporate Groupings and Their Internal Funding Mechanisms

Underwriting these dramatic developments was a unique funding model that differed from the Western "free market" approach. Ha-Joon Chang wrote:

The neo-liberal establishment would have us believe that, during its miracle years between the 1960s and the 1980s, Korea pursued a neo-liberal development strategy. The reality, though, was very different indeed. What Korea actually did during these decades was to nurture certain new industries, selected by the government in consultation with the private sector, through tariff protection, subsidies, and other forms of government support . . . until they "grew up" enough to withstand international competition. The government owned all the banks, so it could direct the life-blood of business□credit.

Great Britain's policy had been to own the central banks of the nations it occupied. To avoid that trap, in 1882 Japan became the first nation in Asia to found its own independent state bank. The bank issued new fiat money which was used to pay the samurai nobles. The nobles were then

encouraged to deposit their money in the state bank and to put it to work creating new industries. Additional money was created by the government to aid the new industries. No expense was spared in the process of industrialization. Money was issued in amounts that far exceeded annual tax receipts. The funds were, after all, just government credits □ money that was internally generated, based on the credit of the government rather than on debt to foreign lenders.

Classical socialism emphasized the need to control the “commanding heights” of the economy, but this had been taken to mean the major industries□steel, coal, and the like. The Japanese recognized that it was not those industries that commanded the economy but the banking sector, which supplied capital to business. According to Robert Locke in a 2004 review titled “Japan, Refutation of Neoliberalism,” the Japanese understood that “it is possible to manipulate an economy that is 99% capitalist into being, essentially, a centrally-planned economy if the state controls the right 1%. And this ‘right 1%’ is the allocation of capital, especially big capital. The MOF [Ministry of Finance] uses its stranglehold on the allocation of capital to make the banks into willing servants of its mission to control the Japanese economy.”

Japan’ s major banks were no longer under the private control of rich families but were controlled at the top by the Ministry of Finance. Banks were embedded in the networks of companies called keiretsu. The successors to the prewar zaibatsu, they had family-like commitments to each other and preferentially traded among themselves. At the apex of each keiretsu pyramid was its bank, which allocated capital. The MOF kept tight control over these banks. It did not try to micro-manage as in the old Soviet-style central planning; but it set the agenda, directing the banks in a way that implemented the government’ s plans for economic development.

Locke explained the cooperative keiretsu groupings like this:

[T]heir system is designed so that corporations, in essence, largely own themselves. Even when there are nominal outside owners, corporations are managed so that the bulk of the wealth generated by the corporation flows either to the incomes of present workers or to investment in the future competitive strength of the company, making the workers and the company itself the de facto or beneficiary owners.

Most corporate capital in Japan is owned by banks, and the banks are principally owned not by shareholders, but by other companies in the same keiretsu or industrial group. And who owns these companies? Although there are some outside shareholders, majority control is in the hands of the keiretsu’ s bank and the other companies in the group. So in essence, the whole

[thing is circular and private ownership of the means of production has basically been put into the back seat.

Businesses in the keiretsu had cheap credit lines with their own cooperatively-owned banks, making them more economically efficient than their Western capitalist competitors. Access to cheap funding gave them an obvious competitive edge over businesses forced to borrow at usurious rates from private banks extracting as much “rent” as they could for the use of the bank’s credit. The keiretsu added an element of cooperation and integration to the economy, with businesses remaining very competitive but competing as a team. They were less concerned with short-term gain than with market share, improving production techniques, and maintaining employment. They could take the long view because their funding came from their own banks rather than from shareholders whose chief interest was quarterly profit.

## The Chaebol

The Korean version of state-guided capitalism and its stellar rise were detailed by economics professors Jang-Sup Shin and Ha-Joon Chang in a 2003 book titled *Restructuring ‘Korea Inc.’* The model was based on the state, the banks and the chaebol. The chaebol were corporate groupings that as fledgling industries got preferential financial treatment and protection from the government. The member companies operated under centralized coordination that let them exploit economies of scale by mobilizing and sharing financial, entrepreneurial and other resources, allowing them to sustain long-term projects that required a long gestation period for learning and creating new technologies. A stream of profits from existing businesses could be mobilized for or guarantee new uncertain projects, and member firms could buy cheaply from each other. Shared financial resources were mobilized across member firms through direct subsidy, corporate lending, and loan guarantees, and they were directed to projects the group considered strategically important. In that sense, wrote Shin and Chang, they approximated the functioning of a capital market.

The chaebol differed from the keiretsu in that their ownership and control was more centralized under their founding families and they were largely prohibited from owning private banks, in order to increase the government’s leverage over them in such areas as credit allocation. However, the chaebol still succeeded in generating much of their own funding. Shin and Chang wrote that the corporate groupings were a way to generate “fictitious” capital through “mutual shareholding” or “circular shareholding,” without actually putting up real money. Member companies could buy each other’s stock and guarantee each other’s loans, recirculating existing funds. The more interlocked the

shareholdings, the more assets they could create on the same initial paid-in capital, a process facilitated by the lack of transparency in these private groupings.

Creating fictitious capital and credit may sound like a questionable practice, but it is not much different from how banks operate today. Contrary to popular belief, banks are not merely intermediaries, taking in deposits and lending them out again. As the Bank of England recently acknowledged and the US Federal Reserve acknowledged in the 1960s, banks actually create deposits when they make loans. They do this simply by writing the loan amount into the borrower's deposit account. When they need liquidity to cover transfers or withdrawals, they borrow cheaply from their depositors, other banks, the shadow banking system, or the central bank. The Bank of England said that 97 percent of the money supply is created in this way. Most of our money today is simply bank credit.

Dubious as it sounds, the prevailing practice of creating money simply as credit on the books of banks is not actually a bad thing. It allows viable enterprises to turn their future productivity into cash flow they can spend today. Corruptions in the system have arisen chiefly because it is opaque, privately owned, and geared to short-term investor profits. Corruptions in the system can be eliminated while preserving its essential features by transforming it into a public utility, one that serves the people and the productive "real" economy rather than the speculative financialized economy that the private banking system serves now. But more on that shortly.

## The Assault of the Wall Street Speculators

The Japanese and Korean state-guided systems worked brilliantly well until the late 1990s, when they were crushed along with other Asian economies in the 1997–98 "Asian crisis." In a 2004 book called *A Century of War*, William Engdahl traced how the crisis was manufactured by foreign speculators and its resolution served foreign investors and banks. The Japanese state-guided market system was so effective and efficient that it was regarded as an existential threat to the neoliberal model of debt-based money and "free markets" promoted by the International Monetary Fund (IMF). By the end of the 1980s, Japan was considered the leading economic and banking power in the world. Its state-guided model had also proved highly successful in South Korea and the other "Asian Tiger" economies. When the Soviet Union collapsed, Japan proposed its model for the former communist countries, and many began looking to it and to South Korea as viable alternatives to the US free-market system. State-guided capitalism provided for the general welfare without destroying capitalist incentive. Engdahl wrote:

The Tiger economies were a major embarrassment to the IMF free-market model. Their very success in blending private enterprise with a strong state economic role was a threat to the IMF free-market agenda. So long as the Tigers appeared to succeed with a model based on a strong state role, the former communist states and others could argue against taking the extreme IMF course. In east Asia during the 1980s, economic growth rates of 7–8 per cent per year, rising social security, universal education and a high worker productivity were all backed by state guidance and planning, albeit in a market economy – an Asian form of benevolent paternalism.

To diffuse that threat, the Bank of Japan was pressured by Washington to take measures that would increase the yen's value against the dollar. The stated rationale was that this revaluation was necessary to reduce Japan's huge capital surplus (excess of exports over imports). The Japanese Ministry of Finance countered that the surplus, far from being a problem, was urgently required by a world needing hundreds of billions of dollars in railroad and other economic infrastructure after the Cold War. But the Washington contingent prevailed, and Japan went along with the program. By 1987, the Bank of Japan had cut interest rates to a low of 2.5 per cent. The result was a flood of “cheap” money that was turned into quick gains on the rising Tokyo stock market, producing an enormous stock market bubble. When the Japanese government cautiously tried to deflate the bubble by raising interest rates, the Wall Street bankers went on the attack, using their new “derivative” tools to sell the market short and bring it crashing down. Engdahl wrote:

No sooner did Tokyo act to cool down the speculative fever, than the major Wall Street investment banks, led by Morgan Stanley and Salomon Bros., began using exotic new derivatives and financial instruments. Their intervention turned the orderly decline of the Tokyo market into a near panic sell-off, as the Wall Street bankers made a killing on shorting Tokyo stocks in the process. Within months, Japanese stocks had lost nearly \$5 trillion in paper value.

Japan, the “lead goose,” had been seriously wounded. Washington officials proclaimed the end of the “Japanese model” and turned their attention to the flock of Tiger economies flying in formation behind. .

## Taking Down the Tiger Economies : The Asian Crisis of 1997

Until then, the East Asian countries had remained largely debt-free, avoiding reliance on IMF loans or foreign capital except for direct investment in manufacturing plants, usually as part of a long-term national goal. But that was before Washington began demanding that the Tiger economies open their controlled financial markets to free capital flows, making them vulnerable to speculation by foreign inve

stors. Like Japan, most went along with the program. The institutional speculators then went on the attack, armed with a secret credit line from a group of international banks including Citigroup. Chalmers Johnson wrote in *The Los Angeles Times* in 1999:

The funds easily raped Thailand, Indonesia and South Korea, then turned the shivering survivors over to the IMF, not to help victims, but to insure that no Western bank was stuck with non-performing loans in the devastated countries.

Mark Weisbrot testified before Congress, “In this case the IMF not only precipitated the financial crisis, it also prescribed policies that sent the regional economy into a tailspin.” The IMF had prescribed the removal of capital controls while insisting on very high interest rates and “fiscal austerity.” The result was a liquidity crisis (a lack of available money) that became a major regional depression. In 1997, more than 100 billion dollars of Asia’s hard currency reserves were transferred in a matter of months into private financial hands. In the wake of the currency devaluations, real earnings and employment plummeted virtually overnight. The result was mass poverty in countries that had previously been experiencing real economic and social progress. In an article in *Monetary Reform* in the winter of 1998–99, Professor Michel Chossudovsky wrote:

This manipulation of market forces by powerful actors constitutes a form of financial and economic warfare. No need to re-colonize lost territory or send in invading armies. In the late twentieth century, the outright “conquest of nations,” meaning the control over productive assets, labor, natural resources and institutions, can be carried out in an impersonal fashion from the corporate boardroom . . . . Speculative instruments have been used with the ultimate purpose of capturing financial wealth and acquiring control over productive assets.

Chossudovsky warned that the Asian crisis marked the elimination of national economic sovereignty and the dismantling of the Bretton Woods institutions safeguarding the stability of national economies. Nations no longer had the ability to control the creation of their own money, which had been usurped by marauding foreign banks.

In their 2003 book *Restructuring ‘Korea Inc.’*, Shin and Chang took up the tale for South Korea. They said the country had become dominated by foreign capital, reversing the former nationalistic model. More than 50 percent of the shares of many major Korean companies were foreign-owned, including Samsung Electronics and Hyundai Motors. To avoid a liquidity crunch after the 1997–98 crisis, assets over which the government had control were sold to investors at firesale prices, including Korea First Bank and Daewoo Motors. Companies were virtually given away to foreign investors rather than nationalized, because the government feared tarnishing its new image as a “market-oriented” government.

Hostile takeovers of Korean companies by foreign investors remain a threat today, as Paul Singer’s Elliot

Management and other “activist” funds step up their efforts to bleed the companies of profits. What can be done to reverse this situation and salvage the best features of the chaebol, while at the same time providing the millennial generation with the quality of life and work they want and deserve? Two possibilities are suggested here, one federal and one local.

## Federal Solutions

The global banking crisis of 2008–09 was a game changer, introducing solutions not previously thought possible. The US Federal Reserve embarked on a new program called “quantitative easing,” in which it purchased over \$1 trillion in toxic mortgage-backed securities from bankrupt Wall Street banks, along with a further \$2.7 trillion in US government bonds; and it did this simply by creating new money in the form of bank reserves on its books.

Other central banks soon followed suit. The Bank of Japan has now purchased nearly 50 percent of Japan’s federal debt with money just generated on its books. In effect, Japan has returned to its nineteenth century practice of funding the government with fiat money created by the central bank; yet its inflation rate remains below 2 percent. Meanwhile, in the last 20 years China has increased its money supply by 1,800 percent, and its inflation rate also remains low. The old monetarist dogma holding that governments could not simply “print money” because it would result in hyperinflation has been disproven by these dramatic recent developments.

The Bank of Japan, the Swiss central bank, and other central banks have gone further than just purchasing government bonds. Today they are intervening in their stock markets by purchasing large blocks of stock. The Korean central bank could do this as well. It could thwart the destructive designs of the vulture funds by purchasing a controlling interest in the major chaebol, using funds simply generated on its books. Alternatively, the central government could purchase shares in the chaebol, using funds borrowed from the central bank. Unlike under either US or Japanese banking law, Korean law allows the federal government to sell its bonds directly to the central bank or to borrow from it.

Purchasing a controlling interest in the larger chaebol would put the government back in control of the “commanding heights” of the economy. The government could again support the chaebol, not with taxes but with funds generated by the central bank, reducing or eliminating the companies’ dependence on foreign investors. Chaebol with a public mandate could be directed to focus on research and development, long-range socially responsible investments, and improving working conditions for their employees, as well as providing better opportunities for promotion.

## Local Funding Solutions

Young Koreans wishing to avoid the corporate workplace and strike out on their own are often prevented from starting their own local businesses by an inability to get credit. Small and medium-sized local businesses (SMEs) are particularly disadvantaged in the credit markets. Commercial lenders consider them too risky, and they are too small to raise capital by incorporating and selling stock.

For SMEs that are struggling to get loans, local governments could generate domestic funding through their own publicly owned banks, backstopped by the central bank's ability to create liquidity as needed. A bank has the advantage over a revolving fund, which simply lends out its capital and waits for the money to come back, that it can leverage its capital into many times that sum in loans. At a 10 percent capital requirement, a bank can generate 10 times its capital in local credit.

Shin and Chang wrote that large banks dealing in international trade were required to comply with the more stringent and restrictive capital and reporting requirements imposed by the Bank for International Settlements, the World Trade Organization, and other international regulatory agencies. But they argued that local banks funding local businesses need not be so limited. Writing in 2003, they said the reform measures of that era “were principally geared to reducing financial risk of the system, even to the extent of over-killing the economy in the short run.” A case in point was the increased BIS capital adequacy ratio, which forced the banks of developing countries to expand their capital bases very rapidly, creating a severe credit crunch. Shin and Chang wrote:

Given that the BIS rule is an international norm, there was little that the Korean government could do in changing the rule itself. However, it could still have applied it more flexibly, in a way that promotes national interests. For instance, rather than applying the rule to all the domestic commercial banks, it could have made it obligatory only for those that have high international exposure, whilst applying less stringent standards to those that have limited exposure to international financial markets.

That could still be done today. Local public banks could be authorized to operate with reduced capital and other regulatory requirements, allowing them to make low-interest loans to struggling SMEs.

To raise the needed capital, public banks could issue and sell bonds. Today South Korean institutional investors, including its National Pension Service (which has close to \$500 billion in assets), are looking for socially responsible investments that integrate environmental, social and governance considerations and address national socio-economic gaps. Bonds issued by publicly-owned banks that had this sort of public interest mandate could qualify for these investments.

Local public banks could help millennial entrepreneurs with good ideas but little funding start their own businesses. Prudent underwriting standards would still apply; but if some loans went bad, they could be carried on the banks' books as nonperforming loans (NPLs) without harm to the banks or the local economy. As the Bank of England has now confirmed, loans are simply created on bank books in the first place, so no investors would lose money if they were written off. Harm results when the lending banks are declared insolvent and forced to close, but this is just an accounting convention, which local law could change for local banks. In fact that is the current practice in China. Their state-owned banks have been allowed to carry substantial NPLs on their books, yet the Chinese economy continues to function and thrive.

Writing off NPLs or carrying them on the books would increase the money supply from the loan money that was not repaid, but this too would not harm the economy. Regular injections of new money are actually needed by local economies, to fill the gap between an exponentially growing debt and the money available to repay it. Debt always grows faster than the money supply, in part because of the way money comes into existence as bank loans. Banks create the principal but not the interest, which is typically acquired by someone somewhere taking out more debt. Even much of the principal created as loans is not returned to the local circulating money supply. It goes into the speculative financial casino, offshore tax havens, or simply into safety deposit boxes or under mattresses. Debts mount until they cannot be repaid, when the economy falls into the troughs of the "business cycle." Ancient rulers solved the problem of an exponentially growing debt with periodic "debt jubilees" in which they just forgave the loans; but that cannot be done today because the creditors are not the government but are private lenders. The alternative is to fill the gap between debt and the local circulating money supply with regular injections of new money, and nonperforming loans could satisfy some of that need.

If regulators are opposed to allowing local public banks to carry nonperforming loans on their books, the central bank could buy the loans and move them onto its own books. Again there is ample successful precedent for this practice. According to UK Prof. Richard Werner in a 2012 paper, the UK engaged in it at the beginning of World War I, Japan engaged in it after World War II, and the US Federal Reserve engaged in it when it bought over \$1 trillion in "toxic" (then unmarketable) mortgage-backed securities from failing US banks after the 2008 crisis. In each case the move was successful without triggering price inflation.

Now that central banks have shown us what they can do without wreaking havoc on the economy, vast new possibilities have opened up for creative financing. For a more in-depth look at these issues and at the alternative funding mechanisms possible in the 21st century, see Ellen Brown, *Web of Debt* (now available in Korean), *The Public Bank Solution* (2013), and *Banking on the People: Democratizing Money in the Digital Age* (2019); <http://EllenBrown.com>.

## CHAPTER 4

---

# Subject Lecture 1

---

- Progressive Policies For Healthy Local Food Systems

Anja Lyngbaek

- Urban Regeneration through Community Restoration  
: Lessons from the San Francisco Bay Area

Della Duncan

---



# PROGRESSIVE POLICIES FOR HEALTHY LOCAL FOOD SYSTEMS

Anja Lyngbaek

Healthy food and farming is key to our survival and well-being. Few people would argue with that, even in our highly urbanised and digitalised world, where most people are divorced from the land and unaware of the fragility of our food systems.

Yet, for most part, food and the farming is anything but healthy. A recent study estimates that for every dollar spent on food, society pays the double in health, environmental, and economic costs. Half these costs totaling USD 5.7 trillion each year globally are due to modern food production systems, which extract finite resources, is wasteful and polluting, and harms natural systems Cities and Circular Economies for Food (2019)

Ellen MacArthur Foundation

[https://www.ellenmacarthurfoundation.org/assets/downloads/Cities-and-Circular-Economy-for-Food\\_280119.pdf](https://www.ellenmacarthurfoundation.org/assets/downloads/Cities-and-Circular-Economy-for-Food_280119.pdf)

.

This should come as no surprise. Across the world, we have witnessed the increasing industrialisation and corporatisation of food and farming at the expense of small-medium scale diverse farming and local food systems. A mere 10 corporations now own the majority of the industrial food sold across the globe Agropoly: a handful of corporations control the world food production, 2013

EcoNexus and Barne Declaration

[https://www.econexus.info/sites/econexus/files/Agropoly\\_Econexus\\_BerneDeclaration.pdf](https://www.econexus.info/sites/econexus/files/Agropoly_Econexus_BerneDeclaration.pdf)

, while only three conglomerates control half of global seed sales worldwide. The world's top 10 seed companies: who owns Nature? 31 January, 2009

GM Watch

<https://www.gmwatch.org/en/gm-firms/10558-the-worlds-top-ten-seed-companies-who-owns-nature>.

For a long time, this trend was attributed to inefficiency of scale. But as the evidence of the systemic advantages afforded to big business – subsidies, tax exemptions and lax regulation – have come to light, the efficiency-explanation no longer holds true. What has become apparent, is a policy pattern whereby big and global businesses are deregulated and subsidised, while small and local businesses are burdened with overregulation and taxation.

"Take for example agricultural subsidies in the USA and EU. Here, 75% and 80% of subsidies are paid to the largest 10% and 20% of farms respectively. As shown in a recent report, taxpayers worldwide are providing over \$1 million in agricultural subsidies per minute! Of the \$700 billion-total (\$530 billion are direct subsidies), only 1% is used to support environmentally friendly farming and practices. Instead, most of the money supports industrialised agriculture and high-emission [factory] livestock

1) Cities and Circular Economies for Food (2019)

Ellen MacArthur Foundation

[https://www.ellenmacarthurfoundation.org/assets/downloads/Cities-and-Circular-Economy-for-Food\\_280119.pdf](https://www.ellenmacarthurfoundation.org/assets/downloads/Cities-and-Circular-Economy-for-Food_280119.pdf)

2) Agropoly: a handful of corporations control the world food production, 2013

EcoNexus and Barne Declaration

[https://www.econexus.info/sites/econexus/files/Agropoly\\_Econexus\\_BerneDeclaration.pdf](https://www.econexus.info/sites/econexus/files/Agropoly_Econexus_BerneDeclaration.pdf)

3) The world's top 10 seed companies: who owns Nature? 31 January, 2009

GM Watch

<https://www.gmwatch.org/en/gm-firms/10558-the-worlds-top-ten-seed-companies-who-owns-nature>.

production. And, as if this isn't enough, we are also subsidizing fossil fuels, in the order of \$5.2 trillion per year Umair Irfan May 17, 2019

Fossil fuels are underpriced by a whopping \$5.2 trillion

VOX

<https://www.vox.com/2019/5/17/18624740/fossil-fuel-subsidies-climate-imf>

Full Report

David Coady, Ian Parry, Nghia-Piotr Le, Baoping Shang, May, 2019

Global Fossil Fuel Subsidies Remain Large: An Update Based on Country-Level Estimates, IMF Working Report

<https://www.imf.org/en/Publications/WP/Issues/2019/05/02/Global-Fossil-Fuel-Subsidies-Remain-Large-An-Update-Based-on-Country-Level-Estimates-46509>

.

So, it is no wonder that industrially produced food from far away is cheaper than local food from a nearby farm, has led to a systemic shift away from small to medium scale diverse production for local and regional markets, towards large-scale monoculture production for a global market. Likewise, with retail, small, local and independent shops have been displaced by giant chain stores.

This policy-induced shift has pushed us towards the brink of environmental disaster and climate crisis. It has undermined our health and deprived millions of people of land-based and food-related livelihoods, fueling a steady migration from country to city, and further afield.

However, the good news is that we are seeing a growing counter-trend – a local food movement that is aimed at shortening the distance between producers and consumers and rebuilding place-based food

## 2019 행복의 경제학 국제회의 전주 지역화의 지속 가능성

systems operating within ecological limits. New local food initiatives community supported agriculture, farmers markets, consumer cooperatives that buy from local farmers, land trusts that help new farmers access land, local food shops, grassroots investment in local food enterprises – are mushrooming up everywhere and paving the way for regenerative farming and new economic place-based models.

During my previous visit in Jeonju, at the Economics of Happiness Conference in 2017,

I shared about a range of inspiring local food initiatives from across the world. Since then, countless new initiatives have emerged. One look at Local Futures, Planet Local series, will show widespread this shift is, even among young people, many of whom are leaving academic carriers behind to take up regenerative farming with a focus on local markets Planet Local Short Film Series on Food and Farming

<https://www.localfutures.org/programs/global-to-local/planet-local/short-film-series-food-farming/>.

4) Umair Irfan May 17, 2019

Fossil fuels are underpriced by a whopping \$5.2 trillion

VOX

<https://www.vox.com/2019/5/17/18624740/fossil-fuel-subsidies-climate-imf>

Full Report

David Coady, Ian Parry, Nghia-Piotr Le, Baoping Shang, May, 2019

Global Fossil Fuel Subsidies Remain Large: An Update Based on Country-Level Estimates, IMF Working Report

<https://www.imf.org/en/Publications/WP/Issues/2019/05/02/Global-Fossil-Fuel-Subsidies-Remain-Large-An-Update-Based-on-Country-Level-Estimates-46509>

5) Planet Local Short Film Series on Food and Farming

<https://www.localfutures.org/programs/global-to-local/planet-local/short-film-series-food-farming/>

Yet, there seems to be no end to the bad news related to food production: 75% of global seed varieties have been lost Small farmers hold the key to seed diversity: researchers, 16 February, 2015

Reuters

<https://www.reuters.com/article/us-food-aid-climate/small-farmers-hold-the-key-to-seed-diversity-researchers-idUSKBN0LK1PO20150216>

, 40% of the insects that underpin ecosystems and food production are at the brink of extinction, including key pollinators Damian Carrington, 10 February, 2019

Plummeting insect numbers 'threaten collapse of nature

The Guardian

<https://www.theguardian.com/environment/2019/feb/10/plummeting-insect-numbers-threaten-collapse-of-nature>

, 1/3 of global greenhouse gas emission stem from agriculture Natasha Gilbert, 31 October 2012

One-third of our greenhouse gas emissions come from agriculture

Nature, International Weekly Journal of Science

<https://www.nature.com/news/one-third-of-our-greenhouse-gas-emissions-come-from-agriculture-1.11708>

and this doesn't even include the emission stemming from the extensive transport, packaging and refrigeration generated by the globalized food system.

It is clear that we cannot achieve planetary health or human health without reclaiming and transforming our food systems with people and planet in mind. We need to act fast and scale-up the many good strategies and initiatives in motion. To do so, we need a shift in policies in favour of regenerative farming and local food systems. In this paper, I am outlining examples of progressive policies and policy strategies from across the world that are taking us in the right direction.

## LEGISLATING AGAINST JUNK FOOD

Junk food has invaded our diets and is causing major health risks, from obesity and diabetes to heart disease and cancer. Some places are now taking measures to restrict consumption through bans on advertising and on the sale of junk food. Here are three such examples, from London, India and the South Pacific Island of Vanuatu.

### London Bans Junk Food Advertising On Public Transport

On the 25 February 2019, junk food advertising was officially banned on the entire public transport system in London, by the City Government, as a new groundbreaking measure to help tackle child obesity (40% of 10-11 years old are

6) Small farmers hold the key to seed diversity: researchers, 16 February, 2015

Reuters

<https://www.reuters.com/article/us-food-aid-climate/small-farmers-hold-the-key-to-seed-diversity-researchers-idUSKBN0LK1PO20150216>

7) Damian Carrington, 10 February, 2019

Plummeting insect numbers 'threaten collapse of nature

The Guardian

<https://www.theguardian.com/environment/2019/feb/10/plummeting-insect-numbers-threaten-collapse-of-nature>

8) Natasha Gilbert, 31 October 2012

One-third of our greenhouse gas emissions come from agriculture

Nature, International Weekly Journal of Science

<https://www.nature.com/news/one-third-of-our-greenhouse-gas-emissions-come-from-agriculture-1.11708>

obese) and diabetes (7000 children afflicted) in London London Government, UK

TfL junk food ads ban will tackle child obesity

<https://www.london.gov.uk/what-we-do/business-and-economy/food/tfl-junk-food-ads-ban-will-tackle-child-obesity>.

London City Government, points to the evidence showing a correlation between food advertising and

child obesity. A study carried out by Cancer Research UK in 2018, found that young people who recalled seeing junk food adverts every day were more than twice as likely to be obese.

With 30 million journeys made daily by public transport in London, banning junk food advertising is likely to have positive impacts on public health. Public consultation showed that 82 per cent of Londoners supported the ban.

### India bans sale of junk food in schools

In 2015, the Delhi High Court ordered the regulation of junk food consumption among school children through restrictions on the sale of foods high in fat, salt and sugar, such as chips, fried foods and sugar-sweetened beverages in and around school premises Down to Earth, 4 July 2015

Delhi High Court orders curb on junk food sale in schools across India

<https://www.downtoearth.org.in/news/delhi-high-court-orders-curb-on-junk-food-sale-in-schools-across-india-49038>

. The court order came in response to a public interest petition, which sought a ban on sale of junk food inside and near school premises. The Court directed the Food Safety and Standards Authority of India to implement the guidelines for making available wholesome, nutritious, safe and hygienic food to school children in India. The key principles behind the guidelines are: benefits of balanced, fresh and traditional food cannot be replaced; schools are not the right places for promoting foods high in fat, salt and sugar; and children are not the best judge of their food choices †

### Vanuatu pilots ban on imported junk food

In 2017, the Torba Province in the northern part of the South Pacific Island chain of Vanuatu, restricted imports of foreign junk food in favor of an all-local, all-organic diet, in order to protect the health and wellbeing of the islanders. Community leader and head of the tourism council in Torba, Father Luc Dini, states that Torba's population of 10,000 – most of which are subsistence farmers – has stayed healthy by following a local diet, while the provinces that have adopted western-style diets

9) London Government, UK

TfL junk food ads ban will tackle child obesity

<https://www.london.gov.uk/what-we-do/business-and-economy/food/tfl-junk-food-ads-ban-will-tackle-child-obesity>

10) Down to Earth, 4 July 2015

Delhi High Court orders curb on junk food sale in schools across India

<https://www.downtoearth.org.in/news/delhi-high-court-orders-curb-on-junk-food-sale-in-schools-across-india-49038>

are suffering from modern ailments and illnesses. The restrictions in Torba started with a ban on junk foods in tourist bungalows and guesthouses, where locally grown, organic food would be served instead. The central government in Port Vila is supportive and are observing how the ban is tolerated by locals

and visitors. Torba aims to become Vanuatu's first organic province and, to introduce a wider ban on the import of foreign foods within a few years Eleanor Ainge Roy, 3 Feb 2017

South Pacific islands ban western junk food and go organic

<https://www.theguardian.com/world/2017/feb/03/south-pacific-islands-vanuatu-torba-ban-western-junk-food-health-organic>

## LEGISLATING FOR FOOD SOVEREIGNTY AND LOCAL FOOD SYSTEMS

### The Maine Food Sovereignty Act

In 2017, the State of Maine in USA, passed the Maine Food Sovereignty Act – the first of its kind in the country. The Act, gives municipalities the right to regulate their own local food systems, which had previously been made impossible due to federal and state regulations. Municipal governments in Maine can pass ordinances that exempt many direct producer-to-consumer food sales from burdensome state licensing and inspection requirements that place an unfair burden on small and local producers. The Act encourages food self-sufficiency and supports policies that further local control, small scale production and health and wellbeing. Within one year of the enactment, more than 40 towns in the State of Maine had passed 'food sovereignty' ordinances, which in turn have led to countless new business opportunities for small farmers and producers Julia Bayly, 26 November, 2018

One Year After Becoming Law, Food Sovereignty in Maine has Taken Hold,  
Bangor Daily News

text from The Maine Food Sovereignty Act, Maine Legislature, 2017, c. 314, 1.  
<https://localfoodrules.org/ordinance-template/>

### Ontario Local Food Act

The government of Ontario, Canada, went a step further and passed a Local Food Act, aimed at providing new market opportunities for local producers and increased access to local food, while improving local food literacy. This led to a Local Food Strategy that include, amongst other Ontario, Ministry of Agriculture, Food and Rural Affairs.

Ontario's Local Food Report 2016/2017 Edition: Tastes of Home

[http://www.omafra.gov.on.ca/english/about/local\\_food\\_rpt17.htm#OntariosLocalFoodStrategy](http://www.omafra.gov.on.ca/english/about/local_food_rpt17.htm#OntariosLocalFoodStrategy)

11) Eleanor Ainge Roy, 3 Feb 2017

South Pacific islands ban western junk food and go organic

<https://www.theguardian.com/world/2017/feb/03/south-pacific-islands-vanuatu-torba-ban-western-junk-food-health-organic>

12) Julia Bayly, 26 November, 2018

One Year After Becoming Law, Food Sovereignty in Maine has Taken Hold, Bangor Daily News

text from The Maine Food Sovereignty Act, Maine Legislature, 2017, c. 314, 1. <https://localfoodrules.org/ordinance-template/>

### 13) Ontario, Ministry of Agriculture, Food and Rural Affairs.

A Local Food Week that takes place in June each year.

Tax credits to farmers that donate agricultural produce to community food banks.

Retailer Award given to those retailers with the best promotion and grocery store display of foods from Ontario.

Local Food Community Champions is a certificates given to local food leaders who are then honoured through local media.

Vendor Engagement Program connecting local producers and retailers through face to face meetings, product presentations, sales-training for producers.

Foodland Ontario logo developed for easy identification of Ontario food products.

Promotional campaigns to raise awareness about local/regional produce through radio, TV and social media.

food literacy programme that encourage young people to engage in food and farming. Includes toolkits that teachers can incorporate in their lessons.

The Ontario government created a Local Food Investment Fund of \$6 million in support of initiatives in line with Local Food Strategy, to be used over a three-year period. The fund has supported nearly 80 project, including these Local Food Champions Ontario, Ministry of Agriculture, Food and Rural Affairs.

The Faces of Ontario Local Food: 2018-2019 Local Food Report

[http://www.omafra.gov.on.ca/english/about/local\\_food\\_rpt18.htm](http://www.omafra.gov.on.ca/english/about/local_food_rpt18.htm)

Farmers' Markets Ontario (FMO) – a province-wide association, that promotes and supports farmers' markets in Ontario, so that consumers can buy locally grown food direct from farmers. At total of 182 farmers' markets registered with the association.

Ontario Farm Fresh Marketing Association which fosters the direct farm sales, such as pick-your-own and on-farm fruit and vegetable markets. Approximately 300 farmers belong to the group.

Fresh from the Farm – connects children and youth with farms. Schools raise

Ontario's Local Food Report 2016/2017 Edition: Tastes of Home

[http://www.omafra.gov.on.ca/english/about/local\\_food\\_rpt17.htm#OntariosLocalFoodStrategy](http://www.omafra.gov.on.ca/english/about/local_food_rpt17.htm#OntariosLocalFoodStrategy)

14) Ontario, Ministry of Agriculture, Food and Rural Affairs.

The Faces of Ontario Local Food: 2018-2019 Local Food Report

[http://www.omafra.gov.on.ca/english/about/local\\_food\\_rpt18.htm](http://www.omafra.gov.on.ca/english/about/local_food_rpt18.htm)

funds by selling local fruits and vegetables. Since the program began in 2013, 665 schools have participated and families have bought almost \$1.7 million worth of local produce.

Local Line Incorporated – online platform that makes it easier for restaurants and other businesses to buy local produce, without having to place dozens of individual orders for vegetables, grain, meat, dairy etc.

## Philadelphia' s local food target and initiatives

In 2009, Philadelphia's Mayor's Office issued 'Greenworks Philadelphia' (Pennsylvania, USA) – a plan to make Philadelphia the greenest city in America. The equity section prioritizes easy access to local food and establishes a target to bring local food within 10 minutes of 75 percent of city residents. Recommended actions to reach this goal include: making an inventory of community gardens, urban farms, and farm stands; using vacant city-owned land for gardening purposes; creating new food producing gardens, farms, and farmers' markets; providing technical assistance to farmers/gardeners; and, fostering distribution of healthy foods in neighborhood stores, and supporting food cooperative expansions. A progress report from 2011, showed that four farmers markets had been opened in underserved neighborhoods, with six more underway, while 500 stores had agreed to bring healthy and fresh foods into their shops. A vacant property in town had been turned into an organic farm – the Marathan Farm which was selling its produce to neighbours at an affordable price Greenworks, 2011 City of Philadelphia

[https://archive.epa.gov/international/jius/web/pdf/greenworks\\_prgrssrprt\\_2011.pdf](https://archive.epa.gov/international/jius/web/pdf/greenworks_prgrssrprt_2011.pdf)

The Greenworks Philadelphia report from 2016, issued by the Office For Sustainability, under Mayor Jim Kenney, outlines what the local government is doing and what individuals, communities and institutions can do, to help build a sustainable city Greenworks a vision for a sustainable Philadelphia, 2016

City of Philadelphia, Office for Sustainability

Mayor Kim Jenney

[https://www.phila.gov/media/20161101174249/2016-Greenworks-Vision\\_Office-of-Sustainability.pdf](https://www.phila.gov/media/20161101174249/2016-Greenworks-Vision_Office-of-Sustainability.pdf)

## A PEOPLES FOOD POLICY, ENGLAND

15) Greenworks, 2011 City of Philadelphia

[https://archive.epa.gov/international/jius/web/pdf/greenworks\\_prgrssrprt\\_2011.pdf](https://archive.epa.gov/international/jius/web/pdf/greenworks_prgrssrprt_2011.pdf)

16) Greenworks a vision for a sustainable Philadelphia, 2016

City of Philadelphia, Office for Sustainability

Mayor Kim Jenney

[https://www.phila.gov/media/20161101174249/2016-Greenworks-Vision\\_Office-of-Sustainability.pdf](https://www.phila.gov/media/20161101174249/2016-Greenworks-Vision_Office-of-Sustainability.pdf)

In England, over 80 food and farming organisations have spent 18 months in extensive, nation-wide consultations with grassroots groups, NGOs, trade unions, community projects, small businesses and

individuals, in order to draw up a blueprint for healthy and fair national food policies, known as A Peoples Food Policy Butterly D, Fitzpatrick I, et al. June 2017

A Peoples Food Policy – Transforming our Food System,

<https://drive.google.com/file/d/0B00GeyvZdIaJQXFfX0tpUHB4Yjg/view>

. The 100 page-report covers governance, food production, health, land, labour, environment, knowledge and skills, trade and finance and comes with in-depth analysis and policy proposals.

The Peoples Food Policy comes in response to the massive failings of present policies. The UK, like most other countries, is facing a corporate takeover of food and agriculture. Over 33 000 small to medium farms have been squeeze out by agribusiness in the past decade, while the cost of basic foods has outstripped the rise in wages, leaving many people with no choice but to buy artificially cheap (subsidised) industrial foods of low quality, thus adding to a downward spiral that undermines public health, independent producers and local economies.

According to the coalition behind People Food Policy, the government- (as well as EU' s) response to these problems have been piecemeal at best, leading to a shameful levels of food insecurity, amongst many other problems. An estimated eight million or more, cannot afford to buy food. As a result, the reliance on food banks † has been rising year by year. According to a recent report by UNICEF, 'Building the Future', one in five children under 15 years old, are food insecure in the UK.

As Brexit negotiations begin, the coalition of 80 organisations, urge politicians to enact – progressive national food policy which supports a food system where everybody, regardless of income, status or background, has secure access to enough good food at all times, without compromising on the wellbeing of people, the health of the environment, and the ability of future generations to provide for themselves.

## Scotland a Good Food Nation

17) Butterly D, Fitzpatrick I, et al. June 2017 A Peoples Food Policy – Transforming our Food System, <https://drive.google.com/file/d/0B00GeyvZdIaJQXFfX0tpUHB4Yjg/view>

The Peoples Policy Paper for England, is in part inspired by Scotland. In 2014, the Scottish Parliaments passed national food and drink policy directive, called Becoming a Good Food Nation, which set a new vision for Scotland as A Good Food Nation: † Where people from every walk of life take pride and pleasure in, and benefit from, the food they produce, buy, cook, serve, and eat each

day. Scottish Government

Good Food Nation Policy

<https://www.gov.scot/policies/food-and-drink/good-food-nation/>

The Scottish Government opened up for civic participation in the legislative process, by calling for policy proposals during a four-month period between December 2018 and April 2019, which has led to some very considerate and well-research inputs. One of these is from Scotland's voluntary environment community - Scottish Environment LINK - a cross sector of over 35 interest groups that share the common goal of contributing to a more environmentally sustainable society Scottish Environment LINK Food and Farming, 17 April 2019

Response to Good Food Nation proposals for Legislation

LINK Consultation Response March 2019

<http://www.scotlink.org/wp/files/documents/LINK-Good-Food-Nation-Consultation-response-April-2019.pdf>

The results from the consultation process will feed into the Good Food Nation Bill, which will be passed in 2020 Scottish Government commits to introducing the Good Food Nation Bill in the next year <http://www.nourishscotland.org/campaigns/good-food-nation-bill/>

## PUBLIC PROCUREMENT

One of the most effective and rapid ways to build and strengthen healthy local food systems, is through public procurements policies. Across the world, governments at all levels spend huge amounts of money on the purchasing of food for public institutions. Typically, the food is chosen according to price competitiveness and ease of purchase, with little or no concern for how and where the food was produce, or by whom. Public health, the safeguarding of the environment, food security, social justice, animal welfare, availability of jobs and healthy local economies - are rarely considered in public procurement policies. As a result, tax payers' money is spent on industrial foods from big agribusiness, bought in bulk from equally big providers, which are then served in hospitals, schools, retirement homes and other public

18) Scottish Government Good Food Nation Policy

<https://www.gov.scot/policies/food-and-drink/good-food-nation/>

19) Scottish Environment LINK Food and Farming, 17 April 2019 Response to Good Food Nation proposals for Legislation

LINK Consultation Response March 2019

<http://www.scotlink.org/wp/files/documents/LINK-Good-Food-Nation-Consultation-response-April-2019.pdf>

20) Scottish Government commits to introducing the Good Food Nation Bill in the next year

<http://www.nourishscotland.org/campaigns/good-food-nation-bill/>

institutions, to the detriment of the health of people and planet. Imagine what we could achieve if that money was spent to support healthy food and farming and local jobs and livelihoods.

### **Good Food Purchasing Program, USA**

A growing number of governments are rethinking their public procurement policies. An example of this is the Good Food Purchasing Program in the USA, developed by the Los Angeles Food Policy Council and tested by City of Los Angeles and Los Angeles Unified School District. The City and School District pledged to use public procurement to: support local purchasing, workers' rights, animal welfare, environmental sustainability and nutrition. The Los Angeles Food Policy Council

<https://www.goodfoodla.org/>

Local is here defined as food produced within 200 miles of Los Angeles. The Board of Education, also directed the school district to purchase 5% of its produce from small-to-medium-sized farmers. While this is a step in the right direction, 5% is very little, considering that these farms provide more benefits than their larger counterparts, such as a higher degree of diversity and more livelihoods per unit of land.

The Los Angeles Good Food Purchasing Program impacts 750,000 meals a day and has shifted millions of dollars toward suppliers aligned with the above values. For example, in the first two years, the purchase of local fruit and vegetables rose from 9% of its \$20-million annual fruit and vegetables budget to 75%. Overall, the school district spends at least 50% of its overall \$125-million food budget on local produce. As a result, 150 new well-paying jobs have been created in Los Angeles County, including in food processing, manufacturing and distribution. Higher wages and better working conditions have also been achieved for workers throughout the supply chain Teresa Watanabe, 24 November, 2013

L.A. Unified's local food push is healthy for area economy too

Los Angeles Times.

<https://www.latimes.com/local/la-xpm-2013-nov-24-la-me-laUSD-food-20131124-story.html>

In 2015, The Center for Good Food Purchasing was created to expand the programme to other states, San Francisco became the second city to formally adopt the Good Food Purchasing Program in 2016, followed by Oakland, Chicago, Cook

21) The Los Angeles Food Policy Council <https://www.goodfoodla.org/>

22) Teresa Watanabe, 24 November, 2013 L.A. Unified's local food push is healthy for area economy too Los Angeles Times.  
<https://www.latimes.com/local/la-xpm-2013-nov-24-la-me-laUSD-food-20131124-story.html>

County, Washington DC, Cincinnati, Boston, Austin and recently Boston.

In Boston, the Good Food Purchasing Policy is expected to redirect millions of dollars to local producers, improve nutrition, environmental sustainability, animal welfare, as well as improving wages and working conditions for hundreds of thousands of food workers. The Boston Good Food Purchasing ordinance is reported to be the most explicit. As expressed by Alexa Kaczmarek, from Corporate Accountability: "With this passage, Boston has loosened the stranglehold that corporations have over our food system, especially in schools. This will have ripple effects throughout the entire nation

### **Milan public procurement policies with local and organic in focus**

Another example of public procurement put to good use, is the City of Milan. Here the priority is on health before price and the public procurement policy actually stipulates that they can put quality before price in a ratio of 70:30. Milano Ristorazione – a public company created by the Municipality of Milan – prepares and distributes 80,000 meals a day to nurseries, kindergarten, primary and secondary schools, retirement homes, disability care centers and meals on wheels, throughout the Municipality of Milan. The meals in nurseries are 100% organic and 66% organic in the other services, while 25% is locally sourced and 57% come from short distribution chains. Additionally, any imported produce from other countries, are sourced as fair trade.

## **FROM FARM TO SCHOOLS**

Farm to School, USA

Farm to School is a programme that aims to bring fresh local and regional produce – dairy, fruits, vegetables, eggs, meat, pulses etc. – to schools, in order to improve the health of children and youth. The programme gives students have access to

23) Good Food Purchasing Program explored in multiple cities <https://goodfoodpurchasing.org/stories/>

24) Andrea Germanos, 20 March, 2019

Boston City Council Passes Groundbreaking Food Justice Ordinance Commondreams

<https://www.commondreams.org/news/2019/03/20/boston-city-council-passes-groundbreaking-food-justice-ordinance>

fresh, local foods, and local farmers have access to secured local/regional markets and income. Many schools also have school gardens, where students engage in hands-on learning and offer additional education activities related to agriculture, food, health or nutrition, including farm visits.

The nationwide programme was inspired by The Edible Schoolyard in Berkeley, California <https://edibleschoolyard.org/>, started in 1995 by food activist, cook and restaurateur, Alice Waters, owner of the world famous restaurant Chez Panizze. Her aim was to teach children about food growing and put healthy food on their table. This, and a couple of other projects, lead to the set-up of a national Farm

## 2019 행복의 경제학 국제회의 전주 지역화의 지속 가능성

to School Network, with the aim of expanding these initiatives and changing the legislation in support of local food procurement and healthy food in schools. And they succeeded. In 2000, USDA supported the establishment of a National Farm to School Program, which was authorized in statute as part of child nutrition act in 2004. By then, an estimated 400 schools in 22 states were running Farm to School programmes <https://en.wikipedia.org/wiki/Farm-to-school>

. In 2008, another significant legislative shift takes place. The national Farm Bill is modified to allow food service directors in schools to preference local products (rather than the cheapest option). This gives a massive boost n Farm to School initiatives, and by 2009, an estimated 2000 schools are involved. Another significant boost comes after funding is provided for Farm to School programmes through the Healthy Hunger-Free Kids Act, in 2010. By 2014, the number had grown (from only 6 in 1997) to 5254 schools. Further growth in the Farm to School programme has taken place after a nation-wide Farm to School Act was passed in 2015.

It should be mentioned that the Farm to School programme doesn't mean that all involved school procure all their food from local sources or that they are organic. Some of the cases that are highlighted as successful, include: Arizona, where 77percent of all school districts purchased a portion of their foods from local sources (2012); Portland, where local food purchases in schools accounts for 30 percent of total purchases, including 100 percent locally sourced whole grain bread, and; Oakland, California, with has one of the best school garden-to-cafeteria programs in the country and a once a week, 100 percent California-sourced meals served in over 80 schools Morgan Bulge, July 3, 2014

10 Successful Farm-to-School Programs Across the U.S.A.

Seedstock

<http://seedstock.com/2014/07/03/10-successful-farm-to-school-programs-across-the-u-s-a/>

25) <https://edibleschoolyard.org/>

26) <https://en.wikipedia.org/wiki/Farm-to-school>

The above outline, shows the importance of legislative shifts and earmarked funding for the scale-up of healthy place-based food and farming systems.

### Farm to schools in other countries

In addition to the USA, there are many examples of countries, states and cities running farm to school programmes, some of which go further than in addition to a local and regional focus also aim at supporting small-scale producers and organic production. Here are a two examples worth highlighting:

**Rome Schools Meals** Since 2001, the city of Rome has gradually made its School Meals Program more sustainable and culturally appropriate. In 2017, more than 144,000 meals were served daily in nurseries, primary schools, and secondary schools; 92 percent of which were made from scratch on site; and 69 percent of them include organic food. Rome's school meal program also guarantees a freshness for fruit and vegetables, with no more than three days between harvest and intake

**Purchase from Africans for Africa** links smallholders with local schools in Ethiopia, Malawi, Mozambique, Niger, and Senegal. During its pilot phase, over 1,000 tons of local produce was served to more than 120.000 students in 420 schools. Family farmers' increased their productivity by

more than 100 percent, while school purchases guaranteed a market for 40 percent of the food they produce

## LEGISLATING FOR REGENERATIVE FOOD PRODUCTION

### Industrial farm ban

In July 2018, a community in the State of Pennsylvania in the USA – Todd Township in Huntingdon County – passed a forwarding-thinking bill banning industrial agriculture, as industrial farming operations were threatening the townships drinking

27) Morgan Bulge, July 3, 2014 10 Successful Farm-to-School Programs Across the U.S.A. Seedstock

<http://seedstock.com/2014/07/03/10-successful-farm-to-school-programs-across-the-u-s-a/>

28) Sustainable food procurement for Schools in Rome Green Public Procurement

[https://ec.europa.eu/environment/gpp/pdf/news\\_alert/Issue14\\_Case\\_Study34\\_Rome\\_food.pdf](https://ec.europa.eu/environment/gpp/pdf/news_alert/Issue14_Case_Study34_Rome_food.pdf)

29) Scaling up purchase from African for Africa, 2014

FAO

<http://www.fao.org/3/a-i4291e.pdf>

water supplies, while severely lower the quality of life for community members and allowing for inhumane treatment of livestock. The Community Bill of Rights ordinance states that livestock must be owned by locals and that the majority of farm revenue stay within the township. Thus, it addresses the leaking bucket syndrome – when money drains out of the local economy – as is the case of absentee land-owners and corporate agribusiness and the issue of factory farming, as outlined below.

Residents of the Township drafted the bill with the help of Community Environmental Legal Defense Fund (CELDF) – a non-profit, public interest law firm – to protect the town's water supply, environment, rural landscape, and family farming culture from corporate agriculture. CELDF has helped nearly 200 communities across the USA to adopt Community Rights laws to protect themselves from harmful activities such as fracking, pesticide spray, and other harms. These are part of a wider Community Rights Networks covering four states to date, where residents are pushing to have the rights of communities to protect themselves and nature (Rights of Nature) acknowledged in law at state levels.

### Livestock production and climate change

Regarding the rearing of livestock in the USA, it is important to point out that factory farming of livestock is the norm in the, as in many other countries. Data from United States Development Agency (USDA) show that in 2012, 8.5 million livestock units were reared in factory farms nationwide. In the same year, the average size of livestock units were 6,100 for pigs, 166,000 for broiler-chickens, 695,000 for egg-laying hens, 2000 for dairy cattle and 4300 for beef cattle with many factory farms exceeding that size. Needless to say, these factories are high on pollution and low on animal welfare. Also, they leave little or no economic benefits locally, as inputs are imported from corporate agri-suppliers and outputs exported to

30) Press Release: Pennsylvania Township Bans Corporate Industrial Farming, Jul 10, 2018 Community Environmental Legal Defense Fund  
<https://celdf.org/2018/07/press-release-pennsylvania-township-bans-corporate-industrial-farming>

31) <https://celdf.org/how-we-work/>

32) Factory Farm Nation: 2015 Edition Food and Water Watch

<https://www.foodandwaterwatch.org/insight/factory-farm-nation-2015-edition>

33) Livestock units is not the same as number of animals, it is a way to measure different kinds of animals on the same scale based on their weight one beef cattle is the equivalent of approximately two-thirds of a dairy cow, eight pigs or four hundred chickens.

giant retail chains at home and abroad. It is important to stress, that it is the factor farming of livestock that is responsible for large quantities of greenhouse gas emissions, not livestock (and cattle in particular) per say. Unlike, livestock on organic and small-medium sized farms, where the manure is a valuable resource used as fertiliser for arable production, livestock factories are monoculture operations, separated from arable production, where the manure becomes a waste and a source of pollution. So instead of demonizing livestock and meat production and consumption in the climate debate, we should be pointing the finger at factory farming and outlaw the practice.

## **Sikkim the first 100% organic state in the world**

Sikkim State is located in the Himalayas of India and borders up to Bhutan, Tibet, and Nepal. In 2003, Chief Minister of State, Pawan Chamling, announced a vision for Sikkim as an organic state, in order to protect its fragile ecosystems and ensure public health. The vision was followed by a State Policy on Organic Farming the following year. The new policy combined a gradually ban of chemical fertilizers and pesticides (and a 10% reduction of government subsidies on synthetic inputs per year), with support for healthy soil management. The latter included funding for 40,000 soil tests per year and organic training for farmers. More than 100 villages with 10,000 farmers took part in the training programmes.

In 2010, Sikkim Organic Mission – an action plan for the conversion of the entire state to organic was launched. Organic certification was seen as key to the transformation, so 80 % of the budget between 2010 and 2014 was spent on this process. Simultaneously, the farmers were supplied with organic seeds, while resources were set aside to strengthen local organic seed production. As a result, Sikkim State declared itself 100% organic in 2015, with all farmland converted and certified. Overall, the transition is said to have benefited more than 66,000 farming families.

Sikkim's approach goes beyond organic production and focuses on consumption and market expansion, health, education, rural development, and sustainable tourism.

35) Organic without Boundaries, October 17, 2018 Sikkim The First 100% Organic State in the World!

<https://www.organicwithoutboundaries.bio/2018/10/17/sikkim/>

The organic strategy includes a 'Sikkim organic brand', as a way to target local, national and international markets, in that order. People travel from afar to visit organic Sikkim, between 2012 and 2016 the number of Indian tourists increased by 40%, while foreign visitors doubled. While this may be positive for Sikkim's economy it adds strain upon Sikkim's food system,

At the start of Sikkim's journey towards an organic future, the state recognised that young people didn't consider agriculture an attractive livelihood. With this in mind, organic farming was included in the school curricula and livelihood schools and organic farming training centers were established. Today, Sikkim is reported to be one of the few places in India where young people decide to stay on the land

In 2016, a National Organic Farming Research Institute was set up. The Institute provides technical support to organic producers, not only in Sikkim but in the whole North East Hills Region of India.

The transition to organic has not been without problems. Critics say that the state isn't doing enough to supply organic fertilisers or provide markets for organic produce. As a result, yields are too low, while premium prices for organic are non-existent or inadequate. The price problem arises as many of Sikkim's organic producers have been forced to compete with cheaper non-organic crops imports from West Bengal. To address this problem, the Sikkim Government banned the import of 26 (non-organic) agricultural and horticultural products in March, 2018. This resulted in protests from traders and concerns about whether Sikkim is able to feed itself, particularly during the tourist season. The government sees these "teething problems" that will be worked out in time

Sikkim was recognized internationally in 2018, when the State won 1st price in the prestigious The Future Policy Awards, for its comprehensive and visionary organic food policies.

## BIO REGIONS

36) Marc Brazeau, August 15, 2018 How is India's organic-only farming experiment in Sikkim going? Peering past the propaganda, not so sustainably <https://geneticliteracyproject.org/2018/08/15/how-is-indias-organic-only-farming-experiment-in-sikkim-going-peering-past-the-propaganda-not-so-sustainably/>

A bio/eco district or region, is a geographical area where farmers, citizens, NGOs tourist operators and public authorities enter into an agreement for the sustainable management of land, based on organic production and consumption. Bio regions focus on building and strengthening short local food chains and include a variety of direct and local marketing initiatives, such as farmer's markets and local food purchasing group, as well as public procurement of local and organic food for public institutions.

The bio-regions surfaced in response to the globalisation and corporations of food and farming and the subsequent loss of rural livelihoods, abandonment of rural towns and villages and the loss of biodiversity, culture and ancestral food knowledge.

### **Cilento Bio-district in Italy leads the way**

The foundation for the first bio-district, commenced in 2004, in Cilento, Italy. They created a network of organic farms, producer associations, organisations, caterers, eco-tourist operators and consumers that collaborated through local marketing initiatives.. Cilento was formally launched as a bio-district in 2009, when the Campania Region passed an act establishing the 1st multi-vocational European bio-district, which includes agriculture, environment, social, eco-tourism, food and wine, in an area covering over 3000 square kilometers. It includes 32 municipalities, 450 organic farms with a combined area of 2.300 hectares, as well as numerous restaurants and tourist establishments, all of which committed to the use of local organic produce. Cilento became an example for others to follow, The bio district has acted as a permanent Workshop† for other districts and regions n 2011, the non-profit association Bio-distretto Cilento was established, coordinated by the AIAB Associazione Italiana per l'Agricoltura Biologica (Italian Association for Organic Agriculture), Since then, the bio-district concept has spread to other areas. Today there are 32 bio-districts in Italy alone. Thanks to the establishment of the International Network of Bio-districts (IN.N.E.R.) the concept has been “exported” to parts of France, Austria, Spain, Portugal. Africa and China. Bio districts in Albania, Senegal, Morocco, Brazil and Japan are also underway.

### **Bio regions and UN’ s Sustainable Development Goals**

The establishment of bio regions are seen as a viable strategy to achieving UNs

37) The Cilento Bio-District [https://kipschool.org/usr\\_files/generic\\_pdf/BrochureCilento-ENG.pdf](https://kipschool.org/usr_files/generic_pdf/BrochureCilento-ENG.pdf)

38) Bio-district/Eco-Region's Portal <http://www.ecoregion.info/>

Sustainable Development Goals. In July this year, the International Forum on Relevant Territories for a Sustainable Food Systems organised a World Congress on Ecoregions in Portugal The Congress was aimed at sharing policy recommendations for the construction and implementation of an integrated methodology to promote sustainable food systems within the framework of the Sustainable Development Goals.

### **PRACTICES & POLICIES FROM PARIS AND BARCELONA**

Below are a few select examples of sustainable urban food policies mentioned in The Milan Urban Food Policy Pact Report of 2015. The Pact was signed by Mayors from cities in the North and the South, who pledged to develop sustainable action plan focused on food security, hunger, obesity, waste reduction and youth education for the safeguard of future generations

## Organic agriculture to protect municipal water

The City of Paris and the Paris water board – Eau de Paris – are supporting organic farming practices in the water catchment areas that supply water to Parisians, to ensure clean drinking water and healthy food. To do so they have adopted a two-pronged approach. They raise awareness raising about the advantages of organic production and teach about conversion to organic farming. Secondly, Eau de Paris purchases agricultural land in the water catchment areas and passes it over to farmers through special rural environmental leases. By 2014, Eau de Paris, had made 264 ha of land available to farmers, of which over 70% had been converted to organic production already. As a result, the city managed to increase local organic produce in the city's cafeterias to 27.3%.

The aim of Paris City Council is to reach 50% by 2020.

## Paris community gardens

Urban agriculture and community gardens is strong focus of the above plan. In 2002, the municipality of Paris offered support to the creation of community gardens,

39) 17–21 July 2019 Idanha a Nova Portugal: Eco-Regions World Congress at FISAS

<http://www.ecoregion.info/2019/05/10/18-of-july-2019international-congress-of-eco-regions/>

40 )Thomas Forster, Florence Egal, Henk Renting, Marielle Dubbeling and Arthur Getz (ed) 2015

Milan Urban Food Policy Pact. Selected Good Practices from Cities Fondazione Giangiacomo Feltrinelli

[https://www.ruaf.org/sites/default/files/MUFPP\\_SelectedGoodPracticesfromCities.pdf](https://www.ruaf.org/sites/default/files/MUFPP_SelectedGoodPracticesfromCities.pdf)

this has led to the establishment of 111 community gardens that cover an area equivalent to 6 ha that bring together a total 3000 local residents around the production of healthy food. Urban agriculture has been a priority for the Mayor of Paris, who set a goal of deploying 33 hectares of productive roofs and walls by 2020, as part of plan to make Paris a green city.

## Barcelonas network of farmers markets

As food retail is dominated by large supermarket chains, small and medium sized local food producers face a difficult task when it comes to selling their food. Barcelona is one city that has taken an active approach to ensure that markets exist for local producers and consumers. Since 1992, the Barcelona Institute of Markets has redeveloped 25 out of 40 covered markets in the city. These traditional market places are the heart and soul of the city and its neighbourhoods, where they provide fresh local food to millions. With 7,500 employees, 60 million visitors and an average turnover of a **1**1,000 million per year, the economic and social impacts of these markets cannot be underestimated. They have huge and positive impact on the city, its citizens and the many local and regional farmers and processors that make a livelihood by selling their produce here.

As shown, there are many examples of progressive food policies and strategies in motion in different

parts of the world: from the banning of junk food and industrial livestock production, to public procurement of local produce, bio regions and legislation for organic farming. Envision a combination of several of these in one place! That would be a powerful antidote to the stranglehold of the global food system and a real chance to repair and rebuild place-based food systems and economies around regenerative, inclusive and equitable concepts. It is clear that most of the policy shifts mentioned, would not have happened without strong initiative and pressure from the grassroots. We therefore need to continue the work of raising awareness about the human and ecological costs of the current system and the multiple benefits of local food systems, to get even more people engaged at the grassroots and at the policy level.

# Urban Regeneration through Community Restoration: Lessons from the San Francisco Bay Area

Author Biography:  
Della Duncan

[www.dellazduncan.com/](http://www.dellazduncan.com/) [www.upstreampodcast.org/](http://www.upstreampodcast.org/) [della@upstreampodcast.org](mailto:della@upstreampodcast.org)

## 행복의 경제학 국제회의 전주 (대한민국 전주)

Della Duncan guides opportunities for personal and systemic transition to a more equitable, sustainable, and enlivened world. Based in San Francisco, California, she is an Atlantic Fellow of Social and Economic Equity at the International Inequalities Institute at the London School of Economics, a Right Livelihood Coach, the Host of the Upstream Podcast, a Gross National Happiness trainer for the Eurasia Learning Institute, a Work that Reconnects Facilitator, a Five Elements Dance Instructor, and a Renegade Economics Consultant. She is currently in a Buddhist Dharma leader program with James Baraz, she holds an MA in Economics for Transition with Distinction from Schumacher College, a BA in International Relations and Sociology with highest honors from the University of California, Davis, a graduate certificate in Authentic Leadership from Naropa University, and has completed Joanna Macy's Work that Reconnects Intensive Program.

## Introduction

To support urban regeneration through community restoration efforts led by the municipal government and local community leaders of Jeonju, South Korea, I offer this paper to share some successes and challenges from movements and initiatives that are working towards a similar goal in the San Francisco Bay Area and how they connect to a movement for fundamental systems change across the United States.

The "San Francisco Bay Area" refers to the city of San Francisco and the neighboring cities that hug the San Francisco Bay. Residents of this region are diverse and live in neighborhoods and cities that represent and celebrate many different cultures. The general area, but especially San Francisco, is known for being inclusive, progressive, and supportive of many counter-cultural movements. It is also recognized for celebrating its local food web, its rich cultural history, and its unique landscape and architectural attributes. On the other hand, visitors to the San Francisco Bay Area can't help but notice that the area is highly unequal with a large homeless population, some of the highest housing prices in the United States, and dramatic income disparities between professions as well as within them.

There are many contributing factors to inequality and its subsequent divisiveness in the area, but

globalization – a system driven by corporate deregulation and shaped by neo-liberal, anarcho-capitalist ideologies– is certainly a root cause and therefore, economic systems change efforts that are more localized, solidaristic, and sustainable are an obvious antidote. This charge has been taken up by many local actors including community activists, city governments, and organizations and businesses in many different industries and areas of life including energy, banking, food production and distribution, and technology.

## Community-Owned Renewable Energy

People Power Solar Cooperative is the first community-owned solar project in California. It is based in Oakland, which sits right across the Bay from San Francisco. The cooperative, which started in 2019, financed its first project entirely from small investments from community members (who are the cooperative's owners). The cooperative owns the project and sells power to the homeowner and tenants at a rate lower than PG&Es and then pays small dividends to the member co-owners who helped finance the project.

Although there are many renewable energy projects in the state of California, which has been significantly affected by climate change through devastating droughts and wildfires, this democratically-run project is about more than clean power, it is about community power. It offers a model to help communities steward their own energy future. It is also an initiative that addresses inequality because unlike most solar programs, renters can also benefit by contributing to green energy and reducing their energy costs



People Power Solar's first installation in Oakland, CA on top of the house of a local community activist

The cooperative has made all their bylaws and processes open-source on their website so that other communities can start their own community-owned solar cooperatives. There is already one neighborhood in San Francisco that is rapidly following suit and getting mentoring support from People Power Solar.

Although this is the first community-owned and operated solar project in the state and there are relatively few projects like it in the country, other types of community solar projects are popular in states like California, Minnesota, Massachusetts, and Colorado.

Solar in this case means leasing a solar panel or owning a share of a larger solar panel collection rather than privately owning and installing solar panels on properties. Interest in solar in general is also on rise with talk of a Green New Deal plan advocated by members of Congress and presidential hopefuls to grow the Renewable Energy Sector. It is still to be determined, but ideally the Green New Deal would ease pathways to programs like People Power Solar to free people from their reliance on private utility companies and instead allow them to create their own community-owned and operated solar panel cooperatives.

## San Francisco Public Bank Initiative

One of the most insidious actors in the process of globalization is the corporate bank. Many cities around the world, including San Francisco, currently bank with corporate banks. What this means is that public money is entrusted into private hands, a centralized process that is neither transparent or accountable. It also means that corporate banks use city money to make loans against San Francisco values to industries including ones that support fossil fuels, weapons manufacturing, private prisons and detention centers, predatory student lending, and predatory mortgage lending. Additionally, money leaks out of the San Francisco economy and the city government misses out on the opportunity to strengthen and support the local economy through their own lending programs. All of this is because corporate banks are not locally-based so money is taken out of the local economy and decisions about how the money is used is determined by what generates the most profit for shareholders.

The initiative for a San Francisco Public Bank<sup>iii</sup> aims to bring about a more equitable, sustainable, and resilient San Francisco economy. A Public Bank is a bank owned by a public-entity like a city, state, or country. If San Francisco had a public bank, residents would entrust public funds to a bank that has more local control, transparency, and self-determination. It would enable San Francisco to make loans in alignment with city values including providing affordable housing, expanding capacity for renewable energy projects, supporting small local and independent businesses, and offering low-interest student loans. It would decentralize finance, save the city money, and create new opportunities because its goal would be to provide capital for community re-investment.



Members of the San Francisco Public Bank Coalition rallying at San Francisco City Hall

The San Francisco Public Bank campaign is led by a coalition of groups including neighborhood associations, labor unions, and social justice organizers. The coalition is currently working with the San Francisco Board of Supervisors on a proposal to create a San Francisco Public Bank that will go on the 2020 city ballot for voters to decide on.

This is not an isolated effort. There are already over 500 public banks in the world with over 36 trillion USD in assets. One of the most successful examples of a public bank is the Public Bank of North Dakota which has had 14 straight years of record profit and made 58 million USD in earnings in 2009, just one year after the financial crash of 2008 (during which, it was the only US bank to pull a profit). The state of North Dakota also has the highest amount of credit unions in the country because the Bank of North Dakota acts as a banker's bank and expands lending capacity to credit unions.

San Francisco is not alone, there are several other cities across California and the US working to establish a public bank and there is even a bill (AB 857) that would make it easier for municipalities to create their own public banks that is currently in the State Legislature system spearheaded by the California Public Banking Alliance.

The public banking movement offers local governments the ability to reclaim finance from corporate power and treat public money as part of the “commons” by putting it into the hands of local communities.

## Local Food Web

The San Francisco Bay Area has a strong local food web. There are several farm-to-table restaurants where small restaurants are able to source seasonal ingredients from local, independent, and sustainable farms. One of the most famous restaurants is Chez Panisse located in Berkeley, CA (next to Oakland and across from San Francisco). Author and food activist Alice Waters opened Chez Panisse in 1971. This restaurant inspired both the style of cooking known as “California cuisine” as well as a supply network of direct relationships between restaurateurs and local farmers, ranchers, and dairies.



Chez Panisse Restaurant in Berkeley, CA

Another way that a strong connection between urban consumers and nearby rural producers has been cultivated is through the use of satellite or auxiliary businesses. For example, Hog Island Oyster Company<sup>v</sup> grows oysters in the Tomales Bay (located across the Golden Gate Bridge from San Francisco in Marin county) where they have their farm and restaurant, but they also have a satellite restaurant in downtown San Francisco at the Ferry Building in the Embarcadero. Another satellite business in the Ferry Building is Cow Girl Creamery,<sup>vi</sup> which also has its main establishment in Marin county where it manufactures and sells its own cheeses. Another business in Marin called Marin Sun Farms,<sup>vii</sup> sells meat and eggs from local family farm animals that are humanely and sustainably raised without antibiotics or hormones. In their case, they have both a restaurant in Marin as well as an auxiliary Butcher Shop in Oakland.

This rural-production/urban-auxiliary set-up gives urban dwellers access to local and sustainable quality food and a direct connection to the rural producers who the food comes from.

This set up also entices urban customers to visit and support the small towns where the flagship farms and kitchens are based.

The craft beer movement in the Bay Area offers another demonstration of the region's strong local food web and a model for urban regeneration through community restoration. Many bars and restaurants are proud of exclusively supporting local and independent craft breweries of which there are over one hundred. Some of these restaurants and bars include The Crafty Fox, The Richmond Republic Draft House, Ocean Ale House, Chomp and Swig, Old Devil Moon, and the Dark Horse Inn. Local breweries, when producing the craft ales, frequently use local and sustainable ingredients. Admiral Malting is a company started by two veteran brewers with a background in organic farming and small-batch brewing that sells local and sustainable ingredients for beer to many Bay Area craft breweries. It contracts family farms in the Sacramento Valley and in Tule Lake, California, to grow no-till or organic barley to turn into malt for beer in their facility on Alameda Island in the San Francisco Bay. Admiral Malting is the first malting facility in California since the Prohibition and their enterprise helps to both localize beer production and support independent organic farmers. Finally, Umunhum Brewing is California's first cooperatively-owned



ed brewpub. It is owned and managed collectively by the workers and the community members who support them and their beer is sold at local and independent shops in the area. The cooperative model of ownership and management allows for greater democracy in the workplace and community voice and investment in the brand.

Calendar celebrating local and seasonal produce in the San Francisco Bay Area by local artist Maria Schoettler

d. Local and Independent craft beer breweries are not unique to the San Francisco area, but instead part of a growing movement across the United States to help to celebrate local flavors, ingredients, and community involvement.

Even though local food and drinks are celebrated and local and independent food businesses are supported, there is still room for improvement. More education about food (beyond nutrition) about what ingredients are grown locally and seasonally would be helpful for both children and adults in the area to know more about what to buy and when. Another challenge for the local food web is that some corporate and chain businesses mimic local and independent establishments sometimes making it unclear to customers which businesses are actually local and independent. Local food guides to cities and neighborhoods would help educate consumers about where their food comes from and about which enterprises contribute to the local multiplier effect (economic benefits accrued by money spent within a local economy). Another challenge is the price of local and independent ingredients and meals. With dramatic inequality and high property costs, restaurants and businesses have prices that make local and sustainable products feel inaccessible to many. These prices, may be high, but they reflect the true value of sustainable and ethical food and therefore should not be lowered. Instead, a more equitable distribution of capital and a higher minimum wage is needed to allow more people to be able to access these goods.

## Equitable Technology

When writing about urban regeneration in the San Francisco Bay Area, it is negligent to not examine the influence of the “tech economy,” sometimes referred to as “Silicon Valley.” This industry includes everything from small startups and coding schools to large Tech companies such as Salesforce, Google, Facebook, Twitter, Airbnb, Uber, all of which have their headquarters in the San Francisco Bay Area. The economy of the Tech Industry is a big and complex topic, but for the purpose of focusing on efforts of urban regeneration through community restoration, it is important to point out that although many leaders in this industry have been quite generous and many of their workers are supportive of the Bay Area’s small and independent businesses, there are concerns that the industry as a system, has played a significant role in the widening gap between the rich and the poor in the area. In the last thirty years, technology in the Bay Area has experienced something referred to as “the digital gold rush,” referring to dramatic gains in profit distributed among relatively few individuals. For example, Airbnb, a platform where users list their rooms or properties as short term rentals, is listed as being worth more than the Hilton and Hyatt companies combined and yet, has significantly less employees than either business because it does not actually own any capital such as homes or vacation rentals that it would need to hire people to staff or clean. In this way, Airbnb is a tech company that illustrates the greatest wealth accumulation model the world has ever seen.

The pay differential within tech companies and between tech companies and other industries inc

cluding education, civil service, healthcare, and the arts has flamed the housing crisis, widened the inequality gap, and contributed to the homeless epidemic. Fortunately, there are a few ideas for solutions, but unfortunately, none have been widely accepted yet and put into practice. Reducing the pay gap within tech companies and between industries is an obvious acupuncture point to reduce inequality in the San Francisco Bay Area. Another idea is to create platform cooperative alternatives to platform tech companies like Uber, Lyft, Airbnb, and TaskRabbit. A platform cooperative would distribute both decision making power and profit among those who actually bring the value to the platform with a small membership group or not-for-profit keeping the platform running and taking care of administrative tasks.

Another solution is the not-for-profit business model which would connect for-profit tech companies with not-for-profit organizations that work to promote wellbeing for people and the planet. One example of this is Ecosia, a search engine offering an alternative to Google, where instead of giving profits to shareholders, the company gives profits to non-profit-organizations around the world that plant trees. Authors Donnie Macluran and Jennifer Hinton recently published a book about this “emerging full circle economy” titled *How on Earth: Our future is not for profit about a way our economies can work better by having profits circulate continuously through our economic systems, rather than accumulating at the top.*

Although Ecosia is an example of a not-for-profit business that utilizes profits to support tree planting and permaculture projects abroad, the same model could be used for local urban regeneration by distributing tech industry profits to organizations working towards a more sustainable and equitable Bay Area economy.

## The Emerging New Economy Coalition

Many of the aforementioned organizations and groups are part of something called the New Economy Coalition. According to this national coalition’s website, this group aims to “create deep change in the US economy and politics—placing power in the hands of people and uprooting legacies of harm—so that a fundamentally new system can take root.”

Membership in this coalition connects Bay Area projects with the movement for fundamental systems change across the country. Together, these 210 organizations (which also includes the Upstream Podcast, Local Futures, and the Public Banking Institute) represent a symbol of the growing New Economy movement in the United States and the membership base demonstrates the diversity of efforts that are taking shape. Areas (besides the ones mentioned above) that these efforts include are anti-oppression work, impact investing, support for the care economy, fair trade, mental and physical wellbeing initiatives, labor rights work, and sustainable and affordable housing projects. Another important initiative represented within the New Economy Coalition’s members, is the city cooperation project. Cooperation Jackson in Mississippi, Cooperation Buffalo in New York, and Cooperation Richmond in California are projects to change the economy of an entire city by

bringing in more cooperation into many facets of life including food growing, technology usage, baking, and energy. These groups also put racial justice front and center, encouraging liberation and self-determination of systemically oppressed and marginalized people particularly for people of African descent. In this way, these efforts can be framed as part of a “Just Transition” connecting social justice with environmental justice to encourage both just and sustainable economic systems change.

## Conclusion

The key lesson that I bring with me from the San Francisco area to the Economics of Happiness Conference in Jeonju, South Korea is the significance of inequality as a key leverage point for urban regeneration through community restoration. Researchers Dr. Kate Pickett and Dr. Richard Wilkinson demonstrated in their important book, *The Spirit Level: Why Greater Equality Makes Societies Stronger*, that almost every model social and environmental concern such as ill-health, lack of community cohesiveness, violence, drug use, obesity, teen pregnancy, litter, carbon emissions, and mental-illness are more likely to occur in less equal societies. The book argues that inequality makes everyone in a community worse off and that shifting from self-centered consumerism to more solidaristic and connected cultures is better for both people and the planet. Efforts in San Francisco to reduce inequality encourage a better quality of life for all and support the restoration of community cohesion both in and around the Bay.

The San Francisco Bay Area is a complex and beautiful place. It is known both for its cultural vitality, inclusiveness, ingenuity, as well as its high cost of living, homeless epidemic, and booming corporate tech industry. There is a lot to both celebrate and to learn. I hope that some of the examples and observations offered in this paper are inspiring and useful for economic systems change in Jeonju that supports more thriving local communities and ecosystems.

People Power Solar Cooperative, [www.peoplepowersolar.org](http://www.peoplepowersolar.org)

“Top Community Solar States: Minnesota vs California, Massachusetts Colorado Community Solar,” EnergySage, [www.news.energysage.com/comparing-top-community-solar-states-minnesota-california-massachusetts-colorado/](http://www.news.energysage.com/comparing-top-community-solar-states-minnesota-california-massachusetts-colorado/)

San Francisco Public Bank, [www.sfpublishbank.org](http://www.sfpublishbank.org)

Chez Panisse, [www.chezpanisse.com](http://www.chezpanisse.com)

Hog Island Oyster Company, [www.hogislandoysters.com](http://www.hogislandoysters.com)

Cow Girl Creamery, [www.cowgirlcreamery.com](http://www.cowgirlcreamery.com)

Marin Sun Farms, [www.marinsunfarms.com](http://www.marinsunfarms.com)

Admiral Maltings, [www.admiralmaltings.com](http://www.admiralmaltings.com)

Umunhum Brewing, [www.umunhumbrewing.com](http://www.umunhumbrewing.com)

Maria Schoettler Art, [www.mariaschoettler.com](http://www.mariaschoettler.com)

Ecosia, [www.ecosia.org](http://www.ecosia.org)

How on Earth, [www.howonearth.us](http://www.howonearth.us)

The New Economy Coalition, <https://neweconomy.net/>

*The Spirit Level: Why Greater Equality Makes Societies Stronger*, Dr. Kate Pickett and Dr. Richard Wilkinson



## CHAPTER 5

---

# Workshop Session 1

## 【Community Capitalization and the Sustainability of Urban Regeneration】

---

- Sustainable Strategies for Urban Regeneration

Lee Tae-hee

- Urban Regeneration and Community Assetization

Jeon Eun-Ho

---



## Workshop Session 1

### Community Capitalization and the Sustainability of Urban Regeneration

In this session, we will hear various stories about the “community capitalization” designed to regenerate urban areas for the sake of the residents and secure sustainability for the urban regeneration projects. Speakers will present the concept of community capitalization, current practices of community capitalization home and abroad as well as Jeonju’s related effort. Following the segment, we will share our ideas and thoughts with various stakeholders including urban regeneration experts, activists and youths and learn lessons from experts from overseas to come up with sustainable strategies and measures for Jeonju’s urban regeneration.

#### ■ PROGRAM ORDER

| Time (Min)    |     | Program                                       | Details                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|---------------|-----|-----------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 14:00 ~ 14:05 | 5'  | Opening                                       | Opening remarks, Topic Overview and Panel Introduction, Introduction of Guests, Housekeeping notes                                                                                                                                                                                                                                                                                                                                                       |
| 14:05 ~ 14:25 | 20' | Module 1                                      | Reviving the City by Restoring the Community<br>– Della Duncan, Professor at Schumacher College                                                                                                                                                                                                                                                                                                                                                          |
| 14:25 ~ 14:45 | 20' | Module 2                                      | Sustainable Strategies for Urban Regeneration<br>– Lee Tae-hee, Associate Researcher at Korea Institute of Civil Engineering and Building Technology                                                                                                                                                                                                                                                                                                     |
| 14:45 ~ 15:05 | 20' | Module 3                                      | Urban Regeneration and Community Capitalization<br>– Jeon Eun-ho, Director of Mokpo Urban Regeneration Support Center Director                                                                                                                                                                                                                                                                                                                           |
| 15:05 ~ 15:15 | 10' | Coffee Break                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| 15:15 ~ 16:15 | 60' | Ignite                                        | Community Capitalization and Sustainability of Urban Regeneration<br>– So Young-sik, Head of the Urban Regeneration Support Center<br>– Cho Sun, Vice Director of Jeonju City Reform Center<br>– Go Woo-ri, Urban Regeneration Youth Activist<br>– Jung Jae-jin, Team Leader at Jeonju Urban Regeneration<br>– Choi Tae-woo, CEO of Community Mulwangmeal<br>– Huh Na-gyeom, Team Leader of the Urban Regeneration Support Center Yeouiju Village Branch |
| 16:15 ~ 17:00 | 45' | Free Discussion and Discussion Result Sharing | Group Discussion Result Sharing and Free Discussion                                                                                                                                                                                                                                                                                                                                                                                                      |

**Moderator and Chairperson** Kim Chang-hwan, Director of Jeonju City Reform Center

# Sustainable Strategies for Urban Regeneration

Lee Tae-hee

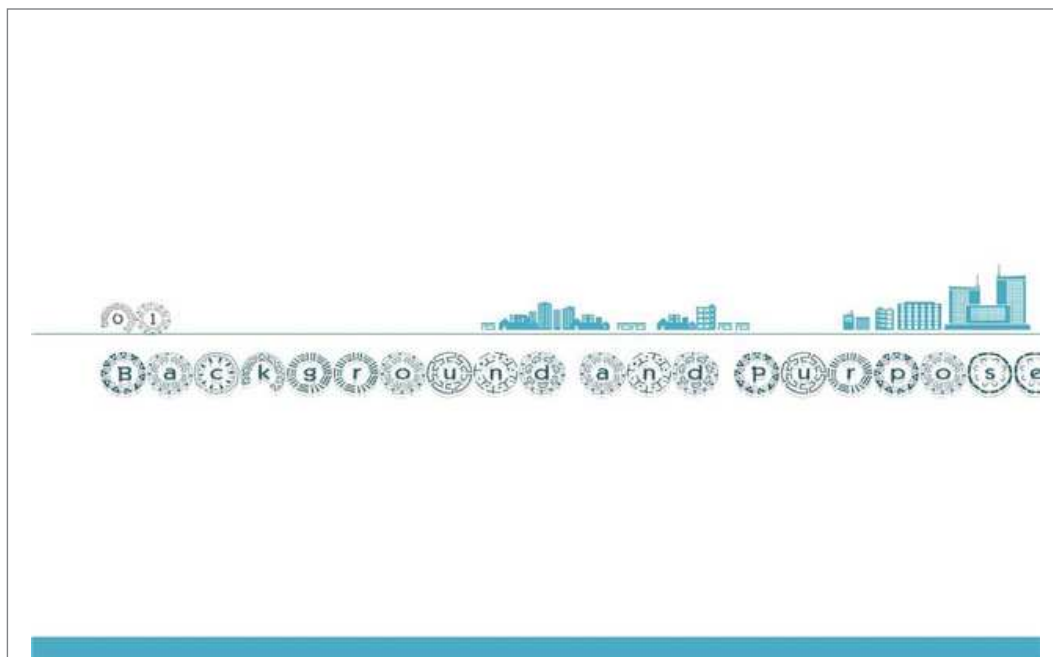
## Sustainable Urban Regeneration: In Residential Area



Construction & Economy Research Institute of Korea  
Lee Tae Hee

### Table of Contents

- Background and Purpose of the Study
- Document Research
- Urban Regeneration: Case Study UK
- Urban Regeneration: Case Study Korea



## 1.1 Background and Purpose of the Study



## 2019 행복의 경제학 국제회의 전주 지역화의 지속 가능성

For the areas designated for urban regeneration in Korea,  
the road is unvisited, but all should travel some time soon



### Background

The policy change from redevelopment to regeneration  
to make cities more **righteous** and **sustainable**

2018. 4. 20  
주제: 부동산

실용 뉴타운 원주민 입주율 10%에 불과

실용 뉴타운 입주율 원주민 10%에 불과

원주민 10% 이하로 개발이익은 국가에



도시재생법, 전면철거 'NO' 지속가능한 개발 'YES'

도시재생법 13-059-08 14-54 권유 2018

도시재생



부산-대전-광주-인천 등 도시재생사업 추진 한해받을 듯

지금이 세상은 삶의 자질을 가늠하는 도시정치의 재편기를 놓고 '누가'의 치열한 경쟁이다. 전면철거 후 건축하는 재개발 재건축 등의 방식이 아닌 '지속가능한 개발'의 확신을 가지고 있기 때문이다.



2. Sustainable Urban Regeneration?  
Challenges in Reality

Korea is not the only nation  
where realizing sustainable urban regeneration is difficult.

❖ Burngreave NDC, Sheffield, UK: Over £46M(W70B) was thrown in for 10  
years to regenerate the area. Local Government  
or Local Council → Aimed at sustainable regeneration  
Local Contribution

- Poorer, taller, repetitive




3. Purpose of the Research and Topics to  
Discuss

❖ Purpose of the Research

- 'To establish the business model for sustainable residential  
area regeneration and to suggest its action plan (at local  
government level)

❖ Topics to Discuss in the presentation

1. What sustainable regeneration practices are done in the 2 cases (that will be  
introduced in this presentation)?
2. What should be the direction of the sustainable urban regeneration?
3. What should we sustain (after the regeneration project is ended)?
4. And how to sustain?



## 2019 행복의 경제학 국제회의 전주 지역화의 지속 가능성

## 4. Targets of the Case Study

| Project                                                           | Location and Title of the Project                                              |                       | Project Period |                  |
|-------------------------------------------------------------------|--------------------------------------------------------------------------------|-----------------------|----------------|------------------|
| Overseas Cases (UK/Japan)                                         | Shoreditch NDC, UK                                                             |                       | 2000-2010      | Secondary Review |
|                                                                   | Burngreave NDC, UK                                                             |                       | 2001-2011      |                  |
|                                                                   | Paddington Development Trust, SRB, UK                                          |                       | 1998-2004      | In-depth         |
|                                                                   | Community Links, UK                                                            |                       | -              |                  |
|                                                                   | Local Trust, Big Local, UK                                                     |                       | 2012-2022      | Consideration    |
|                                                                   | Town Management, Kurokabe Nagahama Matsitsukuri, Matsitsukuri, Nagahama, Japan |                       | -              |                  |
| Urban Regeneration Vitalizing Area                                | Town Management, Ohohdohri Matsitsukuri, Sapporo, Matsitsukuri, Sapporo, Japan |                       | 2009-          | Focused Target   |
|                                                                   | Seoul                                                                          | Jeonju                | 2011-2014      |                  |
|                                                                   |                                                                                | Changshin, Sungin     | 2014-2017      |                  |
|                                                                   |                                                                                | Gunsan                | 2014-2017      |                  |
|                                                                   |                                                                                | Yeongju               | 2014-2017      |                  |
|                                                                   | Seoul                                                                          | Cheonan               | 2014-2017      |                  |
|                                                                   |                                                                                | Jangwui               | 2014-2017      |                  |
|                                                                   |                                                                                | Shinchon              | 2014-2017      |                  |
|                                                                   |                                                                                | Amso                  | 2014-2017      |                  |
|                                                                   | Seoul                                                                          | Dongjak               | 2014-2017      |                  |
|                                                                   |                                                                                | Seongso               | 2014-2017      |                  |
|                                                                   |                                                                                | Hanggyung-dong, Suwon | 2016-2020      |                  |
|                                                                   |                                                                                | Jeonju                | 2016-2020      |                  |
| Project                                                           | Location                                                                       |                       | Project Period |                  |
| Residential Area Management Project (Urban Regeneration in Seoul) | Yeonnam-dong                                                                   |                       | 2011-2013      |                  |
|                                                                   | Bangmisaarang Village                                                          |                       | 2011-2014      |                  |
|                                                                   | Sori Village                                                                   |                       | 2011-2013      |                  |
|                                                                   | Jeongdeun Village                                                              |                       | 2012-2017      |                  |
|                                                                   | Samsaegi Village                                                               |                       | 2013-2017      |                  |
|                                                                   | Chorokbit Hwiyeong Village                                                     |                       | 2012-2017      |                  |
|                                                                   | Jangsu Village                                                                 |                       | 2012-2013      |                  |
|                                                                   | Sangol Village                                                                 |                       | 2012-2016      |                  |
|                                                                   | Samdeok Village                                                                |                       | 2013-2017      |                  |
|                                                                   | Hangchon                                                                       |                       | 2017-          |                  |

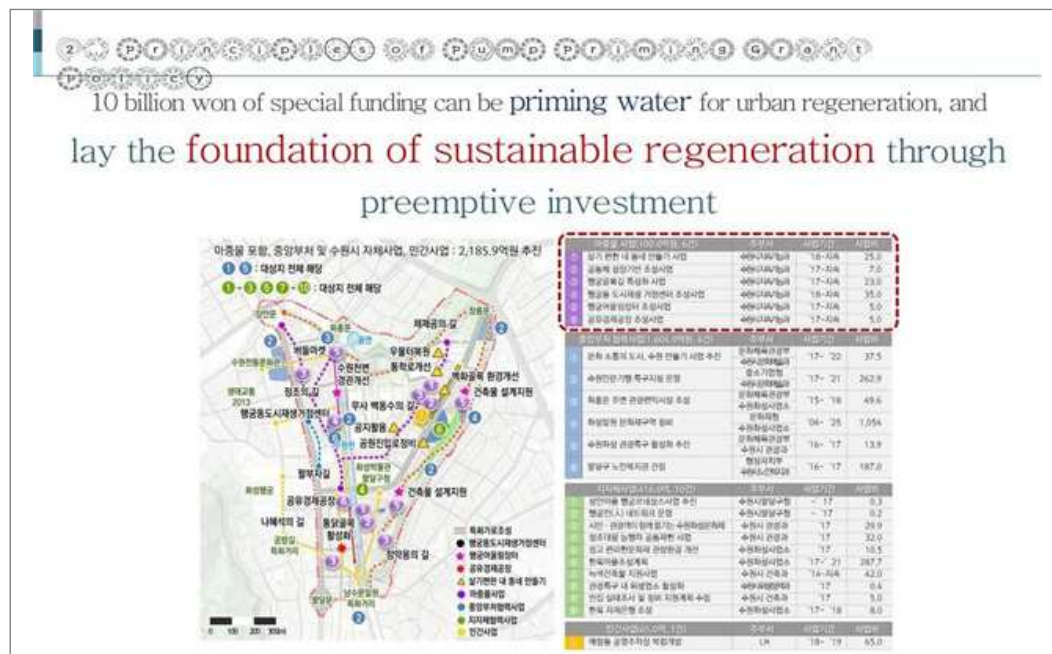


(Before a full-fledged discussion)

## 1.2 Understanding Korea's Area-based Initiative

Area-based Initiative (KABI)







## A Case Study of

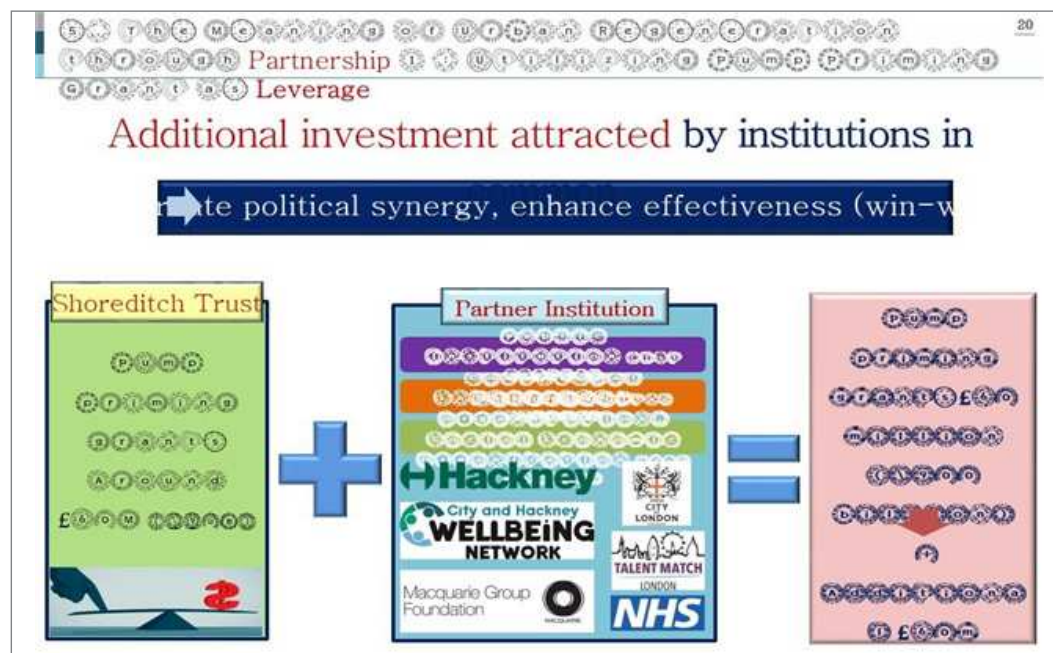
**S h o r e d i t c h N D C**

New Deal for Communities (NDC)  
program: 1998-2011



- In the long-term we focused around 74 billion won per location
- We focused on the 74 billion won







## 2019 행복의 경제학 국제회의 전주 지역화의 지속 가능성

WHAT KIND OF REGENERATION IS GOING ON?  
URBAN REGENERATION AND SOCIAL MEASURES  
LINKED MODELS

In partnership with local government entities, corporations, nonprofit organizations,

Provide various social services to the disadvantaged in the

Community Contribution Program 1: Food for Life (safe food education)

& **Hackney** (municipal council)

Community Contribution Program 2: Occupational training program

**TALENT MATCH LONDON** & **CITY OF LONDON** & **BLUE MARBLE TRAINING** (developed by Sharewith Trust)

WHAT KIND OF REGENERATION IS GOING ON?  
URBAN REGENERATION AND SOCIAL MEASURES  
LINKED MODELS

Community Contribution Program 3: Bump Buddies (supporting women in need or who are)

Macquarie Group Foundation

Community Contribution Program 4: Peace of Mind (supporting residents suffering from emotional distress)

City and Hackney **WELLBEING NETWORK**

Community Contribution Program 3: Affordable Workspace (providing workspace to small and mid-sized high-tech corporations)

INDUSTRIAL



# After the Termination of Residential Area Regeneration

A Case Study of Residential Environment Management Project for Bangmisaarang Village in Geumcheon-gu, Seoul



Overview of Residential Environment Management Project for Bangmisaarang Village

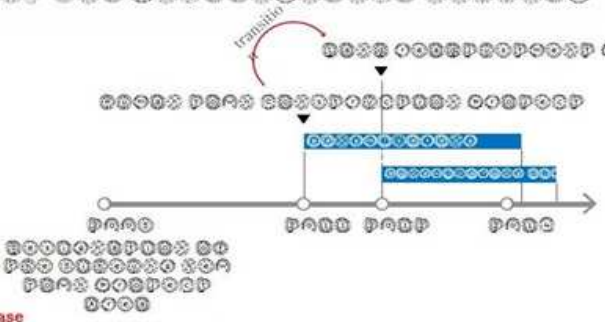
Legend:

- CCTV camera
- Road
- Parking lot
- Public facility
- Private facility
- Public facility
- Private facility
- Public facility
- Private facility

Bangmisaarang Village 1st phase

Bangmisaarang Village 2nd phase

Community Hall



Transition

Project

2011 2012 2013 2014

### ❖ Overview

- Location : Siheung 3-dong, Geumcheon-gu
- Project Period : 2011-Dec. 2014
- Area
  - 100,000㎡
  - 200,000㎡
- Due to the land readjustment project, physical environment is in good condition

## 2019 행복의 경제학 국제회의 전주 지역화의 지속 가능성

2. Bangmisaarang Community Hall  
Anchor space for the local community

### Bangmisaarang Community Hall

utilized as an anchor space for local communities' various activities

- It is used for various purposes including childcare, lifelong education, café, English library, fitness club, community profit creation (village garden), event (multipurpose room, common kitchen, etc.)

3F Bangmi Happiness Learning Center

3F Book Trip English

1F Village

2F Fitness

Bangmi Village Garden

1F Common

B1 Multipurpose

## 3. Continuous and Various Community Activities

## Continuous and Various Community Activities

Aiming for **open community** that everyone in the region can take part in

| Bangmisaarang Community Hall |                       |                      |                                     |
|------------------------------|-----------------------|----------------------|-------------------------------------|
| 1F Village                   | 2F Fitness            | 3F Book Trip English | 3F Bangmi Happiness Learning Center |
| 1F Common                    | Bangmi Village Garden | B1 Multipurpose      |                                     |

Creating Community Hall  
• Led Grandpa Club

Village Garden  
• Harvesting radishes by Grandpa Club  
• Making Kimchi with Big Mama (scheduled)

Bangmi Flower Festival  
• For harmonious local community

Community Capacity Building  
• A game project

Trot and Classic Ensemble  
• Generational (seniors and youth) integration

Bangmi Mulberry Festival  
• Building harmonious community by using village garden

Village Childcare  
• Communal childcare

1st Meeting of the Planning Group  
• Community capacity building

Community Capacity Building  
• Cooperation channel for communities, generational exchange, and integration



## 2019 행복의 경제학 국제회의 전주 지역화의 지속 가능성

**5. Sustainable Anchor Space after the Project Termination**

What's additionally needed for operating community hall :

Utilizing public programs operated by other institutions/departments

- ❖ The project termination does not mean the completion of regeneration. It should be **sustainably created by all community members!**

|                  |                  | English Library | Learning Center | Common Kitchen | Community Hall | Community Center |
|------------------|------------------|-----------------|-----------------|----------------|----------------|------------------|
| Community Hall   | Community Hall   |                 |                 |                |                |                  |
| English Library  | English Library  | ●               |                 |                |                |                  |
| Learning Center  | Learning Center  |                 | ●               |                |                |                  |
| Common Kitchen   | Common Kitchen   |                 |                 | ●              |                |                  |
| Community Hall   | Community Hall   |                 |                 |                | ●              |                  |
| Community Center | Community Center |                 |                 |                |                | ●                |



**6. After Project Termination : Sustainable Local Regeneration through Public-Private Partnership**

To make better place to live,  
**Continuous Public-Resident Cooperation**

- ❖ After the Project Termination : reconstruction of "boundaries" → beyond Bangmisanrang Village, democratic citizenship in Siheung 3-dong and Geumcheon-
- Residential Environment Management Project Area becomes meaningless after the project termination
- ❖ **Participating in the institutionalized direct democracy program**, and realizing local regeneration and local democracy



7. After Project Termination  
Sustainable Local Regeneration through  
Public-Private Partnership 2

To make better place to live,  
**Continuous Public-Resident Cooperation**

- ❖ Through public-private partnership, problem solving, improving and expanding public services → **Constantly making "Better Place to Live" all together**
- Lifelong education : opened Bangmi Happiness Learning Center in the Community Hall (in cooperation with Education Support Department of Geumcheon-gu Office)
- Childcare : supporting communal childcare (Comprehensive Childcare Support Center in Geumcheon-gu, Seoul and Big Mama group in Bangmisarang Village)
- Developing local economy, increasing employment, expanding participation : establishing social economic organization (Seoul and Bangmisarang Village Management Committee)
- Community hall maintenance cost reduction : installing photovoltaic power generator (Seoul - Bangmisarang Village Management Committee)



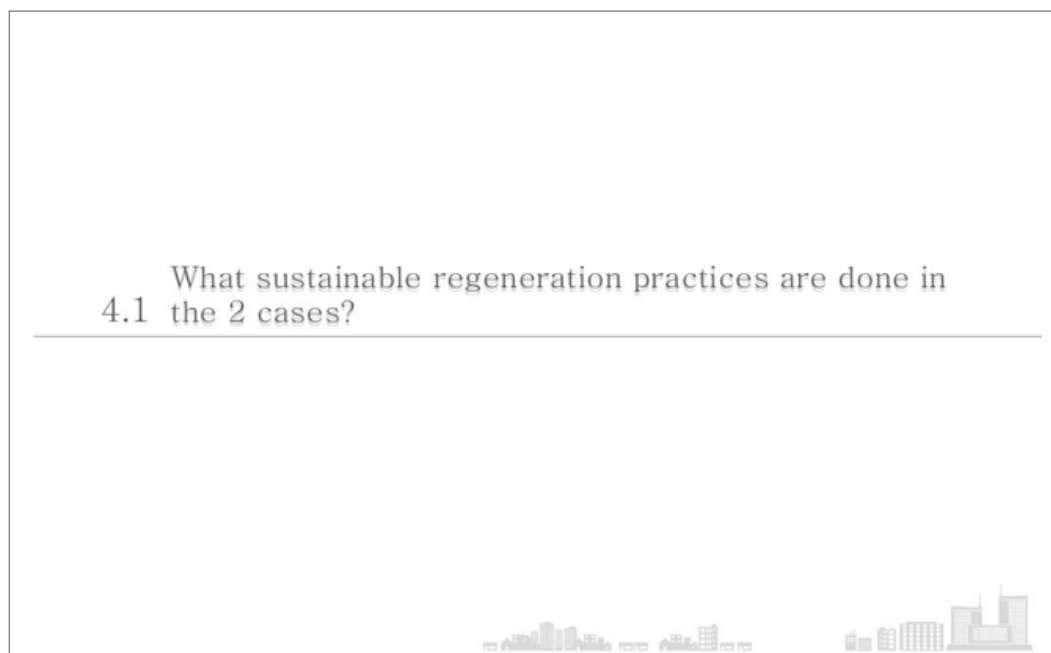
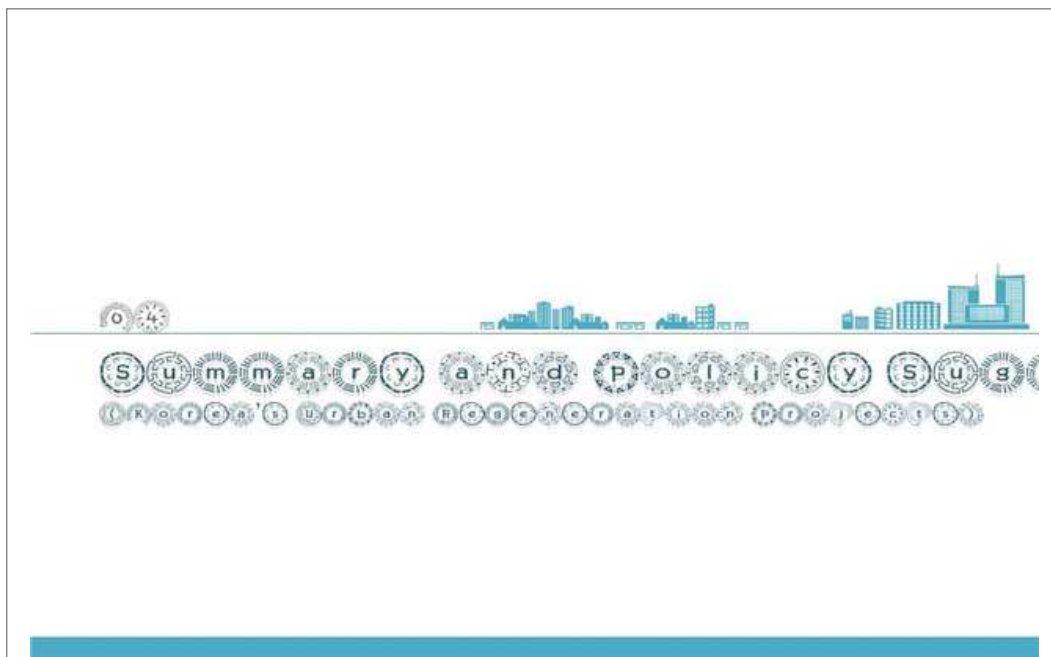
8. Key Element for Sustainability : Capacity and Leadership of the Community Leader

Key element for the success of Bangmisarang Village  
Leadership based on communication and understanding differences



"We are a community leader who has been leading the community from the beginning of the Residential Environment Project."

- Being supported and respected from the residents
- Establishing the good relationship with the residents



1. Shoreditch NDC

With Shoreditch Trust in partnership with various related institutions

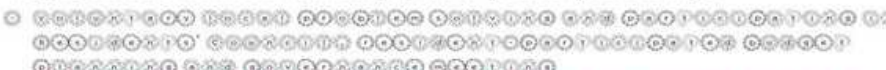
### Providing social services for the disadvantaged

- ❖ Continuous local regeneration through community anchor organization
  - The regeneration promoting organization (Shoreditch Trust) created in the regeneration process is continuously progressing local contributions using the anchor space (Waterhouse, etc.) created through the regeneration process.
- ❖ Secure stable profits based on local assets  → reinvestment to the local community
  - Institutionalization to reinvest their profits in local contribution activities by establishing non-profit corporations
- ❖ Partnership with related organizations to provide social services for the vulnerable groups (Public institutions that provide regular public services, especially social welfare and social services)
  - 
  - 

2. Bangmisanarang Village Residential Environment Management Project

With Bangmi Village Management Committee and Community Hall

### Became "open community" and constantly making "livable neighborhoods"

- ❖ Constantly conducting local regeneration through community anchor organization
  - Residents' council (management committee) created in the process of regeneration project is continuously conducting regional contribution activities using the anchor space (Bangmisanarang Community Hall) created through the regeneration project.
- ❖ Realizing an open community that embraces every resident
  - Various regional festivals, events and capacity building programs to embrace everyone (i.e. Trot and Classic Ensemble)
  - Not just "hardcore" members, anyone can come and hang out
- ❖ Residents participate in direct democracy programs and create livable neighborhoods themselves through public-private partnerships.
  - 
  - 

## 4.2 What should be the direction of the sustainable urban regeneration ?

(domestic urban regeneration)



**I. A Model of Sustainable Urban Regeneration Project**

In the domestic urban regeneration project,  
**what does the sustainable urban regeneration look like?**  
 (one model but generalization available to some extent)



1. Continuous improvement of local area led by residents
  - Anchor space residents' various community activities
  - Anchor organization
2. (through urban regeneration projects) Various local communities organized and activated
3. (by utilizing direct democracy programs and opportunities for participation) Continuous efforts to solve local problems and improve the quality of residents' life
4. Efforts to improve the quality of residents' life through linking regular public services (in particular, social welfare, education, social services, etc.) and Public-private partnership

### 4.3 What should we sustain?



#### What should we sustain?

### The key elements to sustain

After regeneration project is terminated



✱ [very simplified summary](#) ✱ [Refer to the repo](#)

1. Steady preparation for sustainability from the **beginning of the project** (from the target selection and establishment of vitalizing plan)

[illegible]

- need to consider location, purpose, type of business and feasibility of the location
- need to discover the leader and organization
  - o required to a certain period of time and trial and
- competition over competitors
  - o the general public service providers
  - o consider access to the public service
  - o consider public service
  - o the public service

## 2. How to Sustain? -2-

## 2. Establish sustainable anchor

- Careful consideration from establishment to operation is needed for residents to have psychological ownership and responsibility in controlling the anchor of the localization for representative process localization
- Anchor organization creation both public and private is needed
  - The anchor organization should be made officially by a government or a public authority or a community
  - Regulations and penalties should be established for the anchor organization to be effective in the community
  - The anchor organization also needs to participate in the community development
- It is not enough to establish an anchor organization but by stakeholders sustainably!
  - The anchor organization should be made by a community service organization or a community service organization
  - The anchor organization should be made by a community service organization or a community service organization

## 3. How to Sustain? -3-

## 3. Utilizing institutionalized direct (participation) democracy and realizing sustainable community improvement and local democracy

- Residents' Association (community participation)
  - Resident-participated budget planning and governance meeting
  - Other programs for residents' participation
4. Cooperation between anchor organization and public institutions (project planning - practice - project termination)
- (Project planning process) Regeneration project in partnership with various public institutions → increasing feasibility and efficiency, forming cooperative culture and trust among institutions, enhancing residents' organization capacity
  - (Project practice) The anchor organization should be made by a community service organization or a community service organization
- selected as a service consignment provider to offer local-based public services directly.

Thank you.



# Urban Regeneration and Community Capitalization

Jeon Eun-ho

## Civic Commoning

Making Cities Livable

### Civic Commoning

Oct. 16, 2019

Jeon Eun Ho  
Center Manager of Mokpo City Urban Regeneration Support Center

### The General Notion of Civic Commoning

- **Notion** : A series of activities to share tangible and intangible properties which are economically valuable to enable citizens (residents, communities) to succeed or improve in the future.
- One of the methods to generate commons can be embodied in the strategy of managing and operating local community-based public ownership of the property

**제3의 소유권 The Third Ownership**

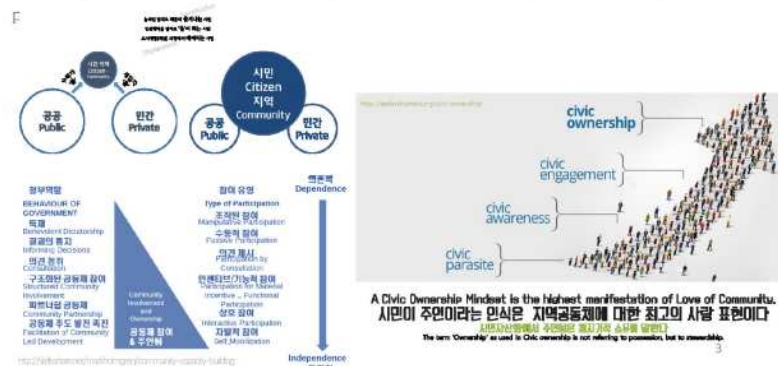
The diagram illustrates 'The Third Ownership' as a central concept. It features three main boxes: '공공재산 Public Ownership' on the left, '공유자산(Commons) 시민/사회적/공동체 Citizen/Social/Community Ownership' in the center, and '사유재산 Private Ownership' on the right. Arrows indicate the flow of assets and management between these three states. From Public to Commons, the path is '임대-위탁-신탁' (Lease-Entrust-Trust) and '자산이전-공매' (Asset transfer-public sale). From Commons to Private, the path is '공간공유-신탁-전대' (Space sharing-Trust-Sublease) and '매각-경매' (Sale-Auction). A double-headed arrow at the bottom connects the Commons box to itself, labeled '공유자산 직접 확보' (Direct Commons securing). Above the Commons box is the title '제3의 소유권 The Third Ownership'.

## 2019 행복의 경제학 국제회의 전주 지역화의 지속 가능성

## The Background and Necessity of the Civic Commoning

## 1. It's time to take ownership.

- Key strategy to increase civic participation
- Forming civic ownership or stewardship as a foundation of cooperative public-private



## The Background and Necessity of the Civic Commoning

## 2. Solving Social Problems due to Speculation Investment of Private Sector and Controlled National Asset

- Fallow Assets such as asset inequality, gentrification and unoccupied houses
- Citizen control measures, unreliable management of national and public asset, government-led gentrification



## 2019 행복의 경제학 국제회의 전주 지역화의 지속 가능성

## The Background and Necessity of the Civic Commoning

## 2. Solving Social Problems due to Speculation Investment of Private Sector and Controlled National Asset

- Transition to co-ownership that enables generative ownership rather than extracting ownership
- Laying foundation for co-creation and citizens' dividend through co-ownership

From extracting to generative



| 주요적 소유                    | 생성적 소유                                     |
|---------------------------|--------------------------------------------|
| 1. 공적의 특색: (국가적 이익) 원리    | 2. 공동 자원 특색: 국가적 이익의 소유를 위한 조건을 충족         |
| 3. 부패의 구성원: 소유권 이원화       | 4. 부패의 구성원: 공동 자원과 국가적 이익의 소유를 위한 조건을 충족   |
| 5. 사회적 자원 분배: (국가적 이익) 원리 | 6. 사회적 자원 분배: 공동 자원과 국가적 이익의 소유를 위한 조건을 충족 |
| 7. 사회적 자원 분배: (국가적 이익) 원리 | 8. 사회적 자원 분배: 공동 자원과 국가적 이익의 소유를 위한 조건을 충족 |

자발적 헌신과 통제력의 회복이 가능한 소유

Ownership of voluntary devotion and control restoration



Co-ownership requirement

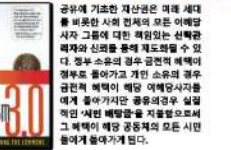
공동소유 요구 사항



| 공동 소유                 | 공동 소유                 |
|-----------------------|-----------------------|
| 1. 공동 소유: (국가적 이익) 원리 | 2. 공동 소유: (국가적 이익) 원리 |
| 3. 공동 소유: (국가적 이익) 원리 | 4. 공동 소유: (국가적 이익) 원리 |
| 5. 공동 소유: (국가적 이익) 원리 | 6. 공동 소유: (국가적 이익) 원리 |
| 7. 공동 소유: (국가적 이익) 원리 | 8. 공동 소유: (국가적 이익) 원리 |

시민에게 이익이 공유되는 공유에 기초한 재산권

The property rights based ownership that shares benefit with citizens



5

## The Background and Necessity of the Civic Commoning

## 3. Asset-based Community Development Strategy

- Change of view from service consumer to problem solver
- Co-ownership is the key strategic foundation in asset-based local development strategy.

|                        | Needs/Deficit Based                                                         | Asset Based                                                                                                            |
|------------------------|-----------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------|
| Purpose                | Changing Community through increased services                               | Changing Community through citizen involvement                                                                         |
| Method                 | Institutional Reform                                                        | Citizen-Centered production                                                                                            |
| Accountability         | Leaders are professional staff, accountable to institutional stakeholders   | Leaders are widening circles of volunteer citizens. Accountable to the community.                                      |
| Significance of Assets | Assets are system inputs. Asset mapping is data collection                  | Assets are relationships to be discovered and connected. Asset mapping is self-realization and leadership development. |
| Production Resource    | Money is the key resource. Falls apart without money.                       | Relationships are the key resource. Falls apart when money becomes the focus.                                          |
| Operating Challenge    | How do we get citizens involved?                                            | How do we channel and build on all this citizen participation?                                                         |
| System Dynamic         | Tends to spread itself thinner over time.                                   | Tends to snowball over time.                                                                                           |
| Evaluation             | Success is service outcomes, measured mostly by institutional stakeholders. | Success is capacity, measured mostly by relationships.                                                                 |

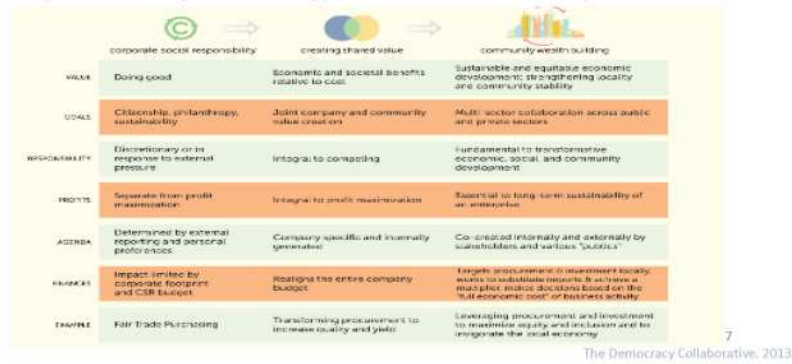
6

## 2019 행복의 경제학 국제회의 전주 지역화의 지속 가능성

## The Background and Necessity of the Civic Commoning

## 4. Key Elements of Community Wealth Building Strategy

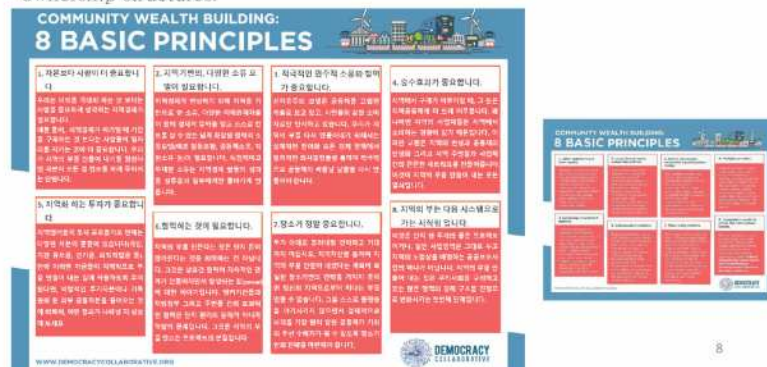
- The flow from “contribution to social value” to “creation of value co-ownership” that is required to nations and markets will evolve into a regional development strategy which builds community’s wealth based



## The Background and Necessity of the Civic Commoning

## 4. Key Elements of Community Wealth Building Strategy

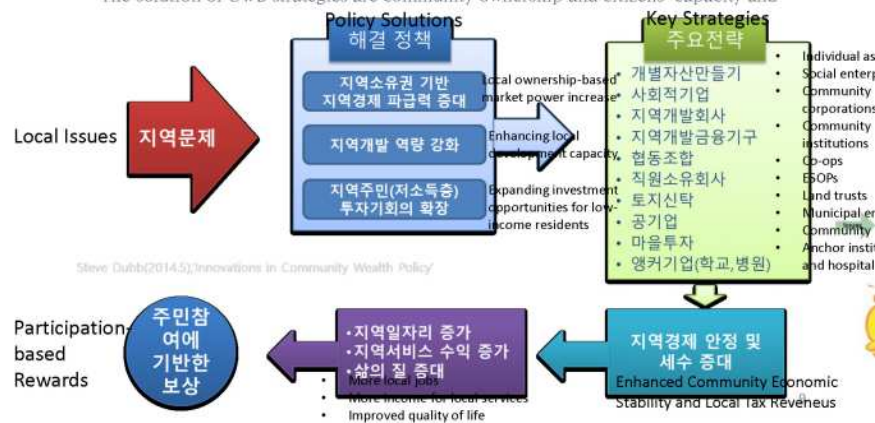
- The CWB's 8 basic principles emphasizes various community-based common ownership models and the citizens' active participation in democratic ownership structures.



## The Background and Necessity of the Civic Commoning

### 4. Key Elements of Community Wealth Building Strategy

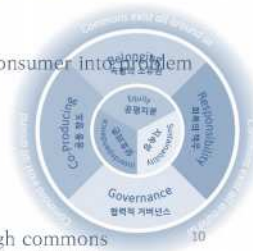
- The solution of CWB strategies are community ownership and citizens' capacity and



## The Background and Necessity of the Civic Commoning

### 5. Appearance of a Citizen with co-ownership

- Citizenship acquired by sharing civic assets
- Connectedness : a citizen who belongs to a community, a village, or a city
- Responsibility : a citizen who is responsible as the owner of civic assets
- Governance : a citizen who is the subject of cooperative governance as a co-owner of assets
- Co-producing : a citizen who changed from service consumer into problem solver
- Fairness : fairly shared value
- Sustainability : forming sustainable community
- Reciprocity : forming solidarity and reciprocity through commons



# For example...

## Practices and Strategies

### 2. Various Public-led and Citizen-led Commoning Cases (Overseas)

#### ic-Private Cooperation **민관협력**

Private Association  
IST  
vitalizing Local  
businesses  
Using the right to  
emptions  
Rural Regeneration



COOP

#### 시민주도 Citizen-led



Community Land Trust  
• Around 250 in US, UK  
• Supplying land  
communing-based  
housing and work  
space  
• Securing sustainabl  
payment possibility

#### ocal Community-led **지역공동체주도**

al Community  
elopment Trust  
Around 700 organizations  
in UK  
Supporting Localism Act  
Capitalization by issuing  
community shares  
Special capitalization  
ecosystem such as CIC



#### 민민협력 Private-Private Coop



Market Creek Mall (CDI)  
• Established local  
shopping mall with  
community-base  
foundation  
• Participation of resi  
stockholders to  
development comp  
• Capability strength  
for 10 years  
• Ownership transfer  
citizen after 10 year

## 2019 행복의 경제학 국제회의 전주 지역화의 지속 가능성

## Practices and Strategies

## 2. Various Public-led and Citizen-led Commoning Cases (Korea)



Don't regulate, make alternatives beyond structure (Marjorie Kelly)

13

## Practices and Strategies

## 2. Various Public-led and Citizen-led Commoning Cases (Korea)



14

3. Lessons from the Approach by Type and Stage (Commoning Strategy of UK)



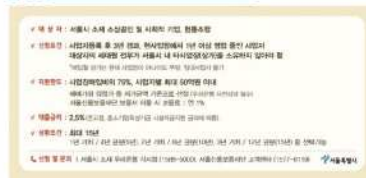
Community Right to Bid/Reclaim (ACV)



15

#### 4. Government's Move to Support Civic Commoning (initial stage)

## Civic Commoning Pilot Project in Siheung



## Social Economy Town Commoning in Gyeonggi Province



- **유망대상:** 경기도 소재 사회취약계층/기업의 유망대인 "중소기업가협회, 지역 중소기업연맹, 경기도에 주된 사업장이 소재하고 경기도 사회취약계층으로 1년이상 영위활동하고 있는 기업(법인)
- **유망지역:** 경기도
- **유망규모:** 50억원
- **유망산업:** 성장해망사업(제조/서비스/산업) 90%이상 / 최대대도 50억원
- **유망기업:** 1.5%(고정)
- **발표기간:** 10년(4분기) 이상 경영활동, 10년(5분기) 이상 경영활동 총 선별

16

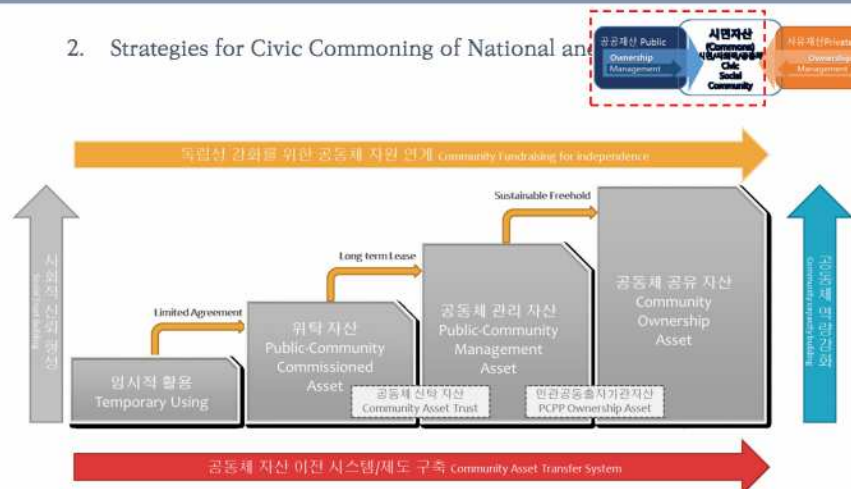
### Suggestions on Invigorating Civic Commoning

#### 1. Strategies for Civic Commoning by type and stage



### Suggestions on Invigorating Civic Commoning

#### 2. Strategies for Civic Commoning of National and

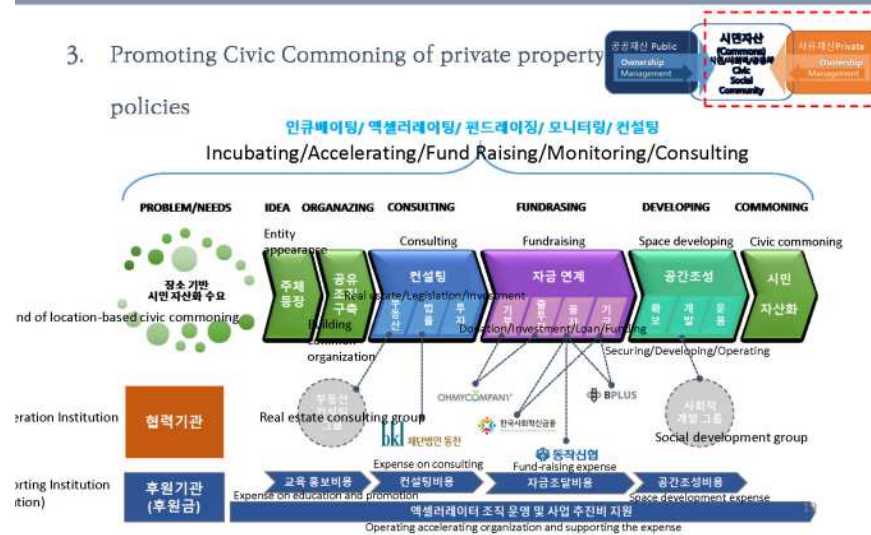


## 2019 행복의 경제학 국제회의 전주 지역화의 지속 가능성

## Suggestions on Invigorating Civic Commoning

## 3. Promoting Civic Commoning of private property

policies



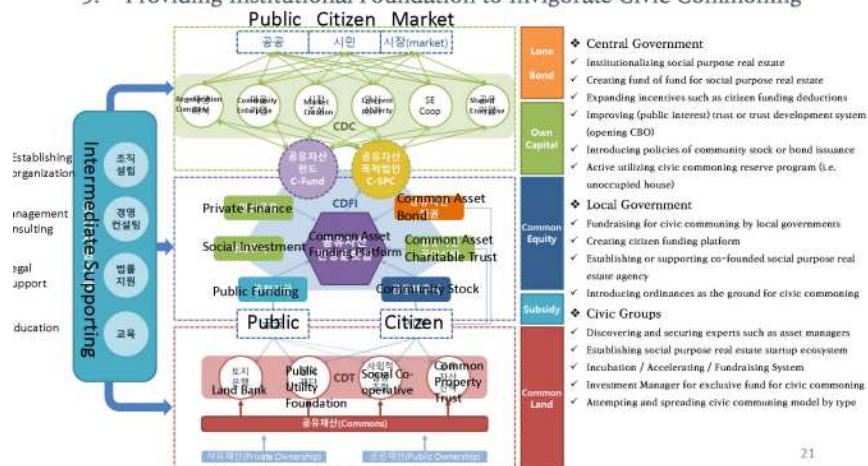
## Suggestions on Invigorating Civic Commoning

## 4. Securing Funding for Civic Commoning (Cocktail Funding)



### Suggestions on Invigorating Civic Commoning

#### 5. Providing Institutional Foundation to Invigorate Civic Commoning



21

Cities will become more  
livable when citizens take  
the ownership!

Thank you.

22

## CHAPTER 6

---

# Workshop Session 2

【A direction and objectives of Jeonju Food Plan 2025】

- 
- A direction and objectives of Jeonju Food Plan 2025

Kang Seong-wook

---



## Workshop Session 2

### A direction and objectives of Jeonju Food Plan 2025

- The purpose of this session is to provide a platform where experts, related organizations and entrepreneurs from home and abroad share their inspiring vision and practical experience in eco-cities and social economies, the main focus of the Jeonju local government.
- The session is designed to raise public awareness about common prosperity by sharing the values of “economics of happiness” that seeks to overcome social polarization and excess competition and create a mutually prospering society

#### ■ PROGRAM ORDER

| Time (Min)    |     | Program                                                     | Details                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|---------------|-----|-------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 14:00 ~ 14:10 | 10' | Opening                                                     | opening remarks, introduction of the moderator and speakers, introduction of guests, housekeeping notes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 14:10 ~ 14:40 | 30' | Topic 1                                                     | Anja Lyngbaek (Denmark)<br>– Program Director of Local Futures<br>– Program Director and Cofounder of Microcuenca del Rio citlalapa, a local NGO in Veracruz, Mexico.<br>– Coordinator of International Alliance for Localization                                                                                                                                                                                                                                                                                                                                                                               |
| 14:40 ~ 15:10 | 30' | Topic 2                                                     | Kang Sung-wook, Manager of Jeonju Food Integrated Support Center<br>– A direction and objectives of Jeonju Food Plan 2025                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 15:10 ~ 15:20 | 10' | Coffee Break                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| 15:20 ~ 16:30 | 70' | Comprehensive discussion, Q&A session and , free discussion | Park Soo-young, Secretary-general of Wonju Food Cooperative<br>Choi Minyoung, Executive Researcher of Nyeorum, Agriculture & Farmer Policy Research Institute<br>Cho Gyong-ho, Director of Local Agriculture Research Institute<br>Kim Hee-yeon, President of Jeonju Food Consumers Association<br>Kim Yang-woo, Chairman of Jeonju Food Producers Association<br>Jang Soon-chul, Chairman of Jeonju Meal Service Cooperatives Association<br>Hwang Young-mo (Chairperson), Doctor of Jeonju Institute<br>Anja Lyngbaek<br>Gang Sung-wook, Manager of Jeonju Food Integrated Support Center<br>All participants |
| 16:30 ~ 17:40 |     |                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| 17:40 ~ 17:50 | 10' | Closing                                                     | Closing and Photo Session                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |

**Chairperson** Hwang Young-mo (Research fellow of Jeonbuk Development Institute)

## A direction and objectives of Jeonju Food Plan 2025

Kang Sung-Uk

### ■ Changes in Agricultural Policies: National Agenda for All

| Division                       | Details                                                                                                                     |
|--------------------------------|-----------------------------------------------------------------------------------------------------------------------------|
| Agriculture and Fishery        | Reshuffling of the financial structure and finding measures to adopt the Direct Payment Program in the agricultural sector. |
|                                | Finding measures to stabilize the price of agricultural commodities and the management of farms.                            |
|                                | Improvement of the agricultural land system and reconceptualization the role of farmers.                                    |
| Farm Community                 | Reshuffling of the execution of agricultural policies and finding measures to systematically manage farm communities        |
|                                | Capacity-building of farm communities and vitalization of social economy.                                                   |
| Agricultural and Fishery Goods | Finding measures to lay the foundation for comprehensive strategies for the food industry                                   |
|                                | Analyzing the current state of existing laws and policies and finding measures to promote food and agriculture education.   |

Sources: Special Commission on Agriculture, Fisheries and Rural Policies

### □ Characteristics of Jeonju Food Plan 2025

- Paradigm shift of agricultural administration ⇒ revitalization of Korea's agricultural sector
- Administration-oriented (led by government agencies) ⇒ Joint governance led by the government and private sector (initiative directly led by the head of the local government)
- Focused on production and distribution ⇒ consumption analysis, production planning
- Policies for farmers and the agricultural industry ⇒ policies for all citizens Sources: Summary of Jeonju Food Plan Meeting (19.08.09.)

### □ Objectives

- To provide healthy food to Korean citizens
- To guarantee stable sources of income and jobs for locals.
- To establish a self-sufficient circular economy where locally-produced agricultural products are consumed by locals.

## 2019 행복의 경제학 국제회의 전주 지역화의 지속 가능성

## □ Roles of Jeonju Food Plan

- Promoting public interest, local benefits and local relation networks, along with economic productivity of agriculture
- Establishing a positive and continuous cycle in the local economy
- Executing comprehensive food management plans for the citizens of Jeonju
- Ensuring a meaningful local economy that focuses on cooperation between the private sector and the governmental administration
- Restoring mutual trust between stakeholders throughout production, distribution and consumption.

## ■ The History of JeonjuFood (2015~2019)

| 구분                                                                                                                                                  | 내용                                                                                                                                                                                                                                               | 일시            |
|-----------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|
| • Appointment of an outsourced task force                                                                                                           | - Industry experts and temporary public officials                                                                                                                                                                                                | 4. 3.         |
| • Research on the feasibility of the establishment of the foundation                                                                                | - Agricultural development plans for Jeonju (Jeonbuk Institute)                                                                                                                                                                                  | 4. 20.~5. 20. |
| • Establishment of the execution plans for the 2025 Jeonju Food Plan                                                                                | - Preparation work for policy, budgeting and ordinance<br>- Presentation of five major policy agendas and 10 policy execution plans<br>- establishment of a related public foundation.                                                           | 5. 22.        |
| • Committee on Validity of Establishment and Operation of Local Government-Invested or -Funded Institution                                          | - Finished validity evaluation prior to the establishment of the foundation according to Article 7 of the Act on the Operation of the Local Government-invested or Government-funded Institution (Jeonju, Jeollabuk-do)                          | 6. 4.         |
| • Establishment of Jeonju Food Foundation and hosting of standing committee meetings prior to the enactment of the city ordinance on the operation. | - Bill proposals in the meetings organized by the Jeonju City Council                                                                                                                                                                            | 6. 12.(1차)    |
|                                                                                                                                                     |                                                                                                                                                                                                                                                  | 6. 29.(2차)    |
| • Recruitment of the Jeonju Food Plan Task Force                                                                                                    | - Recruitment of 3 public officials with flexible work hours and one part-time public official                                                                                                                                                   | 7. 1.~9. 10.  |
| • Establishment of the Jeonju Food Foundation and Enactment of the ordinance                                                                        | - Find grounds for government funding and declaration of ordinance                                                                                                                                                                               | 8. 18.        |
| • Budget allocation for Jeonju Food Plan (First Supplementary budget proposal)                                                                      | - Operation of the foundation and its first directly operated store                                                                                                                                                                              | 7. 24.        |
| • Systemization of production and processing of Jeonju Food and training of distribution workers                                                    | - Basic training of farmers on the food distribution of the directly operated store (for 700 people)<br>- Cooking and bakery training (for 40 people)<br>- Establishment of the first cooperative for Jeonju Food (for women with career hiatus) | 7. 1.~12.     |
| • Inaugural meeting of the Jeonju Food Foundation                                                                                                   | - Inaugural meeting (5 board members including Chairman, Vice Chairman and 2 members of the audit committee)<br>- Review and authorization of the articles and rules                                                                             | 8. 21.        |
| • Approval of the foundation's establishment and registration                                                                                       | - Approval of the establishment of Jeollabuk-do's non-profit foundation led by Ministry of Agriculture, Food and Rural Affairs (MAFRA)                                                                                                           | 9. 1.         |
|                                                                                                                                                     | - Registration as a corporate body authorized by Jeonju District Court                                                                                                                                                                           | 9. 3.         |
| • Recruitment of executives and staff members                                                                                                       | - 10 individuals including the Managing Director                                                                                                                                                                                                 | 9. 1.~9. 14.  |
| • Inauguration of Jeonju Food Foundation                                                                                                            | - 451, Girin-daero, Deokjin-gu, Jeonju-si, Jeollabuk-do, Republic of Korea                                                                                                                                                                       | 9. 15.        |
| • Collective training of farmers supplying to the Jeonju Food Foundation                                                                            | - Training venue at the Jeonju Food Foundation                                                                                                                                                                                                   | 9. 17.~9. 23. |
| • Declaration of Jeonju Food 2025                                                                                                                   | - Press Conference: Jeonju Mayor, 3 consumer and producer representatives                                                                                                                                                                        | 11. 17.       |
| • Agreement ceremony of affiliate food suppliers                                                                                                    | - 7 counties (Wanju, Muju, Jangsu, Jinan, Gochang, Buan and Imsil) and 2 related agencies                                                                                                                                                        | 11. 30.       |
| • Opening ceremony of Jeonju Food Songcheon                                                                                                         | - 100 consumers and producers from Jeonju Food farms                                                                                                                                                                                             | 12. 10.       |

## 2019 행복의 경제학 국제회의 전주 지역화의 지속 가능성

|      |                                                                                                                |                                                                                                                              |              |
|------|----------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------|--------------|
|      | • Jeonju Food Producer-Consumer Event 2015 (500 participants)                                                  | - Auditorium at the city hall: congratulatory remarks of the city mayor and chairman of the council and special lectures     | 12. 23       |
| 2016 | • Pilot school lunch program (directly supplied by the foundation's directly operated store)                   | - 7 participating entities including public kindergarten, nursing homes and community centers                                | April        |
|      | • Opening of Jeonju Food Sports Stadium                                                                        | - located inside of Jeonju Stadium                                                                                           | 8. 12        |
|      | • Signing of the supply agreement with the affiliate food store in Suwon city                                  | - Local food farmers' market of Guangyosan, Suwon city.                                                                      | 11. 8.       |
|      | • Opening ceremony of the Jeonju Public Food Distribution Center (200 participants)                            | - Distribution of food including school lunches<br>- Operation of a local food processing center for farmers                 | 2. 24.       |
| 2017 | • Jeonju Food producers' gathering 2016 (300 participants)                                                     | - Training venue at the foundation (speeches and congratulatory remarks of producers, the mayor and chairman of the council) | 2.27         |
|      | • Designation of the Jeonju school lunch provision center                                                      | - Public Food Distribution Center in the World cup stadium                                                                   | 5. 1.        |
|      | • Starting distribution of school lunch                                                                        | - 85 public kindergartens, elementary, middle, high schools and special schools. (eco-friendly agricultural products)        | 9. 1.        |
|      | • Jeonju food producers' morale-boosting event 2018 (300 participants)                                         | - The auditorium at the city hall (congratulatory remarks by the Mayor and Director of the council)                          | 3. 24.       |
| 2018 | • Designated as a public food supplier by Seodaemun-gu, Seoul.                                                 | - 390 public facilities (175 nursing facilities and 215 social welfare facilities)                                           | 4. 18        |
|      | • Agreement with Seodaemun-gu on public food supply                                                            | - Jeonju City Hall (Mayor's office)                                                                                          | 8. 2.        |
|      | • Establishment of Jeonju Food Suppliers' Association                                                          | - Received an establishment permit                                                                                           | 8. 8.        |
|      | • Starting public food supply to Seodaemun-gu                                                                  | - Seodaemun-gu Public Food Distribution Center                                                                               | 9. 1.        |
| 2019 | • Preparing for the enactment of food-related ordinance and food supply ordinance.                             | - Finding grounds to vitalize public food supply system                                                                      | 1. 4.        |
|      | • Winning the bid of the Ministry of Agriculture, Food and Rural Affairs Comprehensive Directly-operated Store | - To be located in Hyochun District, Wansangu, Jeonju                                                                        | 1. 28.       |
|      | • Jeonju Food General Meeting 2019                                                                             | - Promoting food safety and popularity of local food of Jeonju                                                               | 3. 9.        |
|      | • Ceremony for Public Kindergarten Food Supply Agreement                                                       | - Business agreement to vitalize public food supply                                                                          | 3. 13.       |
|      | • The 5th Economic of Happiness conference in Jeonju (sessions regarding localized food)                       | - A platform to share experience on eco-city and social economy                                                              | 10.15~10.17. |

per million won, per capita 단위 : 백만 원, 명)

| 구 분                       | 합계      | '15년/ ' 16년 | '17년    | '18년    |
|---------------------------|---------|-------------|---------|---------|
| ① Total sales             | 15,308  | 2,193       | 4,574   | 8,541   |
| ② The number of trainees  | 1,544   | 170         | 354     | 1,020   |
| ③ The number of items     | 892     | 135         | 223     | 534     |
| ④ Public food supply      | 1,153   | -           | 571     | 582     |
| ⑤ The number of consumers | 884,619 | 115,800     | 309,300 | 459,519 |
| ⑥ The number of suppliers | -       | 150         | 517     | 570     |
| ⑦ School lunch            | 6,090   | -           | 1,042   | 5,048   |

## 2019 행복의 경제학 국제회의 전주 지역화의 지속 가능성



Annual Growth of JeonjuFood

## ■ A direction and objectives of Jeonju Food Plan

| Division                                                                                                | Objective                                                                                                          | Details                                                                                                                                                                                                     |
|---------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. laying the foundation for better production and processing                                           | • To establish a production planning system.                                                                       | – Restoring the productivity of Jeonju' s food industry<br>– Promoting the popularity of Jeonju' s local food and systemization of production and consumption of the local food industry.                   |
|                                                                                                         | • To vitalize local farmers' food processing                                                                       | – Establishing a processing center sponsored by the government                                                                                                                                              |
|                                                                                                         | • To establish a comprehensive system for local food management                                                    | – Establishing a food certification system and management of locally grown seeds<br>– Running a local food supply center<br>– Supporting local agricultural associations and cooperatives                   |
| 2. Expanding the public food supply and opening the foundation' s directly-operated food stores.        | • Promoting stabilization of the food supply system                                                                | – Establishing a public food distribution hub<br>– Conducting relevant public projects providing land and project expenses                                                                                  |
|                                                                                                         | • Expanding the market ins and outs of the city                                                                    | – Supplying local food to kindergartens, community centers and innovative cities<br>– Expanding the distribution to other major cities such as Suwon city and Seoul city.                                   |
|                                                                                                         | • To gradually expand comprehensive directly-operated food stores                                                  | – Launching 4 directly-operated food stores with reasonable accessibility<br>– Connecting 300 farmers each district                                                                                         |
| 3. Reshuffling of distribution and consumption and systemization of a virtuous cycle of local resources | • To create decent jobs and organizing consumers' associations                                                     | – Securing local capital and mutually beneficial coexistence between small and medium-sized retailers<br>– Raising public awareness about food through culinary education and the promotion of food culture |
|                                                                                                         | • To minimize food waste and turning the waste into resources by collaborating with recycling facilities.          | – Conducting an environmental public campaign aimed at minimizing waste including food wrappers and providing recyclable lunch box.                                                                         |
| 4. Reshuffling of the administrative system and integrating policies                                    | • To reshuffle the current laws and rules and consolidating cooperation between the public and the private sector. | – Enactment and revision of public food supply ordinances<br>– Establishing a consultative body among public officials and related private sector entities                                                  |



## CHAPTER 7

---

### Workshop Session 3

**【Measures to vitalize social investment funds and the role of the private sector】**

- 
- A Report on the Results of Half-Year Experiment on Local Currency 'Flower Exhibition' | Hwang Eun-ju
  - Measures to vitalize social investment funds and the role of the private sector | Lee Sang-jin
  - Economic Community Dotori Union | Lee Dong-geun
-



## Workshop Session 3

Measures to vitalize social investment funds and the role of the private sector

- The purpose of this session is to provide a platform where experts, related organizations and entrepreneurs from home and abroad share their inspiring vision and practical experience in Eco-city and Social Economy, the main focus of the Jeonju local government.
- This session is designed to raise public awareness about common prosperity by sharing the values of “economics of happiness” that seeks to overcome social polarization and excess competition and create a mutually prospering society

### ■ PROGRAM ORDER

| Time (Min)    |     | Program                  | Details                                                                                                                                                                                                                                            |
|---------------|-----|--------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 14:00 ~ 14:10 | 10' |                          | Opening remarks, introduction of the moderator and speakers, introduction of guests, housekeeping notes                                                                                                                                            |
| 14:10 ~ 14:40 | 30' | Opening                  | Result of “Local Currency Kkotjeon, Jeonju” s half year experiment” Hwang Eun-ju, Department Manager of Haksan Community Center                                                                                                                    |
| 14:40 ~ 15:10 | 30' | Module 1                 | The role of public institutions in the Korean economy<br>Ellen Brown, Founder and President of Public Banking Institute                                                                                                                            |
| 15:10 ~ 16:00 | 30' | Module 2                 | Measures to vitalize social investment funds and the role of the private sector<br>Les Sung-jin, President of Social Innovation Banking                                                                                                            |
| 16:00 ~ 16:10 | 10' | Module 3                 |                                                                                                                                                                                                                                                    |
| 16:10 ~ 17:10 | 60' | Comprehensive Discussion | Ellen Brown, Founder and President of Public Banking Institute<br>Yu Yu-mi, Standing Director of Resident Cooperative Council<br>Ju Se-yun, Manager of Dongjak Credit Union<br>Lee Dong-geun, Chairman of Economic Community Association “Totori “ |
| 17:10 ~ 17:40 | 30' | Q&A and Free Discussion  | Q&A (moderator and speakers) and Free Discussion                                                                                                                                                                                                   |
| 17:40 ~ 17:50 | 10' | Closing                  | Closing and Photo Session                                                                                                                                                                                                                          |

**Chairperson** Sohn Hyun-joo, Professor of the Jeonbuk National University

Result of “Local Currency Kkotjeon, Jeonju’ s half year experiment”

## A Result Report

Hwang Eun-ju

### Project Summaries

#### ○ Experiment themes

- ▷ The test operation of Jeonju-type local currency(communitary currency Kkotjeon(meaning flower coins))

#### ○ Experiment goals

- ▷ transforming its recognition into local currency containing a local identity and reinforcing non-economic incentives(nudge)
- ▷ Designing network-based local units(solidarity)
- ▷ Concentrating daily necessities-centered franchisees
- ▷ Designing incentives in favor of the direct transaction of gift certificates rather than exchange

#### ○ Experiment period자료출처 '19.08.09. 푸드플랜관계기관 회의내용 요약(강성욱)

- ▷ November 2018 – June 2019

#### ○ Experiment subjects

- ▷ Pyeonghwa-dong 2-ga, Wansan-gu, Jeonju-si

#### ○ The number of participants

- ▷ 7 franchisees
- ▷ 82 contracted members
- ▷ 140 general consumers
- ▷ Residents ‘organizations’: 15 persons in operational committees and 6 persons in public relations teams

#### ○ 실험결과

- ▷ Increasing voluntary use by heightening the sense of community (community spirit)

## 2019 행복의 경제학 국제회의 전주 지역화의 지속 가능성

\* Monthly contracted member status (persons)

| classification | March | April | May | June |
|----------------|-------|-------|-----|------|
| new            | 32    | 40    | 9   | 1    |
| cumulative     | 32    | 72    | 81  | 82   |

▷ Increasing sales in local small merchants(securing customers) walking distance

\* Monthly sale status(won)

| classification | March     | April     | May       | June       |
|----------------|-----------|-----------|-----------|------------|
| monthly total  | 4,457,000 | 6,639,000 | 8,782,000 | 10,892,500 |
| contribution   | 77,900    | 89,450    | 181,600   | 156,125    |

▷ Enhancing users 'convenience by concentrating daily necessity franchisees within walking distance

\*Monthly franchisee status

| classification | February | March | April | May | June |
|----------------|----------|-------|-------|-----|------|
| new            | 45       | 12    | 12    | 3   | 5    |
| cumulative     | 45       | 57    | 69    | 72  | 77   |

▷ Reducing circulation expense conspicuously due to the decrease of exchange rate and the increase of turnover ratio (circulation amount 10% → below 1%)

\* Monthly exchange status

| classification                                                                | March   | April   | May     | June      |
|-------------------------------------------------------------------------------|---------|---------|---------|-----------|
| number of exchange franchisees                                                | 3       | 6       | 3       | 2         |
| amount of Kkotjeon exchange                                                   | 672,000 | 642,000 | 881,000 | 8,968,000 |
| exchange rate(%)<br>(cumulative exchange amount ÷ cumulative sale amount*100) | 15.1    | 11.8    | 11.0    | 36.3      |

## 2019 행복의 경제학 국제회의 전주 지역화의 지속 가능성

Kkotjeon issuance(1,000 bill, 5,000 bill, 10,000 bill)



Team introduction

Our team is rich and abundant in field experience and research experience for regional and socio-economic sectors, and so has learned and studied the introduction of local currencies for several years, and then has continuously presented our opinions about the directions toward introducing the local currency of Jeonju-si through ‘The International Conference on the Economics of Happiness’ (2016 and 2017). Our team has combined experiences derived from 2 researchers with a doctorate and 4 field activists (self-support, medical welfare social cooperative, welfare, and intermediary support organizations for social economy), and so has understood problems and issues correctly, and then has studied Jeonju-type local currency models effective for stakeholders ‘ needs.

photos introducing and representing the team

Representative Ko Eun Ha



Jeonju Socioeconomic Network  
Local Currency Committee



Local Currency Planning Team ‘s workshops



## [The arrangement of Living Lab Project by stage]



### ① Discovered problems: social problems as the momentum of experiments

#### ○ Local government-directed local currency in the form of hometown-loving gift certificates

- About 60 local governments circulate hometown-loving gift certificates nationwide (as of September 2018), and also Ministry of the Interior and Safety actively recommends and assists such gift certificates in order to support local small business.
- Hometown-loving gift certificates play no role in recovering the sense of community owing to their support policy approach focusing on local economic activation.
- By supporting consumers through economic incentives such as 2-20% discount sales or circulating the gift certificates forcibly through the payment of an allowance to public officials or welfare beneficiaries, there is increased resistance to the gift certificates.
- Because local governments' operating costs necessary for economic incentives accounts for 10% of transaction amount, it imposes tremendous financial burden (for example, Pohang-si bore 10 billion won of costs compared with 100 billion won of sales in 2017).
- Since users are inconvenient due to scattered franchisees to avoid their transaction, using hometown-

loving gift certificates increases welfare beneficiaries ‘inconvenience.

• In sum, owing to current operational mode, hometown-loving gift certificates increase users ‘inconvenience, are based only on economic incentives to recover no community spirit, and increase local governments’ financial burden if circulation scale is enlarged.

### ○ Social phenomenon according to the spread of local government-directed local currency in the form of hometown-loving gift certificates?

- Compulsory circulation spreads resistance to hometown-loving gift certificates.
- Consumers focus on economic benefits rather than local economic activation or community.
- Local governments seem to subsidize consumers in order to protect local small merchants.
- Local governments bear increased financial burden every year  
(if circulation amount increases, operating cost increases)
- If economic incentives such as discount are eliminated, circulation is suspended.
- It is unlikely to establish autonomous circulation mechanism in hometown-loving gift certificates in the long term.

② Problem definition: the hypothesis set up in order to find out the social causes of problems and solve problems; problems redefined in the process of designing experiments

**{Local governments}** How can exchange in hometown-loving gift certificates(local governments ‘ budget is spent by the balance of exchange) be reduced and repeated transactions (because the gift certificates are circulated without exchange, local governments bear no burden) be facilitated so that local governments ‘ financial burden can be decreased?

**{Franchisees}** How can franchisees recirculate hometown-loving gift certificates without exchange as they do not feel the bottleneck of cash flow?

**{Consumers}** How can consumers obtain economic values as well as feel proud of contributing to their communities by using hometown-loving gift certificates?

How can consumers feel a sense of belonging and pride in hometown-loving gift certificates?

모니터링 진행(5월 기준 71개 가맹점)

### ③ Emergence: diverse activities performed in order to design and implement experiments (opinion and demand survey, networks)

Local currency planning team: designing and planning the models and operational directions of local currency

Local currency operating committee: consisting of village activists, experts, consumer representatives, and community committee members, and discussing and deciding the overall operation of local currency

Local currency public relations team: consisting of village residents and local currency activists, and discussing the production of online promotional materials including homepages and SNS or offline promotional materials

Local shopping district survey and franchisee search: conducting the basic survey of 911 local shopping districts and searching for franchisees intensively by 23 persons from Haksan Community Welfare Center (the exchange)

Consumer education: consumer education for consumer recognition improvement and consumer participation

Contracted member recruitment: recruiting 82 contracted members

Franchisee monitoring: progressing franchisee monitoring in order to confirm local currency models and circulation and reflect diverse opinions

### ④ Experiments: the contents of diverse experiments (activities) for problem solution

#### ● Experiment(1): designing the model for community-type local currency containing local identity

- Experiment purposes: designing community-type models appropriate to regions
- Experiment contents
  - Preparing the structure to enable franchisees to contribute to local currency operation through 3% franchisee fees
  - Preparing the structure of donations for the region through 5% consumer discount

#### • Experimental results

##### \* Monthly exchange and contribution amount status

| classification                 | March   | April   | May     | June      |
|--------------------------------|---------|---------|---------|-----------|
| number of exchange franchisees | 3       | 6       | 3       | 2         |
| amount of Kkotjeon exchange    | 672,000 | 642,000 | 881,000 | 8,968,000 |
| franchisee fees (3%)           | 20,160  | 19,260  | 26,430  | 269,040   |
| contribution (won)             | 77,900  | 89,450  | 181,600 | 156,125   |

changes in the model(from the left to the right)



- Experiment purposes: enhancing users' convenience by searching for franchisees near life zones
- Experiment contents: searching for franchisees within walking distance and examining franchisees by stronghold areas
- Experiment results:

| classification | February | March | April | May | June |
|----------------|----------|-------|-------|-----|------|
| new            | 45       | 12    | 12    | 3   | 5    |
| cumulative     | 45       | 57    | 69    | 72  | 77   |

## franchisee maps



- **Experiment(3) : changes in residents ‘ recognition about local currency**
- Experiment purposes: changes in residents ‘ recognition about community-type local currency
- Experiment contents: resident public relations activities, resident (consumer) education, resident participation activities (operating committee, public relations team, franchisee online communication structure)
- Experiment results:
  - Consumer education: about 538 persons 13 times
  - Resident public relations activities: 8 times including street public relations, ‘Peace Village Markets’ , and ‘Our Village Markets’
  - Resident participation activities: operating committees (5 times), resident public relations teams (8 times), franchisee online communication structure (franchisee bands: one band operated during March~June)



2019 행복의 경제학 국제회의 전주 지역화의 지속 가능성



public relations activities



2019 행복의 경제학 국제회의 전주 지역화의 지속 가능성



operating committees

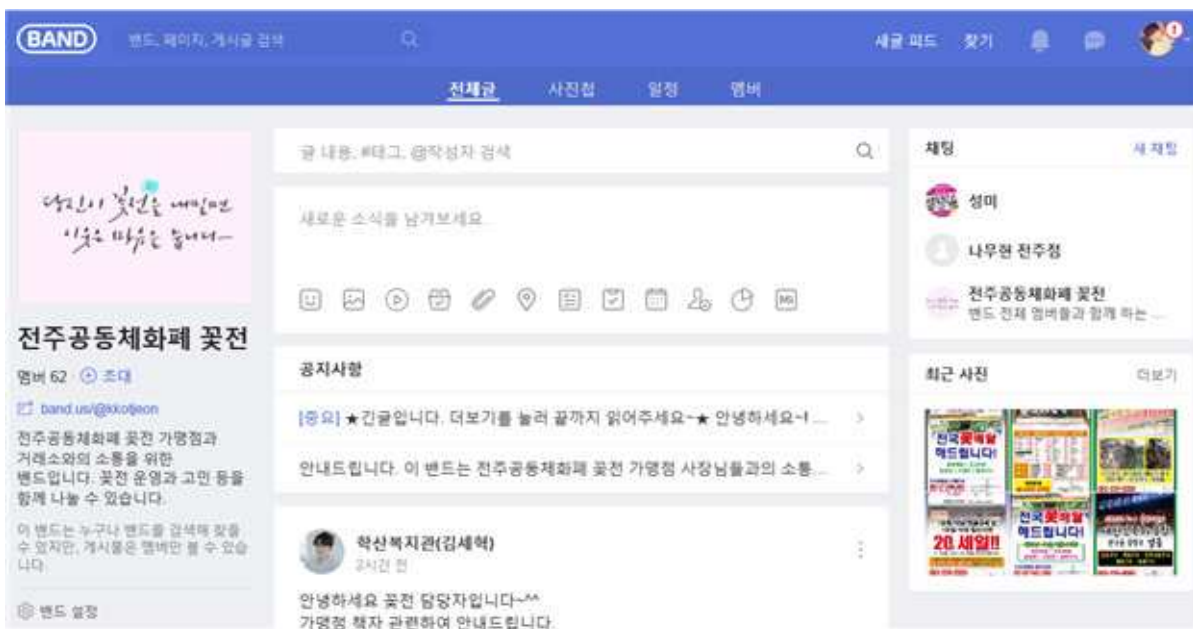


## 2019 행복의 경제학 국제회의 전주 지역화의 지속 가능성

public relations team conferences



franchisee online communication structure



## ⑤ Comprehensive experiment evaluation

### 1. The local currency was designed in the form of not economic incentives but local circulation to ensure sustainability

- Because 5% consumer discount was equal to that of other local governments and so consumers could contribute 5% for themselves, actually 32.1% of overall 5% discount amount could be contributed to be used for the region.

- Because franchisees could bear 3% fees in the case of exchange whereas the local currency could be circulated among local franchisees in the case of no exchange, actually during the pilot project franchisee exchange rate, that is, exchange amount versus sale amount, was 40.6% and exchange rate compared with the number of overall franchisees was 14.6%(Of overall 75 franchisees, 11 franchisees exchanged the local currency as of the end of June). Except them, most franchisees circulated the local currency among franchisees without exchange.

### 2. The method to use the local currency could enhance the consciousness of community contribution and create a sense of belonging and pride to the region

- Residents participated directly in recruiting currency names and designs to decide Kkotjeon as their currency name. Its design containing local characteristics reflected the past, present, and future appearances of Jeonju, which could create a sense of belonging and pride to their region.

- The main targets to use the local currency focused on local residents with community experiences, and so the method of contracted members to use the local currency by contracted amounts regularly was introduced. In fact, by focusing on the residents to participate in village community activities, 77 contracted members were registered as of the end of June through explanation and guide about the local currency, so that contracted members' monthly amount reached a total of 7,150,000 won because a contracted member used about 100,000 won as an average monthly contracted amount.

- In addition, according to the results of monitoring contracted members at the end of June Of contracted members, monitoring respondents were 57 persons. the motivations to participate in contracted members included 'Purports or purposes are good' (49.1%) and 'In order to participate in village activities' (21.1%), so that 70.2% were interested in, participated directly in, and practiced community-type local currency.

- Also, 96% responded positively to the question 'Do I contribute to our village by using Kkotjeon?' . 89% responded positively to the question 'Will you use Kkotjeon continuously in the future?' . Therefore, it was

---

Of contracted members, monitoring respondents were 57 persons.

evaluated that contracted members participating currently in Kkotjeon possessed a sense of belonging and pride compared with general user members.

## ⑥ Experimental difficulties

### 1. Shorter experiment period compared with experiment scale

- The experiment period of 8 months was very short, compared with the experiment scale in which this experiment designed private-driven models containing local identity in village units and so explained such models to residents and then encouraged residents to participate.
- Especially, because initial 4 months (November - February) of 8 months were preparation process and indeed the period to experiment community currency was only 4 months (March - June), there were a lot of limitations in understanding the purpose of this experiment, that is, the outcome of the model appropriate for local characteristics.

### 2. It was insufficient to understand community-type local currency

- Although residents were much interested in local currency, most residents had difficulties in understanding community-type local currency methods because they had the high level of local government-type local currency. For this reason, it was very difficult to explain the intention to participate in franchisees by paying 3% fees and search for franchisees agreeing to such intention. In practice, after conducting a local survey around Pyeonghwa 2-dong, this experiment directly visited all 911 shops for public relations and guide, so that 5.5% of them, that is, 55 franchisees agreed to the above contents (as of March 15).
- However, as franchisees recognized and agreed to the meaning of these activities for themselves, franchisees owners recommended their neighboring shops to increase franchisees, and so this project was organized and expanded around franchisees sharing their consciousness.

### 3. The expectations of local currency were different according to each participation subject.

- Subjects participating in local currency set up the purposes of local currency differently.
- The purpose of franchisees was to secure customers through local currency and pursue economic activation through expanding the amount of currency circulation. In contrast, the purpose of consumers was to pursue economic benefits (discount) and the convenience of consumption. On the other hand, the purpose of operating subjects was to pursue economic activation and community formation. Thus, it need lots of time and effort to explain the purport and purpose of this project and the value and benefit of activities and subsequently it is very necessary to agree to one integrated purpose.

## ⑦ Future plans

## 1. Reinforcing region-focused promoting subjects

- It is necessary to strengthen operating committees as the practical deciding structure for operating community-type local currency and so arrange operational regulations and then supplement new operating committee members representing franchisees and consumers.

## 2. Developing community currency Kkotjeon 's unique value and meaning

- It is necessary to develop the community meanings of local currency in Pyeonghwa-dong regions and so prepare the criteria representing whether participating franchisees perform activities suitable for such meanings.
- Besides, it is required to organize franchisees and contracted members as a basis for operating local currency and so consolidate separate online and offline networks and further pursue activities stimulating a sense of belonging(a sense of sharing) to village units.

## 3. Strengthening public relations activities for diverse residents ' participation

- It is necessary to expand stronghold exchanges so that, in addition of contracted members, everyone can easily approach local currency.
- It is required to reinforce residents ' participation through diverse public relations and event activities.

### ⑧ Postscripts

#### # Experimenters' general reviews

### 1. Local currency created new relationships within our village

- As the experimenters directly visited 911 shops located at Pyeonghwa-dong during the experiment period in order to search for franchisees, the experimenters newly recognized our regions and understood shops ' perspectives toward local currency.
- As the experimenters experienced the process of reaching 77 increased shops which understood the purport and meaning of community currency to participate in franchisees, the experimenters felt new joy and pleasure. Subsequently, as the experimenters visited all the franchisees more than twice through public relations and franchisee monitoring, new relationships between the exchanges and such franchisees were not transacting money but sharing needs and purposes and discussing community currency operations together. Through such new relationships, the experimenters encountered franchisees actively presenting their opinions on local currency operations and supporting local currency activities.

## **2. Local currency enabled the experimenters to experience community appearances in advance.**

– Through the process of recruiting the contracted members of community currency, the experimenters met residents who had their consciousness to consume through local currency within their village beyond their simple consumption. Of them, the experimenters reinforced trust relationships with the residents who has been not unknown in depth in the past.. In particular, when residents consciously used local franchisees to play a role of monitoring for themselves, when residents used local currency for themselves to introduce local currency to their neighbors and enable their customer shops to participate in Kkotjeon franchisees, or when residents were somewhat inconvenient but used local currency with cash to try to change their consumption patterns, the practitioners as the experimenters could feel community experiences within their village in advance.

## **3. Community currency Kkotjeon ‘s unique benefits were reconsidered and reexamined**

– Community-type local currency used its relation-oriented methods rather than its quantitative expansion so as to be expanded progressively. So, it was important to consider what benefits franchisees and consumers could actually recognize rather than the long-term goal of local economic activation. In addition, in order to activate local currency, it was necessary to understand residents ‘ current consumption behaviors and flows. Most residents were accustomed to pay with deferred payment card, whereas local currency could be purchased with cash. Thus, unless consumption patterns were changed, it was difficult to participate in local currency. Therefore, in order to activate local currency, it is necessary to conduct education on consumption and make residents experience using local currency.

### **# Users‘ postscripts**

### **# Users ‘ postscripts**

– Although more amount than expected is not circulated, Kkotjeon is received steadily. Even though I worried about 3% fees, it is proper to circulate Kkotjeon at this level of fees. Because I have other franchisees to use Kkotjeon, I use my received Kkotjeon well in other franchisees. .

– Consumers ‘ differences in using Kkotjeon seem to be great according to franchisees’ characteristics. Marts or restaurants are essential parts with Kkotjeon being used more frequently, whereas apparel, retail, service business types are less frequent in using Kkotjeon. It is necessary to devise public relations methods so that Kkotjeon consumption can be performed in diverse sectors.

- Even though shops participating in franchisees are diverse in business types, many items can be purchased and transacted mutually and commonly. Although it is important to simply circulate Kkotjeon, it is also desirable to seek the methods of win-win cooperation within our region through meetings and associations between franchisees.

## 2) Contracted members ‘ postscripts

- Because 5% discount is possible by using Kkotjeon and also many franchisees are available, I am using a lot of Kkotjeon now. However, since I am a person with disabilities to use my wheelchair, transportation convenient facilities are very important to me. One disadvantage to using Kkotjeon is that such convenient facilities are installed well in marts or shops operated by large-scale companies, whereas such facilities are not installed well so that I like to go there but I can not do so. Even though Kkotjeon contributes to our region, it is desirable to consider the inconvenience of persons with disabilities sharing Kkotjeon as a consumer.

- As I become a contracted member, I try to use franchisees consciously although I am somewhat inconvenient. When I go shopping or eat out, first of all I try to find out where Kkotjeon franchisees are. In the end, such franchisees were those which I had never visited once in the past or I had never known in the past even though they were located just within our village. This process seems to be the very real meaning of this currency.

- When I ate out in a franchisee using Kkotjeon, its owner was so kind that I felt so good. Even though I worried about whether using Kkotjeon would be the same as using cash or whether services would be different, I needed not worry, so that my trust became stronger.

- I went to the welfare center(the exchange) in order to buy Kkotjeon for the first time. Because the welfare center is not as near as the bank, it is not easy to go there to buy it. It is desirable to expand exchanges so that people can buy it with ease.

- When I intended to buy Kkotjeon one day, I had no cash. Meanwhile, as I was accustomed to pay with deferred payment card, it was not easy to change this consumption pattern. Thus, I intended to use 50,000 won bill from a small amount on, but it is not easy as well

## **2. Local currency enabled the experimenters to experience community appearances in advance.**

– Through the process of recruiting the contracted members of community currency, the experimenters met residents who had their consciousness to consume through local currency within their village beyond their simple consumption. Of them, the experimenters reinforced trust relationships with the residents who has been not unknown in depth in the past.. In particular, when residents consciously used local franchisees to play a role of monitoring for themselves, when residents used local currency for themselves to introduce local currency to their neighbors and enable their customer shops to participate in Kkotjeon franchisees, or when residents were somewhat inconvenient but used local currency with cash to try to change their consumption patterns, the practitioners as the experimenters could feel community experiences within their village in advance.

## **3. Community currency Kkotjeon ‘s unique benefits were reconsidered and reexamined**

– Community-type local currency used its relation-oriented methods rather than its quantitative expansion so as to be expanded progressively. So, it was important to consider what benefits franchisees and consumers could actually recognize rather than the long-term goal of local economic activation. In addition, in order to activate local currency, it was necessary to understand residents ‘ current consumption behaviors and flows. Most residents were accustomed to pay with deferred payment card, whereas local currency could be purchased with cash. Thus, unless consumption patterns were changed, it was difficult to participate in local currency. Therefore, in order to activate local currency, it is necessary to conduct education on consumption and make residents experience using local currency.

### **# Users‘ postscripts**

### **# Users ‘ postscripts**

– Although more amount than expected is not circulated, Kkotjeon is received steadily. Even though I worried about 3% fees, it is proper to circulate Kkotjeon at this level of fees. Because I have other franchisees to use Kkotjeon, I use my received Kkotjeon well in other franchisees. .

– Consumers ‘ differences in using Kkotjeon seem to be great according to franchisees’ characteristics. Marts or restaurants are essential parts with Kkotjeon being used more frequently, whereas apparel, retail, service business types are less frequent in using Kkotjeon. It is necessary to devise public relations methods so that Kkotjeon consumption can be performed in diverse sectors.

## 2019 행복의 경제학 국제회의 전주 지역화의 지속 가능성

| number | material types    | output names                                                                                 | unit   | note |
|--------|-------------------|----------------------------------------------------------------------------------------------|--------|------|
| 1      | press release     | 'Circulating the first Jeonju-type community currency Kkotjeon'                              | 38     |      |
| 2      | leaflet           | Pyeonghwa-dong community currency                                                            | 1,000  |      |
| 3      | leaflet           | Kkotjeon and franchisee introduction                                                         | 5,000  |      |
| 4      | flyer             | Kkotjeon introduction                                                                        | 1,000  |      |
| 5      | flyer             | Kkotjeon proclamation ceremony                                                               | 100    |      |
| 6      | application form  | Franchisee application form                                                                  | 1,000  |      |
| 7      | application form  | Contracted member application form                                                           | 1,000  |      |
| 8      | currency          | Kkotjeon issuance                                                                            | 60,000 |      |
| 9      | envelope          | Civil complaint envelope                                                                     | 2,000  |      |
| 10     | envelope          | Contracted member envelope                                                                   | 2,000  |      |
| 11     | SNS PR Channel    | Homepage <a href="http://kkot-jeon.kr/">http://kkot-jeon.kr/</a>                             | 1      |      |
| 12     | SNS PR Channel    | Blog <a href="https://blog.naver.com/haksan9001">https://blog.naver.com/haksan9001</a>       | 1      |      |
| 13     | SNS PR Channel    | Facebook <a href="https://www.facebook.com/kkotjeon/">https://www.facebook.com/kkotjeon/</a> | 1      |      |
| 14     | SNS PR Channel    | Band <a href="https://band.us/@kkotjeon">band.us/@kkotjeon</a>                               | 1      |      |
| 15     | event photo album | Proclamation ceremony                                                                        | 1      |      |
| 16     | event photo album | Study tours                                                                                  | 1      |      |
| 17     | event photo album | Workshops                                                                                    | 1      |      |
| 18     | event photo album | Pyeonghwa Village Market along with Kkotjeon                                                 | 1      |      |

## 2019 행복의 경제학 국제회의 전주 지역화의 지속 가능성

## 1. Attached files- press release (a total of 38 units)

|                               |                                                                                                              |            |
|-------------------------------|--------------------------------------------------------------------------------------------------------------|------------|
| 1. Jeonju MBC                 | 'Local currency is minted by residents'                                                                      | 2019-02-04 |
| 2. KBS Jeonbuk                | 'Issuing Jeonju community currency.. a test of pulling commercial areas'                                     | 2019-03-14 |
| 3. Pressian                   | 'If you present your Kkotjeon, neighbors give their heart '                                                  | 2019-03-15 |
| 4. Nocut News                 | 'Circulating the first Jeonju-type community currency Kkotjeon'                                              | 2019-03-15 |
| 5. Newsway                    | 'Circulating the first Jeonju-type community currency Kkotjeon'                                              | 2019-03-15 |
| 6. News Freezone              | 'Jeonju-si, circulating Jeonju-type community currency Kkotjeon'                                             | 2019-03-15 |
| 7. Sisa Magazine              | 'Circulating the first Jeonju-type community currency Kkotjeon'                                              | 2019-03-15 |
| 8. Happy Store                | 'Circulating the first Jeonju-type community currency Kkotjeon'                                              | 2019-03-15 |
| 9. Jeonminilbo                | 'Circulating the first Jeonju-type community currency Kkotjeon'                                              | 2019-03-15 |
| 10. Jeollailbo                | 'Circulating the first Jeonju-type community currency Kkotjeon'                                              | 2019-03-15 |
| 11. Gukjenews                 | 'Circulating the first Jeonju-type community currency Kkotjeon, successful settlement and participation'     | 2019-03-16 |
| 12. Yonhapnews                | 'The pilot circulation of community currency Kkotjeonin in Pyeonghwa-dong, Jeonju-si'                        | 2019-03-16 |
| 13. Hankyoreh                 | 'Jeonju-si, circulating alternative currency Kkotjeon- starting ethical consumption to help local residents' | 2019-03-17 |
| 14. Jeonbuk Jungang Simun     | 'Please buy with Jeonju-type community currency Kkotjeon'                                                    | 2019-03-17 |
| 15. Break News                | 'Issuing the first Jeonju-type community currency Kkotjeon'                                                  | 2019-03-17 |
| 16. News Maker                | 'Circulating the first Jeonju-type community currency Kkotjeon'                                              | 2019-03-17 |
| 17. The Saejeonbuk Shinmun    | 'Circulating the first Jeonju-type community currency Kkotjeon'                                              | 2019-03-17 |
| 18. Jeonbuk Dominilbo         | 'Circulating the first Jeonju-type community currency Kkotjeon'                                              | 2019-03-17 |
| 19. Jeonbukilbo               | 'Circulating the first Jeonju-type community currency Kkotjeon'                                              | 2019-03-17 |
| 20. Hankookilbo               | 'Please buy items with Kkotjeon in Jeonju'                                                                   | 2019-03-17 |
| 21. Kukminilbo                | 'Jeonju, circulating repetitive use-type community currency Kkotjeon'                                        | 2019-03-18 |
| 22. Segyeilbo                 | 'Do you know Jeonju-type community currency Kkotjeon'                                                        | 2019-03-18 |
| 23. PS News                   | 'Circulating the first Jeonju-type community currency Kkotjeon'                                              | 2019-03-18 |
| 24. TW News                   | 'Circulating the first Jeonju-type community currency Kkotjeon'                                              | 2019-03-18 |
| 25. Kwangmyeong Jiyeok Sinmun | 'Circulating the first Jeonju-type community currency Kkotjeon'                                              | 2019-03-18 |

## 2019 행복의 경제학 국제회의 전주 지역화의 지속 가능성

|                                  |                                                                                                  |            |
|----------------------------------|--------------------------------------------------------------------------------------------------|------------|
| 26. Nongupin Sinmun              | 'Circulating the first Jeonju-type community currency Kkotjeon'                                  | 2019-03-18 |
| 27. White Paper                  | 'Circulating the first Jeonju-type community currency Kkotjeon'                                  | 2019-03-18 |
| 28. Jeollamaeil                  | 'Circulating the first Jeonju-type community currency Kkotjeon'                                  | 2019-03-18 |
| 29. Jeonjumaeil                  | 'Circulating the first Jeonju-type community currency Kkotjeon'                                  | 2019-03-18 |
| 30. Jeonjuilbo                   | 'Circulating the first Jeonju-type community currency Kkotjeon'                                  | 2019-03-18 |
| 31. Saemangeumilbo               | 'Launching the first Jeonju-type community currency Kkotjeon'                                    | 2019-03-18 |
| 32. Jeonbuk Times                | 'Circulating the first Jeonju-type community currency Kkotjeon, a warm breeze for local economy' | 2019-03-18 |
| 33. Asia Today                   | 'Jeonju, circulating Jeonju-type community currency Kkotjeon, a 4 month pilot project'           | 2019-03-19 |
| 34. Dangjin Sinmun               | 'Circulating the first Jeonju-type community currency Kkotjeon'                                  | 2019-03-19 |
| 35. KBS Today<br>Jeonbuk         |                                                                                                  | 2019-03-20 |
| 36. The Saejeonbuk<br>Shinmun    | 'Kkotjeon'                                                                                       | 2019-03-21 |
| 37. Korea Local<br>Autonomy News | 'Does Jeonju-si community currency succeed in soft landing?'                                     | 2019-05-29 |
| 38. Jeonju Life                  | 'Please use Jeonju-type community currency Kkotjeon'                                             |            |

## press release arrangement

지역화폐 주민이 만든다  
© 2019-02-04 ▶ 480



동영상 더보기  
NEWS DESK 전주 '평화동 마을화폐' 올해 발행 예정

1:37 / 2:31 YouTube

f t y 링크복사 [선명한 화질: 상단 클릭 > 품질 720p 선택]

지역 경제 활성화를 위한 대안으로  
지역 화폐가 최근 주목받고 있습니다.

대부분 자치단체가 주도해 지역 화폐를  
발행, 유통하고 있어 자생력이 약하다는  
지적이 많은데,

전주에서는 주민 스스로 마을 화폐를 준비하는 곳이 있다고 합니다.

박찬익 기자입니다.

지난해 9월부터 처음 발행된  
그것이 바로 마을화폐

## 2019 행복의 경제학 국제회의 전주 지역화의 지속 가능성

지역화폐를 운영하고 있거나  
발행을 준비하고 있습니다.

하지만 지자체의 보조금에 의존하다보니  
자생력이 떨어진다는 지적입니다.

실제로 강원도는 재작년 발행한  
강원상품권 480억 원의 90%를  
자체 예산으로 되사들여 폐지 논란에  
휩싸였습니다.

합중국 강원도의원  
"당초 목적에 부합하지 못하고 많은 비용만 낭비하는 대표적인 예산 낭비 사례로 판단되는데"

전국 243개 자치단체의 절반이  
지역화폐를 발행하고 있는 가운데  
전주에서는 올해 전국 최초로  
마을단위 지역화폐가 선보입니다.

'꽃전'으로 이름 붙여진 평화동  
마을화폐는 시민단체와 지역 주민들이  
스스로 상품권 발행을 기획해 준비했고  
최근에 상품권을 정기 구입할 약정회원과  
가맹점 모집에 나섰습니다.

고은하 전주시사회경제네트워크 공동대표  
"(시민단체) 네트워크가 (평화동에) 많이 형성돼 있거든요. 그것을 통해서 소비자 교육을 할거고 실제로 사용할 수 있도록 하  
기 위해서 약정 회원 10만 원 이상을 (구매하도록)"

평화동 마을화폐 '꽃전'은 기존 지역화폐와 달리 은행이 아닌 지역복지기관이 거래소를 담당합니다.

1억 원의 예산을 지원한 전주시는  
6개월간 시범운영을 지켜본 뒤 지원을 확대할지 판단할 방침입니다.

김종성 전주시 사회경제지원과장  
"작은 마을 단위부터 공동체성 회복과 연계해서 이게 진짜 지역화폐다, 우리 지역을 위한 지역화폐다, 그것을 인식하게 됨으  
로써"

정부의 올해 지역화폐 발행 목표액은  
2조 원. 주민이 직접 만든 마을 화폐의  
작은 도전이 어떤 성과를 가져올지  
주목됩니다.

## 2019 행복의 경제학 국제회의 전주 지역화의 지속 가능성

## 전주 지역화폐 발행.. 상권 견인 시험대

입력 2019.03.14 (22:58) · 수정 2019.03.14 (23:48)

뉴스9(전주)

□ ○ ♥ ♡ ✎ &lt;

▶ ◀ ⌂ 🔍



게시일: 2019. 3. 14.  
[영커]

전주시가 침체한 지역 상권을 살리겠다며  
지역 화폐 시범 사업에 나섰는데요.  
지역 화폐가 제 역할을 하려면  
홍보 부족과 낮은 활용율 등 해결해야 할 과제가 많습니다.

이지현 기자가 취재했습니다.

[리포트]

"꽃전 좀 바꿔주시겠어요?"

전주시가 새롭게 도입한 지역 화폐, '꽃전'입니다.

이달부터 보급을 시작해 전주 평화동 일대에서  
시범 사업을 하고 있습니다.

세탁소와 식당, 학원 등  
동네 상점에서 현금처럼 쓸 수 있습니다.

화폐 종류도 전 원과 오천 원, 만 원권으로 세분화돼 있고,  
지역 화폐로 환전할 때 5퍼센트 할인도 받습니다.

황은주 / 학산종합사회복지관 과장  
"주민들이 우리 동네를 위한 소비 운동에 직접 참여하는 것, 이것이 우리 골목상권을 살리는 중요한 방법이라고 생각했습니다."

지역 상권을 살리겠다는 취지지만,  
아직 과제가 많습니다.

우선 발행 규모가 2억 6천만 원어치에 불과하고,  
환전소도 한곳뿐이어서  
현재로서는 지역 화폐의 유통 활성화를 기대하기란 어렵습니다.

또 할인율이 10%에 달하는 군산 등과 비교하면  
시민 참여를 이끌어 낼 유인책도 미미합니다.

가맹점 수도 50여 개에 불과해  
전주에만 3천 곳이 넘는 가맹점을 둔  
전통시장 상품권보다 경쟁력이 떨어집니다.

김수은 / 전북연구원 연구부장  
"가맹점 인센티브를 통해서 가맹점 참여도를 높이고 환전소 분포도를 높여서 사용자 접근성을 용이하게 해야 합니다."

전만 관광객이 찾는 한옥마을과 연계해  
지역 화폐 시장 규모를 키우고,  
카드나 모바일 상품권 형태의  
지역 화폐 유통 방안 등을 찾는 것도 필요해 보입니다.

KBS 뉴스 이지현입니다.

## 전주시, 대안화폐 ‘꽃전’ 유통…지역 주민 돕는 ‘착한소비’ 시동

등록: 2019-03-17 11:24 수정: 2019-03-17 11:31



전주시 평화2동, 공동체 대안화폐 ‘꽃전’ 시범 유통  
지역경제 활성화…시민공모로 1만꽃전 등 3종류  
성공은 착한 소비자와 가맹점 등의 건강한 참여



전주시 평화2동 지역공동체 대안화폐인 ‘꽃전’을 홍보하는 팸플릿 일부

당신이 꽃전을 내걸면 이웃은 마음을 줍니다.\*

전북 전주시는 지역경제에 활력을 불어넣기 위해 지역공동체 대안화폐인 ‘꽃전’을 유통한다고 17일 밝혔다. 전주시와 전주시사회경제네트워크는 지난 15일 전주시 완산구 평화2공원에서 꽃전 발행 기념식을 열고 화폐 유통계획을 발표했다. 전주시 사회활산센터가 시행하는 전주형 공동체화폐 시범사업은 주민이 꾸린 운영위원회 주관으로 18일부터 5월 말까지 약 4개월 동안 평화2동 가맹점에서 실시한다.



1만꽃전

전주시사회경제네트워크가 시민공모를 통해 만든 이 화폐는 ‘1꽃전=1원’으로 1000꽃전, 5000꽃전, 1만꽃전 등 3종류로, 전통시장에서 사용하는 운누리상품권과 비슷한 지폐이다. 1000꽃전에는 전주의 과거(남부시장), 5000꽃전에는 전주의 현재(합죽산), 1만꽃전에는 전주의 미래(전주역앞 꽃마중길)를 상징적으로 디자인해 전주다움을 표현했다.



## 2019 행복의 경제학 국제회의 전주 지역화의 지속 가능성

내 가맹점에서 현금과 동일하게 사용할 수 있고, 액면가의 80% 이상을 보면 꽃전 또는 현금으로 잔금을 받을 수 있  
 꽃전을 받은 가맹점은 거래소(학산종합사회복지관)에서 3%의 수수료를 공제하고 현금으로 돌려받을 수 있다. 거래  
 꽃전을 다시 사용자에게 적당액의 손분시킨다. 꽃전 사용자는 거래소에서 5%를 할인받아 구매할 수 있다.



1000꽃전

사용이 가능한 가맹점은 음식점·방간·편의점 등 약 200여개의 상점 50여곳이며, 지역경제 활성화 취지에 맞춰 유통업소  
 (한마트, 일부 프랜차이즈 업체)는 제외했다. 시는 유통주어를 거쳐온 뒤 가맹점을 돌려나갈 계획이다.

의 특징은 한번 사용하고 폐기하는 다른 지방정부의 상품권형 화폐와 달리 현금처럼 반복 사용할 수 있는 점이다. 가  
 (약과 발행 비용 감소 등의 효과가 기대된다. 특히 5% 할인 혜택을 받은 사용자가 그 액수만큼을 이웃에 기부할 수  
 의미가 크다.

## □ 꽃전 유통 조감도



지역 대안화한 꽃전의 유통 조감도

와 전주사회경제연구소 대표인 '지역경제를 통해 발전한 수익으로 지역주민들을 돕는 착한 소비'를 위해 시도했  
 꽃전의 성공적인 정착은 이웃을 위한 지역봉사자와 지역을 위해 기부하는 착한 소비자, 운영수수료를 내놓은 가맹  
 (의 건강한 참여에 달려있다'고 말했다. 가맹점 등을 누리집(kkotjeon.modoo.at)에서 확인할 수 있다.

문 기자 pik007@hani.co.kr

## 2019 행복의 경제학 국제회의 전주 지역화의 지속 가능성

전라매일

2019년 03월 18일 월요일 007면 사회

## 전주형 공동체화폐 ‘꽃전’ 첫 유통

사회혁신 리빙랩프로젝트 일환으로 시범사업 추진

오는 6월까지 약 4개월 동안 평화2동 일부지역 대상



전주시 사회혁신센터와 전주사회경제네트워크는 지난 15일 평화2동에서 김승수 전주시장과 도·시의원, 주민대표, 가맹점 대표, 전주사회경제네트워크 관계자들이 참석한 가운데 '전주형 공동체 화폐 시범사업 꽃전' 발행 기념식을 가졌다.

지역경제에 활기를 불어넣기 위한 전주형 공동체화폐인 '꽃전'이 유통된다.

전주시 사회혁신센터(센터장 조선희)와 전주사회경제네트워크(대표 고은하)는 지난 15일 평화2동에서 김승수 전주시장과 도·시의원, 주민대표, 가맹점 대표, 전주사회경제네트워크 관계자 등이 참석한 가운데 '전주형 공동체 화폐 시범사업 꽃전' 발행 기념식'을 가졌다.

전주시 사회혁신센터가 사회혁신 리

빙랩프로젝트 일환으로 시행하는 전주형 공동체 화폐 시범사업은 전주사회경제네트워크와 지역주민이 구성된 운영위원의 주관으로 18일부터 오는 6월까지 약 4개월 동안 평화2동 일부지역에서 실시된다.

전주시 사회경제네트워크가 시민공모를 통해 제작한 '꽃전' 화폐는 1,000원과 5,000원, 10,000원(1꽃전=1원) 3종류로 발행되며, 각각 전주의 과거

(남부시장)와 현재(압록산), 미래(매곡강)를 상징적으로 담아 전주다움을 표현했다.

꽃전 사용자는 거래소인 학산종합사회복지관에서 5%를 선 물인을 받아 구매할 수 있다. 꽃전은 지역 내 가맹점에서 현금과 동일하게 사용할 수 있으며, 80% 이상 사용 시 꽃전 혹은 현금으로 잔금을 받을 수 있다. 단, 원활한 유통을 위해 잔금을 돌려받기 보다는 꽃전으로 지불하고 남은 돈을 현금 또는 카드 등으로 결제하는 것을 권장하고 있다.

꽃전을 받은 가맹점은 학산종합사회복지관(이하 거래소)에서 거래에 3%의 수수료를 공제하고 현금으로 돌려받을 수 있다. 거래소는 이 꽃전을 다시 사용자에게 판매하여 순환시킨다. 타 지자체가 한번 사용하고 폐기처분하는 상품권 형태와 달리 현금처럼 반복 사용함으로써 발행비용을 줄인 것이 특징이다.

꽃전을 사용할 수 있는 시범사업 가맹점은 평화2동 지역에 소재한 가게들이다. 지역경제 활성화와 취지에 맞춰 유종업소와 대자본이 운영하는 대형 마트, 일부 프랜차이즈 업종은 가맹점 대상에 제외됐다.

전주시사회경제네트워크는 현재 거래소인 평화2동 학산종합사회복지관을 중심으로 도보거리 내에 50여 개의 가맹점을 확보한 상태로, 지속적인 홍보를 통해 가맹점을 늘려나갈 계획이다.

이와 관련, 꽃전은 '당신이 꽃전을 내리면, 이웃은 마음을 흔든다'라는 표어에서 나타나는 지역주민을 지역주민이 서로 보살피는 행복한 공동체를 만들기 위한 수단이다. 월 10만원 이상의 약정회원을에게는 방문상담 등 혜택이 제공된다.

꽃전의 두드러진 특징은 소비자가 커부를 통해 지역과 이웃에 기여할 수 있는 공동체적 아를 수 있다는 점이다. 꽃전 이용자들은 월안에 중 원하는 만큼을 기부할 수 있으며, 기부 시에는 기부금 영수증도 발급된다.

또한, 해당지역 학교에서도 학생들에게 주어지는 부산을 문화상품권 대신 꽃전으로 활용할 경우 학한 소비교육의 방안도 될 수 있다. 또, 꽃전으로 기부한 금액을 하한 이웃에게 해하여 돌아가기 때문에 진정한 기부문화형성에도 기여하게 된다.

전주시 사회경제네트워크는 시범사업 종료 후에도 학산종합사회복지관을 중심으로 삼기 좋은 평화2동을 만들기 위해 지속적으로 꽃전을 유통시킬 계획이다.

공동체화폐 꽃전에 대한 자세한 사항은 홈페이지(kkotjeon.modoo.at/) 또는 페이스북(www.facebook.com/kkotjeon/)을 참조하거나, 학산종합사회복지관(063-223-9996, 063-222-9001)로 문의하면 안내 받을 수 있다.

/이윤호 기자

4 units except Jeollamaeil 03-18

KBS 투데이 전북



투데이 전북

2019.03.20 수

4

조회 219

Today Jeonbuk 03-20

HOME &gt; 사설칼럼 &gt; 온누리

## 꽃 전

이종근 기자 | 승인 2019.03.21 15:54

지역공동체 화폐인 '꽃전'이 전주에 유통된다. 전주시는 6월 말까지 완산구 평화2동 가맹점 50여 곳을 대상으로 전주형 공동체 화폐 시범 사업을 갖는다. 해당 화폐는 1,000꽃전과 5,000꽃전, 1만꽃전 등 3종류로, 남부시장과 합죽선, 첫마중길 등 전주의 과거와 현재, 미래를 담은 디자인이 도입됐다.

백제대로는 전주의 서남쪽 중심부를 가로지르는 도로로 평화동 꽃밭정이 사거리에서 전주역까지 이어지는 도로다. 온조가 세우고 건원이 부활시켰던 백제의 땅을 상징하며 전주가 도움이었던 것을 기려서 백제대로라고 명명했다.

완주군 구이면 안덕리(安德里) 와동(瓦洞)마을은 기와집이 많아 '기와와(瓦)자'를 써 마을 이름을 지었다고 한다. 이 마을에는 1920년경 물레방앗간이 있었고 바로 옆에는 육당 최남선이 심준순례를 하면서 들른 집이 있으니 바로 심농 조지식의 집이다.

조지식은 덕진연못에 있는 취향정 편액을 쓴 서화가다. 최남선은 모악산 등정을 위해 전주 꽃밭정이를 거쳐 문정리를 지나 와동마을에 머물렀다 전한다. 평화동과 무슨 관련이 있을까. '꽃밭정(花田里, 화전리)'는 양지 등 서쪽에 있는 마을이다. 어느 효자가 병석에 누워있는 아버지를 위해 엄동설한에 꽃을 찾아다니다가 이 마을의 샘에서 이를 발견했으며, 이를 꽃샘이라고 한다. 옛날 옛적에 한 마을에 병든 아버지와 효심이 깊은 아들이 살고 있었다. 아들은 아버지의 병환을 고쳐드리려고 애를 썼다. 그러나 어떤 의원도 약도 아버지의 병을 고치지 못했다. 시름에 빠져 있던 아들에게 아버지는 마지막 소원으로 활짝 핀 꽃을 보고 싶다고 말했다. 한겨울이었지만 아버지의 소원을 이뤄드리기 위해 아들은 꽃을 찾아 전국을 각지를 헤맸다. 이같은 효심에 하늘도 감동하였는지 어떤 도인을 만나게 되었고, 그 도인은 자신이 알려주는 곳에 가면 우물이 있고 그 곁에 꽃이 피어있을 거라고 알려주었다. 아들은 그가 알려준 곳으로 곧 달려갔고, 정말 우물가에 예쁜 꽃이 피어있었다. 그 꽃을 아버지에게 전해드리자 기뻐했고, 거짓말 같이 아버지의 병환이 나아 오래오래 행복하게 살았다고 한다. 바로 그 우물이 지금 꽃밭정이노인복지관이 위치한 근처에 있었다고 한다. 그래서, 꽃밭정이노인복지관은 꽃이 있는 우물(井)이 있는 곳이란 의미가 담겨있다.

꽃전은 전주라는 지역은 우리나라에서 꽃이라는 단어와 가장 잘 어울린다고 생각한 가운데 옛 화폐 단위인 '전'을 가져와 만든 합성어다. 꽃전을 사용할 수 있는 시범사업 가맹점은 평화2동 지역에 소재한 가게들이다. 유흥업소와 대자본이 운영하는 대형 마트, 일부 프랜차이즈 업종은 가맹점 대상에서 제외됐다. 꽃전으로 기부나 헌금을 하면 이웃에게 혜택이 돌아가기 때문에 건전한 기부문화형성에도 기여하게 되는 만큼 우리 모두를 위한 꽃전인 셈이다.

/이종근(문화교육부 부국장)



## 2019 행복의 경제학 국제회의 전주 지역화의 지속 가능성

## 전주라이프

일자리, 문화, 행사 등 융성하고 활찬 생활 정변을 이끌어나가.

888  
생활

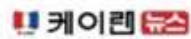
### 전주형 지역 화폐 '꽃전' 사용하세요

전주시 최초로 전주형 지역 화폐 '꽃전'이 3월 5일 발행된다. '꽃전'은 문화원에서만 쓸 수 있는 상용권 행태의 지역 화폐다. '꽃전'은 지난해 12월 지역 화폐 이론회 시민 공모를 통해 지어졌다. '꽃전'이 꽃전을 내리면 이웃은 마음을 좀나타라는 구호를 담은 '꽃전'은 한국조폐공사에 의해 발행된다. '꽃전'은 전주시와 과거 현재 미래를 주제로 천 원 오천 원 만 원 원으로 구분에 디자인했다. 또 종이 지폐 내에 QR코드를 삽입 휴대 폰을 통해 등록 가능한 등 지역 화폐에 대한 정보를 알 수 있도록 설계하였다. 전주형 지역 화폐 시범 사업은 2018 전주시 사회혁신 리빙랩 프로젝트의 일환으로 진행되며, 전주시와 공동으로 주최로 운영된다. '꽃전' 교환 및 환전을 담당하는 가맹소 역할은 혁신특지 관에서 맡았다. 시범 사업이 끝난 후에는 가맹소를 확대하고 있는 혁신특지관이 사업을 이어받아 시행할 예정이다. 3월 5일부터 시범사업 기간인 4월까지 총 1억 원 규모의 화폐가 문화원 지역에 순환된다. 소지자는 5%의 할인된 금액으로 '꽃전'을 구입하여 문화원 내 가맹점에서 사용할 수 있다. 소지자는 5% 할인 금액을 가맹소에 지급할 수도 있는데, 가맹점은 문화원 주민들을 위한 자금으로 모아져 사용될 예정이다. 시범 기간 동안 월 10만 원 이상 이용하면 포인트 적립이 가능하며, 적립한 포인트는 '꽃전'을 직접 가져다주는 서비스도 실시한다. 가맹점은 소지자와 동일하게 지역 화폐로 직접 구매할 수 있으며, 현금으로 환전이 필요할 경우 가맹소에서 3%의 수수료를 제하고 환전이 가능하다.

문의: 혁신중립사회복지관 003-223-9000

Jeonjudaum (Jeonju Life)

## 2019 행복의 경제학 국제회의 전주 지역화의 지속 가능성



## 전주시 '공동체 지역화폐' 연착륙 성공할까

평화동 '꽃전' 유통 두 달, 홍보·가맹점 늘려야...주민참여에 실패할까

작성일 : 2019-05-29 08:57 | 작성자 : 김경호 (kimk@kairan.kr)



전북 전주시에서 민간주도형 지역화폐 실험이 시작된 지 두 달이 지났다. 시범사업 종료 후 자체 운영을 앞두고 기대와 우려가 엇갈린다.

지난 3월 전주시 평화동 지역에서 본격 유통을 시작한 '꽃전'. 행정 당국이 발행을 주도하는 일반 지역화폐와는 달리 시민들의 자발적 참여로 탄생한 전주시 첫 지역화폐다.

'공동체형 지역화폐'를 표방하는 꽃전은 민간조직인 전주시회경제네트워크가 화폐발행과 조직구성 등에 1억 원의 예산을 지원받아 추진하는 사업이다. 시민들이 사업의 주체가 되는 '리빙랩 프로젝트'의 하나로, 다음 달이면 3개월간의 시범사업기간이 끝난다.

이후 호지부지 사라져버릴지, 아니면 대안 화폐의 모델이 될지 여부는 지역 주민들로부터 공동체 활성화에 대한 관심과 참여를 얼마나 끌어내느냐에 달렸다.

꽃전 거래소인 혁신종합사회복지관이 발한 5월 현재 가맹점 수는 70곳, 화폐발행액은 2000만원 이다.



## 2019 행복의 경제학 국제회의 전주 지역화의 지속 가능성

주민들 “지나가다 홍보 플랜카드 보기는 했는데...”  
상인들 “취지는 좋지만 요새 다들 카드 쓰나...”

29일 오전 전주시 평화동 일대 상가. 공동체형 지역화폐 ‘꽃전’ 가맹점을 둘러봤다.

가맹점주들은 대체로 “아직 꽃전으로 인한 효과가 피부로 와 닿지는 않는다”는 반응이다. 이들은 차마다 “홍보가 더 필요하다, 사용처가 더 많아져야 한다, 시행지역을 확대해야 한다”는 등 의견을 쏟아냈다.

꽃전 결제 건수가 많지 않은 곳들은 아무래도 부정적 목소리가 높다. 매장 입구에 ‘꽃전’ 합류권을 배치하고 있는 새일상 사장은 장차 꽃전 실용을 본 적이 없다. 그는 “꽃전보다는 가맹점까지 사용하라는 것이 권장사항이지만 꽃전이 들어와야 하는 말은 할 텐데 두 달이 넘도록 어디 구경도 못해봤다”며 “손님들이 카드로 결제하는 것이 몸에 낫지 않나”고 아쉬움을 표했다.

한 식품판매업주는 “쓰는 사람도, 받는 사람도 불편하다”고 불만을 토로했다. 이곳 사장은 “주변에서 쉽게 찾을 수 있는 간접이나 새마을금고에서 취급하는 은누리상품권도 많이 들어오지 않는데 그보다 거래소도 없고 가맹점도 적은 꽃전을 보기 어려운 것이 당연한 일”이라며 “랜드마크만 갖고 다니는 시대에 아무리 지역화폐 취지가 좋다고 한들 적극적으로 사용하겠다고 나서서 사람이 얼마나 되겠나”고 말했다.

다짜고짜 ‘명함’을 제거하는 가맹점도 있었다. 한 김밥집에서 3000원 김밥 한 줄을 산 손님에게 만 원짜리 꽃전을 받고 현금 7000원을 내줬다는 것이다. 역면가의 80% 이상 사용했을 때 잔금을 현금으로 돌려준다는 것을 미처 몰랐기 때문이다.

김밥집 측은 “꽃전 자체에는 관련 내용이 없어 모르고 있다가 합류권에 기재되어있는 걸 보고서야 알게 됐다”며 “한내나 표기가 일관되지 못해서 사용해야 한다”고 목소리를 높였다.

꽃밭집이 사거리 인근에 위치한 한 자갈과 한의원, 이곳 안내 데스크에도 꽃전 합류권과 유인물을 놓아져 있지만 사람들의 관심도가 높지 않다. “시민들이 잘 모를뿐더러 일부러 꽃전을 구매해서 사용하려는 사람은 더더욱 없는 듯하다”는 설명이다.

옆세로 꽃전 가맹점 1호·2호점인 이곳 직원들도 꽃전을 본 기억이 가물거린다. 딱 한번 받은 적이 있기는 했다. 바급여·약 처방 등만 꽃전으로 받을 수 있는 것을 모르고 잔료비를 잘못 받았던 일이다.

가맹점 수수료에 관한 언급도 나온다. 30년 넘게 평화동에 살며 영업을 하고 있다는 여성학 전문점 대표는 “웃 장서는 현금 할인을 많이 해주는 편인데 꽃전을 받아서 환전을 하려면 여기에 수수료 3%를 또 떼어는 것이 우리 같은 자영업자들에게 부담으로 느껴질 수밖에 없다”고 지적했다.

그러면서도 “지역 상권을 위해서라도 사람들에게 더 알려줘야 한다”며 “그동안 알지는 않았지만 손님에게 받은 꽃전을 주변 가맹점 가서 사용하고 거기 사장도 우리 가게 와서 뜻을 사가기도 했다”며 웃었다.

모악로 대로변에 위치한 식자재마트 앞에 ‘전주공동체화폐 꽃전 사용 가능’이라고 적힌 대형 플랜카드가 걸려있다. 66번째 가맹점인 이곳에 그동안 들어온 꽃전은 300만 원 산. 한창 때에 비하면 최근에는 많이 줄었다.

마트 관계자 역시 “여기 포럼에서 마트 세 곳에 이런 플랜카드를 걸어줬는데도 아직 오르는 주인들이 많다”며 지속적인 홍보의 필요성을 언급했다.



업종 특성과 라이프스타일에 따른 빅데이터 분석 등 좀 더 전략적인 접근을 시도할 필요가 있다는 의견도 있다.

평화주공아파트 단지 초입에 위치한 세탁소에 꽃전 수입은 30~40만원에 이른다. 앞서 찾았던 상점들과 규모면에서 큰 차이가 없음에도 높은 사용빈도를 보였다. 아무래도 세탁소는 다른 지역에 가서 맡기지 않는 소비 패턴이 한 몫 했다는 분석이 가능하다.

세탁소 사장은 “수수료를 부담하고 환전을 하는 것보다 같은 가맹점에 사용하는 편이 더욱”이라고 밝혔다. 그는 “어차피 청결 것들을 동네 마트 가서 사는 데 꽃전을 쓰는 것”이라며 “좀 전에도 갖고 있던 꽃전 10만원 중에 근방 마트에서 5만원 정도 쓰고 왔다”고 말했다.

그는 “남부시장이나 한옥마을 같은 곳까지 전주시 전체로 확대된다면 더 좋지 않을까”라며 “평화동 사람들도 좀 더 관심을 갖고 쓰길래 좋으면 한다”는 바람을 덧붙였다.

## 2019 행복의 경제학 국제회의 전주 지역화의 지속 가능성

### 지자체 발행 지역화폐와 단순 비교는 안 돼... 만경주도형 꽃전의 궁극적 목적은 '공동체회복'

'여웃과 공동체를 위해 기꺼이 작은 불편함을 감수하는 착한 소비 운동'.

학산종합사회복지관이 내린 꽃전에 대한 정의다. 카드 결제나 인터넷을 통한 기존 소비패턴을 우리지역 가맹점 구매로 유도, 변화시키는 '공동체형 소비운동' 형태라는 정의 다른 일반 지자체 지역화폐와 구별되는 정체성이라는 설명이다.

'관 주도형' 지역화폐에서 벗어나 소비자와 가맹점이 직접 참여하는 자체적인 운영 시스템을 만들겠다는 것이 꽃전의 목표다.

지자체가 발행·유동하는 지역화폐가 지역경제 활성화를 위한 수월 같은 개념이라면 만경 주도의 꽃전은 재정개선을 위한 운동인 셈이다. 속도와 규모가 행정이 이끄는 것에 머지않아 포하는 것은 어찌 보면 당연하다.

복지관 관계자는 "단순히 상품권을 한번 쓰는 것에 그치는 것을 넘어 우리 지역에서 거주하고 있는 주민들과 상사를 하고 있는 상인들이 상생해야 한다는 것에 대한 공감을 넓혀가려는 시도"라고 밝혔다.

그러면서 "소비패턴을 바꿔야 하는 불편함을 무릅쓰고 매일 소비하는 금액의 일정 부분을 지역화폐로 10만원, 20만원씩 써보겠다는 사람들이 하나 둘 늘어나고 있다"며 "꽃전은 일반 소비자들이 개별 구매도 가능하지만 이러한 악성회원이 현재 83명"이라고 덧붙였다.

복지관은 "여적 이용자가 적은 것이 아쉬운 것은 사실이지만 1차 지역 소비자로 형성이 어느 정도 되고 있다"는 판단이다.

가맹점 100곳, 약정회원 100명 정도가 구성되면 이 그룹 내에서 꽃전 활성화에 대한 의견을 같이 나누고 새로운 방안도 함께 찾을 수 있을 것으로 기대하고 있다.

이들은 사업 초기 1000곳이 넘는 상점들을 접촉했지만 화폐유통을 시작할 당시 가맹점은 50곳에 그쳤다. 상인들이 환전수수료 3%에 대한 부담을 느낀 탓이다.

이후 기존 가맹점이나 약정회원들이 자발적으로 단골들을 소개하고 설득하면서 시나브로 70곳까지 늘었다. 복지관 관계자는 "바로 이런 형태가 앞으로 가맹점이 확장될 방식"이라고 말했다.

가맹점 사이에서는 벌써 좋은 안들이 나오기 시작했다. 상점들이 각자 개별 소비하고 있는 품목들을 공동으로 구매하자는 제안이 그 중 하나다.

꽃전 운영은 현재 거래소 중심에서 벗어나 가맹점에서도 홍보활동, 약정회원 이벤트 구성 등 중추적인 역할을 하게 될 전망이다.



완전 시 공제되는 3% 수수료는 가맹점이 지역에 기부하는 형태로 배분 예정이다.

소비자가 꽃전 구매 시 5% 할인 대신 가부를 택할 수 있는 것과 밀착상동한다. 지역공동체 '상생'을 위한 상순환 구조를 만드는 것이다.

복지관은 유통량과 가맹점 확대 수에 등을 지켜본 후 현재 월화2% 중심에서 월화1%으로, 점차 단계적으로 내려갈 계획이다.

6월까지 운영을 받고 있는 전주사회경제네트워크는 "지역사회 상인과 지역민들이 서로 협상하는 것에 의미가 있다"고 강조했다.

사회경제네트워크 관계자는 "궁극적으로 소비자 할인들과 가맹점 수수료율을 동일하게 맞추는 방향으로 갈 예정"이라고 말했다.

그는 "운영 방식과 형태에 대한 고민은 앞으로도 계속 될 것"이라며 "본 연말쯤에는 명확한 꽃전을 하나로 모으고 전 지역화폐의 지속가능 방안을 나오지 않을까"라고 내다봤다.

## 2019 행복의 경제학 국제회의 전주 지역화의 지속 가능성

## 2. Attached files- project-related products

project-related products

**지역화 가맹점 신청서**

|         |  |
|---------|--|
| 가맹점명    |  |
| 사업주명    |  |
| 사업자등록번호 |  |
| 주소      |  |
| 연락처     |  |

[개인정보, 수집·이용·제공·폐기]  
전주사회경제네트워크는 개인정보 보호법 제 15조에 의거하여 귀하의 개인정보를 수집·이용·제공하기 위해 귀하의 동의를 얻고자 하오니 동의장에 주시기를 바랍니다.

1. 수집(이용목적) 사업주명, 가맹점주소, 가맹점명, 연락처 등 신청서에 기재된 정보  
2. 수집(이용목적) 지역화, 가맹점 등록 및 관리 관련  
3. 제공 및 보유기간 동의일로부터 3년  
4. 동의 거부 및 불응시 동의 거부할 권리가 있으나 거부할 경우 가맹점 신청이 어려울 수 있음

본인은 위 내용을 충분히 숙지하고 개인정보를 수집·이용·제공하는 것에 동의합니다.

동의자:   

전주사회경제네트워크

**지역화페는 어떻게 순환될까?**

**가맹점 등록절차**

**문의**  
학산종합사회복지관 지역화페 담당자  
063-223-9999

**평화동 사람들을 이어서 지역경제를 살리는**

**평화동 지역화페**

주최 전주사회혁신센터 2018 리빙랩프로젝트  
주관 전주사회경제네트워크

**평화동 지역화페는**

전주 지역화페 시범사업으로 <사회경제네트워크>에서 발행한 **평화동 지역화페**입니다. <사회경제네트워크>와 협약을 맺은 평화동의 모든 가게에서 사용할 수 있습니다.

**평화동 지역화페는 왜 발행하나요?**

지역에서 주민들이 사용하는 돈이 평화동 지역 안에서 순환하며 마을의 경제를 활성화 시키고, 지역화페를 통해 발생한 수익으로 지역의 주민들을 돕는 좋은 소비를 하기 위해 발행합니다.

성형 = 소비라고 할 만큼 소비는 삶에서 큰 부분을 차지합니다. 이 경제활동을 구실로 이웃과 관계하며 서로 돕는 공동체 마을을 만들기 위해 발행합니다.

**지역화페 이용 방법**

**소비자**

- ① 소비자는 거래소(학산복지관)를 통해 지역화페를 구입할 수 있습니다. 소비자는 지역화페를 5%를 할인된 금액으로 구매할 수 있습니다. (5% 할인 대신 기부하여 지역공동체 기금 마련에 동참하실 수 있으며, 이 기금은 기부금 명수를 발행이 가능합니다.)
- ② 지역화페는 현금, 오천원, 만원권으로 구성되어 있으며, 현금과 동일하게 사용할 수 있습니다. 현금영수증 발행도 가능합니다.
- ③ 구매하신 지역화페는 현금으로 교환되지 않으며, 가맹점에서 사용 시 잔금을 지역화페로 받습니다. (단, 지역화페 20% 이하의 잔액은 현금으로 돌려받으실 수 있습니다.)
- ④ 소비자가 지역화페를 사용하시면 소비의 일부가 대가업이나 외부로 가지 않습니다. 지역 내에 머물며 이익이 순환되어 지역복지와 공동체경제사업에 도움을 줄 수 있습니다.
- ⑤ 소비자는 약정회원으로 이용하실 수 있습니다. (약정회원은 약정기간동안 10만원이상 지역화페를 구입하시는 분을 말합니다. 약정회원이 되시면 약속된 시간과 장소로 지역화페를 배당해드립니다.)

**가맹점**

가맹점은 지역화페를 사용하는 사람들과 관계를 맺고, 서비스와 상품을 제공합니다. 지역화페로 지역 내 소비를 촉진하고 수익이 지역에서 순환하도록 합니다.

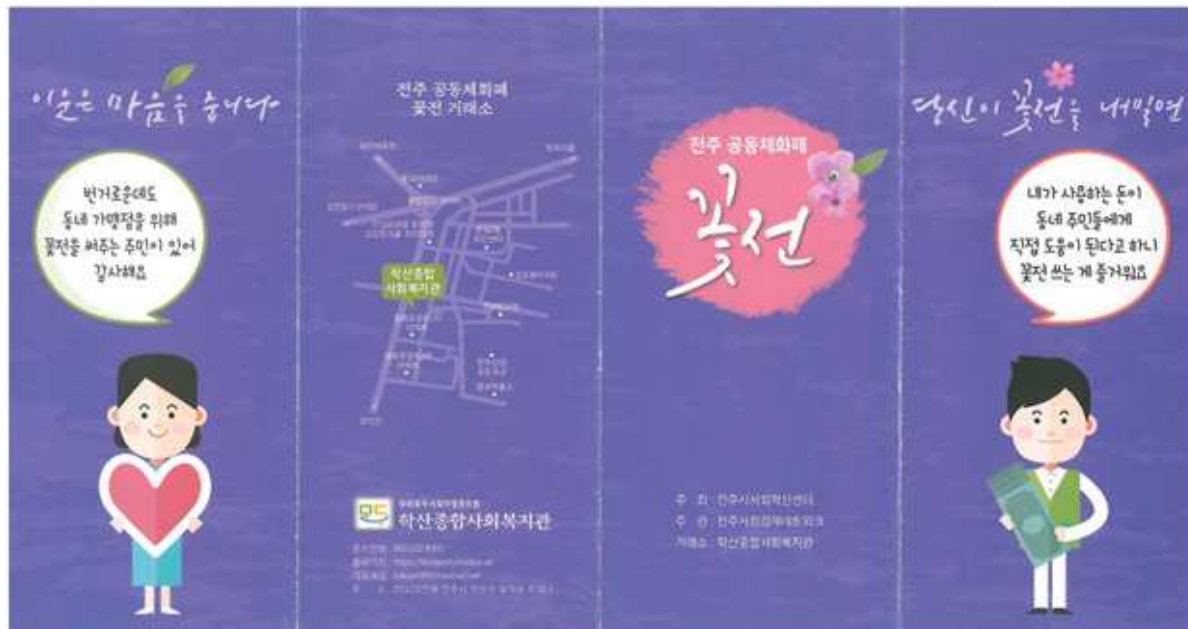
- ① 가맹점은 거래소(학산복지관)를 통해 화폐 대환이 가능합니다. 화폐는 3%가 공제된 금액으로 환전됩니다.
- ② 지역화페는 모든 가맹점에서 현금처럼 사용됩니다. 가맹점에서 지역화페를 현금으로 교환하지 않고, 재사용하면 할수록 지역을 위해 사용할 기금이 축적됩니다.
- ③ 가맹점은 지역화페 이용자가 증가할 경우 자연스럽게 매출상승의 효과를 누릴 수 있습니다.

전주사회경제네트워크

홍보 리플릿1

## 2019 행복의 경제학 국제회의 전주 지역화의 지속 가능성

project-related products



**꽃전은 왜 발행했나요?**

행복은 소비라고 할 만큼 소비는 삶에서 큰 부분을 차지합니다. 이 경제활동은 구로로 이곳과 경제학에 서로 돕는 공동체 마음을 만들기 위해 발행합니다. 지역에 살고 있는 좋은 단체들과 주민들이 함께 힘을 모아 소비활동을 하면 지역의 경제도 살아나고 행복도 살아날 수 있습니다.

**꽃전 구입 안내**

- 발행처: 학산종합사회복지관 (전주시 중구 서회합네트워크)
- 발행일: 월-금요일 9:00-19:00
- 발행량: 1만 5천원 발행 가능

**꽃전 발행원칙**

1. 발행 금액을 소비하여 교환하지 않아도 됩니다. 발행 금액을 소비하여 교환하지 않아도 됩니다.
2. 발행 금액을 소비하여 교환하지 않아도 됩니다. 발행 금액을 소비하여 교환하지 않아도 됩니다.
3. 발행 금액을 소비하여 교환하지 않아도 됩니다. 발행 금액을 소비하여 교환하지 않아도 됩니다.
4. 발행 금액을 소비하여 교환하지 않아도 됩니다. 발행 금액을 소비하여 교환하지 않아도 됩니다.

**꽃전 발행원칙**

1. 발행 금액을 소비하여 교환하지 않아도 됩니다. 발행 금액을 소비하여 교환하지 않아도 됩니다.
2. 발행 금액을 소비하여 교환하지 않아도 됩니다. 발행 금액을 소비하여 교환하지 않아도 됩니다.
3. 발행 금액을 소비하여 교환하지 않아도 됩니다. 발행 금액을 소비하여 교환하지 않아도 됩니다.
4. 발행 금액을 소비하여 교환하지 않아도 됩니다. 발행 금액을 소비하여 교환하지 않아도 됩니다.

**꽃전 발행원칙**

1. 발행 금액을 소비하여 교환하지 않아도 됩니다. 발행 금액을 소비하여 교환하지 않아도 됩니다.
2. 발행 금액을 소비하여 교환하지 않아도 됩니다. 발행 금액을 소비하여 교환하지 않아도 됩니다.
3. 발행 금액을 소비하여 교환하지 않아도 됩니다. 발행 금액을 소비하여 교환하지 않아도 됩니다.
4. 발행 금액을 소비하여 교환하지 않아도 됩니다. 발행 금액을 소비하여 교환하지 않아도 됩니다.



## 2019 행복의 경제학 국제회의 전주 지역화의 지속 가능성

project-related products



public relations leaflet 3



public relations leaflet 4- Kkotjeon proclamation ceremony promotional materials

## 2019 행복의 경제학 국제회의 전주 지역화의 지속 가능성

project-related products

**지역화폐 가맹점 신청서**

|           |         |
|-----------|---------|
| 성 호       |         |
| 대 표 자     |         |
| 사업자등록번호   |         |
| 업종 및 취급품목 |         |
| 가맹점 주소    |         |
| 연 락 처     | 가맹점 대표자 |

**[가맹점별 수집 이용 제공 용역]**  
전주시지역화폐(꽃전)는 가맹점 개입을 통해 수집 이용 제공 용역이 가능하며, 가맹점의 동의를 얻어 2020년 1월 1일부터 주시(주)가 관리한다.

[수집 이용 제공 용역] 상호, 대표자, 사업자등록번호, 가맹점 주소, 연락처 등 신청서에 요구된 항목  
[수집 이용 제공 용역] 가맹점 가맹점 등록 및 관리  
[수집 이용 제공 용역] 동의를 얻어 주시(주)가 관리한다  
[수집 이용 제공 용역] 동의를 얻어 주시(주)가 관리한다  
[수집 이용 제공 용역] 동의를 얻어 주시(주)가 관리한다

본인은 위 내용을 충분히 숙지하고, 가맹점별 수집 이용 제공 용역에 동의한다.

※ 첨부서류 : 사업자등록증사본, 동점사본

년 월 일

신청인 : 전주시회경제네트워크

**지역화폐 가맹점 신청서**

|           |         |
|-----------|---------|
| 성 호       |         |
| 대 표 자     |         |
| 사업자등록번호   |         |
| 업종 및 취급품목 |         |
| 가맹점 주소    |         |
| 연 락 처     | 가맹점 대표자 |

**[가맹점별 수집 이용 제공 용역]**  
전주시지역화폐(꽃전)는 가맹점 개입을 통해 수집 이용 제공 용역이 가능하며, 가맹점의 동의를 얻어 2020년 1월 1일부터 주시(주)가 관리한다.

[수집 이용 제공 용역] 상호, 대표자, 사업자등록번호, 가맹점 주소, 연락처 등 신청서에 요구된 항목  
[수집 이용 제공 용역] 가맹점 가맹점 등록 및 관리  
[수집 이용 제공 용역] 동의를 얻어 주시(주)가 관리한다  
[수집 이용 제공 용역] 동의를 얻어 주시(주)가 관리한다  
[수집 이용 제공 용역] 동의를 얻어 주시(주)가 관리한다

본인은 위 내용을 충분히 숙지하고, 가맹점별 수집 이용 제공 용역에 동의한다.

※ 첨부서류 : 사업자등록증사본, 동점사본

년 월 일

신청인 : 전주시회경제네트워크

당신이 꽃전을 내리면  
이웃은 마음을 줍니다

**평화동 지역화폐 꽃전**

경제+공동체 활성화

가맹점, 소비자, 가맹소

QR코드를 통해 꽃전 가맹점  
확인할 수 있습니다.

주최: 전주시 사회혁신센터, 후원: 전주시회경제네트워크  
문의: 가맹소 혁신지원팀 (063-222-9001)

**꽃전 약정회원 신청서**

|       |                                                                                                                                                   |
|-------|---------------------------------------------------------------------------------------------------------------------------------------------------|
| 이름    |                                                                                                                                                   |
| 생년월일  |                                                                                                                                                   |
| 연 락 처 |                                                                                                                                                   |
| 결재방법  | 비 현금결제, 현금결제                                                                                                                                      |
| 약정 금액 | 미 10만 원, 미 20만 원, 미 30만 원, 미 40만 원, 미 50만 원, 미 60만 원, 미 70만 원, 미 80만 원, 미 90만 원, 미 100만 원                                                         |
| 수령 장소 |                                                                                                                                                   |
| 수령 일  | 미 1월 1~31일, 미 2월 1~31일, 미 3월 1~31일, 미 4월 1~31일, 미 5월 1~31일, 미 6월 1~31일, 미 7월 1~31일, 미 8월 1~31일, 미 9월 1~31일, 미 10월 1~31일, 미 11월 1~31일, 미 12월 1~31일 |
| 약정 기간 | 미 1년, 미 2년, 미 3년, 미 4년, 미 5년, 미 6년, 미 7년, 미 8년, 미 9년, 미 10년                                                                                       |
| 약정 유형 | 미 1년, 미 2년, 미 3년, 미 4년, 미 5년, 미 6년, 미 7년, 미 8년, 미 9년, 미 10년                                                                                       |

**[가맹점별 수집 이용 제공 용역]**  
전주시지역화폐(꽃전)는 가맹점 개입을 통해 수집 이용 제공 용역이 가능하며, 가맹점의 동의를 얻어 2020년 1월 1일부터 주시(주)가 관리한다.

[수집 이용 제공 용역] 상호, 대표자, 사업자등록번호, 가맹점 주소, 연락처 등 신청서에 요구된 항목  
[수집 이용 제공 용역] 가맹점 가맹점 등록 및 관리  
[수집 이용 제공 용역] 동의를 얻어 주시(주)가 관리한다  
[수집 이용 제공 용역] 동의를 얻어 주시(주)가 관리한다  
[수집 이용 제공 용역] 동의를 얻어 주시(주)가 관리한다

본인은 위 내용을 충분히 숙지하고, 가맹점별 수집 이용 제공 용역에 동의한다.

※ 첨부서류 : 사업자등록증사본, 동점사본

년 월 일

신청인 : 전주시회경제네트워크

**꽃전 약정회원 신청서**

|       |                                                                                                                                                   |
|-------|---------------------------------------------------------------------------------------------------------------------------------------------------|
| 이름    |                                                                                                                                                   |
| 생년월일  |                                                                                                                                                   |
| 연 락 처 |                                                                                                                                                   |
| 결재방법  | 비 현금결제, 현금결제                                                                                                                                      |
| 약정 금액 | 미 10만 원, 미 20만 원, 미 30만 원, 미 40만 원, 미 50만 원, 미 60만 원, 미 70만 원, 미 80만 원, 미 90만 원, 미 100만 원                                                         |
| 수령 장소 |                                                                                                                                                   |
| 수령 일  | 미 1월 1~31일, 미 2월 1~31일, 미 3월 1~31일, 미 4월 1~31일, 미 5월 1~31일, 미 6월 1~31일, 미 7월 1~31일, 미 8월 1~31일, 미 9월 1~31일, 미 10월 1~31일, 미 11월 1~31일, 미 12월 1~31일 |
| 약정 기간 | 미 1년, 미 2년, 미 3년, 미 4년, 미 5년, 미 6년, 미 7년, 미 8년, 미 9년, 미 10년                                                                                       |
| 약정 유형 | 미 1년, 미 2년, 미 3년, 미 4년, 미 5년, 미 6년, 미 7년, 미 8년, 미 9년, 미 10년                                                                                       |

**[가맹점별 수집 이용 제공 용역]**  
전주시지역화폐(꽃전)는 가맹점 개입을 통해 수집 이용 제공 용역이 가능하며, 가맹점의 동의를 얻어 2020년 1월 1일부터 주시(주)가 관리한다.

[수집 이용 제공 용역] 상호, 대표자, 사업자등록번호, 가맹점 주소, 연락처 등 신청서에 요구된 항목  
[수집 이용 제공 용역] 가맹점 가맹점 등록 및 관리  
[수집 이용 제공 용역] 동의를 얻어 주시(주)가 관리한다  
[수집 이용 제공 용역] 동의를 얻어 주시(주)가 관리한다  
[수집 이용 제공 용역] 동의를 얻어 주시(주)가 관리한다

본인은 위 내용을 충분히 숙지하고, 가맹점별 수집 이용 제공 용역에 동의한다.

※ 첨부서류 : 사업자등록증사본, 동점사본

년 월 일

신청인 : 전주시회경제네트워크

당신이 꽃전을 내리면  
이웃은 마음을 줍니다

**평화동 지역화폐 꽃전**

경제+공동체 활성화

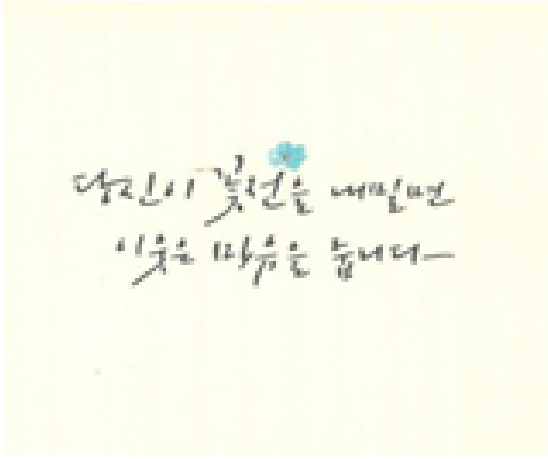
가맹점, 소비자, 가맹소

QR코드를 통해 꽃전 가맹점  
확인할 수 있습니다.

주최: 전주시 사회혁신센터, 후원: 전주시회경제네트워크  
문의: 가맹소 혁신지원팀 (063-222-9001)

franchisee and contracted member application forms

## 2019 행복의 경제학 국제회의 전주 지역화의 지속 가능성

| project-related products                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                        |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  <p>Three flower-themed vouchers from Kkotjeon Issuance. The top voucher is 1000 won (yellow), the middle is 5000 won (pink), and the bottom is 10000 won (green). Each voucher features a QR code, a hand icon, and a barcode.</p> |  <p>Three flower-themed vouchers from Kkotjeon Issuance. The top voucher is 1000 won (yellow), the middle is 5000 won (pink), and the bottom is 10000 won (green). Each voucher features a QR code, a hand icon, and a barcode.</p> |
| Kkotjeon Issuance                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                        |
| project-related products                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                        |
|  <p>A yellow envelope with handwritten Korean text: "다들 이 꽃전을 내밀면 이곳은 마음을 뽐내더~"</p>                                                                                                                                                |  <p>A yellow envelope with printed Korean text: "전주공동체화폐 '꽃전'" and a large blank space for a message.</p>                                                                                                                          |
| contracted member envelopes                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                        |

## 3. Attached files- event photo albums

| event photo albums                                                                  |                                                                                      |
|-------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|
|    |    |
| Kkotjeon proclamation ceremony                                                      | Kkotjeon proclamation ceremony                                                       |
|  |  |
| study tours(Mapo- Moa)                                                              | study tours(Siheung- Siru)                                                           |
|  |  |
| outside consultation                                                                | workshops                                                                            |

## 2019 행복의 경제학 국제회의 전주 지역화의 지속 가능성



mobile exchange operation (Peace Village Market)



mobile exchange operation (Our Village Market)



consumer education



consumer public relations



franchisee monitoring



contracted member monitoring

## 2019 행복의 경제학 국제회의 전주 지역화의 지속 가능성

4. Attached files- online site launch  
project-related products



Homepage <http://kkot-jeon.kr/>



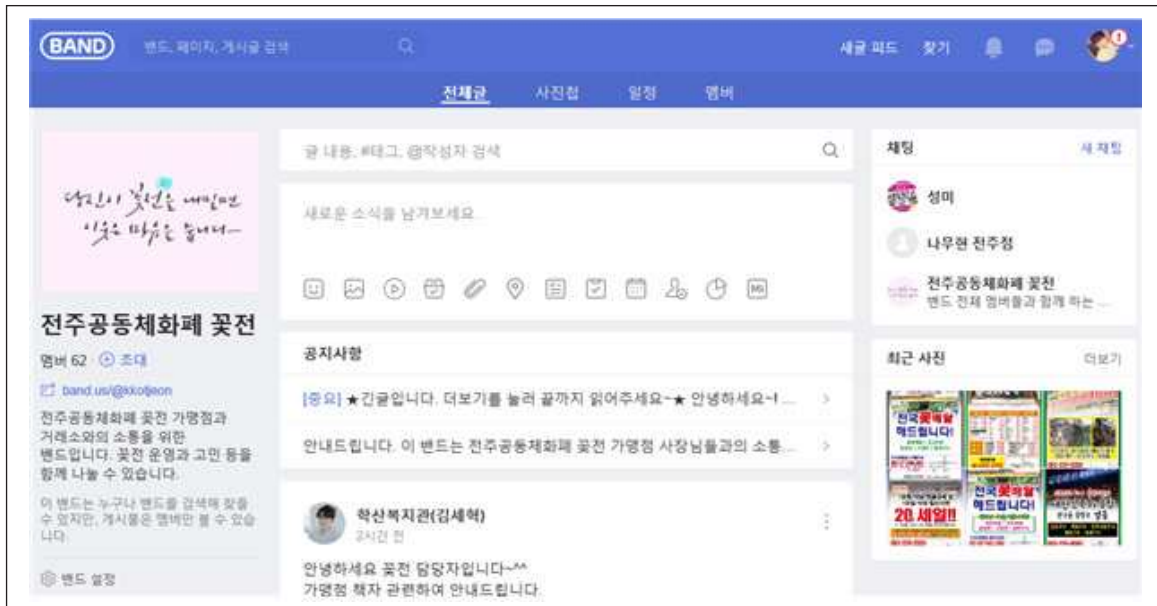
Facebook <https://www.facebook.com/kkotjeon/>

## 2019 행복의 경제학 국제회의 전주 지역화의 지속 가능성

Attached files- online site launch

Blog <https://blog.naver.com/haksan9001>

## 2019 행복의 경제학 국제회의 전주 지역화의 지속 가능성



Band band.us/@kkotjeon

## 【Measures to vitalize social investment funds and the role of the private sector】

Lee Sang-jin



### A way to vitalize social finance and role of private sector

2019 Happy Economics  
International Conference, Jeonju

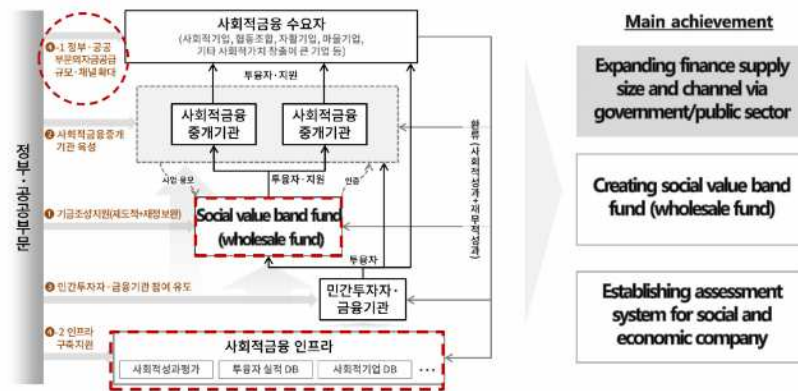
2019.10.16.

#### Key Questions

- 1 What is achievement and task of policy to vitalize social finance?
- 2 How to create social finance market ?
- 3 What is a role of private social financial institutions ?

## 1. Main achievement of social finance policy

What change has been made after announcing social finance revitalization method ?



출처: 사회적금융 활성화 방안(1822)

2

## 2. Social Finance's finance supply status and limit

With the government and public sector centered, finance is actively supplied

"65.1% comparing with the goal for finance supply of this year"

(Unit: 0.1 Billion won)

| Category   |             | Name of institution            | Result of 2018                              | Goal of 2019 | Beautied amount as of the end of June 2019 (The No. of company) | Operation type |
|------------|-------------|--------------------------------|---------------------------------------------|--------------|-----------------------------------------------------------------|----------------|
| Loan       | The public  | Korea Inclusive Finance Agency | Amount obtained 414<br>Institution loan 304 | 50           | 19 (36)                                                         | In-direct      |
|            |             | Korea SMEs and Startups Agency | 385                                         | 500          | 241 (144)                                                       |                |
|            |             | SBMAS                          | 35                                          | 100          | 9 (23)                                                          |                |
|            | The private | Shin Hyup                      | 95                                          | 300          | 107 (194)                                                       |                |
|            |             | KRCC                           |                                             | 10           | 0 (3)                                                           |                |
| Insurance  | The public  | KODIT                          | 1,032                                       | 1,000        | 679 (411)                                                       | Direct         |
|            |             | KOREG                          | 135                                         | 150          | 66 (147)                                                        |                |
|            |             | KBO                            |                                             | 700          | 725 (167)                                                       |                |
| Investment | The public  | K-Growth                       | 141                                         | 200          | 104 (2)                                                         |                |
|            |             | K-Mic                          | 63                                          | 220          | 152 (17)                                                        |                |
| Sub-total  |             | -                              | 1,987                                       | 3,230        | 2,102 (1,144)                                                   |                |

출처: 2019년 제2차 사회적금융협의회의 자료(19710)

3

## 2019 행복의 경제학 국제회의 전주 지역화의 지속 가능성

## 2. Social Finance's finance supply status and limit

**But, as many regions are still marginalized from finance service due to its unfavorable environment, comparing with capital area**

1

**Comparing with capital area, small sized local enterprises often face difficulty as sufficient policy funds are not provided**

- KODIT, etc. : Loan is limited to less than 50% of company's revenue
- KOSMES : Loan is made in favor of manufacturing company (working funds : Limited to 0.1 billion won)
- Fund of Funds : Investment is made only to listed enterprises with high growth potential and big revenue

2

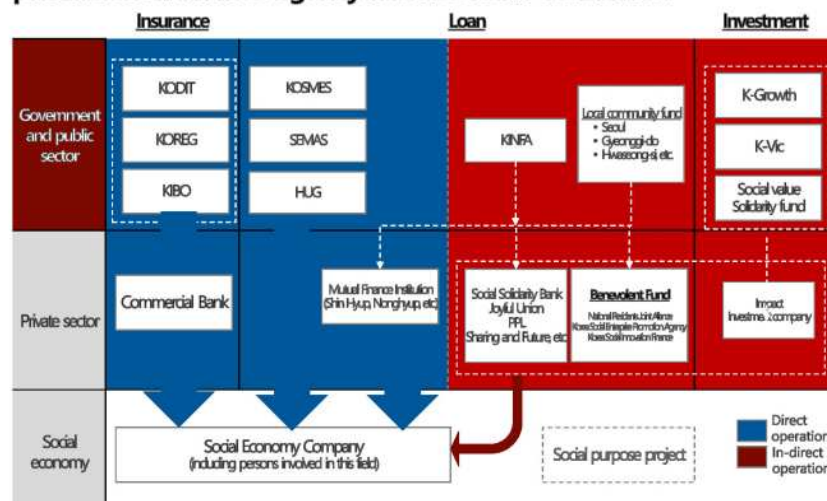
**No faithful institute specialized in social finance (from supply's point of view)**

- In a situation where information to evaluate social and economic company, personnel qualitative assessment of relevant financial institution is key element → But, person in charge of the assessment has less interest in the investment
- Even though some local community creates social and economic development fund, they often entrust the fund to general financial institution as there is no local institution specialized in that area

4

## 2. Social Finance's finance supply status and limit

**Also, healthy market has not been established as partnership with private social finance agency has not been considered**



5

## 2019 행복의 경제학 국제회의 전주 지역화의 지속 가능성

## 3. Social Finance Task

## Private social finance agency which can meet demand for funds needs to be nurtured

## Private Social Finance Agency (financing)

| Category                                        | Loan business operator | Company wishing loan business | Total (Avg) |
|-------------------------------------------------|------------------------|-------------------------------|-------------|
| The No. of institutions                         | 17                     | 5                             | 22          |
| Location (No)                                   | Capital area           | 13                            | 14          |
|                                                 | Regions                | 4                             | 8           |
| Type (No)                                       | Non-profit             | 14                            | 19          |
|                                                 | Profit                 | 3                             | 3           |
| No. Of people performing relevant work          | Average                | 178                           | 156         |
|                                                 | Average                | 369                           | 373         |
| Financial status (1 billion won)                | Avg. asset             | 78                            | 60          |
|                                                 | Avg. debt              | 16                            | 12          |
|                                                 | Avg. capital           | 62                            | 48          |
| Average loan business performance period (year) | 52 years               |                               |             |
| Average accumulated loan                        | 12 billion won         |                               |             |

(Note) Result of 2018 status investigation for social finance agency focusing on loan  
 Source) KINFA Website (<https://www.kinfaindustrial.co.kr>)

| Area      | Name of institutions                                      | Field         | Telephone     | Webpage                                                                        |
|-----------|-----------------------------------------------------------|---------------|---------------|--------------------------------------------------------------------------------|
| Seoul     | PERI                                                      | Finance       | 02-734-6938   | <a href="http://www.pcri.co.kr">www.pcri.co.kr</a>                             |
|           | Joyful Union                                              | Finance       | 02-365-0380   | <a href="http://joyfulunion.co.kr">joyfulunion.co.kr</a>                       |
|           | Korea Central Council of Social Enterprise Mutualaid Fund | Finance       | 070-5389-1672 | <a href="http://www.ssfund.co.kr">www.ssfund.co.kr</a>                         |
|           | Korea Social Innovation Finance                           | Finance       | 02-6408-0080  | <a href="http://ksifin.co.kr">ksifin.co.kr</a>                                 |
|           | Work Together Foundation                                  | Finance       | 02-338-0019   | <a href="http://hantle.co.kr">hantle.co.kr</a>                                 |
|           | Dongjak Shin Hyup                                         | Finance       | 02-826-6300   | <a href="http://www.dongjakshin.co.kr">www.dongjakshin.co.kr</a>               |
|           | Mary Year Foundation                                      | Finance       | 02-310-9508   | <a href="http://www.maryyear.co.kr">www.maryyear.co.kr</a>                     |
|           | BPLUS                                                     | Finance       | 02-733-0703   | <a href="http://www.bonstic.co.kr">www.bonstic.co.kr</a>                       |
|           | Korea Social Investment                                   | Finance       | 02-3277-7684  | <a href="http://www.kosocialinvestment.co.kr">www.kosocialinvestment.co.kr</a> |
|           | Social Solidarity Bank                                    | Finance       | 02-2274-9637  | <a href="http://www.ssb.co.kr">www.ssb.co.kr</a>                               |
|           | PRL                                                       | Finance       | 02-3789-0029  | <a href="http://www.prl.co.kr">www.prl.co.kr</a>                               |
|           | Route Impact                                              | Finance       | 02-685-0188   | <a href="http://www.routeimpact.co.kr">www.routeimpact.co.kr</a>               |
|           | Social Economy Researcher                                 | Finance       | 042-223-9914  | <a href="http://www.sesr.co.kr">www.sesr.co.kr</a>                             |
|           | Chungnam Social Economy Network                           | Finance       | 041-415-3212  | <a href="http://www.sesn.co.kr">www.sesn.co.kr</a>                             |
| Daegu     | Humans & Economy                                          | Finance       | 043-222-9001  | <a href="http://www.humanseconomy.co.kr">www.humanseconomy.co.kr</a>           |
| Chungbuk  | Jju Social Economy Network                                | Finance       | 054-724-0165  | <a href="http://www.sesn.co.kr">www.sesn.co.kr</a>                             |
| Jju       | Jju Social Economy Network                                | Finance       | 054-724-0165  | <a href="http://www.sesn.co.kr">www.sesn.co.kr</a>                             |
| Jeonbuk   | Jeonbuk Social Economy Forum                              | Non-financial | 059-251-3388  | <a href="http://www.sesn.co.kr">www.sesn.co.kr</a>                             |
| Gyeongbuk | Local Social Economy Hub Center                           | Non-financial | 054-948-6532  | -                                                                              |
| Incheon   | IN-CHON Social Bank                                       | Non-financial | 032-873-3000  | <a href="http://www.inchonsocialbank.co.kr">www.inchonsocialbank.co.kr</a>     |
| Busan     | Busan Social Economy Network                              | Non-financial | 051-833-8888  | <a href="http://www.bse.co.kr">www.bse.co.kr</a>                               |
| Gwangju   | Social Cooperative SALIM                                  | Non-financial | 052-363-4747  | <a href="http://www.socialeconomy.co.kr">www.socialeconomy.co.kr</a>           |

6

## 3. Social Finance Task

## Role of wholesale fund, such as social value solidarity fund which tries to establish market infrastructure via nurturing local social finance agency is very important

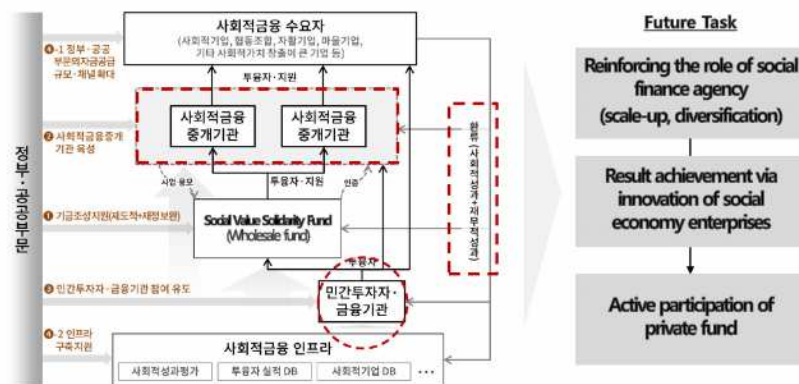


7

## 2019 행복의 경제학 국제회의 전주 지역화의 지속 가능성

## 3. Social Finance Task

With a growth of agency for local-based social finance,  
social finance market shall be established to create  
virtuous circle for funds



출처: 사회적금융 활성화 방안(182쪽)

8

## Key Questions

1 What is achievement and task of policy to vitalize social finance?

2 How to create social finance market ?

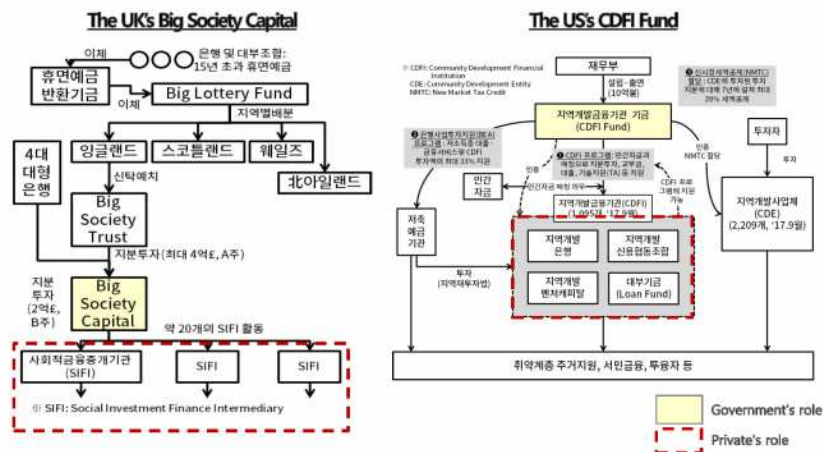
3 What is a role of private social financial institutions ?

9

## 2019 행복의 경제학 국제회의 전주 지역화의 지속 가능성

## 1. Case study from other countries – 1) Creating wholesale fund

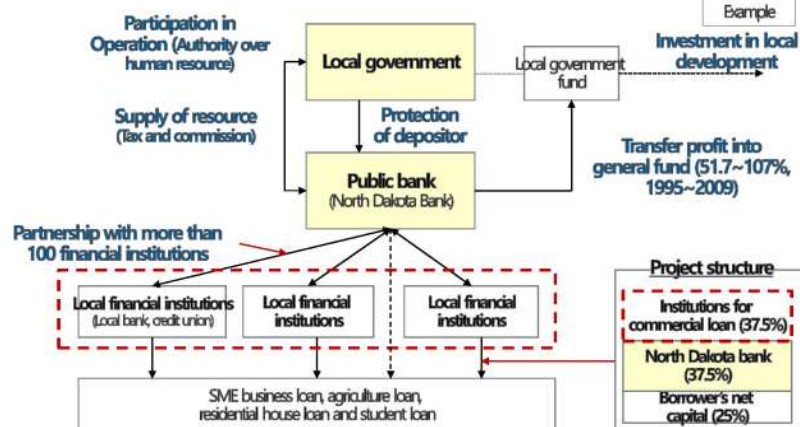
## Governments of the UK and the US created market by establishing wholesale fund



10

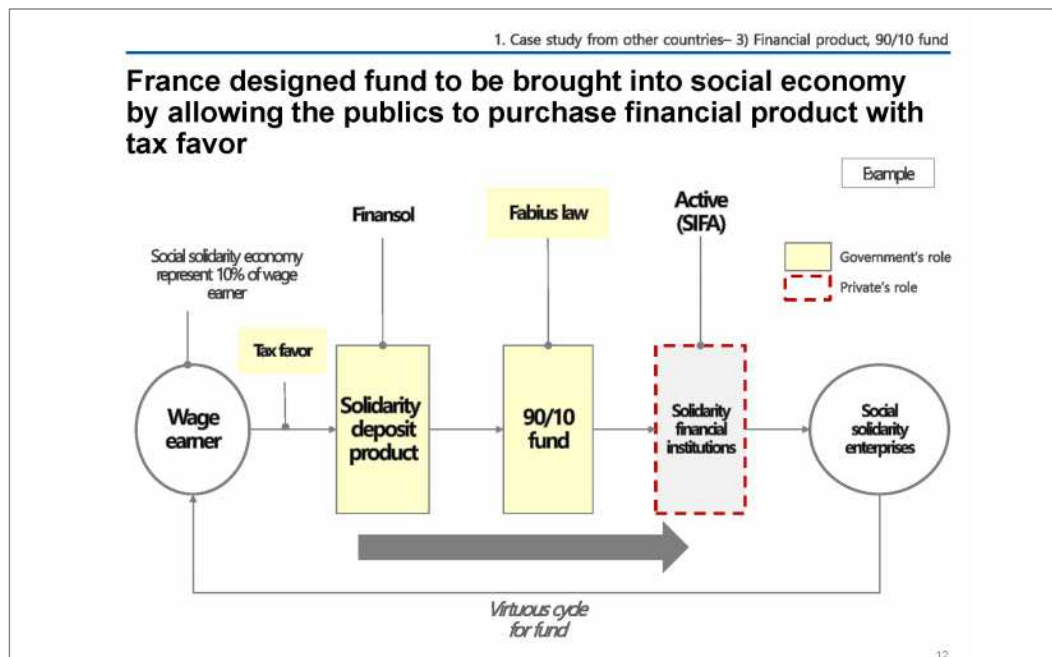
## 1. Case study from other countries – 2) Foundation of public bank

## North Dakota of the US founded state-owned bank in order to invigorate local economy with the purpose of nurturing local-community-based finance institutions



11

## 2019 행복의 경제학 국제회의 전주 지역화의 지속 가능성



12



13

## 2019 행복의 경제학 국제회의 전주 지역화의 지속 가능성

1. Case study from other countries- 3) Financial product, 90/10 fund

**[Ref. 2] France Social Solidarity Economy – Finansol and 90/10 fund**

Finansol, representative French solidarity financial organization, set the standard for solidarity salary deposit product

- 1) Solidarity standard : Mechanism of deposit product meets one of two conditions
  - . Minimum 5% of public salary account is invested into activity for solidarity
  - . 25% of interest or incentive is regularly distributed to necessary organization
- 2) Standard for transparency and information : Appointment of person responsible for solidarity deposit
  - . Providing information for labelled product to applicants and account holder
  - . Complete yearly notification to account holder about social characteristic of relevant product

**90/10 fund**

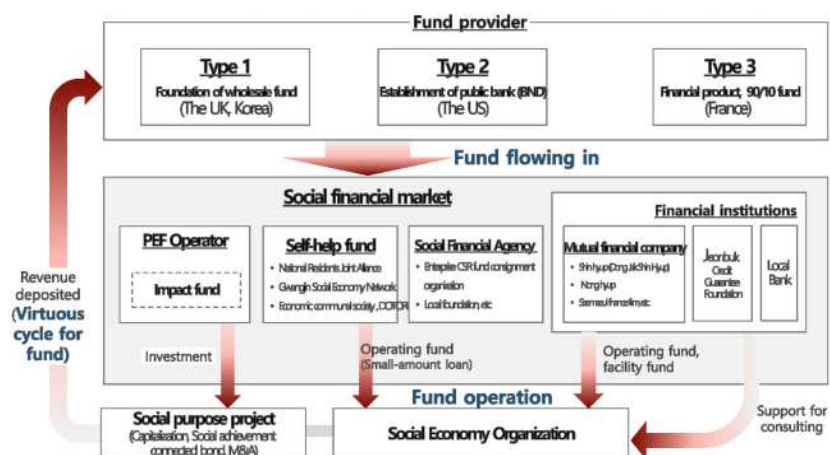
- 1) 90% investment in Social Responsibility Investment(Fund included in ethical finance) and 10% investment in non-disclosed companies(principal of solidarity fund) having strong social usefulness
- 2) All mutual funds of solidarity fund (PEE, PERCO, etc.) are "90/10" fund
- 3) Solidarity shareholder can directly invest in social or environment project via specialized solidarity fund provider

※ Fabius law (17 Feb 2001)

It requires companies which selected PERCO (Collective Retirement Savings Plan) to provide solidarity fund among funds selected by the companies

14

2. Condition to establish social finance market

**We have to make a market into which private fund can be brought continuously**

15

## 2. Condition to establish social finance market

## To establish healthy social finance market...

**The government** should establish an institutional infrastructure to form a continuous social investment fund. And relevant fund should be managed based on partnership for private social financial agency to learn various social experiences and to be nurtured

**The private sector** should develop financial product (mutual-aid, investment and loan, etc.) corresponding to financial product, and obtain experience in founding and supporting superior companies

16

## Key Questions

1 What is achievement and task of policy to vitalize social finance?

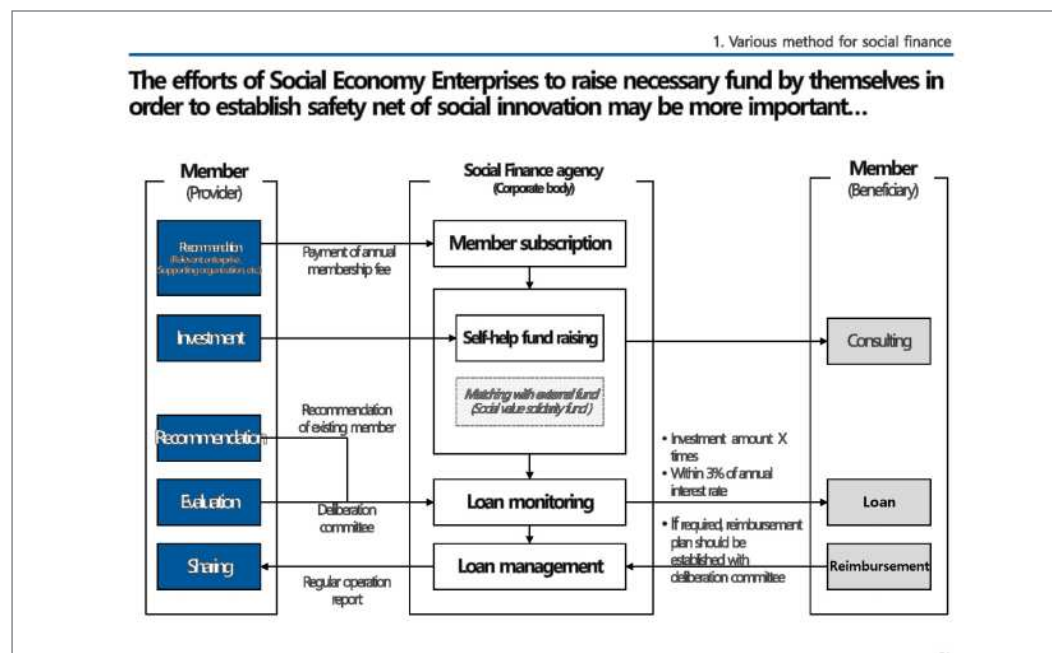
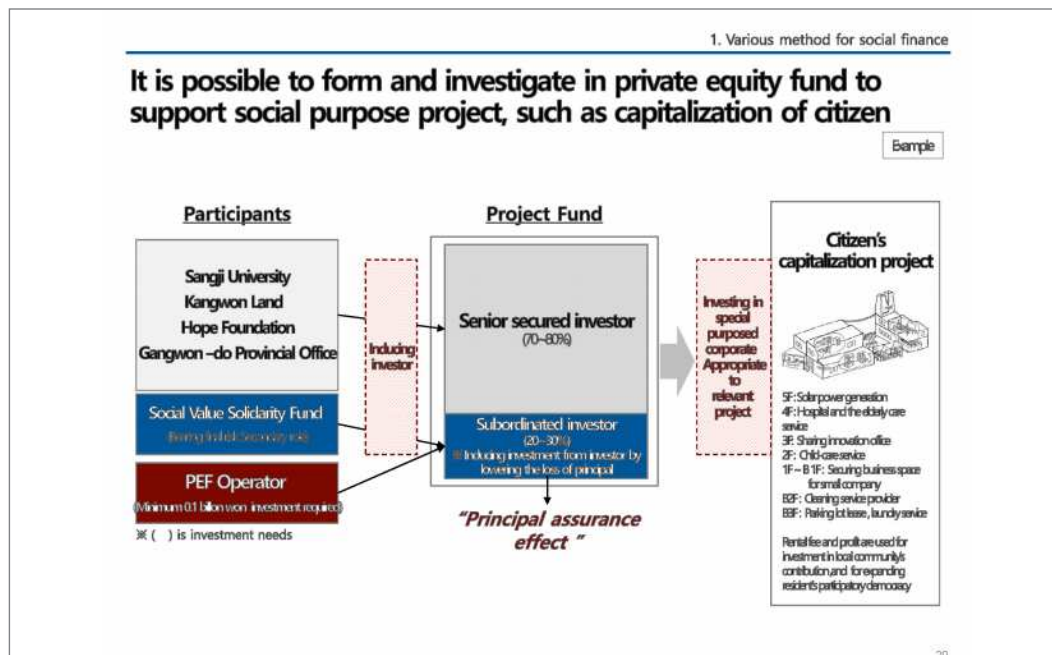
2 How to create social finance market ?

3 What is a role of private social financial institutions ?

17



## 2019 행복의 경제학 국제회의 전주 지역화의 지속 가능성



## 1. Various method for social finance

**... In the long term, it can evolve into mutual-aid union designed to improve the quality of member's life**

**Understanding about mutual-aid project**  
(Cooperative insurance)

**Formation process of mutual-aid project**

The project has been formed with democracy, fairness, self-motivation, humanity and sociality as organization principle. Also, in its background there was a wish among workers with low capital strength and small-sized producer to secure better capital and to become independent as economic unit during their solidarity

**Characteristic of mutual-aid project**

It is largely seen as common property  
It costs less working expense, and insurance contract can be preserved completely

**Necessity of mutual-aid project**

Capital called as insurance fund tends to become larger when insurance selling is continuously made (so that the volume of business becomes larger). And the profit generated during the process of investment and loan to social economy can reinforce insurance management

**French Social Solidarity Economy**

French social solidarity economy currently consists of 221,325 social economy organizations and 2,370,310 employees, accounting for 10% of GDP and 10.5% of employment

In France, organizations made of less than 10 employees account for 75% of the entire organizations. It is similar with Korea in a respect that social economy enterprises has not increased its volume. But, the volume of France is far above that of Korea

The reason how France's social solidarity economy could experience continuous growth is that more than 300 mutual-aid unions have been supporting social solidarity economy organizations and peoples involved in the field

According to ICMIF, cooperative union and mutual-aid union accounted for 27.1% in the world's insurance market in 2014

출처: 사회가치연대자금 1차 회의자료

22

## 2. Role of private sector

**Private sector should create credible funds while accumulating various experience in social finance**

**Characteristic of General Financial Business**

**"It tends to follow a growth of real economy"**

- Investment decision in financial business (deal agreement or condition, etc.) is made based on **risk evaluation** about investment object (or loan)
- For this risk evaluation, **accumulation of information** on investment object (or creditor) is key element
- Therefore, in reality, there is a **limit in pro-active financial support** for this area (such as social economy enterprises) with **asymmetries of information**
- Deal is hardly made unless clear evaluation on risk/return profile is obtained

**"Private sector should accumulate various experience through participation, solidarity and innovation"**



23

---

# Thank you

(04793) #606, #607, 20, Seongsuil-ro 12 gil (Seongsudong-2ga, Seongdongansim shopping mall), Seongdong-gu, Seoul, Korea

**E-mail** [info@ksifinance.com](mailto:info@ksifinance.com)

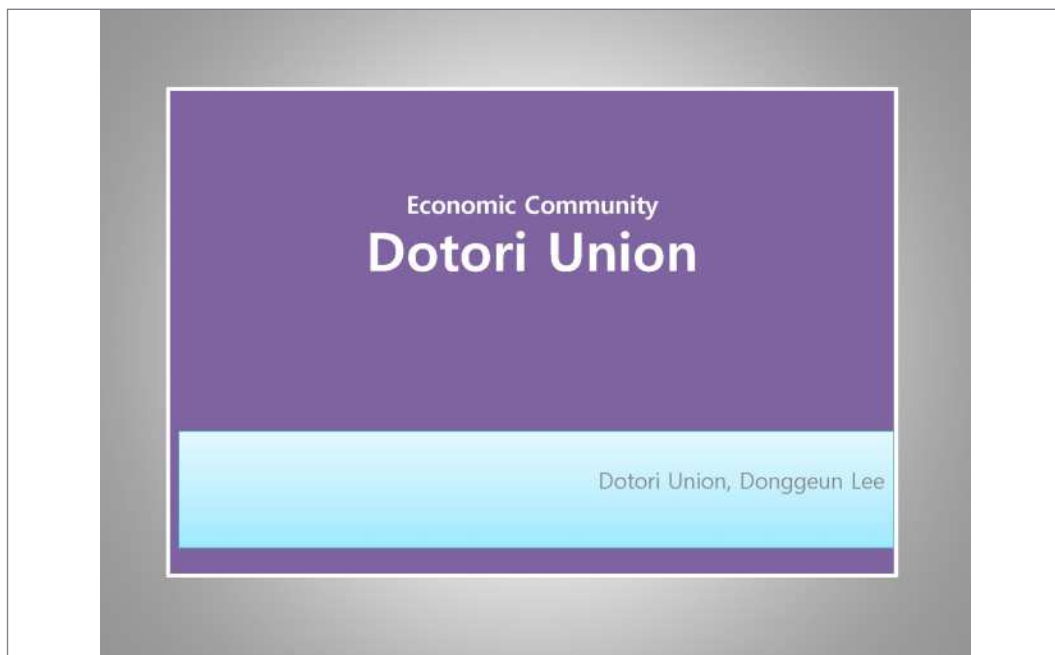
**Website** <http://www.ksifinance.com>

**Facebook** <http://www.facebook.com/ksifinance16>

Copyright © 2019 by Korea Social Innovation Finance  
This report shall not be circulated, quoted or modified before obtaining approval from Korea Social Innovation Finance

## 【Economic Community Dotori Unit】

Lee Dong-geun



### Awareness of money

- Who makes money, and it is made?
- Who can access the money for the first time?
- What is used as security for printing the money?
- How the interest rate affect our lives?

## Debt-based money system, debt-based society

"The process used by bank to print money is so simple that we cannot easily believe as it is." (John Kenneth Galbraith, economist)

"If someone believes that exponential growth can be continued forever in a finite world, he might be insane or economist." (Kenneth Boulding, economist)

"Our currency system is the one where only debt can make the money exist." Marriner Stoddard Eccles, former chairman of the Federal Reserve Board)

## Cost of interest rate in debt-based society

- Under current system, 90% of people spend higher amount of money for interest in their expense, while 10% of people (rich) earn higher amount of money from their interest in their expense. Which means that wealth is based on earning from interest.
- Interest that private bank of the USA owes is about 465 billion dollar (The amount is equivalent to 500 trillion won. Korean government's budget in 2018 is 429 trillion won). This amount accounts for 17% of budget that federal government has. This is like a tax imposed on the society of the US. And this benefit eventually belongs to few bankers.

## Who possesses right for money printing and its control?

"Whenever bank provides loan, new credit and deposit are generated. And then we have new currency."

(Graham F. Towers, president of Canadian Bank)

"I believe that banking institutions are more dangerous than standing armies. If the American people ever allow private banks to control the issue of currency, the banks and corporations that will grow up around them will deprive the people of their property until their children wake up homeless on the continent their fathers conquered" (Thomas Jefferson, President of the United States)

"If I am allowed to have authority over printing money and controlling them, I will be careless about who make the law"  
(Meyer Rothschild, banker)

## Government's decision on policy?

"I think citizens, in general, do not want to hear that bank makes money they use."

**"People controlling credit in one country makes decision on government's policy, controlling destiny of the public."**

(Reginald McKenna, Former chief director of British Midland Bank Plc)

## Substance of money

- Innovation of currency system needs to start from understanding of substance of money. Money is not commodity. It needs to be distinguished from credit.
  - 1) If money is commodity, the society will be controlled by the wealthy
  - 2) If money is credit, the society will be controlled by the bankers, like current society.
  - 3) If money is an abstract legal power based on law, the society will be controlled by the law.
- The nature of money is that it is a **legal invention**. Money is a **creature of the law**.
- Money is a **common resource**, which should be **created by Government for the benefit of the People**.
- *Money exists **not by nature but by law***

## 'Currency System' is the one we can change

- Currency system is one of things people designed!
  - With different currency system, we can make different world!
- \* A force who attempts to control over printing currency has been pushing on perspective in favor of themselves by using economist for controlling language and people's awareness. This is why the system has been unchanged even though the currency system is corrupt.
- \*\* Alexander DelMar, historian of currency, stated that currency system is the society's greatest dispenser of justice or injustice.

### Background of Dotori Union's establishment

- New currency system to replace incomplete current system is required
- Forming an idea about town bank with new currency system
- Necessity for local finance which can restore agricultural community
- Necessity for town bank that can promote circulation of local currency
- Local finance's network organization playing a role as basic unit between town banks

### Seigniorage

- It means 'Profit from Monetization' (margin generated from difference between cost to make money and face value of the money). The term was derived from French 'Seignior'
- Seigniorage effect of the UK (1997~2016 average value) : 35 trillion won of private bank, 2 trillion won of central bank
- If central bank issues digital currency directly, more finance can be secured in public sector (In the UK, if the central bank flew in 30% of its currency with CBDC from 1983, the accumulated Seigniorage could have reached to 277 trillion won)
- Bringing the right for Seigniorage (kind of subsidy) from private bank is moving forward to democratization of currency

## Seigniorage of 4 European nation's private bank

TABLE1. COMMERCIAL BANK SEIGNIORAGE ACROSS FOUR COUNTRIES

| COUNTRY     | PERIOD STUDIED | AVERAGE ANNUAL COMMERCIAL BANK SEIGNIORAGE | AS % OF GDP | CUMULATIVE COMMERCIAL BANK SEIGNIORAGE |
|-------------|----------------|--------------------------------------------|-------------|----------------------------------------|
| UK          | 1998-2016      | £23.3 billion                              | 1.23%       | £443 billion                           |
| Denmark     | 1991-2015      | DKK11.7 billion                            | 0.7%        | DKK293.4 billion                       |
| Switzerland | 2007-2015      | CHF2.8 billion                             | 0.6%        | CHF34.8 billion                        |
| Iceland     | 2004-2015      | ISK14.1 billion                            | 0.9%        | ISK169.7 billion                       |

## [Sovereign Money ] System

- Sovereign Money is paper money and coin which are made by the central bank as lawful money
- Electronic Money is a money recorded as number in the central bank's account . It is based on the bank's guaranty for its payment upon receiving request for money.  
In general, 97% of circulating money is made of electrical money created by commercial banks
- As for Switzerland, according to referendum in 1981, the money could be issued by only central bank, not commercial banks. Then, as electrical money appears, commercial banks could have opportunity to create money by themselves. Now, it is the time to make only the central bank to issue electrical money which should be considered as sovereign money

## Idea to establish town bank

**Designing town bank applicable to new currency system (sovereign money, SM)**

**Kind Bank and Kind Finance currently applied in current system has inherent limit.**

**SM system is introduced for the sake of social innovation**

**If it cannot be implemented in nation's level, it can be introduced in local level first, as a staged approach**

## Idea to establish town bank

- Designing town bank with sovereign money system as a alternative solution for current problem with currency system (Sovereign money system designed for local community, a small scale of nation, to issue sovereign money as local currency is considered)
- Town bank is not like commercial bank pursuing profit. Rather it should be a non-profit bank owned by local community
- Town bank plays a role as repository used for village fund
- Converting <Dotori Union> currently being operated to pilot town bank with sovereign money system

## Idea for town bank network

### \* Purpose of network

Organizing town bank's network to improve sustainability of town bank and re-invigorate functions of the town bank

### \*Establishment of network

Organizing town bank alliance for each area and naming the alliance as <00 area Self-bank> to establish network organization

<00 area Self-bank> plays a role in creating finance safety net of each town bank

Furthermore, by connecting <00 area Self-bank>, ecology of solidarity economy (in metropolitan or nation's level) can be formed

## Integrative and phased approach

Sovereign money system

Town bank network

Town bank

Local currency + Alternative currency +  
Block chain + Basic income

## Concurrent Tasks

### To publicize

- Establishing an public arena to discuss several topics including instability of current currency system and advantages of sovereign currency system
- Planning an education P.R, such as research/ investigation activity, panel discussion and study session, etc.

## Concurrent Tasks

### Finding principal agent

- Nurturing a principal agent (civil group, the media, academia, the publishing business, finance, public institutions) who can understand on innovation on currency system and take charge in necessary research/investigation
- Making a solidarity with political power to reflect currency system innovation into national policy by making the innovation agendicized

## Concurrent Tasks

### Enactment and readjustment of relevant law

- Implementing enactment and readjustment of relevant law (bank law, cooperative union law, basic law for social economy, etc.) to make easier establishment of town bank

## Concurrent Tasks

### How to make connection with basic income

- Seeking a method to issue local currency available in town bank via block-chain technology, and to utilize the currency for providing basic income

## Concurrent Tasks

### International connection

- Making an international ties with persons or groups having awareness on problem over currency innovation and acting for its innovation
- International connection of democratic citizen is key element to bring a change in better currency system

### Brief introduction of Dotori Union (2015~2018)



## Overview

- Dotori Union is designed to establish Pulppuri (grass root) fund via investment from members and lodge money, and re-invigorate community's finance for mutual-aid between communities
- It provides funds without interest for local business with public interest
- It provides member (individual or group) with funds without interest for business foundation and business for local economy
- It provides stability funds without interest for town activist to secure initial re-settlement fund, for local farmer to have fund necessary for agriculture activity, or to cope with accident, emergency situation and family events, etc.

## History

- Nov 2014 ~ Feb 2015 : Pre-meeting for Dotori Union (Total 6 times, conducted bi-weekly)
- 25 Feb 2015 : Inaugural General Meeting (with 50 foundation members)
- Apr 2015 : First loan executed by securing 0.1 billion won as cooperative fund
- Jul 2015 : 1<sup>st</sup> currency committee launched
- Oct 2015 : Dotori Union firstly introduced in Hongseong newspaper (local media)
- Dec 2015 : Cooperative fund (0.15 billion won), 65 members, 22 loans and 6 reimbursements
- Feb 2016 : Cooperative fund (0.14 billion won), 67 members, 24 accumulated loans and 6 accumulated reimbursements
- Dec 2017 : Cooperative fund (0.2 billion won), 70 accumulated loan (0.65 billion won), 98 members
- Dec 2018 : Cooperative fund (0.23 billion won), 90 accumulated loan (0.75 billion won), 105 members (11 groups)

**\*Reference\***  
**We introduce**  
**[Hongseong District Currency Office]**  
Local currency operator acting under close  
cooperation with Dotori Union



**Inaugural General Meeting**  
(27 Jun 2017)



2019 행복의 경제학 국제회의 전주 지역화의 지속 가능성

## 2019 Regular General Meeting



## Deign for new currency of 2019



## Newly printed currency

- **Total 123,200,000 Ip (앞)**

- 8,800 EA of 10,000 Ip = 88,000,000 Ip
- 4,400 EA of 5,000 Ip = 22,000,000 Ip
- 13,200 EA of 1,000 Ip = 13,200,000 Ip

## Circulation status

[Period : May 2017 ~ 10<sup>th</sup> Feb 2019]

Changing Won to Ip

: Total amount changed **12,003,500 Ip**

Changing Ip to Won

: Total amount changed 6,282,000 Won

Dotori Union's deposit

: 4,000,000 Won

- Total amount generate : 8,850,000 lp
- 2017 basic income (Jul-Dec) : 6 million lp
- 2018 Executive Office operating expenses: 2.85 million lp



## CHAPTER 8

---

# Subject Lecture 2

- 
- Community recovery is the key to happiness

Jo Hyun

---



〈한겨레〉 논설위원 & 종교전문기자 & 〈우린 다르게 살기로 했다〉 저자

## Restoring communities is the key to happiness

Jo-hyun

It is lonely to live alone and annoying to live with somebody else. This is the dilemma facing all of us. Some aspire to be a free bird out of formation to simply escape the pain of staying with other people. Others try to mingle in the crowd, crying for attention and love. Regardless of what kind of people we are, every one of us is a human being. Just like the fact that birds that escape their nest and birds that come back to the nest are all birds. Whether looking for a single life or a communal life, everyone of us seeks happiness.

However, we feel unlucky and unsatisfied both when we live alone and with someone else. How did we get here?

### 1. The cause of the high suicide rate and low birth rate

Korea's suicide rates are 2.5 times higher than the OECD average, many of the youths in the nation have giving up dating, marriage and childbirth. Though the government has poured more than 10 trillion won annually to boost birthrates since 2006, the birthrate has continued to stagnate or decline. In other words, Korea's birth rate is nosediving like a wingless bird.

Policymakers, scholars, experts and media outlets are blaming job shortage for young people, housing prices, lack of childcare and benefits, educational expenses, discrimination against working mothers at work and lack of public awareness for the low birth rate.

If the only problem is welfare, how did a woman have an average of 6.1 children in 1960 when per capita GDP was only 76 dollars and you could rarely find welfare policies. Did Korea's youth easily find a job, get a house, receive childcare benefits, have less burden on educational expenses and face no sexual discrimination in 1960? Back then, Korea had no national welfare services, except for humanitarian assistance from the U.S., and very few jobs. Thus, as the people desperately managed to make ends meet, it was extremely difficult to get a house. Sexual discrimination was rampant and incomparable to the present. This problem can be found in many other nations as well. Birth rates are higher in developing countries with inadequate social welfare such as African nations, India and Nepal than in advanced

countries with inadequate social welfare such as African nations, India and Nepal than in advanced countries equipped with higher social welfare. Thus, higher social welfare does not automatically lead to higher birth rates. If the nation has misguided conception about what caused lower birth rates, pouring money into welfare would not help solve the problem. Regardless of wealth, any country with vibrant communities have increased rates of marriage and childbirth. In contrast, countries with broken communities experience plummeting marriage and childbirth.

Older generations might point the finger at the high suicide rate and the Sampo Generation—a neologism referring to a generation that gives up courtship, marriage, and having kids—by asking why they are making a fuss in such a good time. The society lacks the perspectives from the youth when it comes to marriage and childbirth. In fact, different people face different realities. We are in a long-distance race called life.

Life is akin to the 42.195-kilometre marathon or climbing up a high mountain. Not everyone who reaches the top of the ridge feels the same about the experience. Even though standing at the income level of \$30,000 per Capita GDP, the European who steadily climbed up the mountain at a speed of 70 or 80km per hour and the Korean who sprinted the whole time at a speed of 200 or 300 km per hour clearly differ in the amount of burden they are shouldering. Although both of them have reached the top of the ridge, the European who had slowly grown their economy over a 200 year period and the Korean who have done it in 70 years cannot have the same amount of fatigue.

Likewise, some Koreans who are born at the top of the ridge and others who had to climb and crawl up to the mountain top do not have the same amount of scars, fatigue or energy. Hardship-ridden youth find it hard to get married or have children. Thus, the wrong perception toward the cause of the low birth rate comes from lack of understanding about the hardship and fatigue that the young generation have experienced during the rapid growth of society.

## 2. Moving to urbanization, the nuclear family and single-household

Korean society has undergone rapid growth since its independence. Also, driven by the nationwide zeal for education, Korea will continue to grow bigger. In terms of economy and culture, Korea is a nation full of hopes. However, as we lifted ourselves out of poverty and grew into a rich and convenient country, we have lost sight of something important. The population of Seoul in 1960 only amounted to 2.5 million. Compared to the present time where more than 90 percent of the population reside in urban areas, the urban population accounted for only 40 percent back then. At that time, you could easily find large families and villages even in big cities. While an apartment is the most common type of housing now, there were almost no apartments back in 1960 and traditional community-based residence were

widely prevalent. Other societal changes have occurred. Industrialization has made people's lifestyle much busier than before. Female employment soared. The nuclear family rose, and local communities came crashing down.

### 3. Impact on Children

Who bore the brunt of these changes? That was children who were the most vulnerable group of society. Industrialization took their mothers away from their homes. Also, as large families and local communities, which could take care of the children, disappeared, children lost not only primary caretakers but also their second and the third. In addition, due to the advent of personal hobbies, shopping, television, internet, games and mobile phones, attention and care for children have plummeted. Children, who had been the recipient of unconditional care and love from their mothers for millions of years, lost an enormous part of their life.

If children are not properly taken care of by either their mothers or the community they belong to, they will feel insecure about their life and doubtful about people. For children, losing their mother means you have lost the ground one stands on. Children absolutely need good care by someone who is more than just their biological mother, they need someone who is hands on. Harry Harlow, an American psychologist in the 1960s, conducted a series of experiments on baby monkeys, depriving them of their biological mothers. In the studies, he demonstrated that babies cannot grow normally when they are not taken good care of and ignored.

If poorly taken care of as a baby, people can easily become “avoidant” due to lack of bonding and attachment. Worse, however busy they were, parents did not give up on their zeal for education. Children who did not have a place to hang out were stuck at academies until late at night. When meeting their children at night, parents would ask their children questions such as “did you study hard today?” or “How did the exam go?” , putting pressure on their academic performances. As such, children suffered a great deal of loneliness and stress.

Therefore, our children have become the type of person who is sad when alone but agonized when with others. Korea is experiencing the N-po generation phenomenon—referring to a growing number of people who gave up numerous things—high suicide rate, surging lonely death rate, and the highest parricide rate in the world. These are the dark sides of society that rapid growth has left behind. Even worse, children of low-income families who cannot afford to receive private childcare grow in harsh conditions, finding it hard to bond with others and failing to form a family when they grow up.

Hikikomori, reclusive adolescents or adults who withdraw from society, remains a serious problem in Japan, which experienced economic development, urbanization, explosion of the popularity of a nuclear

family and broken communities prior to Korea. The Japanese government announced that the number of Hikikomori aged between 40 and 64 amounts to a whopping 613,000 in March last year. This is larger than the number of Hikikomori aged between 15 and 39, which stands at 541,000. Hikikomori has become a major social problem as they conducted an increasing number of random killings. Given Korea experienced radical changes faster than Japan, Korea will suffer from the same kind of problem at a greater level.

#### **4.National crisis due to low birth rate and ageing population**

instead of focusing on what can be seen from the outside such as the \$30,000 per-capita income, you will notice that the fundamental solution lies in communities.

The younger generations that have not received good care from a community find it much harder to bond with others than their older counterparts. Korea's birth rate broke the 0.9 percent mark, raising concerns about state collapse. Moreover, Korea has both the lowest birth rate and highest aging population in the world.

By 2067, senior citizens aged 65 or older will account for 46.5% of the population. Nearly half of the people will be old. Population is predicted to decline to 39 million, and the population of economically active people aged between 15 and 64 decreased from 72.7% to 45.4% this year. The number of senior citizens over 65 for every 100 economically active people will increase fivefold from 20.4 this year to 102.4 in 2067. Thus, in 2067, one working age person will need to support one senior citizen.

Compared to the growth of average global ratio from 14 to 30.2, The growth of the ratio of senior citizens for every 100 working age people in Korea is five times faster than other nations. If that is the case, the younger generations who can no longer afford to live in Korea are likely to make an exodus from the nation. As the greed and selfishness grew at an accelerating pace nationwide, local communities broke apart and, in turn, the whole nation is on the verge of collapsing.

#### **5. Society that drives solo life**

As of 2016, the percentage of single-person households has increased to 27.9% to surpass that of families of two, three and four people. Currently, 11 percent of the population live alone but the number will increase to 37% in 2047. The households with married couples are projected to account for 21.5% in 2047. In other words, 58.5% of the total households will be either of single-person or married couples, with 6 in 10 households having one or two people. Also, 40.5 percent of those who live alone will be aged over 70 in 2047.

Europe was earlier than Korea in starting to conduct studies about living alone and loneliness, given the continent experienced an explosion of single-person households prior to Korea. The Jo Cox Commission on Loneliness in the U.K. defined loneliness as a disease by saying loneliness is as harmful to health as smoking 15 cigarettes a day. The U.K. even has a Minister of Loneliness. Moreover, Loughborough's Professor Eef Hogervorst and his team found that those who live alone are 35 to 44 percent more likely to develop dementia than their counterparts and those in close contact with others on a regular basis are 60 percent less likely to do so.

However, living alone is now becoming a new norm in Korea. This comes as a result of not only the desire to escape patriarchal familism but also capitalism and consumerism. People or business with capital that cling to immediate profit rather than long-term societal benefit drive people to live alone, thus consuming more. Take houses in big cities for example. Even though the population is on the decline, the housing shortage is getting increasingly serious. This is partly due to speculative demand for housing but mainly because of the increase of single-person households. Construction companies want you to move out of your parents' house and live alone so that they can build another house for you. In addition, if you live alone, you will have to buy another television, refrigerator, washing machine, stove and vacuum cleaner that will otherwise be shared with your family. There is no doubt what the businesses would want you to choose out of those two options. Hugely influenced by the business, media outlets encourage people to live alone.

## 6. All of us could face lonely deaths

There is no way that you and your spouse will die on the same day and time. Someday, someone will die first and the other one will be left alone. If choosing to live alone, instead of living in a nursing home, you would be at risk of a lonely death. Nothing sounds more miserable than spending time isolated and lonely. Those living alone in their 30s and 40s are highly satisfied with the way they live because they are young enough to live alone without any hardships. However, when they become over 60 and need support from others, their satisfaction with living alone will plummet. We are living in an aged society. In Japan, babies born in 2007 are 50 percent likely to live until the age of 107.

Korea is not an exception. Therefore, those over 60 need to live lonely over the course of their expanded lifetime. If one has to live alone for a long time, his or her life will be a far cry from happiness.

In Japan, which shows a preview of Korea 10 or 20 years ahead, the number of female prisoners has increased from 10 percent in 2001 to 34 percent in 2016. Senior citizens are lining up to go to jail by stealing items from stores. They say they choose to go to jail because there is no one to take care of them and the prison at least feeds them and gives them medical care and has other prisoners to talk to.

## 7. Bonding is what makes humans happy

A team of researchers at Harvard University found that human interactions are the key to happiness. The team has tracked the lives of 724 people for 79 years since 1938 and found that what enriches life is quality human relationships and what drives people to death is loneliness.

Robert Waldinger, director of the study, said that those who put importance on family, friends and community tend to have a happier and more successful life. He stressed that loneliness is as dangerous as smoking or alcoholism.

There are an increasing number of similar studies in Korea. Professor Shim Kyung-won and her team conducted a study on 9424 adults over the age of 19 from 2014 to 2015 and found that single-person households tend to have lower income and health levels, compared to households with two or more individuals. 60-year-old or older women living alone are 3.2 times more likely to smoke cigarettes than their counterparts. Young people aged between 19 and 39 or senior women who are living alone are 1.7 times more likely to drink more than twice a month. In addition, those aged between 40 and 59 who are living alone have 1.8 or 1.9 times higher possibility of suffering metabolic syndrome than the same age group who live with family. Lack of self-discipline as a result of living alone has a negative impact on health and income.

According to one consulting agency, the number 1 contributor to happiness turns out to be family life. Married people have a happiness level of 58.59, compared to 51.72 of their counterparts. In addition, people with two children have a happiness level of 59.03, which is higher than 58.76 and 56.92 of those with zero and one respectively. Moreover, the happiness level of those with 3 children is as high as 62.31. Those not planning to have children have a happiness level of 47.1, far lower than 54.63 for those who have planned one child, 54.14 for those who have planned two children.

## 8. There are opportunities to restore our community

As opposed to western societies that experienced collapse of community thorough urbanization, industrialization and economic growth hundreds of years ago, Korea is still highly nostalgic to community-based life. Although local communities and large families are on the verge of completely collapsing, Koreans still travel en masse to visit their community and relatives. Indeed, communal lifestyle is still in our DNA.

However, we cannot stop the growth of single-person households and population aging. That is precisely why there is an ongoing movement for alternative communities where people can rely on each other in the era of single-dwellers and population aging, because they are the ones who desperately need someone to count on. Counties and local governments are increasingly joining the race of

rejuvenating and restoring local communities.

More and more people are voluntarily creating alternative communities to share the burden of childcare, overcome loneliness and enjoy happier lives in Korea. The bargin nuri of Soo-yoo and Eun-hye community of Do-bong are prominent examples in Seoul. What is striking about these place is that the parents in the communities have little stress while raising children.

## 9. A shared house, a community for urban dwellers.

There is an increasing number of shared houses these days to enjoy greater happiness with a small price. One in five people in Sweden lives in a shared house. Normally, one shared house brings together about 10 households and they join the whole process of designing and building the house. For example, the Sohangju of Mapo in Seoul has a community room where people have dinner together. Meanwhile, people are closely living with one another in the Eun-hye community.

They call themselves aunts or uncles of each other's children and share the burden of childcare. They also prepare and have dinner together with a monthly expense of 200,000 Korean won (about \$170 dollars) per household of 3 or 4 individuals. They save living expenses and live happier life by purchasing and sharing items that will otherwise be purchased by each household. Since they are happy enough, they say they do not care too much about Friday night parties, shopping or trips.

## 10. Lifestyle change in community

Shim Ji-yeon, who works for Danish embassy in Korea, lives in the bargin nuri. She confessed that she did not even think about marriage but now she delivered a baby and realized what happiness is.

"I wanted to live alone. So, I did. But I wasn't happy. I tried to relieve stress by partying, overseas trips or shopping but they didn't help. But since I entered the bargin nuri, I have felt like bonding and studying with others is refreshing to both my brain and body. My parents called me Anastasia, the evil sister of Cinderella, because I was selfish and didn't take care of my younger sister when I was young. But now my parents call me Cinderella instead. I never would have dreamed of marriage if I did not join this community. Since I entered this community, my life has become a lot happier. That's why I got married and gave birth. Taking maternity leave and spending time with my baby in the first year since his birth was the most fantastic moment in my life.

## 11. Changes in small communities with stronger bonds

They are not the only small communities that enjoy a happy life together. People in a local village mingle together and stay healthy. Kongbang villiage of Moonbal in Paju is a good example. It started out as a small ping pong table where people gather and play ping pong together and evolved into a club for poetry, running, film, books, conversation therapy and even a choir. Han Gui-young, who lives in the village, says that she was diagnosed with a condition that requires hysterectomy but after spending 8 months with the villagers, the condition was automatically cured.

“I used to have many bad thoughts, so I only watched TV during the weekends. Now, I am having so much fun spending time with the villagers, so I have no time for watching TV. I used to worry about my financial status after retirement. But now I think I can live with the basic national pension because hanging out with villagers does not require too much money.” said Ms. Han. The villagers say in one voice that their illnesses have been cured from having fun with others and they are no longer concerned about their life after retirement.

## **12. Happiness that can’ t be bought lies in local communities.**

Once people join a local community they can become happier, even those who were deprived of parental love and lost a sense of security and trust in others can ease their fear and anxiety deeply rooted in their consciousness, smile again, feel the joy of bonds with others, get married and give birth. Even with heavy government funds constantly poured in, the problem of low birth rates didn’ t even show signs of abating. That is because the key lies in local communities. Personally, people need to find a local community to have a happier life.

Humanity is undergoing unprecedented changes in the material civilization. The pursuit of convenience has led to human labor forces being replaced by artificial intelligence and robots. If humans are to be placed by AI and robots for convenience, humans will disappear and the world will have nothing but AI and Robots.

We are polluting the world in our daily lives, seeking convenience. Some say that we will be able to find another habitable planet if climate change accelerates and the earth is destroyed. However, it is not too late. Instead of finding a second habitat in the space, it is easier, happier and beneficial to humanity and the earth for humans to live with family, friends and local communities.

## **13. Socially marginalized people have an especially stronger need to build a community of love**

Big tech giants such as Google or Amazon keep track of our daily lives, instigate desires for consumption

consumption and disperse us to seek profit from our division. Letting them control your life is akin to a colony expecting the ruling imperialist country to guarantee their happiness.

Humans are far more vulnerable than animals when living alone. We find it even harder to overcome loneliness than our animal counterparts. Indeed, our scars and trauma come from collapse of community. The scars and trauma say that we were lonely, sad and hurt and wanted to love and be loved.

If that goes unheard and nobody did not give attention to them, we cannot overcome our fears and become happy. True happiness and healing come from loving, being loved and sharing. And these can be done within a local community.

However, the competitive materialistic society deconstructs local communities by fueling people's greed and selfishness and drive fierce competition. If you are surrounded by enemies, you will find yourself insecure, feared, nervous, powerless and exhausted. Thus, vulnerable groups of people such as senior citizens, patients, solo-dwellers who have no one to rely on are far more likely to have a miserable life.

Those vulnerable people desperately need to join a community. In the era of low birth, populating aging and living alone, we need to have a community to belong to. The weaker you are, the more desperately you need a community. Giving the control of your life to big capital is synonymous with giving them your life. It is imperative for us to seek happiness by restoring a love-based community where everyone is united as one, relying on and sharing with one another.