



You've never played Banking?  
It's easy. First, you give me the  
ball, and then I charge you  
every time you want to play  
with the ball. I'll also charge  
you if you want to give the  
ball to someone else, and a  
small monthly fee for holding  
onto your ball.

Cartoon sourced from: Public Banking Institute

**If we want to achieve a different society  
where the principle of money operates equitably,  
if we want to abolish the power money has over people historically,  
and position money in relationship to freedom, equality, fraternity ...  
then we must elaborate a concept of culture  
and a concept of art  
where every person must be an artist ...**

Joseph Beuys *What is Money? A Discussion*, Clairview Press, 2010.

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*The Social Artist* is a quarterly journal dedicated to breaking the boundaries between Christian Social teaching, Anthroposophical Social Renewal, and the institutional analysis of money as presented by the Social Credit movement.

# The Social Artist

Wages

Housework

Monopoly

Autumn 2015

# The SOCIAL ARTIST

(incorporating The SOCIAL CREDITER)

## THE JOURNAL OF THE SOCIAL CREDIT SECRETARIAT

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Social Credit literature currently available in print or online.

Over the century (virtually) since Clifford Hugh Douglas first put pen to paper, a vast literature on the subject of Social Credit has appeared in print. Douglas' own works were translated into many languages, and most of his books can still be bought over the internet.

***The Political Economy of Social Credit and Guild Socialism***

Frances Hutchinson and Brian Burkitt, (2005) £12.99

***Down to Earth:***

***A Guide to Home Economics***

Frances Hutchinson (2013) £5

***The Grip of Death:***

***A study of modern money, debt slavery and destructive economics***

Michael Rowbotham £18

***Understanding the Financial System: Social Credit Rediscovered***

Frances Hutchinson (2010) £15

***What Everybody REALLY Wants to Know About Money***

Frances Hutchinson £12

***Asses in Clover*** (Fictional dystopia)

Eimar O'Duffy (2003) £11

***This Age of Plenty***

***A new conception of economics: Social Credit***

Louis Even (Pilgrims of Saint Michael)

### The Social Artist

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celebration or lamentation. And in economics, as in healthcare or education, public debate completely bypasses the point: that indicators measure

only those things that can be measured, not those things that matter.

Yet this book is not all doom and gloom. For every critique launched, an alternative route is presented. Lucas' practical proposals range from the simple and (technically, at least) straightforward to more complex "paradigm shifting" suggestions. On parliamentary reform, for instance, why not introduce electronic voting in Parliament to improve efficiency and thereby the productivity and quality of MP working hours? As an alternative to welfare cuts, why not use the mechanism referred to as "quantitative easing" to invest directly in public infrastructure, energy efficiency or affordable housing rather than high-end financial assets which lead mainly to greater wealth for the already wealthy? On tackling the nation's extreme concentrations of wealth, Lucas advocates the "elegantly fair and simple" measure of the Land Value Tax, a policy which has much to recommend it both historically and theoretically. Many more interesting proposals could be cited, and by and large the answer to "why not?" is a political system dominated by the vested interests of big business and corporate finance, exacerbated by a lack of real leadership and motivation on the part of our politicians:

...if the world were a bank, the money and political will needed to avert catastrophe would be found within days.

In sum, this book is not a manifesto or personal reflection (despite being deeply

personal) but an awareness raiser, a public education that somehow manages to say it like it is and yet be neither overtly pessimistic nor patronising to its audience. Indeed, Lucas is careful to praise the intelligence and benevolence of the voting public, placing blame firmly with powerful groups who do not simply misinform but actively "con" citizens and "thwart" the democratic process. A cynic might see in this finally the mark of a politician seeking re-election, but to this reader, at least, what comes across is a genuine faith in the people. As for Lucas' optimism, some might remain unconvinced on the balance of evidence that "the tide is turning" in a more positive direction. If the prospect of five more years of coalition government was "chilling", one wonders how she feels after the 2015 election? However, though it makes depressing reading the overall experience of this book is uplifting, perhaps more for the fact of it – and of its author – than the content. If one takes away one key message from this book it is that Green politics is emphatically not "fringe" politics: Green politics is about "the places where we live", extending beyond the physical to the social, moral and psychological. And, at the end of the day, whether housed in a bedsit or a palace, none of us has the luxury of moving out when it comes to our planet.

*Maria Lyons* is founder of the Camphill Research Network, which collates, disseminates and promotes research related to Camphill and other intentional communities. For more details or to join the network please visit [www.camphillresearch.com](http://www.camphillresearch.com) or contact [maria.lyons@camphillresearch.com](mailto:maria.lyons@camphillresearch.com).

## Editorial

"Information is a machine for bringing the price of things lower and lower and slashing the work time needed in order to support life on the planet." So writes Paul Mason, author of recently published *Post-Capitalism: A Guide to Our Future* in his Guardian spot (17 July). If only that were true! Mason enthuses about the emerging "new economy" of "networked activity" and "free stuff". New thinking, he observes, is bringing "new forms of ownership, new forms of lending, new legal contracts" A whole business subculture has emerged, with buzz words like "the commons" and "peer production". Thus the thinking that has motivated contributions to these columns since the 1930s is inching its way, very slowly though not yet very thoughtfully, into the mainstream press. In time, it is to be hoped, it will percolate through to the economics profession and onto the mainstream political arena. In the meantime those working in caring, medical, cultural and educational institutions struggle to find funding to keep working longer and longer hours whilst going deeper and deeper into debt. The ability to see things differently has been with us ever since the First World War. The worldwide Social Credit movement of the 1920s and 1930s arose as men and women became aware, and took consciously on board, the fact that machine production per se does not lower prices. It may increase total production, it may lower wages and hence the ability to spend. But under capitalism profit

comes above the common good. The most profitable goods are armaments, which are designed to be destroyed and replaced. Surplus agricultural goods, however, need to be hoarded or destroyed so that they do not bring down prices as is explained by O'Duffy in *The Banker and Economist* (in this issue).

On their farms and in their well-managed households, the women of the Social Credit movement knew only too well that "life on the planet" requires the tending of the soils, the care of plants and livestock, and the culturing of the young. "Agriculture," as Lewis Mumford explained in the 1930s, "creates a balance between wild nature and man's social needs." Sound agricultural practices bring cumulative improvement to the land. The process of mining, on the other hand, is destructive. The immediate product of the mine is "disorganised and inorganic". Agriculture improves the capacity of the land to meet human needs, whilst "mines as a rule pass quickly from riches to exhaustion, from exhaustion to desertion ... they are the very image of human discontinuity".

If we are not to resemble *The Blind Men and the Elephant* (see poem by John Godfrey Saxe) we need to stand back and take stock of what we mean by "capitalism". It has been customary over the last century to equate 'capitalism' with economic progress. Certainly more people have been employed, *i.e.*,

drawn into the working-for-money scenario. And more goods have been produced. Equally, however, more waste, more wars, more poverty and more environmental degradation have been the result. There is very little evidence indeed to support the claim that people in general, and children in particular, are healthier, happier, or freer to determine their own lives and lifestyles. Capitalism – ‘production motivated by the profit motive’ - has mined the earth, leaving discontinuity of all kinds in its wake. Taking ‘profit’ to mean an advantage measured purely in money terms, it becomes a vital necessity to study the role of money in policy formation within the economy as a whole. In order to create the political will for sustainable change there is no need to re-create the wheel. All the sound thinking is there in the Social Credit texts. Information is not a ‘machine’. It cannot *do* anything or *make* anything. On the contrary, it has to be studied from an informed

perspective, understood, analysed and discussed in a particular social context. Throughout the last century the women of the Social Credit movement have been out there teaching, lecturing and writing pamphlets on a sound means of building upon capitalism in order to move beyond it and into the post-capitalist era. They were well aware that machines could not perform the essential work of caring and love in the household, any more than they can produce the internal goods of creative work on the land and in the workshop. Machines can replace or reduce paid work in the mechanical productive process of turning out material ‘external’ goods. But they also create the necessity for vast transport systems and the tentacular bureaucracies which consume vast quantities of human life. Placed within this wider context, the work of Paul Mason, Guy Standing and many other contemporary writers is very much to be welcomed.

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## The Banker and Economist

Excerpt from *Asses in Clover* (June 1933)

Eimar O’Duffy

*The poem is recited by a jinxed professor of economics, and is broadcast across the nation, costing him his career.*

“The sun was shining brightly  
Upon the fields below:  
He did his very best to make  
The corn and fruit to grow;

And that was wrong because it brings  
The prices down, you know.

The corn was ripening in the fields  
The fruit upon the tree;  
The shops were full, and laden ships  
Were sailing on the sea:  
All things had a fictitious look

in every other area of our national life faces delay or obstruction”. The book reveals a host of sometimes humorous and often alarming illustrations of how the culture, structures and processes of our government are for the most part less than “honourable”.

Lucas was elected as representative for Brighton Pavilion in 2010 on the Green Party’s platform of social and environmental justice, with climate change top of the agenda. “More than any other single issue, it was climate change that brought me into politics, and it is climate change that keeps me awake at night”. Having arrived in the corridors of power, however, she was soon confronted with the reality that a precondition of reform “outside” those corridors is reform within them. Divided into three parts, her book paints a picture of Parliament and its workings first from the perspective of a newcomer, experiencing it all for the first time; then, as someone “in the trenches”, fighting for the interests of her electorate; and finally, as a visionary, describing how it could be different with the right blend of imagination, courage and political will.

Attaining an admirable balance between detail and scope Lucas’ discussion ranges from the environment to the financial system, taxation, the NHS, housing and energy, drug policy, foreign affairs and war, the EU, electoral reform, sovereignty and back again, always, to the seemingly intractable conventions of Parliamentary procedure. Throughout the narrative example after example expose the hierarchical, paternalistic, anachronistic and sexist culture of that revered institution, not to mention the

bullying, game playing, phenomenal wasting of time and public resources, sense of entitlement and related abuses of privilege that are imbedded in its daily activities. While much of the information might merely confirm or reinforce public perceptions of Westminster as stuffy, pompous and utterly removed from ordinary life, some of it will no doubt shock and disgust. Like, for instance, the extent to which MPs are controlled in voting and discouraged from thinking about the issues or acting out of their own conscience:

In fact, they don’t even need to know what it is they are voting on, and in my first few trips through the voting lobbies there were plenty of MPs who had run from their offices when the division bell rang without knowing the name of the bill being debated, but sure how they were supposed to vote.

In her appraisal of issues beyond Parliament, there is also a great deal to cause outrage. Unsurprisingly economic and financial policy feature prominently and Lucas is one of the few politicians prepared to challenge the dual creeds of “austerity and “growth” that have the three main parties – and much of the populace, it would seem – so enthralled.

...the truth is that economic growth is fast becoming uneconomic: in other words, the cost of clearing up the social and environmental damage caused by the process of growth ... is increasingly outweighing the value which the growth creates

.  
In so many areas of social life today both policy-makers and the media are obsessed with performance indicators as a justification for action or inaction,

Earth”). A later version included Oil Fields, Timberland, Coal Mines and Farmlands as examples of natural resources to be kept out of private hands.

Ms Magie’s game, finally patented in 1904, seems to have spread like wildfire among academics, college students, utopian communities, progressive politicians and even Scotland, where the ‘Brer Fox an’ Brer Rabbit’ game featured Lord Tomnoddy’s Grouse Moor, Solway Fisheries and the Poorhouse. In the freewheeling nature of the times, disparate groups drafted their own versions of the boards and evolved new rules. The Ukrainian houses and colour-coded property emerged from what could be called the Atlantic City School. One of its members took the game, now occasionally informally called ‘Monopoly’, back to Philadelphia and played it with a friend of a friend called Charles Darrow. An unemployed salesman with an ailing son, Mr Darrow saw an opportunity, and sold the concept to Parker Bros in 1935 for \$7,000 plus residuals. Result: fortunes for the Darrows and Parker Bros, indignation for Ms Magie. There are now several hundred versions of ‘Monopoly’, from ‘Abilene-opoly’ to ‘Zombie-opoly’, by way of ‘Sexopoly’ and the Pas de Calais version, which may or may not feature the Channel Tunnel.

### Honourable Friends? Parliament and the fight for change

by *Caroline Lucas*

Portobello Books Ltd

March 2015 pb £14.99 pp304

978-1846275937

[I]f politics were a business... it would be a prime case for a referral to the Competition and Markets Authority for monopolistic collusion in excluding new entrants to the market.

The attempt by Mr Anspach, then employed at San Francisco State University, to stand in the way of this steam-roller was fired by legal principle and economic philosophy. He is/was simultaneously chary of monopolies and offended by Parkers’ claim to have monopoly on the word ‘Monopoly’ for trademark purposes. Parkers, for their part, took exception to the ‘Anti-Monopoly’ title that Mr Anspach, who hails from Danzig, gave to his updated version of ‘The Landlord’s Game’, and so dragged him down a path which cost him his marriage and a vast sum of money. At one point 40,000 copies of ‘Anti-Monopoly’ were sentenced to be buried in Minnesotan wasteland. It was a heroic fight, and one hopes that Mr Anspach - since re-married - was not too bruised by the experience. Ms Pilon documents the legal saga remorselessly, but ultimately not quite accurately. Her end credits include a list of the 41 cafes she patronised while compiling her book. One senses that, perhaps like so many games of ‘Monopoly’, she couldn’t wait for the saga to finish.

*Erlend Clouston* is a freelance journalist who worked for *The Guardian* from 1979 to 1997.

So writes Caroline Lucas, elected representative of “the first new political movement to enter Parliament in nearly a century”. This in itself is quite an achievement, but Lucas achieves so much more during her first tenure, not in the least the writing of a book that speaks the truth while the author still holds public office. Her priority, she states, is the struggle to “open up” Parliament, for “...unless Parliament changes, progress

Of fair prosperity;  
And that was wrong because the world  
Was ruined utterly.

The Banker and Economist  
Were walking hand in hand.  
They wept like anything to see  
Such plenty in the land.  
“If this were only stopped” they said  
“The prospect *would* be grand!”

“If seven pests or seven plagues  
Were loosened every year,  
“I think” said the Economist  
“That things would then be dear.”  
“I wonder” said the Banker,  
And wiped away a tear.  
“Consumer come and walk with us”  
They both did make request.  
“The time has come to tell you what  
For you we think is best.”  
“O thank you” the consumer said  
With lively interest.

“And first” said the Economist  
“It’s needful to explain  
The economic laws which prove  
That trade must wax and wane,  
And why abundance is a curse,  
“And scarcity a gain.”

“But not to me“ the man replied,  
Turning a little white.  
“Such dismal scientific stuff  
Would stupefy me quite.  
“I’ll take it all on trust because  
“I know you must be right.”

Two winking eyes behind the back  
Of that consumer met,  
As if to say, “This blessed boob  
“Has asked for what he’ll get.”  
“Old chap” said the Economist,

“Your trust you won’t regret.  
“This gross abundance that you see  
Before your hungry eyes  
Has ruined all the primary  
Producing industries:  
And so, to set things right again,  
We must economise.

“And first we’ll make a cut in costs  
By cutting down your screw,  
And next we’ll cut production down  
Till prices rise anew.  
Then, though you’ll have less goods to buy,  
More work you’ll have to do.”

“Right oh!” the good consumer said  
(A sturdy Briton he),  
And smiling bravely yielded up  
His share of L.S.D.  
By such contraction wages show  
Their elasticity.

“It seems a shame” the Banker said.  
“To play him such a prank.”  
With sobs and tears he cancelled out  
A credit at the bank:  
And that was right, unless you are  
A monetary crank.

“Consumer” said that pleasant pair,  
We’ve had a useful day.  
Shall we be trotting home again?”  
But nothing did he say:  
And that was right enough because  
He’d faded quite away.”

Although the language in *Asses in Clover* is somewhat dated, the concepts and examples used are uncannily, even eerily relevant to the contemporary debate on work and income security. The 2003 edition of this science fiction fantasy can be purchased via the Publications page of our website: [www.dougllassocialcredit.com](http://www.dougllassocialcredit.com)

# Essential Economics in Two Minutes

## Anon

It is a slow day in a little Greek Village. The rain is beating down and the streets are deserted. Times are hard, everyone is in debt, and everyone lives on credit.

On this particular day a filthy rich German tourist is driving through the village, stops at the local hotel and lays a 100 euro note on the desk, telling the hotel owner he wants to inspect the rooms upstairs in order to pick one to spend the night in.

The owner gives him several sets of keys and, as soon as the visitor has walked upstairs, the hotelier grabs the 100 euro note and runs next door to pay his debt to the butcher.

The butcher takes the note and runs down the street to repay his debt to the pig farmer.

The pig farmer takes the note and heads off to pay his bill at the supplier of feed and fuel.

The guy at the farmers' co-op takes the note and runs to pay his drinks bill at the taverna.

The publican slips the money along to the local prostitute drinking at the bar, who has also been facing hard times and has had to offer her "services" on credit.

The hooker then rushes to the hotel and pays off her room bill to the hotel owner with the 100 euro note.

At that moment the traveller comes down the stairs, picks up the note, states that the rooms are not satisfactory, pockets the money, and leaves town.

No one produced anything.  
No one earned anything.  
However, the whole village is now out of debt and looking to the future with a lot more optimism.

And that, Gentlemen, is how the European Bank bailout package works.

EDITOR'S NOTE: For a fuller version see Clifford Hugh Douglas' *The Old and the New Economics*, on the CH Douglas page of [www.douglassoccredit.com](http://www.douglassoccredit.com)

# Book Reviews

## **The Monopolists**

by *Mary Pilon*

Bloomsbury 2015, pp 313, £20

ISBN:978-1-60819-963-1

How long does a game of 'Monopoly' take? An hour? Two hours? For Ralph Anspach, economics professor and, you would suspect, a man of stubborn disposition, the answer could be ten years, or possibly eleven. One of the mysteries of this otherwise intriguing book is that it concludes its survey of the struggle between Anspach and Parker Bros, proprietors of the 'Monopoly' board-game, in 1983, which is a bit like writing an account of World War II that stops at 1944. Ms Pilon, a former star sports reporter at the New York Times, may be guilty of wanting too neat, too upbeat, an ending: academic vigilante takes on sinister corporation, sacrificing marital and financial well-being, and emerges triumphant. In fact, a quick scan of the internet suggests a score draw, at best. Having successfully struggled (1973-83) at monstrous cost for the right to adopt the 'monopoly' noun for his seditious 'Anti-Monopoly' game, he was apparently whacked in 1984 when US courts returned to Parker Bros the right to claim 'Monopoly' as a trademark. Mr Anspach, whose CV includes a spell fighting, literally, for Israeli independence, now borrows the 'Anti-Monopoly' tag back from his erstwhile opponents, under licence.

The muffled punchline, though, is not fatal. There is much engrossing information to be gleaned from this account of 'Monopoly's' early years, not

least the fact that the 'orange properties' (Vine Street, etc) are, statistically, a much better bet than Mayfair or Park Lane. The little green houses have their roots in Ukrainian folk-art, and it is shrewd tactics to invest heavily in them, rather than hotels, in order to induce a house-shortage among your rival players. The underlying irony here is that a game which rewards such uncivilised tactics grew out of a worthy attempt to alert Americans to the inequity of capitalism. The game that Parker Bros bought from Charles Darrow, its alleged inventor, in 1935, was a serendipitously-evolved version of 'The Landlord's Game', devised and patented by Lizzie Magie at the turn of the century. A Washington woman of breathtaking energy, Ms Magie was by turns a typist, journalist, actor, poet, short-story writer, inventor, feminist, perennial optimist and proselytiser for the single-tax policy advanced by the radical politician Henry George. In essence, Mr George, son of a devout Pennsylvanian Episcopalian, wanted to tackle poverty by removing taxes on everything except the ownership of land. The idea, of course, was anathema to Big Business, but it drew 100,000 mourners to George's 1897 funeral. Ms Magie determined that a fine way to keep the Georgist thinking alive was to present it in the stripped down, symbolic, and hopefully entertaining format that was 'The Landlord's Game'. Players' totems hobbled round a segmented board which featured free parking, railway sites, Go To Jail (sound familiar?), while trying to avoid an Absolute Necessity space (that costs \$5) and hoping to pass Go (\$100 dollars "for having preferred labour on Mother

Of course the world, particularly the world of work, has greatly moved on since the 1960s, with more women, including mothers, working than ever before, with more cobbling together part-time jobs or dependent on casual 'zero hours' contracts. Many people are working excessively long hours while others in part-time work are desperate for more hours. Meanwhile the lack of family time at home together affects a huge proportion of the population. Some part-time shift workers only meet as they cross each other in and out of the door. Others see their children for fewer hours than their nursery workers. In other words, family work-home balance is well out of

kilter. The long-awaited Synod on the Family needs to connect to the challenges posed by *Gaudium et Spes* by asking what we mean by 'work', who shares it and how families are economically supported.

Perhaps going beyond a minimum wage and even the living wage to agree a radical basic income would be a start.

John Battle was M.P. for Leeds West from 1987 to 2014. This piece first appeared in *The Catholic Universe* 22 May 2015, and is reprinted with kind permission.

## Social Credit Views

### *Will Waite*

At present we allow the language of finance to shape our perception of reality. Under the spell of this outlook, the money shortage makes scarce that which is abundant, resources of people, unemployment of leisure, and labour saving machinery a slave driver. It turns facts into figures. The financial system makes the instrument we require to carry out our business a liability and a limitation against the very wealth it was created to represent and distribute. It's like a tractor designed to get bogged.

There are a great many things destined to remain unknown to us. Finance is not one of these things. Man created the system in its entirety. It is a machine driven by people in pursuit of objectives. Can we know the truth about how a kettle works? Of course we can. Can we isolate what

is wrong with it when it doesn't work? Again, yes. And when we discover the problem, we fix it so that it boils water, or we throw it away and get a different one.

It is high time we examined, as individuals, the machinery of the financial system. To think about what we want of it and how we can get this machine to do the things we want it to do. We do not want a government from our economic system. we do not want employment for the sake of employment and we do not want all this waste and war.

<http://www.socred.org/blogs/view/the-knowableness-of-finance>

Reproduced, with thanks to Dr Oliver Heydorn, from:

<http://www.socialcredit.com.au/easy-blog/entry/48-the-knowableness-of-finance>

## Care Work and the Power of Women

### Julie McIntyre

In their 1972 pamphlet *The Power of Women and the Subversion of the Community*, Selma James and Mariarosa Dalla Costa presented an original and influential analysis of "unwaged work." Forty years later Julie McIntyre interviewed Selma James for *Viewpoint Magazine*, asking her to spell out for younger people what the issues were at that time, and how they relate to present-day circumstances.

**Selma James:** Some things are different. The first thing that's different from 1972 is that we have a much more international view of unwaged work. There's not a lot in *Power of Women* on the unwaged work on the land. It's much more directed at the housework of women in industrial countries. Whereas most of the housework in the world, and most of the caring work in the world, and obviously, most of the agricultural work in the world that's unwaged, as well as waged, is in the non-industrial world.

The other big change [since the 1970s] is that women went out to work in much greater numbers, for a number of reasons. Because we didn't think we

could get wages for housework. And we thought the important thing was to get the money to have the independence. And because, after the Seventies, there was an enormous attack on women having any money from the state. And single mothers were thrown off benefits. In this country [US] it was absolutely horrendous by the Eighties. But increasingly, it's happened everywhere, where women are driven out to work, irrespective of what happens to their children. Their children are nobody. Their children are irrelevant. The important thing is that the state not give anything, and that the women give more. That's a big change.

What is *not* a change, is that women do the housework. And that the housewife is hidden behind her wage. That is, the fact that she goes home every day to see that her child has clean socks for the morning, and that her oldest son has his sports gear, and that her mother has somebody to look in on her, because she just lost her husband.

I mean, all of that enormous caring work has not gone away at all. The relationships on which the whole society rests are in *wreck* condition, are in *disastrous* condition because women are going out to work. Caring is not just a matter of a few minutes a day. It's taking care of the relationships that are the foundation of our lives. That's what women do. And when we can't do that, when *most* of us can't do that, we are either furious, resentful, or we begin to be uncaring ourselves. And that has happened to some women.

It's happened to all of us to some degree. That we don't want to *know* about how the people that we would ordinarily have been taking care of, how they're suffering. We don't want to know. We can't cope with the knowledge of the mess that people we love are in, as a result of the fact that we have no time to take care of them. I think there are really *a lot* of women in that situation. They call it the Sandwich Generation. They call it whatever they like. Any nice little name they give it, it's definitely the suffering of the carer as well as those that they care for, obviously, which is why the carer is suffering.

Now something else has happened which I was not aware of until I read an article very recently by a woman called Allison Wolfe, who seems to be from Britain, who says that a *major* change among women, has been that the *elite* of women – and there is now much more of an elite, as a result of feminism – has resulted in a class divide among women as it has never been seen before. In fact, I was reading that article again this morning, and I

can give you one or two quotes, like: “The revolution has taken place at the top. A majority of trainee barristers and almost two thirds of medical students are now female (up from 29 per cent in the early 1960s), and the majority of doctors will be women by 2012 on current trends.”

As a result of that, Wolfe suggests, the wage hierarchy based on gender does not apply to them. Hmm. It applies to us more than before, okay? Wolfe says: “Academic experts on the female labour market occupy very different points on the political spectrum, but they agree on the polarisation of women's experiences. The feminism of the 1960s and 1970s, reflecting and feeding into a revolution in women's lives, spoke the language of sisterhood – the assumption that there was a shared female experience that cut across class, ethnic and generational lines. The reality was that at that very moment, sisterhood was dying.” There were feminists who did not take our demand “wages for housework” seriously. Now there's a possibility of, again, getting welfare without workfare [through Universal Basic Income], and we're going to fight like hell for it.

Nurses are fighting to take care of patients, you know. They're not only fighting that they're overworked and underpaid. They're fighting so that they can take the proper care of the patients. You know, one of the nurses was complaining to me that his boss on the ward says that, “You spend too much time with the patients. If you have to go bandage a leg, just bandage a leg, but then you sit and talk with them, and that's no good!”

laureates in economics. In a few countries some major politicians, including from parties in government, are also beginning to stick their necks out in support of it. At the same time, the relevant literature – on the economic, ethical, political and legal aspects – is gradually expanding

and those promoting the idea, or just interested in it, in various European countries and across the world have started organizing into an active network.

For news about Basic Income see <http://www.basicincome.org/basic-income/>

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# Families are Failed by the World of Work

## John Battle

The Second Vatican Council's - *Gaudium et Spes*; the Pastoral Constitution on the Church in the Modern World - stressed the importance and principles of Catholic engagement with the world, so that Catholics could be involved in the “transformation of the society in which they live”.

Built on the understanding of the basic dignity of the human person centred in Christ and the need for “discernment” and “dialogue”, *Gaudium et Spes* became the core council document for the Church's mission for justice and peace.

But in the heart of the document is a much-neglected section on the dignity of marriage and the family which doesn't, at first sight, seem to fit with the broader challenges of economics and international politics. Yet, as *Gaudium et Spes* spelt out “personal well-being, the well-being of human and Christian society, is closely bound up with the happy condition of the marital and family community” (para 47).

The whole section focuses on the need to strengthen the family, “for the dignity,

stability, peace and prosperity of the family itself and of human society as a whole”. It stresses the role of the family in bringing up children and caring for older members of the wider family. Moreover it states that “the civil power should, as a sacred duty, acknowledge, protect and nourish their true character, safeguard public morality and look after domestic prosperity. The rights of parents to have children and bring them up in the family circle should be protected. Those who unhappily are deprived of family life should be looked after and assisted by legislation and by other measures” (para 52).

This central section on the family is followed by a substantial analysis of “social and economic life as a whole” in which there is a passage relating to the experience of working: “Economic enterprise is generally an affair of collaboration - thus it is wicked and inhuman to arrange and organise it to the detriment of anybody involved... the whole process of productive labour should be geared to the personal needs and to the way of life of whoever is doing it; in the first place to domestic life, and this applies especially to mothers and families” (para 67).



# About Basic Income

## *Basic Income Earth Network (BIEN)*

A basic income is an income unconditionally granted to all on an individual basis, without means test or work requirement. It is a form of minimum income guarantee that differs from those that now exist in various European countries in three important ways:

- it is being paid to individuals rather than households;
- it is paid irrespective of any income from other sources;
- it is paid without requiring the performance of any work or the willingness to accept a job if offered.

Liberty and equality, efficiency and community, common ownership of the Earth and equal sharing in the benefits of technical progress, the flexibility of the labour market and the dignity of the poor, the fight against inhumane working conditions, against the desertification of the countryside and against interregional inequalities, the viability of cooperatives and the promotion of adult education, autonomy from bosses, husbands and bureaucrats, have all been invoked in its favour.

But it is the inability to tackle unemployment with conventional means

that has led in the last decade or so to the idea being taken seriously throughout Europe by a growing number of scholars and organizations. Social policy and economic policy can no longer be conceived separately, and basic income is increasingly viewed as the only viable way of reconciling two of their respective central objectives: poverty relief and full employment.

There is a wide variety of proposals around. They differ according to the amounts involved, the source of funding, the nature and size of the reductions in other transfers, and along many other dimensions. As far as short-term proposals are concerned, however, the current discussion is focusing increasingly on so-called partial basic income schemes which would not be full substitutes for present guaranteed income schemes but would provide a low – and slowly increasing – basis to which other incomes, including the remaining social security benefits and means-tested guaranteed income supplements, could be added.

Many prominent European social scientists have now come out in favour of basic income – among them two Nobel

So, I think there's a real crisis – this is in general – between us carers and those who exploit us. On the one hand, we want to care. But on the other hand, we don't want that wish to care to be used against us as workers. And we have always to decide, as carers, as teachers, as nurses, as mothers, as neighbors, we have to decide how to defend our caring but not allow ourselves to be exploited because we have this “weakness,” and in fact, this *vulnerability* is the right word. We have to say, “You have to pay us to do the right thing.” And we don't take the line that either we want to do the right thing, or we want to take the money. We want *both*. That's really crucial, and it took a lot of years, I think, to be absolutely clear, to be able to say that in that succinct way because it's very hard to figure out, if you are a carer, if your work is the health and well-being of other people, how to be dedicated to it but not exploited, not allow yourself to be exploited by it.

EDITOR'S NOTE: In this interview, available in full on the web, octogenarian Selma James raises some fundamental issues relating to the world-wide conundrum: Why are people – *men and women* – going out to work to earn the money whilst neglecting home, family, community and the upkeep of the land.

Asked what keeps her going – Selma James has been campaigning since the early 1970s – she replies “It's something I want for myself. To be part of the struggle is to be learning all the time. And that's more fun than anything I know, I mean, *anything*. To learn what's really going on is such a major thrill that it's what really keeps me motivated.”

<sup>1</sup> Rudolf Steiner *Towards Social Renewal*, p130.

<sup>2</sup> See *Social Credit? Some Questions Answered*, available from [www.douglassocialcredit.com](http://www.douglassocialcredit.com)

Such a refreshing change. So many academics and activists are driven by the need to make a case, to make a point, to be heard, repeatedly repeating what they have always said in the course of the career that has kept them in the manner to which they have become accustomed. The failure to connect with others is, I believe, at the heart of the matter. James comes from the Marxist, feminist, anti-racist, anti-capitalist and peace protest movement. Yet she now embraces a wider perspective, calling not for *wages* for housework (which raises the question – who is the employer?) but for a guaranteed basic or citizens' income. Hence her current work cuts across old boundaries, reaching out to the food, faith, farming and traditional community values that have been flattened by the corporate bureaucratic juggernaut.

The Wages for Housework campaign floundered not only for lack of support from the *elite* women at the top of the wage hierarchy (aka the 'golden skirts'), but because of its terminological inconsistency. As Rudolf Steiner explained: “Money and work are two different kinds of value which cannot be exchanged. All that can be exchanged is money and the product of work. If, therefore, I give money for work, I do something false. I create an illusory process.”<sup>1</sup> Here we are brought to confront the very foundational assumptions of the institutional framework of the corporate world economy. Presently, the money tail is wagging the socio-economic dog: it is necessary to work for money in order to gain the *legal right* to an income. Calls for a national dividend, universal, basic or citizen's income, raise the key question of *money*. What is money? Where does it come from? How can it be turned from master to useful tool? Which is where the study of Social Credit comes in.<sup>2</sup>

# Money Creation and Social Credit

Frances Hutchinson

It has been said with monotonous frequency that Social Credit was a product of its time. The depression years between the two World Wars of the 20<sup>th</sup> century “caused ignorant people to grasp at straws”. Douglas’ observations on the National Debt and money creation might seem to have fitted the bill at the time, but they are totally irrelevant to the financial crises of 2008+. The debate on **Money Creation and Society** in the House of Commons in November 2014 completely demolishes that argument. Arising from the initiative of Positive Money, the debate brought together members of all political persuasions in a lively and frank discussion on the social nature of money, how it is created, and how it could be brought under conscious

social management. At least one member, Austin Mitchell, drew directly upon the work of Douglas in making his contribution.

Douglas and the Social Credit movement were ahead of their time. They broke the mystique of finance by demonstrating that money is a man-made phenomenon. Douglas introduced the idea that the money creation process and its impacts upon the real economy of production, distribution and exchange on the markets can be measured, monitored and observed using the still-developing computer technology. Furthermore, working families, farmers and business people across the world, studied the writings of Douglas and others in order to understand

Basic Income.

A group of Utrecht residents who are now receiving welfare benefits will get a monthly payment, ranging from around €900 for an adult to €1,300 for a couple or family per month. Out of the estimated 300 people participating, a group of at least 50 people will receive the unconditional basic income and won’t be subject to any regulation, so even if they get a job or find another source of income, they will still get their payment.

There will be three other groups with different levels of rules, and a control group that will follow the current welfare regime of requirements around job-seeking and qualifying income.

The experiment will challenge the belief, currently very strong in the UK, that people who receive public money need to be patrolled and punished. It will also challenge the traditional criticism of basic income, that it does not incentivize people to work, and thereby will damage the economy.

Trials of Basic Income to date have not shown this disincentive to work having a negative effect. In the Canadian town of Dauphin, Manitoba, between 1974 and 1979, The Mincome program covered the whole population of the town. Evelyn L. Forget, an economist at the University of Manitoba, studied the Mincome experiment and wrote a report called “The town with no poverty,” published in 2011. She concluded that Basic Income not only reduced poverty but alleviated

several other problems. Whilst working hours were reduced, it was for positive reasons. Young men stayed in education longer, and mothers used the money to enable them to spend more time looking after their children. People who participated in Mincome were also less likely to go to hospitals, and there was a reduction in mental health problems, so reducing health spending.

The long-term effects of such a scheme remains unclear. It was ended without any proper evaluation of its results when Conservatives took over the provincial government in 1977. But the idea did not die in Canada, and now the mayors of Calgary and Edmonton are expressing a desire to repeat the experiment. <http://www.vox.com/2014/9/8/6003359/basic-income-negative-income-tax-questions-explain>

Advocates of Basic Income in the UK will be watching what happens in Utrecht and in Canada closely. Meanwhile, in his latest Budget, the Chancellor George Osborne claimed to have introduced a National Living Wage, but even a cursory analysis showed that this was in fact just a small rise in the minimum wage, and combined with other measures in the Budget would leave the working poor even poorer. He also reduced the weekly payment for many people who cannot work due to ill health down to £70, a cut of around £30. Other welfare cuts in the Budget are predicted to tip 330,000 more children into poverty. An alternative approach is urgently needed. It is time for a Basic Income.

<sup>1</sup> Editor’s Note: Oddly, it is possible to make a great deal of money by gambling on the money markets, without doing a scrap of useful work. And it is possible to work very hard indeed cleaning, cooking and caring for others, especially children – the future workforce – whilst being denied access to an income.

Mr. Duncan Smith established the Centre for Social Justice (CSJ), which has played a major role in developing welfare policy. Many of the CSJ's leading lights are known for their Christian beliefs and the think tank places a heavy emphasis on work as the route out of poverty. It had a big input into the Welfare Reform Act of 2102, which introduced harsh sanctions (having social security benefits cut or suspended) for those who do not fulfill the increasingly onerous conditions placed upon out of work claimants. Even sick and disabled people are now subject to these sanctions.

Christian advocates of this approach often quote St Paul in 2 Thessalonians 3:10, "If any man will not work neither let him eat.", but Catholic Social Teaching specifically refutes this. In *Quadragesimo Anno*, written in 1931 as the world suffered the effects of the Stock Market crash, Pope Pius XI stated "we must not pass over the unwarranted and unmerited appeal made by some to the Apostle when he said 'If any man will not work neither let him eat.' For the Apostle is passing judgment on those who are unwilling to work, although they can and ought to, and he admonishes us that we ought diligently to use our time and energies of body, and mind and not be a burden to others when we can provide for ourselves. *But the Apostle in no wise teaches that labour is the sole title to a living or an income.*"<sup>1</sup>

"To each, therefore, must be given his own share of goods, and the distribution of created goods, which, as every discerning person knows, is labouring today under the gravest evils due to the huge disparity between the

few exceedingly rich and the unnumbered propertyless, must be effectively called back to and brought into conformity with the norms of the common good, that is, social justice". (*Quadragesimo Anno* para 57/58)

This principle promoted by the Church, that everybody, simply by virtue of being human, and irrespective of work, has a right to a decent life, is extremely radical in today's corporate world, where sick and disabled people and the unemployed face increasing hardship, and feel increasingly stigmatised and pressured.

The general idea of Universal Credit has gained considerable cross-party support, as, by making one single claim and payment, it appears to streamline and simplify the system. But as it comes under increasing scrutiny more and more problems are emerging. Many people, both in work and out of work, will find themselves worse off, and the involvement of the government in their lives will become much more intrusive, as even the working poor will be subject to sanctions.

If the politicians had had the courage, and the generosity of spirit required to embrace the idea of a Basic Income, or Citizens' Income, they could have simplified the welfare system even further, and acted in accordance with the principles of Christian and Catholic Social Teaching.

Basic income is an unconditional and regular payment which provides enough money to cover a person's basic living cost. In January 2016 the city of Utrecht in the Netherlands will launch a trial of

how money worked within the economy. Through this process it became common knowledge that ideological, social and political intentions needed to be determined first, so that the necessary finance could be made available where and when it was needed. Women were central to the Social Credit movement, as thinkers, teachers, and activists, arguing that the households and the farm relied heavily upon unwaged work, work which was nevertheless crucial to the physical, intellectual and spiritual maintenance of the social fabric.

In the 2014 House of Commons debate Peter Lilley raised the key question in terms that would have been applauded by Douglas:

"A lot has been made of the ignorance of Members of Parliament of how money is created. I suspect that that ignorance, not just in Members of Parliament but in the intellectual elite in this country, explains many things, not least why we entered the financial crisis with a regulatory system that was so unprepared for a banking crisis. I suspect that it is because people have not reflected on why banks are so different from all other capitalist companies. They are different in three crucial respects, which is why they need a very different regulatory system from normal companies.

"First, all bankers – not just rogue bankers but even the best, the most honourable and the most honest – do things that would land the rest of us in jail. Near my house in France is a large grain silo. After the harvest, farmers deposit grain in it. The silo gives them a certificate for every tonne of grain that they deposit. They can withdraw that amount of grain whenever they want by presenting that certificate. If the silo owner issued more

certificates than there was grain kept in his silo, he would go to jail, but that is effectively what bankers do. They keep as reserves only a fraction of the money deposited with them, which is why we call the system the fractional reserve banking system. Murray Rothbard, a much neglected Austrian economist in this country, said very flatly that banking is therefore fraud: fractional reserve banking is fraud; it should be outlawed; banks should be required to keep 100% reserves against the money they lend out. I reject that conclusion, because there is a value in what banks do in transforming short-term savings into long-term investments. That is socially valuable and that is the function banks serve."

This extract, and indeed the whole debate, can be seen online at [www.youtube.com/watch?v+EBSISUITKM](http://www.youtube.com/watch?v+EBSISUITKM) and read at <http://bit.ly/IrqvLxQ>. Lilley continues to develop his second point – that "banks are unstable because they borrow short and lend long". Put simply, "that is what banks do". Since banks are essential to the capitalist market system, it follows, according to Lilley, that "the Government" must intervene to save a failing bank, so that the whole financial system does not collapse. Thirdly, banks are different from all other companies because they, the banks, create the money which all companies use to conduct their business.

"The vast majority of money consists of bank deposits. If a bank lends a company £10 million, it does not need to go and borrow that money from a saver; it simply creates an extra £10 million by electronically crediting the company's bank account with that sum. It creates £10 million out of thin air. By contrast, when a bank loan is repaid, that extinguishes money; it disappears into thin air. The total money supply increases when banks create new loans faster than old loans are repaid.

That is where growth in the money supply usually comes from, and it is the normal situation in a growing economy. Ideally, credit should expand so that the supply of money grows sufficiently rapidly to finance growth in economic activity. When a bank or banks collapse, they will call in loans, which will reduce the money supply, which in turn will cause a contraction of activity throughout the economy.”

All very sound observations in Social Credit terms. The difference is in the conclusions to be drawn from those observations.

Lilley sees banks as serving the interests of the corporations. Banks “create money out of thin air” so that companies can borrow the money to make capital investments and employ workers to create wealth. By this logic those in employment deserve an income, and those who are not so employed are a drag on society. In 1992, as Secretary of State at the Department of Health and Social Security, Lilley amused the Conservative Party conference with a plan to “close down the something for nothing society”, reciting his parody on a song from Gilbert and Sullivan (see below).

Douglas and the Social Credit movement, on the other hand, regard banks and bankers as rightly being servants of society as a whole. The growth in “economic activity” that Lilley welcomes does not necessarily mean growth in wealth or welfare. Financially profitable banking has, over the past century, meant investment in armaments and the

proliferation of emulative consumerism leading to war, waste, environmental degradation and poverty amidst plenty. In its heyday the Social Credit movement sought the introduction of a ‘National Dividend’, payable to all by right of the common cultural inheritance<sup>1</sup>, regardless of waged/salaried status. The quest was to support good work in the household, on the land, in the workshop and in the cultural sphere. The same thinking is emerging in current campaigns to introduce a Basic or Citizens’ Income. The question is not “Where is the money to come from?” The fundamental question, raised by the Social Credit movement and still current today is: “Where is the political will to come from?”

#### Peter Lilley’s Little List

*“I’ve got a little list / Of benefit offenders who  
I’ll soon be rooting out / And who never would  
be missed / They never would be missed. /  
There’s those who make up bogus claims /  
In half a dozen names / And councillors who  
draw the dole / To run left-wing campaigns  
/ They never would be missed / They never  
would be missed. / There’s young ladies who  
get pregnant just to jump the housing queue  
/ And dads who won’t support the kids / of  
ladies they have ... kissed / And I haven’t even  
mentioned all those sponging socialists / I’ve  
got them on my list / And there’s none of them  
be missed / There’s none of them be missed.”*

The parody on the Lord High Executioner’s song from Gilbert and Sullivan’s *Mikado* was well received by party members and tabloid newspapers.

<sup>1</sup> The Common Cultural Inheritance flows from the imagination, insight, invention, discoveries and learning built up over past generations, and, coupled with present collective effort and naturally given resources, forms the basis of a community’s

# Finance and Welfare

## Bernadette Meaden

A term often featured in economic discussions on Welfare Reform is ‘economically inactive’. This rather dismissive term is used to refer to people who are neither in paid employment, nor actively seeking paid employment. They may be raising children, caring for a sick relative, or just generally making the world a better place in their own unique way, but if they’re not a cog in the economic machine, they count for very little in the minds of many politicians and economists.

This utilitarian or reductionist way of looking at individuals, all with their own unique gifts and talents, is disturbing. If we value people only for the economic contribution they can make to the *financial* economy we are on a very slippery slope. Taken to its logical conclusion, why should we bother to care for anybody if they are, in economic terms, simply a drain on *financial* resources? There is no place for love in this philosophy. As such it is contrary to Christian values, and to the values of Catholic Social Teaching.

*Rerum Novarum*, Pope Leo XIII’s Encyclical on Capital and Labour of 1891 was an attempt by the Church to avert the violent social upheaval it feared would be the result of widespread poverty and the gross exploitation of workers. Although written to avert a revolution, its tone

and ideas would be seen as extremely radical in today’s globalised, corporate world. This is how Pope Leo described conditions in his day:

“By degrees it has come to pass that working men have been surrendered, isolated and helpless, to the hardheartedness of employers and the greed of unchecked competition. The mischief has been increased by rapacious usury, which, although more than once condemned by the Church, is nevertheless, under a different guise, but with like injustice, still practiced by covetous and grasping men. To this must be added that the hiring of labour and the conduct of trade are concentrated in the hands of comparatively few; so that a small number of very rich men have been able to lay upon the teeming masses of the labouring poor a yoke little better than that of slavery itself.”

The Church promoted the dignity of labour, but recognised that having a job was not a blessing if it failed to pay what it considered a fair wage, one that allowed a man to maintain himself and his dependents in decency. Perhaps the modern equivalent would be the Living Wage.

Interestingly, for the last decade in the UK, the politician who has been most influential in this policy area is Iain Duncan Smith, Secretary of State for Work and Pensions, who happens to be a Catholic.