

Remarks before the Oregon Workforce and Economic Development Committee

Cassandra Moseley
Ecosystem Workforce Program
Institute for a Sustainable Environment
University of Oregon
January 19, 2007

Thank you Mr. Chair and members of the committee for the opportunity to speak to you today. My name is Cassandra Moseley and I am the director of the Ecosystem Workforce Program in the Institute for a Sustainable Environment at the University of Oregon. The ISE is an interdisciplinary applied research and community assistance institute at the university. The ISE has four major programs: the Ecosystem Workforce Program, Resource Innovations, the ISE Lab, and the Climate Leadership Initiative.

Through applied research and policy education, the Ecosystem Workforce Program seeks to build linkages between ecological health, economic well-being, and democratic governance. Over the past decade, we have worked to support community-based forestry efforts to create economic opportunities restoring and maintaining forests and watersheds.

As I understand it, my charge here today is to provide some thoughts about how Oregon can foster sustainable development. Undoubtedly, there are limitless opportunities to integrate social, ecological, and economic sustainability here in Oregon. Today, I want to talk about just two: sustainable rural development and climate change.

Sustainable Rural Development

First, let me turn to sustainable rural development. We all know that Oregon has seen huge economic change over the past 15 to 20 years and rural Oregon has born the brunt of that change. Although some communities have seen growth from retirement migration and tourism, much of that growth is probably unsustainable in the medium and long term. Moreover, many more rural communities face the decline of family wage jobs, increasing income inequality, food insecurity, disinvestment in business infrastructure and human capital, and degraded landscapes.

In this context, I would argue that we need to consider at least four major principles when thinking about sustainable rural development:

- Reinvestment
- Integration
- Scale
- Equity

Reinvestment: With the decline of rural manufacturing, the departure of the Forest Service personnel from rural communities, the decline in funding for rural schools and hospitals, and unsustainable resource extraction, we have seen a massive disinvestment in Oregon's rural areas. We need to reinvest in many different ways in our communities—we need investments in the non-profit sector, in rural business capacity and workforce, in schools, and in rural landscapes.

<u>Integration:</u> Sustainability depends fundamentally on integration—many different types of integration.

First and most fundamentally, effective sustainable development strategies need to simultaneously improve ecological, social, and economic well-being, not just one of these.

Secondly, sustainable economic development strategies cannot be only workforce development, only market development, or only business development. Innovators attempting to develop cutting edge sectors often lack a trained workforce, business readiness, AND well developed markets. In addition, often there are barriers and disincentives in the form of tax policies and regulations, which are unintended consequences of policies created for different purposes. Supporting innovation requires multi-faceted approaches.

<u>Scale</u>: Businesses need to be appropriately scaled for the communities and landscapes in which they are located. Appropriately-scaled businesses contribute to economic diversification for communities rather than creating dependency. Appropriately-scaled businesses allow for local ownership and capital accumulation. Appropriately-scaled businesses make modest and sustainable use of local natural resources. And, appropriately-scaled businesses do not place enormous demands on limited rural infrastructure. The creation and retention of businesses that are quite small can have significant impacts on the well-being of rural communities.

<u>Equity</u>: Over the past two decades Oregon has seen an increasing gulf between urban and rural, between rich and poor. Oregon well-being depends on bridging these gaps. Investing in the redevelopment of rural Oregon is an essential step. As we do, we need to use a "quality jobs" approach, not an "any jobs" approach.

Climate Change

I want to turn now to my second topic—climate change. In doing so, however, I want to provide a caveat. Although the Institute for a Sustainable Environment is playing an important role in assisting communities and businesses to prepare for climate change, this has been the work of my colleagues. So, I am not expert. Nonetheless, we wanted to offer up some thoughts about in this area.

Arguably, climate change is one of the most important issues of our time. The scientific evidence that human-caused climate change is underway is overwhelming. Oregon communities, governments, businesses, and workers need to plan for the inevitable shift

in climate and take action to prevent additional climate change. It is also increasingly clear that federal climate legislation is nearly inevitable. By beginning the transition now, Oregon has the potential to get out ahead of regulation, thereby smoothing the transition for Oregon's businesses, workers, and communities.

For some sectors of the economy, this adjustment will undoubtedly be difficult. This is particularly true for carbon-intensive industries. At the same time, the need to adapt to and mitigate for climate change presents an enormous opportunity for Oregon. Climate change creates the impetus to develop and sell new technologies, create new business and employment opportunities—and perhaps whole new sectors—and to save money by reducing waste and energy consumption.

I would like to pose four questions that I believe we should be thinking about as we begin to incorporate climate considerations into our economic development policy in this state.

- 1) What sectors and businesses in our state are particularly vulnerable to climate risk? These risks might include regulatory, physical, litigation, competitiveness, and reputational risk?¹
- 2) How can we help carbon-intensive industries re-tool to reduce their carbon emissions?
- 3) How can we encourage the development of low-carbon intensive industries?
- 4) How will we need to shift our public infrastructure, land use practices, and water management to adapt to changing climatic conditions and to reduce carbon emissions?

Conclusion

Let me conclude by saying that although Oregon faces some significant challenges in creating a more sustainable future, it also has enormous advantages compared to many other states —because it is innovative and because is already recognized as a leader in sustainable development.

Thank you again for the opportunity to speak today.

See Fred Wellington, Amanda Sauer, Chris Fox, and David Gardiner, Questions and Answers for Investors on Climate Risk (CERES and World Resource Institute, 2004).