Strategies for Sustainable Economic Development

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During a conference highlighting “Sustainable Communities,” Margaret Thomas presented a paper based upon a 1994 research project designed to explore economic development strategies that would increase local prosperity and also protect the environment and protect natural resources. She described the economy and ecology as two sides of the same coin and proposed reconsidering human systems and industrial systems in the light of these two natural laws: 1) resources are to be used no faster than they are replenished, and 2) matter is ultimately recycled for reuse in biological or physical systems.

Recognizing economic development strategies communities traditionally employ, Thomas has described five alternative economic development strategies. Results from the 1994 research project provide examples from Midwestern states, including Nebraska, that illustrate the implementation of these strategies.

1. Pollution prevention and waste minimization - Waste and pollution reduce firm revenues. They stem from raw material purchases and/or things that increase business disposal costs. Pollution prevention and waste management (particularly hazardous wastes) have impact upon workers, residents and the firm’s public image. Education, training in eco-auditing, total quality management, environmental cost accounting and demonstration programs are among the techniques applied to implement this development strategy.

2. Recycling-Based Manufacturing (RBM) - This strategy helps communities turn waste or scrap into...
marketable products and reduce local waste management problems. “Virtually every nontoxic item now being discarded can be reprocessed” - often by relatively small firms. Maine, Massachusetts, Washington and Minnesota have done studies on this strategy that point to positive effects on job creation and investment. Examples are found among paper recyclers, sheltered workshops and manufacturing facilities recycling wood materials into marketable products.

3. Energy Efficiency - This is a strategy researchers generally agree offers long-term savings for businesses, government and households. “Many of the steps to energy efficiency are low, or no cost” business items, often with relatively short payback periods. Energy audits, energy scans, higher insulation standards, water heater jackets, water efficient faucets, shade tree planting and lighting retrofits were among the steps taken in implementing this development strategy.

4. Renewable Energy - This strategy was associated with several related thrusts. Renewable energy technologies are cost-competitive in rural areas where they can be installed without expensive transmission lines. Further, costs are expected to come down when they can be mass produced. In addition, deregulation is encouraging many utilities to restructure and decentralize. As competition gives consumers the option to buy power from their “utility of choice,” Thomas argues utilities are likely to provide solutions fine-tuned for customer needs.

Renewable sources like wind and the sun seem to be inexhaustible sources for community energy needs. They help keep energy dollars at home, in part, because these technologies can often be locally produced, installed and maintained. Other promising technologies include photovoltaic or solar cells, solar thermal technologies, wind machines, biomass combustion and fuel cells that convert fuels like hydrogen into electricity.

5. Green Business and Environmental Technology Development - “Green businesses” reduce pollution, conserve resources and move communities toward a “no waste” ecological economy. Communities that restructure land use and transportation systems first, are expected to reap economic rewards associated with technical innovations. Examples of ecological commerce are found in business services, cleaners, office planning, junk art, lavatories, natural fiber clothing, organic foods, thermal and solar energy products and wood from sustainable managed forests.

Margaret Thomas will discuss these development strategies and the research upon which they are based during a Community Development Policy Forum, Friday, September 25, 1998 at regional telecommunication sites scattered across Nebraska. For additional information, contact Duane A. Olsen at (402) 472-2041 or by E-mail: DOlsen1@unl.edu.

1 Taken substantially from a paper presented by Margaret Thomas, Senior Resource Planner, Midwest Research Institute, presented at the International Community Development Conference, Kansas City, MO, July 1998.

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