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Self-Reliance

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INSIDE:

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Grassroots Public Power

Neighborhood Government Through Special Districts

The following article on special districts was condensed from a larger piece written by Michael Silver in *The Organizer*, an excellent new quarterly for community organizers. The original piece looks at the role of special districts in the larger context of community organizing for social change. Individual subscriptions to *The Organizer* are $12. Contact: Institute for Social Justice, 1605 Connecticut Avenue NW, Washington DC 20009, 202/462-4200.

Can a neighborhood form its own government? The answer is an unqualified yes. Throughout the country, in every state but one, it's possible to organize small, limited-purpose governments called special districts. These districts are entirely authentic governments, legally responsible to territorially-defined constituencies and possessing public powers. They do all the things we associate with government: accept grants and subsidies from other governments, initiate legal action, contract for services, buy and sell property, invest funds and employ staff. And their small size makes them well suited to neighborhood control. In fact, special districts may be the best route to securing permanent public power at the grassroots level that so far has eluded most community organizing.

Few people know that about two-thirds of all governments in the United States, numbering nearly 24,000 (not including school districts), are special districts. They have more than 300,000 people working for them and spend nearly $10 billion a year. And contrary to the currently popular notion of keeping government out of productive enterprise, much of what special districts do is produce goods and services that are usually produced in the private economy. This includes running everything from airports, baseball teams and cable TV to hospitals and theaters. There is no reason why neighborhoods couldn't use special districts to control their own productive enterprises.

Special district abuse: Private profit, public risk

Of course, the use of special districts by neighborhood organizations is currently all but non-existent. Instead, special districts are almost always used for the wrong reasons—at least from a community organizer's point of view. The most frequent abuse of special districts has been by private developers of one stripe or another, usually to get credit subsidies for their profit-making corporations. In housing, for example, California real estate developers have organized special districts for decades, many no larger than a single subdivision of new housing, to float tax-free general obligations bonds for financing capital costs. Many of these districts were formed with little more than the votes of their developers, some business cronies, relatives and friends—but the debts they incurred were binding on all who later bought into their subdivisions. Land promoters and developers were thus able to get risk capital without drawing on their own credit lines. Over the years, there have been a number of variations on this theme, from water

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Notes

In *Self-Reliance* #25 we listed six actual or planned houses demonstrating a variety of self-reliant technologies, including the well-known Integral Urban House at the Farallones Center in Berkeley, California. We have since come across two more. A four-year project at the Kalamazoo Nature Center has produced a rehabilitated 100-year-old farmhouse featuring weatherization, a wood burning stove, thermosiphoning air panels, a solar greenhouse and a graywater filtration system. Soon to come are a solar hot water system, a composting toilet and organic gardens. More than 75 people took part in creating the demonstration house, and more than a thousand visitors have seen the technology in action, half of them within the past few months. Like most other demonstration houses, a variety of workshops give people skills to build similar systems in their own homes. For more information, contact: **Kalamazoo Nature Center, 7000 N. Westnedge Avenue, Kalamazoo, MI 49007, 616/381-1574.** A

similar house, built in 1929 in Morgantown, West Virginia, was almost razed for a parking lot until students and teachers at the Technology Education Department of West Virginia University suggested it be converted into a demonstration center for self-reliant living. Insulation, passive and active solar systems, a greenhouse, a compost toilet, French intensive bio-dynamic gardens and workshops attract many visitors. For more information, contact: **Dr. Mike Vogel, TERAD House, Program for the Study of Technology, Suite 609, Allen Hall, West Virginia University, Morgantown WV 26505, 304/293-3191.** We should add that there are a number of variations on the integral house theme which demonstrate a variety of alternative technologies, though not in a home setting. Often doubling as offices or community centers, these projects are sometimes retrofits of existing buildings or built from the ground up. Most, like the Farallones house and its imitators, rely on volunteer labor and tax deductible contributions. Two that we've come across recently are the **Uplands Hills Ecological Awareness Center (2575 Indian Lake Road, Oxford MI 48051, 313/693-1021)** and the **Energy Conservation Centre, 2150 Maple Street, Vancouver, B.C. V6J 3T3, Canada, 604/736-7732.** If you know of others, we would like to hear about them.

***Planning Local Solar Projects* is a useful guide to any group starting or expanding a solar project.** There is a considerable amount of detail packed into this 61-page booklet as well as a long list of annotated resources for additional information. Best of all, its free from: **Community Services Administration, 1200 19th Street NW, Washington DC 20506, 202/632-6503.**

A Congressional study of big business mergers has found, not surprisingly, that they are bad news for local communities. "The rates of job creation, productivity and innovation tend to slow after independent companies are absorbed into large conglomerate corporations," according to the report *Conglomerate Mergers—Their Effects on Small Business and Local Communities.* In case studies and discussions with sociologists who testified before the House of Representatives Small Business Subcommittee, conglomerates were found to make decisions that affect local economies with little or no local input, and that conglomerates often turned profitable, job producing businesses into economic losers. The process, the Subcommittee found, is aided by weak federal antitrust laws and large financial institutions which "allocate their capital flows in a manner that best serves themselves and their large clients' interests," not those of a local community. Free copies of the study are available from: **Committee on Small Business, U.S. House of Representatives, Washington DC 20515, 202/225-8944.** The impact of big business on local communities is also the subject of two recent films. *Company Town* tells the story of an Oregon lumber town disrupted by the closing of a local mill, and the workers fight to buy the mill and run it as a cooperative. Rentals for this 45-minute, 16mm color film are $30. Contact: **Lane Economic Development Council, Box 1473, Eugene OR 97440, 503/484-7007.** *Taking Back Detroit—People's City or Company Town?* tells the story of citizen activists in that city and profiles the grassroots organization DARE (Detroit Alliance for a Rational Economy). The film, which aired on National Public Television, rents for $25. Contact: **DARE, 2832 East Grand Blvd., Suite 209, Detroit MI 48211, 313/871-6400.**

Dozens of hard-to-find books on energy ranging from do-it-yourself solar manuals to analyses of energy policy and appropriate technology, are distributed by Access Books in Toronto. Copies of their catalog are $1 from: **Access Books, 121 Avenue Road, Toronto, Ontario, M5R 2G3, Canada, 416/964-6560.**

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Surviving the Reagan Budget: Self-help Housing Alternatives

A number of neighborhood groups run programs in which they buy homes, rehabilitate them and then sell or rent the property at below market rates to residents in their community. Commonly called self-help housing, these programs usually feature alternative and subsidized financing plans and cooperative management and ownership. Occasionally, prospective homeowners will contribute "sweat equity"—their labor in the rehabilitation of the property—as a way of lowering the cost of buying a home. Some programs also rely on volunteer labor, donated materials and grants to reduce the cost of decent housing for those in a community who can least afford it. Prentice Bowsher, a self-help housing specialist, recently analyzed 13 self-help housing groups around the country (*People Who Care: Making Housing Work for the Poor*, $5 from Prentice Bowsher Associates, 1522 Connecticut Avenue NW, Washington DC 20036). His report describes how these self-help housing groups are organized, how they finance their ventures, and what problems each has encountered. In the following article, Bowsher looks at the probable effects of the Reagan Administration budget on self-help housing, and how self-help housing groups can survive the years ahead.

Congressional endorsement of President Reagan's budget cuts has handed neighborhood housing groups their toughest test since another Republican President, Richard Nixon, temporarily suspended federal housing programs in 1973.

The 1973 moratorium produced mixed results for neighborhood housing efforts; and the current retrenchment perhaps will do the same, although most signs so far are deeply discouraging. Surviving the Reagan budget—and many self-help housing groups will survive it—will demand all the agility and imagination that neighborhood leaders can muster.

The 1973 moratorium halted many new housing efforts and killed off some self-help groups which could not shift funding sources fast enough to keep ahead of their cash flow needs. At the same time, the moratorium encouraged some local initiatives in neighborhoods which had grown frustrated with government inaction and were able to devise alternate financing mechanisms. A further outcome was enactment in 1974 of the community development block grant program, which came to be an important aid to many groups (and which may help some survive the current crunch).

It will take some time for a similar assessment of this year's actions to be possible. In the meantime, the initial outlook has been discouraging. As of this summer, three of the seven federal programs commonly used by housing groups were scheduled for elimination, and three others faced substantial reductions. In acting on the proposals, a politically divided Congress was unable to salvage much against a dramatically popular President.

Alternative funding from other sources is hardly encouraging either. State and local governments are operating under tighter and tighter fiscal restraints, as tax roll-backs such as Massachusetts' Proposition 2½ cut into their revenues. Foundations watch as inflation rises at a faster rate than their grant awards, while their investments are imprisoned by the tax code. And although inflation has increased corporate gifts, businesses are not big givers, and most corporations have done little to support neighborhood efforts.

Furthermore, the tenacious endurance of record-setting interest rates adds a heavy cost to outside borrowing by groups for mortgage and construction financing.

Still, for all of that, neighborhood housing groups are a hardy breed, accustomed to adversity, agile in their financing, and imaginative in their efforts to convert low-income renters to owners and to preserve affordable housing for elderly homeowners and low-income renters. The groups have survived indifference, suspicion and hostility in their work; and the odds are good that many will survive the current downturn.

Groups that make it will survive as they did in the past—by discovering supporting programs in unlikely places that can be juggled to accomplish the groups' ends. The object is to reduce financing and operating costs to levels affordable by the poor. Even now some such programs in the government and private sectors can be identified. They and others turning up later will be crucial for neighborhood groups in surviving the Reagan budget.

Government Programs: Making Do with Less

At the federal level, the seven programs most in favor with neighborhood groups were CETA, Section 312 rehabilitation loans, community development block grants, Section 8 rental assistance, housing counseling, neighborhood self-help development grants, and the National Consumer Cooperative Bank.

After partial Congressional action on the President's requests, the healthiest program appears to be community development block grants—at a requested $3.6 billion, the biggest of the lot. Even so, block grants may suffer from new restrictions on citizens' participation, and state government control of small cities' grants.

Of the three programs scheduled for extinction, rehab loans, neighborhood self-help grants, and the Co-op Bank, two appear likely for at least shakey survival. The rehab loan program apparently will be allowed to recycle loan repayments instead of turning them over to the Treasury; and the Co-op Bank may be allowed to replace lost federal funding with private funds from sale of its authorized stock. The neighborhood self-help program seems doomed, however.

The CETA, rental assistance, and housing counseling programs, all scheduled by the White House for substantial reductions, seem likely to be continued in modified form at

(Continued on page 4)

Surviving the Reagan Budget: Alte

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or below Presidentially requested levels.

Although action still is incomplete, it seems clear that funding levels are sure to drop, some programs will disappear entirely, others will be modified almost beyond recognition, and competition for the rest will become so intense that the payoff (in reduced assistance) may not be worth the effort. Instead, groups heading for survival will be on watch for other sources, some of which may turn up in other layers of government.

At the state and local government levels, for example, two hopeful approaches involve the reinvestment of public pension funds, and tax credits for corporate gifts.

Pension fund assets have passed the half-trillion-dollar mark in the United States, including some 40 percent from public employees. Their sheer size has attracted growing interest as a source of investment capital. While much of the investment interest can be expected in traditional enterprises, some may be directed to neighborhood needs by aggressive advocacy groups. As Daniel Leibsohn points out in a helpful book, **Expanding the Local Government Role in Housing (Institute for Local Self-Government, Claremont Hotel Building, Berkeley, CA 94705, $5),** a number of state pension funds have shifted their investments to include home mortgages. In Hawaii, for example, the public pension fund offers low-interest, low-down-payment rates on homes for its members.

Some cities are exploring pension fund reinvestment as well. In New York, for instance, where the five major city-administered retirement systems comprise the third largest pension system in the nation, proposals are being considered to shift some investments to home mortgages and loans for small business expansion. The loans would carry market rates of interest, except where other funds could be matched to write down the cost to borrowers.

The availability of state tax credits for corporate gifts to neighborhood groups is expanding also. Growing out of a Pennsylvania plan that began in 1968, the idea has spread to five other states and is under consideration in seven more.

Pennsylvania's Neighborhood Assistance Program now approves about 200 projects a year and grants $8.8 million in income tax credits, mostly at a 50-percent rate. Credits of up to 70 percent are available for special priority projects. The plan offers corporations a choice of either sponsoring their own projects or contributing to neighborhood groups for specific programs. Eligible contributions may be in cash,

At the state and local government levels, two hopeful approaches involve the reinvestment of public pension funds and tax credits for corporate gifts.

labor, materials, or technical assistance.

Other states which have adopted the program include Missouri, Michigan, Indiana, Florida, and Virginia. At least seven states are considering it: Illinois, New York, New Jersey, Massachusetts, Wisconsin, Minnesota and Colorado.

Private Efforts: Several New Programs

As the President's drive to reduce government takes hold, a natural alternative for funds is the private sector. Foundations have been a major traditional source of private funding, but federal regulations and inflation have combined to reduce their assets and shrink the impact of their gifts.

Corporations at best have been a secondary source of private funds, with only 25 percent of the nation's 2.1 million companies making any cash contributions and only six percent giving more than $500 a year. But inflation has raised the contributions' size, and in 1979 corporate giving passed foundation support for the first time, reaching $2.3 billion.

With the growing role of corporations has come a new image in private philanthropy of "investment" in an improved community rather than "charity" to a worthy cause—although both may result in gifts to the same group. Wise neighborhood leaders will shift their appeals accordingly.

Some corporations will continue their individual efforts to support neighborhood groups, such as the Tasty Baking Company's long-standiong effort in the Allegheny West community in North Philadelphia. Other corporations seem attracted to charitable intermediaries—or brokers, in effect—such as the Ford Foundation's Local Initiatives Support Corporation **(666 3rd Ave. 14th Floor, New York, NY 10017, 212/949-8560, contact: Anthony Proscio)** or the Inner-City Ventures Fund of the National Trust for Historic Preservation **(1785 Massachusetts Ave. NW, Washington, DC 20036, 202/673-4055, contact: Mark Weinheimer).**

Ford began LISC in 1980 by matching $4.6 million from six major corporations, and the capitalization has since more than doubled to $25 million. More than 40 neighborhood grants and loans have been made to groups, about half of which involve housing. All groups, however, have good track records in service delivery, have relatively large budgets, and are not dependent on only one or two sources for funds.

The National Trust is starting the Inner-City Ventures Fund with $500,000 (including $400,000 from the Interior Department and $100,000 from the Trust) which it hopes to

natives for Self-help Housing

triple with other gifts. The Fund is to get underway in the fall, and is designed to help neighborhood self-help groups acquire housing in historic districts to aid low-income residents. The Fund's awards will be comprised of equal-sized grants and below-market loans, which the neighborhood groups will have to meet with a 50-percent match.

Meantime, the Ford Foundation itself—the wealthiest foundation in the country—has targeted a major effort in the 1980s on urban poverty and the disadvantaged. Ford is one of a number of foundations with special interests in neighborhoods working to help local groups faced with shrinking government support. Others include New York Community Trust, John Hay Whitney, Gund, Cleveland, Kettering, William Penn, Dayton-Hudson, and Mott.

Elsewhere in the private sector, a numbr of imaginative efforts are underway to provide neighborhood groups with continuing access to entrepreneurial profits generated by for-profit projects.

One example is the Mott Foundation's Triangular Partnership Program, in which neighborhoods participate in economic development projects assembled by public agencies and private businesses. Mott, for example, helped a Flint, Michigan, group buy $6 million in participation in a UDAG-assisted hotel project in the city, which is expected to generate $400,000 a year to help finance a housing effort.

Another example has been proposed by Columbia, Maryland, developer James W. Rouse. He has started a new, for profit development company, called Enterprise Development Corp., **(American Cities Bldg. #710, Columbia, MD 21044, 301/730-8963, contact: Aubrey Gorman)** which will be owned by a foundation, the Enterprise Foundation; and the Foundation will use the development company's profits to aid low-income housing efforts.

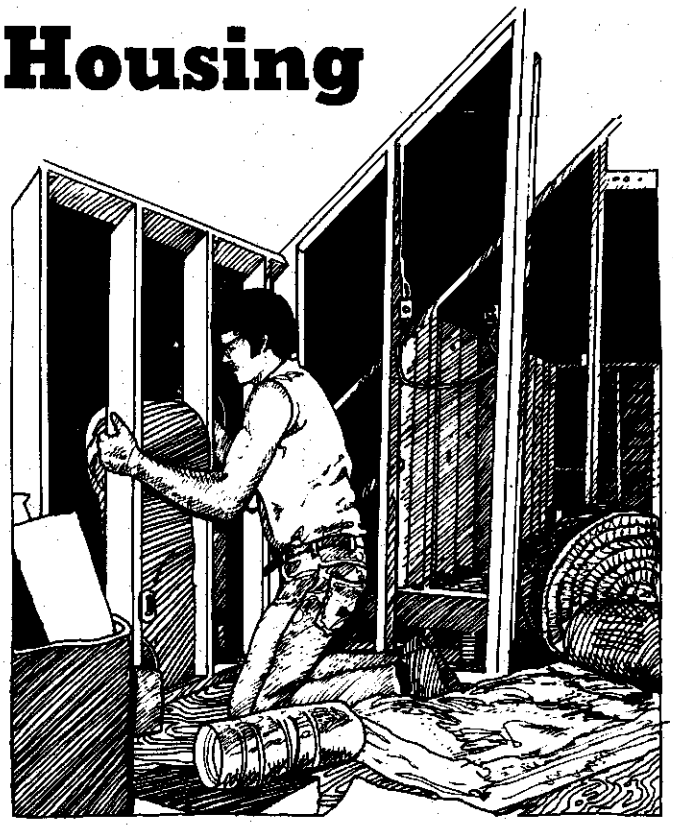
Ironically, the groups which may be in the best position to weather the transition are the smallest groups, which relied on federal funds only in incidental ways, if at all.

Rouse earlier founded the Rouse Company, from which he retired in 1980, which has developed or is building more than $2 billion in real estate projects in 11 states and Canada. Rouse's new Enterprise Development Corp. will use small local developers and provide them with technical assistance and equity aid. In return, Enterprise Development would receive up to 90 percent ownership of the project. So far, it has undertaken two projects, in Baltimore, and Norfolk, Va.

More significantly, perhaps, Rouse sees the effort as a model for other retired enterpreneurs, seeking to channel their business skills into support for philanthropic projects.

The Future for Self-Help Housing

The President's budget, and Congressional action on it to date, should be taken as fair warning that major changes are underway in federal aid for neighborhood groups. While legislative compromises may salvage some bits and pieces, the reprieves will be temporary only, and should not be interpreted as major departures from the President's main thrust.



The main thrust of the President is for less government, more self-reliance, and increased local control. The President's program could be, in fact, a charter of independence for many neighborhood groups. The key, of course, will be sustained funding from alternative sources.

CETA cutbacks expected, the most severe test for most groups will come this fall when funding for existing programs expires, and the scramble will begin in earnest for continued support from a smaller pot under different ground rules. Meantime, the search for alternative funding should not be delayed.

For most groups, the next 18 months probably will be critical. It will take that long at least for the Reagan Administration's long term view toward cities to emerge, and the resulting program to be put in place. It will take that long at least to expand existing alternative sources, and to develop new ones and make them operational.

Unless the President's popularity in Congress diminishes, there will be a transition for neighborhood groups from old ways to new. In the fight for diminishing funds, the transition could be bloody, unless groups develop new skills at working in concert, in developing coalitions, and in dealing in compromises.

Ironically, the groups which may be in the best position to weather the transition are the smallest groups, which relied on federal funds only in incidental ways, if at all.

Also positioned well may be groups whose roots run deep into their communities. For them, the budget cuts may have less impact than first appears.

"We're going to be here whether we have money and a budget, or whether we're all on unemployment like when we started," said George Ortega of Interfaith Adopt-A-Building in New York. "We're here" on the Lower East Side, he said, "because we believe in what we're doing. It's like our own little town. This is where we're at, and this is where we're going to stay."

Even if the cost goals for the solar power satellite are met, it would be less costly to generate the same power through equally efficient earth-bound photovoltaics on homes and community energy systems.

Decentralized Photovoltaics Versus the Solar Power Satellite

The information in the following article was taken from a larger report written by David Morris and John Furber for the Congressional Office of Technology Assessment.

NASA and the Department of Energy are presently considering plans for a series of huge, orbiting solar power stations to beam energy to earth 24 hours a day. The stations would use photovoltaics—sheets of finely layered silicon which convert sunlight directly into electricity—to send microwaves energy beams to precisely located earth-bound receiving stations. Even if the cost goals for the solar power satellite (SPS) are met (an unlikely event), it would be less costly to generate the same power through equally efficient earth-bound photovoltaics on homes and community energy systems. What's more, a decentralized photovoltaic system can be put into operation years earlier while providing greater flexibility to changing energy demand.

Space systems like the SPS do have some advantages. Because the SPS would be constantly exposed to the sun, it would make greater use of its solar equipment. Earth-bound photovoltaics, on the other hand, are out of commission every night. But the cost of launching a SPS is so great, it is cheaper to add batteries to earth-bound photovoltaics for night storage and add extra solar arrays to charge them.

The technology of photovoltaics is changing rapidly. Considered exotic and economically impractical just a few years ago, photovoltaic costs have dropped dramatically. Although no one can predict the future of photovoltaics with certainty, most researchers agree that they will become practical for widespread energy production within the next decade.

Given this trend, the question then becomes at what point photovoltaics become economically practical to use for a SPS or a decentralized array on the ground. NASA's own assessment of SPS cost* requires that photovoltaics cost less than 20 cents per peak watt for the SPS to successfully compete with typical electricity costs today. So in comparing the SPS to a decentralized system, we can ask ourselves, "What would happen if we took the same low-priced photovoltaic arrays and used them to build systems on the ground?"

The difference between the two equally efficient systems will be the cost of the non-photovoltaic components and installation. To find out what these costs would be for an earth-bound decentralized system, we updated figures from a study by the Congressional Office of Technology Assessment.** The resulting cost of electricity from decentralized

*See, for example, H.E. Benson, "Cost of SPS Program," (NASA Johnson Space Center, Engineering and Development Directorate) April 11, 1980.

**Office of Technology Assessment. Application of Solar Technology to Today's Energy Needs (U.S. Government Printing Office) Two Volumes, 1978

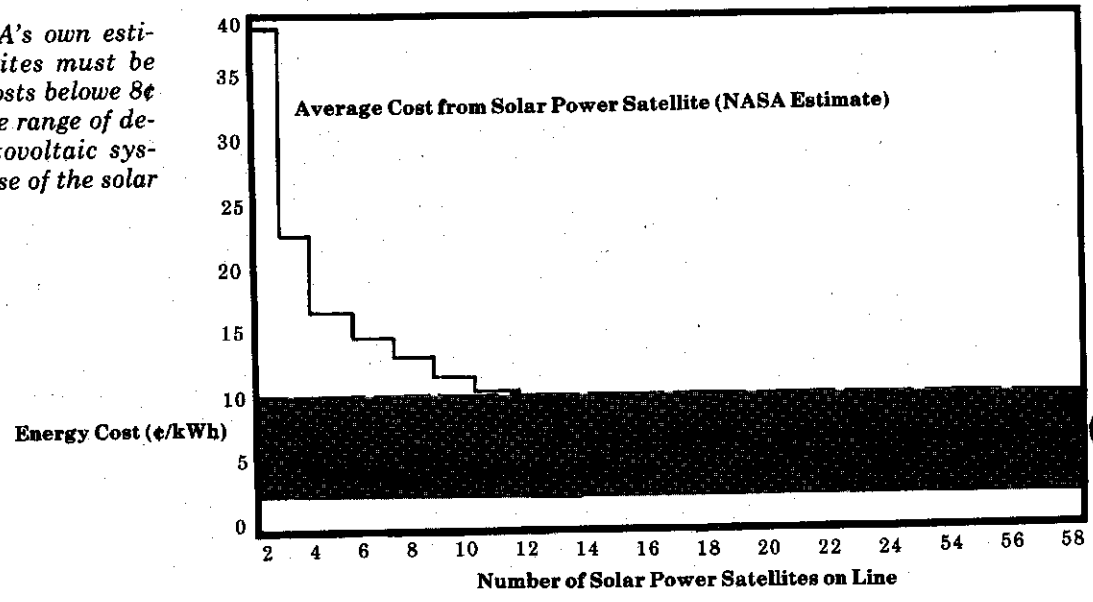


Figure 1. *According to NASA's own estimates, at least eleven satellites must be launched to achieve average costs belowe 8¢ per Kwh. Before this point, the range of decentralized earth-based photovoltaic systems is considerably below those of the solar power satellite.*

photovoltaic systems was found to be 1.5¢ to 10¢ per Kwh, depending on where the array is located and whether the system is independent or connected to a larger power grid. This is not too different from NASA's projection for electricity from a full-scale SPS program (5.5¢ per Kwh). But some important differences are worth noting.

First is the matter of size and planning. Any SPS will need a large antenna to aim the microwave energy beams it produces precisely at the earth receiving station. So the minimum satellite size for a microwave system is 5,000 MW, about the size of five large nuclear power plants. Planning to increase capacity in such large blocks, several years in advance, is much harder than gradually adding to an earth-based system, which can be changed as the need arises in a matter of days.

A related problem for the SPS is the large investment required—over $100 billion—before the first kilowatt of space power is received on earth. This doesn't count space shuttle and solar cell development costs. Because of this large investment, at least eleven satellites (55,000 MW) must be launched to achieve average costs below 8¢ per Kwh. (see figure 1). Because of the time required to develop and build all of these satellites, ground-based photovoltaic systems, which can be small and quickly installed, will be cost-competitive years earlier (see figure 2). In fact, it looks as though there will be a five to 15 year period during which the only mass market for photovoltaics will be on the ground. Does it make sense to spend massive amounts of taxpayer money on a SPS system to compete with (by then) established and cost-effective ground photovoltaic systems?

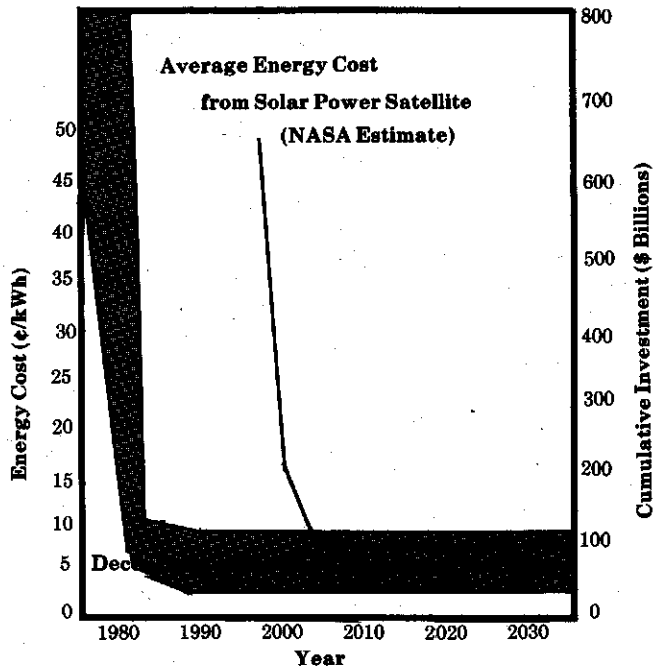


Figure 2. *Because of the time required to develop and build all the satellites needed to make them economical, ground-based photovoltaic systems, which can be small and quickly installed, will be cost-competitive years earlier. In fact, it looks as though there will be a five to 15 year period during which the only mass market for photovoltaics will be on the ground.*

Is There Enough Power for Everyone?

Cost is one important factor in comparing a SPS with a ground-based decentralized photovoltaic system. Productive capacity is another. If we choose the decentralized system, will it provide enough power to meet our needs, or will be have to cover every square inch of open space with photovoltaic panels to equal the energy generated from a SPS system? Again, given the same efficiency for ground-based systems as that projected for SPS arrays, the ground-based system is more than adequate. If homes are designed for maximum energy efficiency, the residential sector can meet all of its energy demands from rooftop photovoltaic arrays and have enough electricity left over to operate the family electric car. High rise buildings will need additional arrays installed on surrounding parking lots, or on their walls, as vertical arrays in northern latitudes can collect 50 to 75 percent of the energy that an optimally tilted array could.

In the commercial sector, the potential for energy self-reliance depends on the specific business. Among commercial buildings, the ratio of energy consumption to space available for photovoltaic arrays can vary considerably. On the average, however, a major portion of the commercial sector's energy requirements can be met by on-site photovoltaic applications. The same applies for industry. With the exception of highly energy intensive industries operating on three shifts, most industries can meet their energy needs through photovoltaics. Those that can't are likely to have cogeneration potential—producing heat and electricity from the same power source—to increase energy efficiency. In any event, industries requiring more electricity than they can usually produce on site can hook up with nearby residential and commercial pwoer producers that are likely to be generating more electricity than they need.

Interconnection, in fact, will play an important role in making ground-based photovoltaic arrays economical long before SPS systems. Through interconnecting decentrally located photovoltaic arrays, excess energy from one part of the community can be used by others. Grid-connected systems lead to greater energy efficiency and certain savings in storage systems.

Recent legislation requires utilities to interconnect with small power producers such as rooftop photovoltaic systems, and to buy excess power and provide back-up power at fair rates. The Public Utilities Regulatory Policies Act (PURPA), passed by Congress in 1978 and just now being implemented by state regulatory commissions, should boost the economic attractiveness of photovoltaic systems considerably. Not only would on-site photovoltaic systems provide energy for internal use, they would become income generators for their owners. If this happens, there may be as many as 10 million homes generating electricity by the time the first solar power satellite is scheduled to be launched.

Under PURPA, solar power satellites could even become the standard for setting prices utilities must pay to homeowners, businesses and industries producing their own power from on-site photovoltaic arrays. NASA, for example, estimates that the cost of electricity from the first SPS will be about 40 cents per kilowatt hour. The current electricity cost of decentralized photovoltaics in the Southwest is in that range. If utilities plan to use power from the SPS, their "avoided costs"—what they would save by obtaining power elsewhere—would be 40 cents per kilowatt hour. Decentralized and SPS systems would then compete directly. Considering the advantages of decentralized ground-based photovoltaics and the disadvantages of a solar power satellite, stacking the competition through massive tax subsidies for the SPS seems particularly unwise.

Progress Reports

Energy Systems and National Security

We often hear that making America "energy independent" will make us less vulnerable to any foreign power that may want to harm us. National security, in fact, is cited as one reason for boosting American energy production through nuclear and synthetic fuel plants.

Recent studies, however, indicate that these kinds of energy systems—large-scale, centralized, and requiring long-distance transportation—actually lessen our national security.

One report, prepared by the California Academy of Sciences for the U.S. Federal Emergency Management Agency, rejects the idea that building nuclear reactors improves our national security in any significant way. According to the report, nuclear power plants have the same problem as large-scale fossil fuel plants—they are both easy targets for attack. Once crippled or destroyed, these plants also are difficult to replace and leave large areas without power.

From a national security viewpoint, decentralized energy planning makes far better sense. According to the report, the essential attraction of renewable energy technologies is not their ecological balance but their dispersed and decentralized structure. The report concluded that, 1) national policies and goals should incorporate decentralized and renewable energy supplies into our current inadequate contingency planning for energy emergencies, and 2) many of our current self-sufficiency programs (synfuels, strategic petroleum reserve) are highly centralized, thus highly vulnerable, and would be improved by stressing dispersed local approaches. Copies of the full report are $24.50 from: **National Technical Information Service, 5285 Port Royal Road, Springfield VA 22161, 703-557-4650.**

Another report, prepared by the Energy and National Security Project at Ohio State University, has come to the same general conclusion. "Greater centralization and concentration of electric power generators," wrote one project author, "will probably mean increased concentrations of industry, commerce and population. From the standpoint of civil preparedness, concentration of industry, energy facilities and people increase the vulnerability of a nation to attack." For more information on the Energy and National Security Project, contact: **Dr. Timothy King, 201 Oxley Hall, 1712 Neil Avenue, Columbus OH 43210, 614/422-9701.**

An article in *Public Power* (January-February 1981), comparing large-scale and small-scale alcohol fuel plants also discussed the national security issue. Writes author William Holmberg, "In the event of a serious curtailment of oil imports, or a major natural or man-caused disaster, an extensive and dispersed alcohol-fuels production capacity will be of critical importance in providing fuel for farm equipment, thereby permitting continued agricultural production and distribution. These combined systems will also ensure the availability of high-grade liquid fuels to plant and harvest crops and transport them to the urban marketplaces. Further, by having alcohol immediately available to rural communities and farm areas, more gasoline and diesel would be released to meet critical, non-agricultural needs." A limited number of free copies of the larger article are available from: **American Public Power Association, Suite 212, 2600 Virginia Avenue NW, Washington DC 20037, 202/342-7200.**

The strategic advantage of a decentralized energy base in non-nuclear warfare was demonstrated during World War II. Japan, for example, suffered destruction of 20 percent of its electric generating capacity, almost exactly the proportion embodied in the large fossil fuel plants it used at the time. By contrast, the 80 percent of Japanese electricity supplied by small hydro was untouched, the hydro plants being "so numerous, small and inaccessible that their destruction would be impractical, if not impossible," according to an Allied bombing survey.

In Europe, additional German bombs targeted on British energy centers could have had a decisive impact on the outcome of World War II. Leslie Hannah, in a 1979 book on British electric supply, Baltimore MD, $28.50) quotes the chief engineer of Germany's largest utility on the same point: "The war would have finished two years sooner if you (the Allies) had concentrated on bombing of our power plants earlier . . . Without our public utility power plants we could not have run our factories and produced war materials."

Putting It All Together In Ithaca

Staff at the Institute are often asked, "Which communities are doing the most to promote local self-reliance?" Easily one of the most active is Ithaca, New York, a city of 28,000 in largely rural Tomkins County. The area boasts two food coops, a credit union with 540 members and a half million dollars in deposits, a federation of worker-managed businesses, a citizen's environmental group, curbside recycling, a group promoting locally-grown food and a community energy network. Plans are underway for a barter network and land cooperatives.

The focus for most of this activity is the Community Self-Reliance Center. Founded in 1978, the Center now has 200 dues-paying members, an office in downtown Ithaca and a paid (part-time) coordinator. Some projects, like the curbside recycling program and the solar and conservation workshops, are run by the Center itself.

The Center got involved in recycling through its coordinator Dan Hoffman, who was chosen to chair a recycling task force created by Ithaca's mayor. The first results of the task force are curbside pick-ups on glass, newspaper, cardboard and aluminum in two Ithaca neighborhoods. Run by volunteers, the curbside pick-ups are already producing enough income to pay for trucks and education outreach.

Other projects, such as the credit union and food coop, are independent from the center, but closely tied in terms of staff and members. A new project is the Center for Local Food and Agriculture. This group has surveyed county agriculture and investigated food buying patterns with the goal of encouraging local food production and consumption. The group also provides information on financing for beginning farmers, solar greenhouses, composting, biological control of pests, food coops and farmer's markets and food storage. Now working out of an office at Cornell University, the group may move to office space at the Community Self-Reliance Center.

Some projects, like the citizen's environmental group Ecology Action, have no formal connection to the Center, but receive publicity for their work through the Center's excellent newsletter **Sprouts** ($3.50 for ten issues). Ecology Action tackles more controversial issues which the Center tends to avoid, such as anti-nuclear and toxic waste organizing. Ecology Action also takes stands on local elections and occasionally fields candidates, another type of organizing which the Center does not pursue.

The Center's funding base is varied. Money comes from membership dues, fundraising events like dinners and dances, advertisements in **Sprouts**, renting of office space to other community groups, occasional fees for workshops, and rental of a rototiller. In addition, the Center receives a yearly fee from a Cornell University student association for services provided to Cornell students.

Along with Cornell, Ithaca is the home of Ithaca College and a two-year college, bringing about 20,000 students to the city each year and making education the town's main industry. In some ways, this has made the Center's work easier, but high turnover among volunteers has also created problems. The Center directs its projects to permanent, non-student Ithaca resident, but has so far had a hard time getting beyond an educated, upper-middle class audience. For more information on the Center, contact: **Community Self-Reliance Center, 140 West State Street, Ithaca NY 14850, 607/272-3040.**

Cogeneration Planned for Seven Row Houses

Seven row houses in a Brooklyn neighborhood will be outfitted with a single gas-fired cogenerator which will provide both heat and electricity to the homes. The project is probably the smallest residential cogeneration application in New York City.

The seven houses will also be well-insulated and furnished with solar collectors to reduce the size of the cogeneration unit required. The unit will be located in the backyard of one of the homes.

The project is being designed by the Center for the Biology of Natural Systems, headed by Dr. Barry Commoner. Working with Commoner is the Brooklyn 17th Street Association, a community group.

Energy output from the cogenerator will remain fairly constant, while energy demand by the seven homes will vary considerably over the course of a year. As a result, the success of the project depends in large part on the cooperation of Consolidated Edison, New York City's largest electric utility. Con Ed must agree to provide back-up power at reasonable cost and to purchase excess power from the cogenerator at a fair price. So far, Con Edison has discouraged small cogenerators, but Commoner hopes that state government officials will force Con Ed to be cooperative.

For more information on the project, contact: **Center for the Biology of Natural Systems, Queens College, Flushing NY 11367, 212/520-7770.**

When writing to any of the contacts mentioned in SELF-RELIANCE, please send a self-addressed stamped envelope. It will speed the reply and will save these folks some money.

Using Special Districts to Build Gra

(Continued from page 1)

districts that primarily serve agricultural interests at public expense to road districts that similarly make mining possible in formerly inaccessible areas.

But the weaknesses and failures of special districts, as a class of governmment, are not inherent. Under different circumstances, special districts can be a remarkably progressive tool. Consider how a special district could be used by one umbrella organization in Baltimore, in a district that has several dozen neighborhood and related groups, serving mostly residential areas of about 50,000. There's an old shopping strip on a main six-lane road; and in recent years, because of the newer shopping centers, the older retailers have been losing business. The result has been too many business failures, unrented storefronts, fewer convenient neighborhood shopping places, and unchecked deterioration of the buildings as vacancies grow longer and longer. A big part of the problem is that the newer retail centers have great expanses of off-street, no cost-parking, conveniently located around the shopping area. In contrast, parking in the older strip development, when it's to be found, requires parallel maneuvering, sometimes in heavy traffic, and meter-watching to avoid being ticketed.

It's apparent that one renewal plan worth considering would include building a combined parking structure and retail shopping center (given that there's not enough adjacent property for ground-level spaces). To explore that option would mean answering questions about how the structure could be financed, who would own, manage, and operate it, and who would reap whatever profits accrued. What organizational model would allow the community to leverage the necessary capital and keep neighborhood control? Special districts have in fact been used for such purposes before, although doubtlessly not by grassroots interests.

The most likely method for creating a neighborhood special district would be the same as how most other special districts are created. In the Baltimore case, the sponsoring neighborhood organization would ask its state legislature to draw up a bill. Their legislative proposal would likely stipulate that the district could construct, own, manage an operate the parking-shopping structure, with financing initially by revenue bonds, repaid through minimal user fees. The proposal would also include limited taxing, eminent domain, and police powers.

The proposed decision-making arrangement would probably not be a corporate board of directors. Instead, decision-making would correspond as nearly as possible to the governing body of the neighborhood organization or one of its member associations. Once the district is formed and operating successfully, the legislature may be asked to authorize a popular assembly, giving decision-making authority directly to all registered voters within the district's boundaries.

Other Uses for Special Districts

Several other kinds of special districts can be quickly adapted by neighborhoods. Since special districts have already built and run hospitals, power-generating utilities, libraries and similar facilities, likely scenarios for their future use by democratically governed neighborhood organizations unquestionably include comparable activities such as neighborhood health care and solar power generation. One of the most exciting prospects for neighborhood special districts in the immediate future is "downlink" communications—receiving satellite broadcasts of commercial-free TV and computer data through relatively low-cost antennas, receivers and amplifiers. It is now economically practical for a neighborhood to own its own receiving and cable or microwave distribution system. Present costs, when amortized, make such a plan at least as economical as buying service from commercial cable operators. In many cities, organizing a special district to finance and operate a downlink system would enable grassroots capitalization and control.

Special districts may be the best route to securing permanent public power at the grassroots level that so far has eluded most community organizing.

Given the power and potential of special districts, how do we know they won't be used for reactionary purposes if we promote them? The problem is that it's too late for that worry. The number of districts already set up and working against the public interest is sizable. We'd do better asking whether it isn't about time for the public powers of special districts to be working for grassroots interests.

Grassroots organizations ought to oppose the formation of special districts by reactionary or profit-making interests, but still support the basic idea of citizen access to public powers—and there's no contradiction in that. It's similar to a community group's use of incorporation. There's an endless list of corporations that ignore the public interest, but no one is suggesting that we abolish the limited liability benefits of incorporation for political action and social service organizations.

But even if grassroots organizations can productively use special district powers, would one result be a shift in responsibility for providing public services, so that an increasingly larger burden will fall on neighborhoods, and particularly on those most in need? The question taps into several "decentralization dilemmas."

There are a number of concerns about empowering small communities. The question is whether there's a conflict between equal treatment and social justice—equality versus equity—in the granting of public powers to neighborhood organizations. The problem can be seen by imagining a city overlaid with such organizations. If resources are equally accessible to and divided among all of the jurisdictions, there may be equal treatment, but without social justice for the special needs of low-income, ethnic, and non-white areas. There's also a concern that decentralization may be a smokescreen by some racially or ethnically exclusive neighborhoods, further blocking the already-stalled drive for in-

sroots Public Power

tegration. And there's a fear that "neighborhoodization" will simply lead to abandonment of the "have-nots" by the "haves."

It may be that, when many grassroots organizations in an urban area have public powers, resources will be divided among neighborhoods more on an equality than equity formula, on a per capita rather than a need basis. But since local government appropriations are far from equitable at present, except in state- and federally-mandated programs, the loss is likely to be imperceptible. Also, where local reactionary tendencies threaten equity, there are some remedies in state and federal programs, and their enforcement and regulatory activities. These protections are contracting now; but this is neither the first, nor will it be a permanent era of reaction. And although public powers won't bring about any instant changes for victimized neighborhoods, gaining authentic state power—from which they are acutely alienated at present—is hardly a setback.

There have been predictions that with grants of public powers to neighborhood organizations citywide, areas with resources (tax bases) will secede, leaving the rest to fend for themselves. This idea is based on a limited and unrealistic conception of urban government as completely centralized or decentralized, rather than a mix between the two. There's nothing to suggest, nor does common sense have one hope, that as grassroots organizations achieve public powers, there will be an end to all higher levels of government—city, county, state, and Federal. They'll continue, and it isn't possible to secede from their lawmaking authority, particularly their taxing, regulatory, and judicial powers.

Also overlooked is that, within the urban policital-economy, the link between luxurious and impoverished neighborhoods is more like exploitation than charitable benevolence, barely camoflaged by local transfers from rich to poor. If they seceded, many or maybe most low-income neighborhoods could benefit, winning for themselves the right to manage their own development, even at great cost, without the permanent handicap of "civilizing exploitation" by

There is no reason why neighborhoods couldn't use special districts to control their own productive enterprises.

powerful outside interests. It's even more true when such areas have public powers and are elibigle for direct intergovernmental subsidies. Then they are at least no longer hamstrung by city and county brokering of state and federal programs.

But there's a positive answer to predictions of more isolation from neighborhood empowerment. Unlike the present situation, in which bureaucratic governments deny public space to virtually everyone with a low or moderate income, public powers vested in neighborhood organizations would stimulate, as never before, real opportunities for self-interested cooperation between different racial, ethnic, and socio-economic communities. There are great pressures for formal and informal service and mutual aid agreements in such systems, for purchasing high-cost equipment, sharing technical staff, and much more. In the cities as they are, neighborhoods often meet only in destructive competition or conflict. While both are going to continue, granting public powers to grassroots organizations will lead to compelling incentives for cooperative joint ventures in the future.

Who Will Pay for Special Districts?

The sleeper question on special districts is, will they add to the economic burden of families with low and moderate incomes, increasing their tax load, even if admittedly by their own choice? The answer is, "maybe, but . . ."

First of all, special districts need not rely only on taxes or user fees. One of their biggest advantages is that they have the resource leverage of public organizations. As mentioned before, districts have a better chance to attract investors because they can sell securities that pay tax-free interest. The districts are eligible for transfers from local, state and federal governments for a vareity of programs and services. And the districts can bootstrap resources by using their other public powers. The Bay Area Rapid Transit District

Two-thirds of all governments in the United States, numbering nearly 24,000, are special districts.

in Northern California, for instance, was able to get valuable equity in "property" for its stations, acquiring air space over city streets, thereby gaining at no cost what probably couldn't be purchased privately at any price.

The possibility of adding to the tax burden is also offset by a function of taxing power that's well understood by urban political-economists, but hardly recognized by grassroots organizers. Much of the "apathy of the poor" toward neighborhood organizations results partly because, from the individual point of view, people are acting in their own self-interest. It's inescapable in producing what are called "public goods" (and bads). They are the products of government for which people have attractions and aversions, including material things and intangible benefits, from garbage collection to zoning decisions, all with benefits or costs. When citizens act in their immediate self-interest, they don't join neighborhood organizations because, from where they stand as individuals, the neighborhood will enjoy the benefits of the public good whether or not they carry their fare share of the burden of costs. That's why government power to tax—to compel all citizens to carry their share for producing public goods or preventing and remedying public bads—is indispensable.

Moreover, to ignore the sanctioning purpose of taxation is to play into the hands of traditional opponents to neighborhood empowerment—the city and county politicians and bureaucrats. They're always saying that neighborhoods should help themselves, should do for themselves what

(Continued on page 12)

Notes

Only an unreconstructed optimist would propose new school programs to today's budget-cutting local governments. But the urban farming project described in *Bringing Home the Bacon* is worth a look. Rancho Vejar is a farm where Santa Barbara County, California students, mostly between the ages of seven and 12, learn to grow food and raise small animals. A 36-page booklet makes a good case for the educational value of this experience, and briefly describes how the farm is run, including some examples of lesson plans. Also included are references to books on urban agriculture and education for those who may want to organize a similar program. There are few details on costs, but one can assume such a project isn't cheap. Copies of *Bringing Home the Bacon* are $2.50 from: **Rancho Vejar, 37 Mountain Drive, Santa Barbara CA 93103, 805/966-4795.**

Earth Metabolic Designs, Inc. is one of many research and consulting groups specializing in renewable energy systems. But in our experience, EMD is one of the best in the business. In addition to research and consulting, EMD offers a number of publications, planning aids, films and special materials. Three books we particularly like are *Planning and Diversity* ($11.50), a critique of present energy forecasting and planning; *On Site Generation* ($15), a workbook for assessing the potential of various alternative energy sources; and *Decentralizing Electrical Production* (soon to be released), a discussion of the technical, philosophical and policy issues in decentralizing the production of electricity. For a complete publications list, contact: **EMD, Box 2016, Yale Station, New Haven CT 06520, 203/776-4921.**

Increasing attention is being given to the effect of military spending on local communities. Far from being an economic boon, military spending diverts massive amounts of capital that could go to other uses and provides few jobs in return. Two new manuals on military spending cover this point and others in making the case against the Reagan Administration's budget increases for the Department of Defense. *Military Budget Manual: How to Cut Arms Spending Without Harming National Security*, is a well-footnoted 23-page booklet that makes a good reference work when you need to cite a study that proves your point. Copies are $1.50 each (bulk rates available) from: **SANE, 514 C Street NE, Washington DC 20002, 202/546-7100.** *Bombs Away: A Primer on Defense Spending and National Security* covers much of the same ground as the *Military Budget Manual* But its format is geared towards those who don't already share a healthy skepticism about unlimited military spending. This 20-page booklet presents six myths about defense spending and then refutes each one, most rather convincingly. Also included is an alternative military budget that emphasizes true defense and military flexibility (and makes the point that one isn't necessarily against military preparedness when criticizing current military policies). Many illustrations and political cartoons help make this booklet extremely easy to read. Copies are $1.25 each (bulk rates available) from: **Traprock Peace Center, Keets Rd., Deerfield MA 01342, 413/773-7427.**

***Managing Money and Keeping Records* is the latest in a series of publications** by the Urban Homesteading Assistance Board for tenants who manage their own buildings. Included in this 79-page booklet are sample ledgers and information on collecting rents, paying bills and writing checks, bank accounts, cash flow records and various monthly reporting forms. Copies are $6. For a complete list of the series, contact UHAB at: **1047 Amsterdam Avenue, New York NY 10025, 212/749-0602.**

Special Districts for Neighborhood Government

(Continued from page 11)

they're asking the city and county to do. But local officialdom doesn't dream of granting the necessary taxing and other public powers to neighborhoods, the very same powers the politicians and bureaucrats regard as absolutely essential to their efforts at producing public goods.

The deepest motive for vesting taxing power in grassroots organizations is that it's the most promising way for large numbers of moderate- and low-income citizens to gain an authentic power level—a handle that can't be resisted—on higher levels of government. Organized tax resistance for residence-place organizing, like the strike for workplace organizing, is the ultimate power lever. The hitch in using these levers, however, is that risks are great for those involved, whether resisting taxes or striking, and what's needed is organization that not only motivates individuals to act, but also reduces individual vulnerability. The final point here is that, before large numbers of organized citizens will use the tax resistance lever, there must be permanent and legitimate organization to offset the risks. It's unlikely that there's any better model for this purpose than the special district with taxing authority.

The main point in creating neighborhood controlled special districts is to create directly-democratic public organizations, popular assemblies that give people space to act as citizens by granting them permanent roles through which they can exercise public powers. But these organizations are not in themselves the answers to our problems, only the means to the answers when owned by communites that are well organized and mobilized for action.

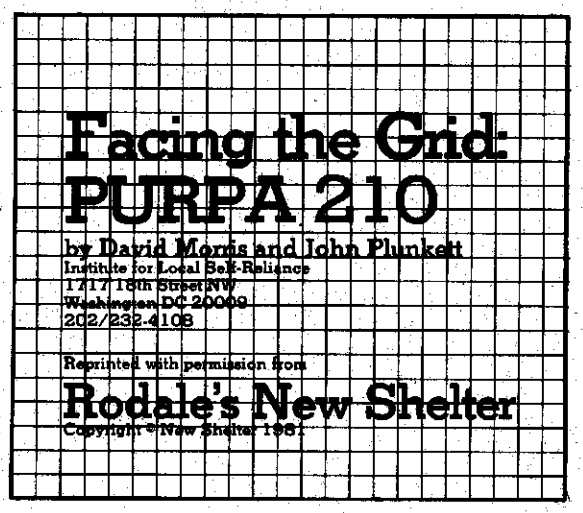
We have in this country a legal framework and historical political practice of organizing special districts, giving us access to a nearly ideal model for neighborhoods to gain public powers. Thousands of districts have already been established, far too many by the wrong people for the wrong reason. Now it's our turn.

Probably the two biggest challenges for local organizations are effective fundraising and membership recruitment. While there are dozens of guides to fundraising, little has been written about organization membership. *The Membership Recruiting Manual* helps fill the gap with information on recruiting techniques such as direct mail, canvassing, advertising and public events. Copies of this 96-page booklet are $10 from: **Northern Rockies Action Group, 9 Placer Street, Helena MT 59601, 406/442-6615.**

The California Institute for Rural Studies has just published a handbook entitled *Research for Action: A Guidebook to Public Records Investigation for Community Activists.* The book includes chapters on real estate, disclosure reports filed by businesses, and financial holdings of public officials. Featured are detailed case study descriptions of several recent controversies and the role of investigative research in each. The case studies presented include reproductions of the actual documents uncovered as well as as instruction on how to use public records systems to find such materials. One chapter of the guidebook gives step-by-step instructions on how to investigate a corporation and includes, for each step of the process, the name of the government record-keeping agency to contact, as well as possible approaches if a record you need is not available. The 100-page handbook costs $8.75 postpaid and is available from: **California Institute for Rural Studies, Box 530, Davis CA 95616, 916/756-6555.**

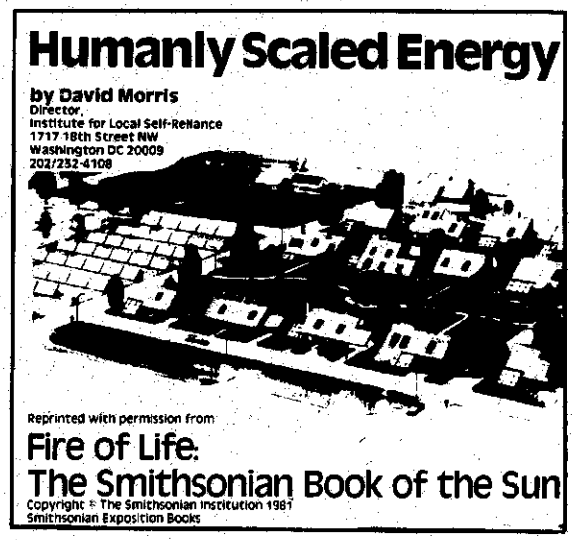
Probably the best source on wind energy for the layman is *Common Sense Wind Energy.* This well-designed 69-page booklet is filled with good illustrations and solid information presented in a direct and readable way. Even the graphs and equations are easy to understand. This first-rate booklet is free to California residents and $3.50 to all others from: **California Office of Appropriate Technology, 1600 Ninth Street, Sacramento CA 95814, 916/445-1803.**

Free Reprints For Self-Reliance Subscribers



Facing the Grid: PURPA 210 originally appeared in **Rodale's New Shelter** magazine. A succinct summary of the law which promotes small power production and which could lead to dramatic new relationships between utilities and communities.

Humanly Scaled Energy, by David Morris, is reprinted from **Fire of Life: The Smithsonian Book of the Sun.** This case for decentralized energy systems includes several color illustrations of what such a system could look like.



New Publication from ILSR

Promoting Small Power Production explains how you can take advantage of a new law requiring utilities to purchase electricity at favorable rates from small power producers. The law, called the Public Utility Regulatory Policy Act (PURPA), could encourage the use small-scale renewable energy sources. Even if you a not planning a small-scale power project yourself, this booklet will help you make sure that your state utility commission effectively implements the Act's provisions.

1981 26 pages $3.75 postpaid

Off the Shelf

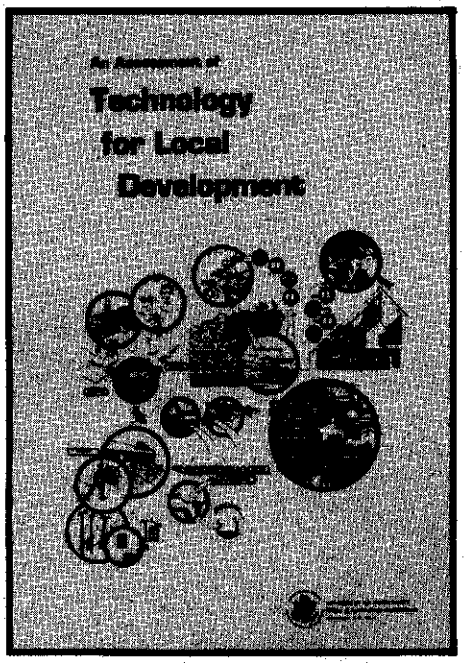
The Office of Technology Assessment
Technology for Local Development
1981 250 pp. $5.50
Government Printing Office
052-003- 007970-5

It's nice to know that a respected branch of the federal government like the U.S. Congressional Office of Technology Assessment has such good things to say about alternative technology and its potential for local economic development. **An Assessment of Technology for Local Development** brings together a considerable amount of information on solar housing, small-scale food production, waste recycling and community-based health care. The report was prepared with the help of many people who are leaders in the fields examined. Their concerns are reflected throughout.

Unfortunately, the report also overlooks many tough questions. It is important to build a case for community-based alternative technology and to document examples that work. The OTA report does this very well. But beyond this, we need to study how well the alternative technologies we care about challenge present systems, and to what extent alternative technology helps create new systems to replace present ones. Here, the OTA report (and many others on alternative technology) falls short.

The OTA section on direct marketing is a good case in point. The usual information is there: the need for an alternative, (plight of small farmers, high food costs) the advantages of the alternative, (better deal for both farmers and consumers, local control, better food), a strategy for making the alternative work (new laws and regulations), and case studies presenting both strengths and weaknesses found in actual projects. OTA is very positive about direct marketing, but one point, raised and dropped in a single paragraph, seemingly contradicts all the rest: "The farmers' market," OTA says, "represents only a minor economic threat to local wholesalers and mass-distribution retail outlets."

If this is true, then OTA is really talking about two different things—direct marketing in principle (worthwhile, should be encouraged) and direct marketing in practice (insignificant, at least on a national scale). Unfortunately, the report does not explain why it believes direct marketing will have little effect on current food distribution patterns. But few specifics are offered on the positive side either. We are told that less than 15 percent of American food now produced is directly marketed, but nothing about how much that figure could be increased. We are told "many" vegetables grown only in California can be locally grown, but not how many and at what cost. When specific figures are cited, they seem less than reliable. We are told, for example, that shipping 8,000 truckloads of lettuce from California to New York during the 1978 growing season consumed six million gallons of diesel fuel and added 15 cents to the price of each head of lettuce. Had the lettuce been grown within 200 miles of New York City, the report concludes, 130,000 barrels of oil would have been saved and consumers would have saved 14 cents per head of lettuce. This assumes, however, that all other factors are equal. But can 8,000 truckloads of lettuce be grown as cheaply within 200 miles of New York City as they can in California, accounting for differences in land prices, soil and weather conditions and labor costs? The question is not explored.



We need to study how well the alternative technologies we care about challenge present systems, and to what extent alternative technology helps create new systems to replace present ones.

Other potential problems with direct marketing also remain untouched. Direct marketing advocates often tell New Englanders, for example, that their region was once virtually self-sufficient in food production. Usually left unsaid, however, is that our great-grandparents ate very few of the foods we now take for granted. Similarly, produce uniformity and appearance may mean little to you or me, but to most people, they are important. How will consumer preferences be changed? And who will make sure that food is fit to eat and properly weighed, and that sellers will be accountable to consumers? These questions must be considered if direct markets are to number in the tens of thousands, instead of just a few hundred.

The same kind of problem—a contradiction between the information presented and the conclusions drawn—appears in other sections of the OTA report. Solar greenhouses are touted as significant food producers. Yet, as strict food producers, the projects described by OTA have either been failures or inconclusive in their results. Social services in community greenhouses, such as workshops on food growing techniques and senior citizen activities, are highly praised, but the report adds that, "There has been no study of whether this kind of project is the most cost-effective way to deliver those services."

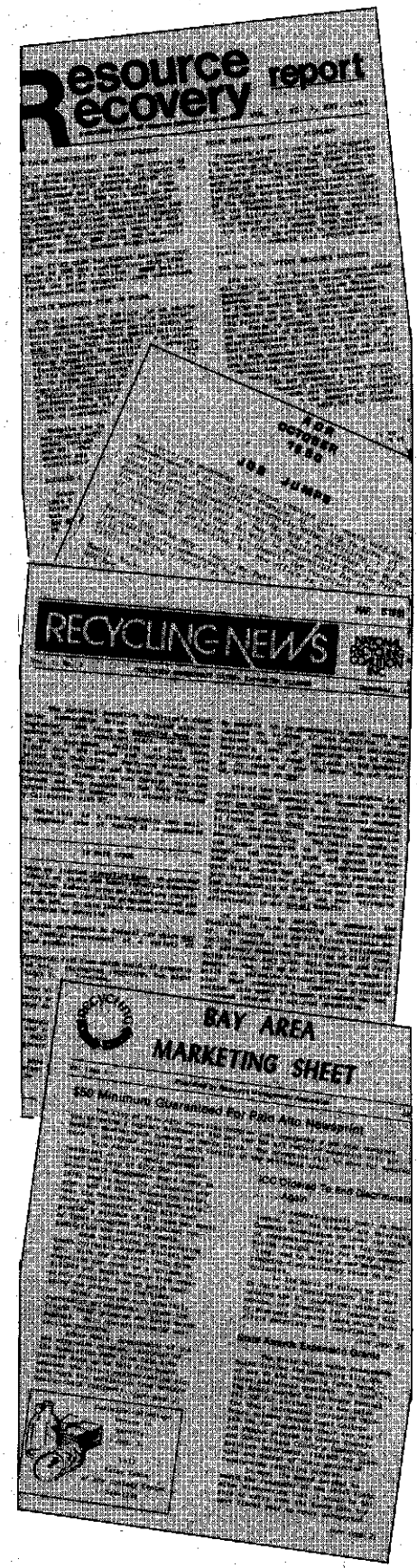
In the small farms section, two demonstration projects are praised for developing energy-saving farm technology that could be used by a large number of farmers. But the results of the research in one project are said to be "not yet widely available" while factors in the second project are so variable that, ac-

(Continued on page 15)

Community and industry newsletters are the surest and best way to keep up with the rapidly changing developments in local and national recycling. There are many to choose from (for a bibliography of waste recycling newsletters, send $1 to ILSR). Four of the best are reviewed here.

Without question the monthly newsletter of the Association of Oregon Recyclers is the most comprehensive. It covers national developments, with short, sometimes humorous notices on federal laws and industry happenings, including addresses for those seeking more information. More attention is paid to Oregon events, but out-of-staters should benefit because Oregon is ahead of most states on organizational issues, market development and state legislation. For example, AOR newsletter's coverage of the franchise battle between private haulers and recyclers has allowed citizen recyclers across the country prepare for a more harmonious transition to curbside pickup. To get the *AOR Newsletter* send $5 to: **1615 N.W. 23rd St., Suite One, Portland, OR 97210.**

Recyclers will have to pay $48 a year to receive *Resource Recovery Report* **(1707 H St. NW, Washington DC 20006)** put out monthly by recycling veteran Frank McManus. RRR provides state-by-state briefs on resource recovery activities. Technology, new companies and federal hearings are covered in detail. RRR is oriented toward waste-to-energy technology but provides good coverage of recycling, including composting. Community-based recyclers may want their state or city recycling association to share a subscription so that they can benefit from the same information received by high priced consultants. Up-to-date knowledge of waste-to-energy success and failure could be important in public hearings evaluating a resource recovery project.



The Bay Area Market Sheet provides a monthly market listing of recyclable commodities in the San Francisco Bay Area. This won't be much help to recyclers seeking the latest quotes in their area. But it does help recycling operations with long-term commitments gauge the direction of the market in preparation for negotiating new contracts. The sheet complements these numbers with longer, sophisticated analysis of plastic, glass, oil and other materials, as well as analysis of curbside, buy-back and drop-off strategies. The sheet is put out by **Resource Management Associates, 206 Professional Bldg., El Cerrito Plaza, El Cerrito CA 94530,** a group of community based recyclers also working as consultants. It costs $85 for 12 issues.

Recycling News is a recent addition to the recycling newsletter arena. It is the official voice of the National Recycling Coalition, operating since 1977 and joined recently by the Ad Hoc Committee for a National Recycling Policy, which sponsored the First National Recycling Congress in Fresno, 1980. *Recycling News* covers national issues including federal procurement policies, DOE waste-to-energy technology subsidies and, of course, the regional recycling meetings leading up to the Annual Recycling Congress. The newsletter is available to all members. Write to: **NRC, 45 Rockefeller Plaza, Room 2350, NY, NY 10111** for more information.

—Neil Seldman

• OTA Review

cording to OTA, "it would be difficult to establish concusively that the economimc viability and energy vulnerability of these farms have been significantly affected, let alone that the results can be applied to small farms in other regions of the United States." The report also says both demonstration projects have had considerable difficulty in getting farmers, even in their own area, to pick up on their work. Not very encouraging.

OTA covers its tracks by saying that its report is an "exploratory study" and "not intended to be comprehensive." Too many studies in appropriate technology carry this kind of caveat. It is time to dig deeper. We have to study how the alternatives we support can replace economic institutions, not just offer interesting alternatives. And that means systems that work for millions, not just a few hundred.

Notes

The definitive work on energy cooperatives has just been published by the Conference on Alternative State and Local Policies. **Community Energy Cooperatives: An Organizer's Handbook** is 312 pages thick and covers just about everything there is to know on the subject. A wide variety of energy cooperatives are discussed, including bulk fuel purchasing, boiler maintenance and repair, weatherization and energy conservation, energy auditing, leasing and installation of alternative energy systems, and energy production. There are separate chapters on organizing, business concerns such as incorporation, taxes and membership, financing, and marketing. A lengthy section on dealing with the National Cooperative Bank may become quickly outdated if the Reagan Administration succeeds in eliminating the Bank or in drastically cutting back its budget. Copies are $7.65 postpaid from: **Conference, 2000 Florida Avenue NW, Washington DC 20009, 202/387-6030.**

Downtown Soldiers Grove, Wisconsin, originally built on a floodplain of the Kickapoo River, is being rebuilt on higher ground with an emphasis on solar energy. Commercial buildings, in fact, are now required by city ordinance to be highly weatherized and to collect half their heating energy from the sun. Soldiers Grove is small and received considerable federal assistance in relocating, so the project is not easily replicated. But *The Making of a Solar Village*, a booklet on the Soldiers Grove experience, emphasizes the planning and community education that must go into any solar project. Copies of the 45-page booklet are $1 from: **Wisconsin Energy Extension Service, 435 Extension Building, 432 North Lake Street, Madison WI 53706, 608/263-1662.**

The Institute for Community Economics (ICE) has reorganized after a year of financial and program difficulties. New projects are underway in both urban and rural land trusts, cooperative housing and technical resources to community groups. To get on the ICE mailing list, contact: **Chuck Matthei, 120 Boylston Street, Boston MA 02116, 617/542-1058.**

Local food strategies should include more than community gardens and farmer's markets to be effective. A community food education program can publicize the advantages of eating locally grown foods and counter corporate propaganda on food. *The Community Food Education Handbook* explains how to organize such a project, including information on materials to use, funding, training staff people, involving schools and publicity. More than a dozen existing programs are described. Copies of the 64-page booklet are $5.50 postpaid from: **Cooperative Food Education Program, 2606 Westwood Drive, Nashville TN 37204, 615/297-4088.**

A national directory of community garden programs is being compiled by Gardens For All. The directory will aid the news media, government agencies and individuals looking for detailed information on community gardening in specific areas and will help various programs communicate with each other. If you know of a gardening program, particularly a new or small program that is likely to be overlooked, help make the directory more complete by contacting: **Gardens For All, 180 Flynn Avenue, Burlington VT 05401, 802/863-1308.**

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