

An exploration of REconomy by 5 national Transition hubs

REconomy Project

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by 5 national Transition hubs**

Sep 2013 - Jun 2014

Belgium (Wallonie-Bruxelles)

Croatia

Italy

Latvia

Netherlands



"This experiment is of great value for us and everyone, I don't know of any other organisations that work in this way, it's what makes Transition special and it's why I do this work - we are changing the way we find solutions to problems! It's been an incredible opportunity for us." Cristiano Bottone, Italy.

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Background

In October 2013, the Transition national hubs of Belgium ([Reséau Transition Wallonie-Bruxelles](#)), [Croatia](#), [Italy](#), [Latvia](#) and the [Netherlands](#) joined forces with the [UK's REconomy Project](#) to explore what REconomy might look like in each country. Find out [more background to this project here](#).

Each participant agreed to produce a high level proposal exploring how a REconomy type project might be initiated in each country. They also staged a regional or national REconomy event to elicit input from a range of Transitioners, and similar organisations. Each hub also found at least 5 examples of Transition-oriented enterprises relevant for their country, and created a small report.

We hoped this approach would: (a) help each of the hubs begin to create a viable strategic approach for REconomy, which can also be used in funding bids; (b) build a peer support group to help us shape and deliver our plans; and (c) give insight into common themes, as well as differences, at the national level such that the Transition Network can better support the work of the hubs. We are delighted with the results.

Here is a summary of our outputs and our learning, which we hope will be useful to other national hubs interested in REconomy.

National context

5 things to know about the Italian context

1. Italy is a diverse country with extreme differences between North and South and many local idiosyncrasies - overall the economic situation is continuously, progressively worsening, there's over 40% youth unemployment.
2. Middle-class income levels are decreasing, with a cascade effect on consumption which is eroding, above all, the small and local business.
3. All levels of government are suffering shrinking revenues. The EU's Stability and Growth Pact has an amplifying effect, even 'healthy' administrations are barred from accessing resources.
4. Italy's highly complex and inefficient regulatory system, appears apparently designed to make substantial reforms difficult, if not downright impossible, at least in the short term.
5. The presence of a strong organized crime network, with considerable financial powers, is all-too-often capable of interfering with the distribution of public and private resources.



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Their [Ri.economy](#) idea is based on the realization that every local community can and should imagine and create, on a case-by-case basis, processes and actions leading to a re-organization of the local economy. Such a re-organization should be based on new and different criteria from those governing the economy today, thereby embodying a practical response to the current crisis and to the problems which afflict our Country.

Aim: Transition Italia (TI) intends to support Ri.economy in Italy by enabling local Transition Initiatives —and local communities in general— to set in motion local economic re-organization processes.

5 things to know about the Belgian context

1. Belgium, with its 11M inhabitants (25% not native), is considered to be one of the more dynamic and wealthier countries of the European Union. 60% speak Dutch, the rest French.
2. But economic growth and foreign direct investment dropped in 2008, the forecasted growth rate is close to stagnation (or below); public debt-to-GDP ratio increased from 84.2% in 2008 to 99.8% in 2013, and unemployment increased from 7% to 8.5% during 2013.
3. The rest of the country is facing important challenges both demographic and economic. There is a divide with the Flemish North having higher employment than the Walloon South.
4. The Walloon government is taking important (growth-oriented) steps to attract new industries such as IT and biotechnology to stimulate growth and generate new jobs.
5. But it's the greater Brussels area and a few other prosperous centres that are able to attract the investments and the labour force. Less than 2% are employed in agriculture.

The REconomy project is initiated by the Réseau Transition Wallonie & Bruxelles, the francophone Belgian part of a global grassroots movement of communities seeking to strengthen their resilience to problems including climate change, rising energy prices, economic uncertainty and inequality.



Aims: The [Projet REconomie](#) aims to inspire, encourage and support communities building new livelihoods and economic activity that is locally rooted and inspired by the Transition model. The REconomy-project is seeking to raise interest among political decision makers and potential partners for community-driven approaches creating economic activity and potential jobs.

5 things to know about the Latvian context

1. The Latvian economy had a property bubble crisis in 2009, which along with the global financial crisis in 2010, resulted in an unprecedented 25% fall in GDP.
2. An emergence from crisis came in 2011-2013, thanks to a 4.5 billion Euro international loan, changes in public administration and drastic budget reductions.
3. The state claims this to be a success story which resulted in the introduction of the Euro in January 2014 - however most inhabitants do not feel economic improvements in their lives.
4. Most of the 2M inhabitants get a very low salary (under 700 E pm), there's a big gap between rich and poor and no middle class – yet goods and services cost the European average. 15% of the population have left for the UK & Ireland for better money.
5. More than 70% of Latvia's population lives in urban conditions. At the same time a fairly large part of society would like to return to rural areas, if it were only economically possible.

Interest is growing in the Latvian public regarding community based economics, this can be supported by the rapid spread of the 'direct purchasing movement' and the formation of two new transition initiatives in 2014, as well as the large attendance at such events as the 'Social Entrepreneurship Forum' and the 'Community Economy Forum'. It feels the right time to offer society a new vision regarding economically justified, sustainable regional community projects, that on reaching a sufficient level, could resolve many current social economic problems.



The aim of Latvia's REconomy project is with a practical approach and tested examples, to outline for Latvian society a positive vision regarding the direction and development of an alternative economic model and the possible preservation and strengthening of local communities.

5 things to know about the Croatian context

1. Croatia is still heavily affected by the 2008 economic crisis, and there is no sign of recovery. 15% of citizens are in severe poverty, another 20% at risk of becoming so. The crisis especially hits young people, causing unprecedented levels of unemployment and anxiety.
2. Croatia is in a state of dependency on external inputs of energy, food, daily necessities etc. Yet it has many natural resources, unused quality agricultural land and traditional skills.

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3. Inequality and division in society is on the rise, breeding feelings of isolation and distrust especially of political and business elites. There's also unequal regional development.
4. Low levels of trust in other people, as well as in institutions, are closely related to low levels of democratic participation; that is why in Croatia only 5% of citizens are active in humanitarian or volunteer organisations and only 8% are active in any kind of political activity.
5. There is an upsurge of community based economies across the whole country. Permaculture is increasingly recognised as a practical well-designed solution for the crisis.

Given this context the hub proposes a Transition approach to doing things because it encourages and teaches communities how to use local resources sustainably and efficiently, how to achieve better levels of resilience even in economically deprived areas, and how to bring democracy back to where it belongs – to the hands, minds and hearts of ordinary citizens.



The aim of the [Dobra ekonomija](#) project is to strengthen the already-present community based economies and introduce new ones, as practical and inclusive economic models for a more resilient and sustainable Croatia.

5 things to know about the Netherlands context

The Netherlands proposal does not yet include specific context, this will be created as the need arises for specific purposes.

REconomy Project Netherlands **Investing to make resilience work on community level**

Aim: The [REconomie Project Nederland - investeren voor lokale veerkracht](#) (*website coming soon*) - wants to support the Dutch Transition Initiatives and similar bottom-up groups to make the economy of their communities more local, a true part of the community and ecologically sustainable.

A summary of the proposals

These proposal documents outline the proposed approach to developing REconomy in each country. Each hub provided similar content based on a template agreed by the group. The aims of these documents are to:

1. Define the approach to establishing a national REconomy Project;
2. Share the ideas and suggestions with the Transition initiatives and activists within the country (non-Transition too);
3. Form the basis for funding bids to secure money to carry out the proposed approach.

Each proposal document provides some national context, the aims and objectives, proposed activities and outcomes, partners, team, budget and high level workplan.

Common themes in proposed activities

In order of popularity:

- More clearly define what 'REconomy' is, grounded in the relevant national context.
- Create resources/toolkit for TIs and other organisations that include useful arguments, processes, research etc., made available via a dedicated website.
- Start up a small number of pilot projects – single TI Economic Evaluation type work, community shops or multi-level Economic Evaluations.
- Build important partnerships e.g. national associations of local public bodies, academic orgs, TIs, local banking/finance, sustainable development bodies, social economy organisations, public-private-third sector partnerships etc.
- Organise large events - in some countries these will be open/public, in others for a targeted audience only at this stage, at national and/or local level, and/or to help connect TIs for peer support.
- Identify more enterprises and organisations that represent the new economy and use these to help raise interest via case studies and report. This is seen as essential to help make the case for REconomy.
- Build a multi skilled national REconomy support team, possibly offering training and webinars etc.
- Determine funding strategies/sources to implement the proposal - Italy and the Netherlands explicitly state this, but it is the intention of all the hubs.

Some differences

Some of these activities may be planned in other hubs too, but they have not been so explicitly stated in the proposal document:

- Inspire and support local entrepreneurs, organise large local entrepreneur events, assist development of Transition Enterprise start-ups and redefinition of business models within existing enterprises – Belgium & Croatia.
- Develop a toolkit and possibly training to support others to do economic evaluation/blueprints (local currencies, CSAs etc.) based on learnings from the pilot projects – Belgium & Croatia.
- Support a few cases of existing company re-organization/transformation along REconomy/Transition principles, and create case studies – Italy.
- Set up a 'Regional economics business award' or some other means to raise awareness of good practice – Latvia.
- Better map existing activity in 'local economies' across the country – Latvia.
- Build a network of research institutions, link to TN research network – Netherlands.
- Offer 1 day 'start REconomy' workshops to TIs – Netherlands.
- Development, technical support & workshops for web-based 'Sharing Service' (the concept of sharing as a way to activate unused local economic potential is not well known in Croatia) – Croatia.
- Build capacity and offer technical support for national network of CSAs – Croatia.



"This sense of creating something together and in parallel gave a stronger basis to the work, rather than doing it alone, especially when in a country where Transition is not as strong as in the UK".

Ralph Bohlke, Belgium.

Team organisation & budgets

The hubs are proposing teams of between 1.5 - 4 people (usually a hub & TI mix), working for 2-3 years, and with a budget range of 15,000 E to 115,000 E per year.

You can download each of the proposals here as PDFs:

[Belgium](#) * [Croatia](#) * [Italy](#) * [Latvia](#) * [Netherlands](#).

Summary of the events

Each hub staged an event. Without exception the events were well attended and received very positive feedback from attendees – generally there was a sense of excitement and possibility. Some events were conducted in partnership with other organisations, sometimes initiating an entirely new relationship.

The image contains two posters for REconomy events. The left poster is for an event in Persiceto, Italy, organized by Transition Italia. It features the REconomy logo and text in Italian. The event is titled 'COS'E LA RI-ECONOMY?' and is scheduled for March 14th and 29-30th. The right poster is for a Dutch event in Deventer, titled 'Uitnodiging voor het vijfde landelijk Transition Towns Treffen voor lokale TT-groepen'. It features a background of stacked coins and a colorful spiral. The event is scheduled for Saturday, February 1st, and Sunday, February 2nd, 2014. The location is Centrum de Groene Golf, Gooierstraat 9, Deventer.

ri·economy
RICOSTRUIRE INSIEME L'ECONOMIA DEL TERRITORIO

Questa è una crisi diversa, siamo a una svolta epocale e dobbiamo affrontarla con gli strumenti adeguati: comprensione del problema e collaborazione nel risolverlo.

MARZO 14
INCONTRO PUBBLICO
COS'E LA RI-ECONOMY?
Con la facilitazione di Cristiano Bottone di Transition Italia valuteremo assieme le origini di questa crisi e un possibile percorso collettivo per uscirne operando tutti assieme: cittadini, imprese, istituzioni, università, associazioni... Un nuovo approccio in sperimentazione in tutta Europa.
Teatro Comunale S. Giovanni in Persiceto ore 20:30

MARZO 29-30
OPEN SPACE TECHNOLOGY
IL NOSTRO PIANO PER LA PROSPERITÀ
Due giorni di laboratorio partecipato per cominciare a scrivere il piano che può cambiare il futuro di S. Giovanni in Persiceto. Tutti sono invitati, più idee, visioni, punti di vista, approcci, schieramenti, saranno presenti, più diventeremo efficaci... e preparatevi a rimanere sorpresi!
Bocciofila Comunale dalle ore 9:30 di sabato alle 12:00 di domenica.

www.rieconomy.it

Uitnodiging
voor het vijfde landelijk
Transition Towns Treffen
voor lokale TT-groepen

Zaterdag 1 februari 2014 vanaf 10 uur
Geld en TT – REconomy

Zondag 2 februari 2014 10 uur – 17 uur
Hart en Zieldag

aanmelden:
www.transitiontowns.nl

toegang: Geef wat het je waard is!

Centrum de Groene Golf
Gooierstraat 9, Deventer

An English write-up is being prepared for each of the events giving the event aims, an overview of the design, what happened on the day and what lessons were learned. Here are the resources we have so far:

- **Latvian event, 24 January 2014, Riga.** Over 100 people attended despite the extreme freezing conditions! Here's [the event webpage \(Latvian\)](#) and [the google translation, photos, a national news article](#), and a write-up of the event [in English](#) and [in Latvian](#).
- **Netherlands event, 1-2 February 2014, Deventer.** This was a 2 day event that included the national Transition conference for the Netherlands on the 2nd day, over 50 TIs attended. Here's the [event web-page with linked write-up and photos](#) (in Dutch) and the [agenda in English](#).
- **Italian events 14th March in Bologna, and 29-30 March 2014, San Giovanni.** The first event was a general introduction to REconomy issues and opportunities with around 50 people and the [presentations \(Italian\) were recorded](#). About the same number (but mostly different people) attended the 2nd event, an open space event where ideas were generated around the new economy. Here's write-ups of the events [in English](#) and [in Italian](#).

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- **Croatian event, 20-21 March 2014, Zagreb.** Prva konferencija o dobroj ekonomiji (The First Conference on Good Economy). Over 130 people attended. Here's the [event website \(Croatian\)](#), a google translation of the [thinking behind the event](#), a [national TV programme](#) about the event (mostly in English), and [a write up in English](#).
- **Belgian events, 6 May in Brussels and 18/19 June 2014 in Liège.** The first event was a speed-dating of local entrepreneurs ("1er speed dating des entrepreneurs locaux"), a non-public event for stakeholders of REconomy-like projects that are currently under development - [write up in English](#). The "big" event(s) were a REconomy evening in Brussels on 18th June, REconomy participation in a large Ceinture Aliment-Terre event (promoting the Liège Green Belt project) on 19th June, and [a major Transition event with Rob Hopkins that evening](#) focusing on food enterprises and REconomy activity - [English write-ups incl pics are here](#), plus [an article in French](#) in a national paper and a [national radio show](#).



"The results we have achieved are not just the outputs - which are very good - but the new contacts and networks we have made in Latvia. New people have been attracted to the ideas and the work and this will have a long term impact". Arturs Polis, Latvia.

The case studies

A selection of enterprises identified by the hubs, with a narrative about the potential this represents will soon be available as a single report: **The new economy in Europe, in 20 enterprises**. Meanwhile here's the country-specific reports:

Croatia

- [English summary](#) / [Detail in English](#)
- [Full report in Croatian](#)

Belgium

- [English summary](#)
- Full report in French [coming soon]

Italy

- [English summary](#) / [Detail in English](#)
- [Full report in Italian](#)

Latvia

- [English summary](#)
- [Full report in Latvian](#)

Netherlands

- [English summary](#)
- Full report in Dutch [coming soon]



Other learning about common issues

A number of issues common to at least some of the hubs arose during group discussions:

What is it that differentiates REconomy?

It was noted that in many of the countries social enterprises, solidarity-based initiatives and/or concepts of a social economy already exist. When the hubs first went looking for the case studies, they found the 'usual suspects' - these are enterprises that are promoted as green/sustainable but that usually aren't that great in terms of meeting Transition enterprise characteristics ([as defined here by the UK](#) at least).

It is becoming clear that the 'old green' thinking about businesses needs to be updated using more original ideas and wider systemic thinking as embedded in REconomy and Transition. We feel it may be useful to define a shared definition/statement of what makes REconomy different from what already exists - though there will be national specifics, in general this will likely refer to characteristics of localisation; strengthening resilience of the local community; social, environmental and financial gains; shared/community ownership; and profit-power allocation.

Nenad (Croatia) also suggests we could learn here from the [Economy for the Common Good](#) - their [Common Good Balance Sheet](#) shows the extent to which a company abides by values like human dignity, solidarity and economic sustainability. The Croatian team has plans to issue another set of case studies based on existing enterprises, where they are reviewed in terms of REconomy characteristics with suggestions given for improvements.

Visibility of Transition and capacity to influence

Transition is not so visible in these countries as compared to the UK. It's harder to get attention at higher levels. Paul (Netherlands) is getting some funding to pull together a group of the top 10 influencers in this field - research orgs, sustainable business people, 'green' public sector etc. - to explore a common agenda, with an aim to having a louder voice and wider influence e.g. on central government. In the UK a number of groups and alliances are appearing in the 'new economy' sector with similar intent - a louder, aligned voice, a shared evidence base and greater lobbying power. We are all watching both these developments with interest.

Competing interests

An example from Belgium - the government is enabling lots of funding for studies and practical activities in Transition topics - this is good! But there's 4-5 well connected, large consulting agencies or other orgs that are well placed to access this funding. One in particular looks quite like Transition in what it does on the surface but it's top-down in nature. There is a concern that they pick up on the good ideas of Transition then use them themselves - then Transition does not get a chance to compete or access the funds - or to do the work in the most effective way i.e. community led, grassroots. We see this as a question, but are not sure of the response yet.

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Legal structures

Another possible issue, which we didn't discuss much as a group, is around the range of legal structures available for social/Transition enterprises in each country. While we understand there is usually some sort of not for profit model available, these are not always a good fit - e.g. the Italians struggle to find something that meets their needs and have to make compromises. Latvians can use an NGO structure but hardly anyone uses a Co-op model, though it exists there. It feels like this area is very important to some of the countries, and at the moment we are sitting with this question of what, if anything, we want to do or can do. This comes back to our capacity to influence the overall system including policy and legislation.

All these issues are clearly related - if we can better define what REconomy means in each country and build evidence of what it can deliver; and link with others that are working in similar or complementary areas and build shared purpose; then it's more likely we will be seen as credible and with something significant and useful to offer. We will be more able to influence, for example, the creation of more appropriate legal models; and be more able to compete for significant resources. We continue to reflect on these issues as we talk about how we take this work forward, both individually and collectively.



"It's crucial for the expansion of Transition internationally to have more teams like this one. We met regularly online while doing things locally. Our regular meetings informed and helped drive local activities and our local activities contributed to the project we've been doing together - all without travelling." Nenad Maljkovic, Croatia.

Learning about the process & working in international groups

What worked well?

- The funding was essential, without this the work would not have been done at all for most of the countries, and done later and to a smaller degree in others.
- Being involved with this project has given the work a solid identity - each hub has their own 'brand' or identity emerging. People can then feel part of something bigger, it unites them.
- Gathering local case studies - this was essential as they provide evidence of change and what's possible. Several hubs are planning to expand on this work. But they all need to be local examples - adding in a UK one in Latvia for example did not go down well!

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- Having 1 person from each hub be the main, committed contact worked really well - that person was then the link back to the national team. Most people made most meetings.
- The process worked well, the timing was just about doable, the group meetings were useful and interesting. Not many changes suggested here for the new group.
- The gotomeeting online platform was pretty good, being able to see each other live was great (see right!), and the audio was mostly very good. One of the lovely things was speaking with people from 6 different countries at the same time, seeing their faces and having a connection from our shared passion.
- The outputs are of excellent quality and the project objectives have been well met, in fact exceeded as we added in 2 more hubs than initially planned including expanded case study work.
- I (Fiona) just want to appreciate the willingness of the group to work in English and translate all documents for us to share more widely. This has added to the work load in all cases! I am in awe, as always, of the group's language skills.

What didn't work so well or what would we do differently?

- The amount of time taken was more than expected - this is true for everyone! It is significant. Now we know what's involved, we can be more clear with new group members about the required commitment. Possibly use a system to track actual time spent?
- The budget did not fully cover the conference time and costs, which was a lot more than expected! Would be good to make this more clear to the new group, provide guidelines for organising an event of this scale. [Note this will be an output from this stage of the work, it's in progress].
- The webinar 'Get ready to fundraise' came across as too UK specific and was not so helpful for this participant. This really needs to be more specific to country settings.
- REsourcing REconomy training course felt important, but there wasn't time to really assess this and make the most of the opportunity by all.
- Would have been good to have met in person, at least once. Though the online meetings were as good as they could be, there are always benefits to spending more time together in person. [Note - we plan to meet at the next hubs meet in September 2014 including the new group members].
- Would be useful to start with a discussion about legal structure (for the hub), and how it might be possible to shape ongoing hub roles relating to REconomy, possibly with a focused funding discussion around these topics.



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- Would have liked to include something around pathways for helping existing enterprises to transform - there was interest in this arising at our event.
- Case study templates did not work well as they were in Word, and not everyone can use these. Would be better to give option that hubs send text to UK and the designer there can apply templates etc.
- Now we know more about this work, for the new group it would be good to talk earlier about the outcomes/results of the work, and what can be done to maintain momentum.

Notes from all of our meetings [are available here](#) as a google doc.



"It's been a great opportunity to jump-start the REconomy Project in the Netherlands through this international pilot-group. Many Dutch Transition Initiatives are anxious to get started themselves, and as a National Hub we now feel empowered to support them in that process". Paul Hendriksen, Netherlands.

What's next?

This group

We agreed to meet in May and then probably in June to bring this stage of the work to a formal close, and discuss what ongoing connection might be most useful, and how we might individually and collectively maintain momentum. This includes deciding how best to use the £5,000 'maintaining momentum' funding now available.

Expanded group

We plan to recruit 4 more national hubs to form a new group and undertake similar activities, taking into account the learning from this group. Funding of £2,500 will be provided to each new hub (same as for current group). The plan is to:

- Circulate this document, once finalised, to the other national hubs and make them aware of the opportunity to join this group – July.
- Offer a webinar where some of the existing group talk about their experiences of participating so far – July.
- Select 4 new participants – August.
- New participants run similar process as this group: August – January 2015.
- Updated learning from all 10 participating hubs, then share with other hubs – Jan/Feb 2015.

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It's likely that these 4 new hubs will operate as a new group, with current participants coming along to group calls as needed to share their experiences. Ideally we would like to see more gender balance in this new group in these important leadership/representative roles.

Once this second group has completed the work, then it's likely they would join whatever ongoing mutual support system has been put in place for the current group members - some form of International REconomy Group? - but this is all to be decided.



"It's been a pleasure and a privilege to work with Arturs, Nenad, Paul, Ralph and Cristiano. Thanks to you and your teams for your commitment to this work, and producing such great outputs. They clearly show your vision, enthusiasm and love for this work in which we are all engaged, and help show the way for others. And many thanks to our funder for making this important work possible." Fiona Ward, UK.

Fiona's role has been to co-ordinate the work of this group and also to represent the UK's REconomy Project so there have been 6 countries participating in the group. The UK had already produced a report of '[The New Economy in 20 Enterprises](#)', held [several REconomy events](#), and created a [plan for UK-based REconomy activity for 2014-2016](#) which is already funded.

Author: Fiona Ward for the REconomy Project, May 2014.

The REconomy Project is part of the Transition Network.

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