



# THE RADICAL HANSARD

being a record  
of the deliberations and conversations at

## The Radical Consultation in Swindon, Wiltshire

### Transcript I.8A

Early Drafts  
Revised by the Documents Workshop

### Real Charters

Recorded and Transcribed in Kergroas Vras  
Morlaix, Brittany  
by

CESC

**Guy Fawkes Day 2001**

## Real Communities Charter

*Web Version dated 4<sup>th</sup> July 2001*

Over the last century or more there has been a sedulous transfer of the power of local villages, parishes and neighbourhoods to the ambit of central government. The measures involved have been presumed to be justified on the grounds of efficiency and economy. Neither has been justified by events.

Numerous services heretofore often conducted on a voluntary basis by dedicated, public-spirited local citizens have been taken over by salaried officials appointed by the central government, with a number of consequences which has helped to create a gratuitous social tragedy of ever widening dimensions.

It is a tragedy which has been accentuated by the emergence of new forms of power in commerce, communications and transport which have also been deployed on a non-local basis and which have served even more to divorce the citizen from any real control over many of the many factors that now dominate citizen life.

Two centuries ago an average villager had a distinct element of control over his school; medicine, police, entertainment, dress, cookery, food production, transport; shopping, welfare and social provision. Today such control has passed from citizen hands into the hands of powerful central bureaucracies appointed by the central government or into the hands of no less powerful commercial concerns.

This process has often been justified by reference to the extension of the franchise, but again what is evident is an increasing decline of citizen influence or capacity to control as giant political parties, subject to their own highly centralised bureaucracies, ordain their workings and their general policy direction.

What emerges from this process is not one in which the citizen is able to express preferences which party or government then seeks to effect, rather is it a matter of policy decisions by powerful centralised bodies to which the citizen has no effective response except to assent.

It is a process which gives enormous powers of patronage to party leaders and even more to heads of government and it is one quite incompatible with the spirit and practice of the democratic ethos. Such patronage is a powerful weapon in the hands of those who deploy it to secure subservience to their wishes rather than concurrence with the wishes of the citizen.

One overall consequence of this lack of citizen control is control by boardroom moguls pursuing purely short-term pecuniary gains. It is a deployment of power, undemocratic, irresponsible, pervasive and importunate, which has come to act on a global scale and helped to create the current ever deepening global crisis that now dominates all human life.

It is a crisis which is destroying significant elements of the life support systems of the planet, vast proportions of irreplaceable reserves of finite resources and involving a wholesale degradation of the quality of life at numerous levels. Not least it has set in train a number of forces which betoken the most catastrophic consequences, whether in terms of another global war, environmental collapse or social disintegration, which ought now to be the central concern of all public policy considerations.

It is a crisis which can only have ensued from a grotesque distortion of the decision-making power within human societies and can only be resolved if that distortion is corrected so that such power is effectively in the hands of the people in their neighbourhood communities.

*We therefore resolve:*

The council of a neighbourhood community, as constituted by its members, shall exercise full power to determine its:

- Schools
- Clinic
- Shops
- Police
- Banking
- Roads
- Planning
- Property

It shall also exercise power to elect as its representative for membership of all regional boards governing:

- Police
- Water
- Gas
- Electricity
- Sewerage
- Postal Services
- Rail and Bus Services
- Radio
- Television
- Health
- Education

and such other regional services as may be necessary for its common interests with other neighbourhoods of the region.

The purpose of this Charter is to provide support for the promotion of all forms of decentralised community power to village or neighbourhood level, not least in the field of politics, economics and communication.

We cannot expect to transform the bureaucratic and market-dominated subversion of democracy now prevalent overnight. So often we are not even in contact with our neighbours, and in seeking change we tend to immerse ourselves in mass political bodies - themselves part of the disease rather than its cure, or in good causes such as campaigning for 'peace', or for the homeless, or to save the rain forests, where concerned people tend to find themselves in a moral ghetto largely tend to talking to each other.

A new approach to secure neighbourhood power means we have to focus on the neighbourhood and on the problems and its possibilities for both local and wider social transformation. No body can be healthier than the cells of which it is comprised. We cannot begin to do this if we are not in contact with our neighbours and this means we need to explore and adopt such measures as enable us to form and maintain working community relationships.

*To this end we might consider some of the following initiatives:*

- A street community notice board. Set up with fanfares and a celebration. Let people know it is their media to use when they want to exchange, sell or share anything, advertise lost pets, parish sports team fixtures, church service times, social or cultural events etc.
- A parish community journal dealing with all the concerns and problems of the community including jobs, health, schooling, transport, poverty, etc. The three key people here are someone with good writing skills, someone to chase the advertising and someone who won't take no for an answer which enables it to be a freebie and a distribution monarch.
- Weekly, fortnightly, monthly regular coffee bar or pub meeting to socialise and discuss parish affairs and empowerment problems.
- Promote parish social sporting and cultural clubs and events.
- Shop locally and support local traders' campaign and how to promote boycotts of giant supermarket chain stores and chain pubs or restaurants.
- Grow your own food or buy from local organic sources.
- Promote a local credit union or a local bank. Boycott big banks.
- Set an example of living simply. Recycle garbage, compost kitchen waste. Don't own or drive a car when public transport is available. Economise on electricity, gas, water and oil.
- As a representative of your parish seek out reps of other parishes to form grass roots reform and pressure groups to counter the endless abuses of central power.
- Make yourself a focus and a catalyst for political and economic transformation. Ensure the parish journal focuses on real problems, especially on poverty, pollution and powerlessness and is not just a bromidial bout of wishywashyness and social chitchat.
- Promote parish celebration events for parish life. A special banquet or dance for prominent parish people' birthdays or parish anniversaries.
- An annual 'Parish Day' when we elect the mayor and councillors, celebrate with a procession, sports event, dancing, feasting and celebrating.

Mass anonymity is its own form of mass powerlessness. Power cannot be in two places at once. If centralised government controlling a mass electorate has the power, then the citizen in no way has it or, on such a basis, can have it.

By itself the power of a single parish can be pricked out of existence as easily as a bubble, but multiplied around the world as it must be, and as it surely before long will be, its capacity to prevail, like that of any organic multicellular structure, will prove unassailable.

*Peter Etherden/Anton Pinschof*

*11th October 2001 amended 26/10-2001*

## Real Nations Charter

*Web Version dated 4<sup>th</sup> July 2001*

To draw up a plan or a blueprint for the creation of a human-scale non-centralised global order would be as foolish as it would be futile. If the principle of the human scale is accepted then clearly each human scale community will be concerned to work out its own way of life, in accordance with its own judgements. Any suggestion of acting in accordance with a centralised plan would be the extension of a disease rather than the application of a remedy.

People will only act in accordance with a principle if they understand and accept the principle itself and to that end a major and multifaceted drive to educate and to generally promote the principle of the human scale is now a task of the utmost urgency.

Since everything must have a start and a point of origin somewhere what follows is simply certain proposals for action which could advance the principle to wider acceptance; they are neither comprehensive nor exclusive, they are the product of a number of trends already beginning to emerge, trends which appear to be moving in the direction of human control by means of the human scale and away from giantism, and to yield the promise of further useful developments.

It is proposed that membership of *'The League of Real Nations'* will be confined exclusively to those nations whose population numbers less than ten million and its objects shall be as follows:

- To defend the political, economic, geographic and cultural integrity of its member nations, especially against the expansionist tendencies of the bigger nations and those afflicted with giantism.
- To do everything possible to promote the principle of the human scale throughout the world.
- To give support to ethnic or other human scale groupings, such as regions and bioregions, in their struggle for autonomous independence either individually or in concert with fellow members with economic or financial support and by giving diplomatic status and recognition to such peoples who may wish if need be to establish a government in exile.
- To achieve the maximum degree of non-centralised political and economic operation in each country within its own frontiers, with particular reference to the empowerment of village communities whether urban or rural.
- To reduce global war dangers by refusing to participate in any military, political or economic alliance with bigger nations.
- To withdraw from membership and to refuse to give any further support to the United Nations Organisation, its specialist agencies or any of its subordinate or associated bodies and to promote the principle of neutrality in foreign relations.

It should be understood that what is being proposed here is not some kind of incipient mini-world government or any similar form of totalitarian global inanity. What is proposed instead is that in those areas where a clear functional need for an international body and for a common global acceptance of specific regulation exists...such as a postal union, maritime law, the use and control of oceanic resources, pollution controls, the containment of epidemics, emergency and disaster contingency provision, some forms of crime prevention etc...that separate bodies for each of these needs shall be established and that each should have a clear locus of control stemming from the basic unit of government within each nation in its village communities.

It does not follow that there need be a representative of every village in the world on the governing councils of such bodies. What does follow is that the means must be established whereby any substantial body of citizens of any region should be able, if it feels the need, to make its views known and be able to secure changes through its voting power if it so wishes.

How this shall be done will doubtless vary considerably from one body to another. What humankind dare not risk is the danger of the kind of global tyranny on a world scale of which the Nazi and Communist dictatorships of the 20th century have shown is all too feasible if we are foolish enough to permit the present centralised forms of power to continue and to coalesce around one centre.

The emphasis of the organisation will be on the human scale and on human control. To that end the new body will be simply an association with absolutely minimal executive powers. The nearest comparable structure which comes to mind is that of the Commonwealth...formerly the British Commonwealth of Nations...yet even here there appears to be an undue emphasis on its secretariat and a disposition to develop organisationally in an increasing number of directions as is common to governmental bureaucracies everywhere.

The new body will be wise to insist on an annual change of presiding officer and perhaps a triumvirate of senior executives, each of whom will serve a maximum of three years and one of whom, each year after serving as top executive, will resign.

*Peter Etherden/Anton Pinschof*

*11th October 2001 amended 26/10-2001*



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### Transcript I.9A

Saturday 15/9-2001  
Pilgrim Centre, Swindon

### Addendum to the Workshop Reports

Recorded and Transcribed in Kergroas Vras  
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**Guy Fawkes Day 2001**

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- 'Ecosteries' by Kirkpatrick Sale
  - 'The Agricultural Crisis and Common Sense' by Sir Julian Rose
  - 'Work & Human Fulfilment: 100 Thoughts from the Work Forum'
  - 'Understanding and Creating Alternatives to Legal Tender' by Thomas H. Greco Jr.
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### **Ecosteries by Kirkpatrick Sale**

I have been accused of being 'apocalyptic'...and so indeed I am, for don't you realise that the horrible attacks in the US this week...the sudden, swift eradication of what in prospect was some 20,000 lives...are in fact signals of a global apocalypse? That blow was not an act of terrorism...for if no one claims responsibility, it has no political leverage, it has no effective response...it was just an act of apocalyptic insanity. It was a powerful symbol of the new phase of global society we are in, signalling the collapse of social and political arrangements as we know them now...exacerbated by increasing environmental damage and depletion...new and newly virulent diseases...political disintegration and genocide...financial disarray and worldwide depression...increased cultural and psychological chaos...and the thrashing about of national and corporate dinosaurs in their death throes.

That is the apocalyptic scenario in which we now must realise we all have been thrust into. That being so, what are we to do? What must our lives be? Where should our actions point? Let me try to suggest an answer.

A few weeks ago I received a letter from a friend in Eugene, Oregon, a guru of the anarchist movement, telling me that my bioregional vision...which I base on an idea of small communities devoted to ecological restoration...was defeatist and demoralising to the "growing number of people who feel behoved to fight the totality." "I do not think the task is hopeless," he said, "and I do not have any intention of turning my back on the challenge and hiding out in some small ecological community somewhere."

That hit pretty hard, as you can imagine, and I took some time before I responded. But I finally wrote back and it is the thinking that went into that letter that I want to share with you.

My thinking has grown in a major way out of the book I wrote a few years ago on the Luddites of yore, which I called '*Rebels Against the Future*'. From their experience I drew a series of lessons, and the four most important ones make up the reasoning behind my notion of bioregional communities.

First...the modern nation state and the stem of corporate capitalism are entwined with a synergistic power that is not going to be undone or overthrown. As long as they effectively have all military and police force, and the will to use it to secure their ends, revolt is futile and violence...and though it may buy some publicity in the short run...it is counterproductive in the long. As long as they effectively control the governing and political systems, reform is impossible and politics...though it may occasionally permit an interesting and dangerous thought in the short run...is useless in the long.

Second...that does not mean that individuals are helpless and should silently bury their heads under the covers and give up life. It is possible...indeed necessary...to express opposition to the conditions of industrial civilisation... establishing an analysis of what the problem is...who the enemies are...and I would say that chief among them are industrialism, capitalism, globalisation, scientism, and anthropocentrism...that last just a fancy term for "people first, nature last"...and providing the moral and intellectual grounds for alternatives to them. It is also possible to develop and broadcast this philosophy at many levels...at least putting it on certain public agendas and encouraging as many people as possible to question the values of the civilisation they live under and reflect on where it is leading them. My version of this philosophy is bioregional, but it can go by many names.

Will this opposition...even as vocal as we can make it...be enough to overcome the systems of power...of course not...for if it became too widespread and too threatening it would be quite quickly curtailed and muffled. But it must be done, because...

Third...this industrial civilisation around us will collapse...and the awful destruction in the US this week shows that it is beginning...according to '*Sale's Law*'...all civilisations always collapse...from a failure to understand both scale and limits...and a resulting growth in resource exploitation that leads to environmental collapse...economic inequity...and political ossification that leads to social dislocation. It might come from the gradual erosion of the nation state...or the disintegration of corporate behemoths...in our case I believe it will be the accumulating environmental disasters...most especially global warming and the immense rise in sea levels that will occur when the major ice shelves of Antarctica drop off into the ocean...that will cause this collapse within the next 20 years or so...I have made a bet with a supertechie from '*Wired*' magazine that it will happen by 2020...a thousand dollars...which I can't collect if I win of course...but won't be worth very much by then if I lose...

Fourth...if humans survive this collapse...and that is by no means certain given the kinds and levels of our assaults on the earth...they will have an opportunity to recast human arrangements and it will be

necessary for these survivors to have some body of lore...and some vision of human regeneration...that instructs them in how to live in harmony with nature and how to fashion their technologies with the restraints and obligations a love of nature demands...seeking not to conquer and dominate and control the species and systems of the natural world...for the failure of industrial civilisation will have taught them fully of that...but rather to understand and obey and love and incorporate nature into their souls as well as their tools...

That lore should provide a vision of a world with political empowerments no larger than a bioregional scale... watersheds, islands, valleys...and based surely on small, self-controlled and self-governing communities... whose primary tasks are to restore, protect, and preserve the life-ways of nature in every dimension...that is to say, the bioregional vision and how to achieve it...

So it seems to me our primary task is to prepare, preserve and provide that necessary body of lore...that inspiration...for such future generations as may be. That is a task already begun...that philosophy is spoke of before...but much more needs to be tackled...and that's a job we can all start on right now...

And in addition...we can provide examples...also right now...even as the industrial civilisation continues around us...at least some of what that bioregional community might look like. My favourite example here... based on some experiences of a group of environmentalists and philosophers on Vancouver Island...is the ecostery...a small community of men and women living and working together to restore small sections of the earth to their natural complexity as climax ecosystems. They work...devoted to this sacred task...in ways like the monks who created the monasteries during the long centuries after the fall of Rome...and who did more than any others to keep alive the wisdom of the past and provide models of a new way of living in small-scale, community-based, agriculturally rooted settlements...even as the corrupt, violent, militaristic, miserable regimes continued to exist around them. The ecostery...like the monastery...can be the way to develop and nurture not only the land but the philosophy of land...and set an example of right-minded devotion and doing...

I have come to think of the ecostery...in theory at least...as something like the extra horse...I imagine some of you have heard the fable of the father who died owning 17 horses...and his will decreed that half should go to the first son...a third to his second...and a ninth to the third. Well, it was a plainly insoluble problem, try as they might the children could not put those horses into groups that would satisfy their fathers wishes...there was no way to take a half, or a third, or a ninth of 17. Eventually they took their problem to the local wise man and he said "I understand your problem and your dilemma...but let me help you. I will give you one of my horses...the boys were perplexed ...what good would that do?...well, said the wise man, then you will have 18 horses...so the first son may have half...that's 9...and the second a third...that's 6...and the third son a ninth...that's 2...so you will be able to do as your father asked.

The sons were of course delighted and sat beaming at the old man... shaking his hand in gratitude...but then, of course, the old man added, you will have 17 horses...9 plus 6 is 15...plus 2 is 17...and so you may give the extra horse back to me...as soon as you've finished with it, of course.

The problem, as we have it today, appears to be insoluble...but it is just possible that in the ecostery...or something very much like it as an ecological model...we might have our extra horse...the small, appropriate, organic, living solution...that at any rate is my vision...and I don't call it defeatist. I call it empowering.

## ***The Agricultural Crisis and Common Sense by Sir Julian Rose***

The current agricultural crisis is much more than simply a litany of disasters for the farming and rural communities. That is its most visible manifestation...and an ugly and deeply sad picture of disintegration it is.

But the roots of this crisis thread their way back through history...more than 250 years...to the first 'Enclosures Acts' and the dawn of the industrial revolution. The momentum of industrial urban enterprise, on its throne of "production equals progress" has never really looked back since then.

At first it just infiltrated the bucolic life style of the countryside, but later came to dominate it. Its early years were exemplified by the writings of Adam Smith whose thesis 'The Wealth of Nations' pronounced on mankind's natural drive to self-betterment as the main force behind commercial expedience "Let the invisible hand of the market do its work".

Well, it has. Letting the market economy dictate economic trends is now the accepted political position and anything that stands in its way is treated with disdain. Along the way there have been some notable examples, some of which had a massive impact on the countryside...as when Prime Minister Peel repealed the 'Corn Laws' in 1842 and opened the UK market to floods of cheap grain from the U.S., ejecting thousands of farmers from the land and into factories, thereby setting an early precedent for the globalisation of the food market.

The exodus from the land was also propelled by new technology on the farm, such as Jethro Tull's invention of the seed drill, which began its working life at Wallingford in Oxfordshire over 200 years ago. At one stroke, this sophisticated piece of machinery cast aside the need for lines of workers broadcasting the grain with seed fiddles, and replaced them with one man, a horse and the drill.

Farmers protested but, as with the 'Luddites', were duly swept aside by the march of "efficiency and progress". And so this march has continued, effectively unchallenged, into the 21st Century, and the birth of agrochemicals, advanced seed and animal breeding and the monocultural mass production of livestock, grain and horticultural products that we see today.

From a farming population equal to 60% of the U.K. workforce 250 years ago, we are down to just 2% today, and still falling. The countryside as a working community has died. Those who hang on now do so either by strategic marketing 'nous' or sheer scale, a trend likely to increase as more and more insolvent small to medium-sized farms come on to the market and are snapped up by large farmers intent on getting larger still, in their attempt to match the economies of scale seen as necessary to compete in the world market.

What 21st Century men and women nourish themselves with bears little resemblance to the fruits of the land enjoyed by even our more recent ancestors. Just four varieties of apple and three of potato claim 90% of the U.K. market today. In the 1950s over 50 well-known varieties of U.K. apple and some 30 different potato varieties graced our tables.

There were around 20 different types of dual purpose (beef/milk) regionally distinct breeds of cattle. Now just one breed of cow, the Friesian Holstein, dominates the marketplace. Lousy milk and lousy meat...but lots of it.

"Lousy meat and lousy milk...but lots of it" seems to sum up the state of play of European and North American agriculture today. The megalithic institutions that stand behind the mass-produced, processed foods of today are an iconoclastic symbol of the sterility of our land, and its pesticide-ridden soils and depleted flora and fauna.

We cannot understand the extent of the rape of our land and its workers, or the impoverishment of the human diet, without being aware of the contribution that five major players have had in the unprecedented carnage of the past four decades.

Transnational food, seed and chemical corporations, supermarkets, the 'World Trade Organisation', the 'EU' and the 'UK' government. They have come together in some sort of Holy Alliance for the Faustian reward of an unchallengeable control over our planetary resources.

Thousands of ancillary organisations shelter under this umbrella, each spreading tentacles of uniformity and insidious, hypnotic conformity on all they come into contact with...the McDonaldisation of daily life.

The agricultural crisis is itself just a mirror of this more pervasive crisis, which could be summed up as a crisis of scale and of humanity. Both of which can only find expression under appropriate conditions and within the framework of communities of human proportion.

The solution to the current agricultural crisis and the wider crisis facing society is dependent on an underlying recognition of the need for a major shift towards more localised patterns of production and consumption and living.

A revival of pride of product and place, and more autonomy within local populations. This needs to be set within a policy of regional renewable resource management of food, fuel and fibre, an exercise I have referred to elsewhere as the *'Proximity Principle.'*

Recognition of this principle needs to be pan-European, not just national, since *'CAP'* reform is an essential prerequisite for such a policy shift. Currently, *'CAP'* farming subsidies remain as wedded to the grandiose efficiency-led production ethic as the *'UK Ministry of Agriculture'*.

Thus European regions suffer the same absurd subsidised distortions as does the UK. Olive groves on 40% slopes ripped up to make way for monocultural wheat. Oil seed rape replacing mixed pastureland and the tramlines of pesticide and nitrate sprayers over everything. The artisan and peasant farmers, possessors of the true skills of the land, swept aside for the clinical technician, exploitative executive and cunning middleman.

Sir Richard Body in his book *'The Breakdown of Europe'* has spelt out the likely future if this sort of regime is not seriously reformed. I would agree with much of his prognosis. The cost to the environment, the taxpayer, and to human health of maintaining the monstrous distortions of the current *'CAP'* has already proved that we are living beyond our means.

The arrival of the Eastern European second tier candidate countries on the scene in 3 to 5 years time will almost certainly underline this fact and knock a large hole in *'EU'* coffers, 60% of which are used to support the current distortion of agricultural production and trading patterns...a package designed to shore up *'Fortress Europe'* and fend off *'Fortress NAFTA'* and *'Fortress Pacific Rim states'*, the trading block divisions of the world.

Yet precisely because of this impending crisis, a new hope emerges.

A combination of *'World Trade Organisation'* pressures on the *'EU'* to cut out all production subsidies by the year 2003, and the post *'Mad Cow Disease'* and *'Foot and Mouth'* traumas sweeping through Europe, has opened a unique window of opportunity for change.

Add to this the emergence of a radical Green German *'Minister of Agriculture'* and a singularly motivated Italian agriculture minister, a very pro-organic Danish Prime Minister and equally supportive Swedish one - and the whole new alignment starts to take on some real significance.

We are now supping in the last chance saloon. The survival of our finest European food and farming traditions and the maintenance of a real foundation of Pan European and global biodiversity rests on a rash of common sense breaking out here and now. Common sense has always been thought of as a particularly British gift, but in my observation it remains the gift of a rare breed, not the common parlance of the *'Friesian Holsteins'*.

So the solution is to go back to the rare breeds and build from them. They have in them the thoroughbred authority of genuine survivors. They have adapted to the diverse pastures of old Britain, the climate and topography of their native regions. They have fine, strong immune systems that have withstood *'BSE'* and the worst of *'Foot and Mouth Disease'*, whose *'MAFF'*-inspired control policies have brought UK farming to the bone in its knees, and to our best chance yet for a new beginning. They have one more great attribute - they produce real milk and real meat of distinction, subtlety and flavour.

The new beginning also needs to have these attributes, if it is to be the harbinger of a genuine renaissance. No convenience-dependent supermarket society in its bacteria-free, wrapped and sterilised cling film will ever serve the cause of sustainable, ecological organic farming.

"The consumer" is one reductionist commercial concept too far, the change at hand means getting back into the skin of sentient beings with real feelings and a sense of worth, swapping the supermarket for the market town and its productive hinterland, from whose humble origins the patterns of a sustainable rural trade once emerged...and will do once again.

Man's worth, as man, has been shaped by the land - and has in turn shaped it. The future of each depends upon the other. It will be ever thus, so we had better make peace with nature, now, and give up the useless plundering.

*Julian Rose's article "The Proximity Principle" sets out the basis for local sustainability. A copy can be sent on request by emailing: [jrose.hardwickestate@talk21.com](mailto:jrose.hardwickestate@talk21.com). This paper was prepared as the post-prandial paper for Inaugural Dinner of Swindon Academic Inn on 15th September 2001*

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**Money: Understanding and Creating Alternatives to Legal Tender**  
**by Thomas H. Greco, Jr.**

Chelsea Green Publishing Company, USA October 2001

*Thomas H. Greco, Jr. has been an engineer, college professor, entrepreneur, and consultant. For the past twenty-five years he has been working at the leading edge of transformational restructuring, focusing on the root causes of economic, ecological, and social distress. His inquiries have led him to concentrate his efforts especially on the problems of money, banking, and debt. He is the author of three books and many articles and has guided the development of several community currency and exchange systems. His personal mission is to devise and promote approaches to enhancing social justice, economic equity, personal freedom, and sustainability.*

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Take a five-pound note and bury it in the ground. Leave it there for 50 years, and then dig it up. What do you have? Depending on the precautions you took to protect it, you have either a five-pound note or a wad of soggy paper fragments. In the best possible case, you can go out and spend that note, although it probably won't buy much given the persistent inflation of modern national currencies.

Now take another five-pound note and deposit it in a savings account at a bank. Leave it there for fifty years, then withdraw your money. What do you have? Assuming an interest rate of six percent per year, you have £92.10, or 18.42 times your original deposit. Amazing, isn't it, how money can grow? Even more amazing, if the interest rate had been ten percent, you would have £586.95, or 117.39 times your original deposit. How can this be? Well, that's the 'magic' of compound interest. By leaving the interest earnings in your account, you earn more interest on the interest.

This kind of growth is called exponential. When you chart it, it looks like the one shown in the accompanying figure. If you can wait a while longer, the growth becomes really astonishing. After 200 years, for example, each one of the pounds deposited at 6% interest will have grown to over £115 thousand (making your original £5 deposit worth more than £575,000), and, at 10% interest, each pound will have grown to almost £190 million (making your original £5 deposit worth more than £950 million). You might think I've made some mistake in figuring these numbers but they are indeed correct. Any financial calculator will allow you to compute future values at interest. Try it yourself. You see, anyone can become rich; all you have to do is lend a little money at interest – and wait.

'I should live so long,' you say. True enough. While these interest rates are pretty ordinary by contemporary standards, two hundred years is a long time for a natural person to wait, but it is not so long for a "legal person," like a corporation, or a government. Unfortunately, most governments are not net depositors, but net debtors. Debts can also grow exponentially in exactly the same way. If you had borrowed a pound instead of depositing a pound, and never made any payments on the loan, your heirs would owe debts of these same amounts. Which legacy would you prefer to leave them?

### **A Sticky Predicament**

Being an American, I tend to look for examples in that sphere. The U.S. federal government has been borrowing for a long time, and its debt has been growing exponentially. At the present time, its accumulated debt is approaching \$6 trillion. That's more than seven times what it was just 20 years ago. It amounts to more than \$19,000 for every man, woman, and child in America. To whom is all that money owed? Politicians like to tell us that 'we owe it to ourselves,' but the burden of debt is not distributed evenly.

The government debt exists in the form of bonds. It's the bondholders to whom the money is owed, and they are the ones who are collecting the interest on it. But that's not the whole story. Besides the direct debt of the government, there are trillions of dollars more in loans made by private banks, which the government has guaranteed. The American citizenry is ultimately responsible for these debts, too.

And what about personal debts? Do you have a mortgage on your home, a car loan, a student loan, and credit card debts? Most of us do. It has been reported that the vast majority of us possess little or no financial net worth. In other words, the debts we owe are greater than the assets we own. Large numbers of us are so deeply in debt that it takes two incomes just to keep a roof over our heads and food on the table, and to keep us one step ahead of the bill collectors.

There is much more that could be said about the 'debt crisis' and government's fiscal malfeasance, but this book is focused on the more fundamental problems associated with the predominant structures of money, banking, and finance, specifically, the nature of money, the ways in which it is dysfunctional, and the actions that people are taking to liberate themselves from the tyranny of monopolistic monetary regimes.

### **The Debt Imperative, The Growth Imperative, and Environmental and Social Decay**

The global economy is built upon a monetary foundation of bank credit that contains a debt imperative. That debt imperative causes an economic growth imperative, and the growth imperative is destroying the life-support systems of the earth, eroding the social fabric, and causing immense human suffering. It is also the cause of the increasingly lopsided distribution of income & wealth among the various social strata.

This investigation reveals that the cancerous growth of debt is caused by the very nature of our modern monetary system. There is a fundamental flaw in the present dominant system of money and banking. This flaw has been replicated by nations and central banks around the globe. It relates to the above example of compound interest in the following way. The silver and gold coins of the past, and paper notes backed by silver and gold, have given way to a form of money which exists only on the account ledgers of the banks.

Plainly stated, money today takes the form of bank credit which is loaned into circulation, at interest. This causes debt to grow ahead of the supply of money to repay it. This is a simple concept but people hearing it for the first time have difficulty accepting it. As renowned economist, John Kenneth Galbraith, has put it, "*The process by which banks create money is so simple that the mind is repelled.*" The familiar paper notes we circulate are only physical representations of money which the banks have created from debt.

Conventional money malfunctions in three basic ways:

(1) It is kept artificially scarce.

There is never enough money to allow every debtor to pay what is owed to the banks. The debt grows simply with the passage of time but the supply of money to pay those loans plus interest can only be maintained by the banks making additional loans. These new loans have the same problem. Thus, businesses and individuals are forced to compete for markets and scarce money in a futile attempt to avoid defaulting on their debts. Like the game of musical chairs, the system requires that some must fail.

(2) It systematically pumps wealth from the poor and middle class to the rich.

The requirement that interest be paid causes a net transfer of wealth from the debtor class to the moneyed class, or from producers to non-producers. Besides the direct payment of interest on their own debts, the poor and middle-class majority pay the cost of interest that must be added at every stage of production to the price of everything they buy.

(3) It is mis-allocated at its source, going, not to those who are most in need or who will use it most productively, but to political power centers. Much of it goes to finance government's deficit spending for weapons, military interventions, and transfer payments to corporate clients ('corporate welfare'). Another large chunk is provided to the well connected few who use it to finance such things as luxury real estate developments which are legitimated on the basis of inflated land values and over-blown prospects of profitability. Thus we find an abundance of hotels, resorts, and up-scale residential construction but a chronic shortage of affordable housing.

The mounting pressure of debt and the scarcity of money with which to repay it create destructive competition among debtors, resulting in the rapacious exploitation of the Earth's resources, environmental destruction, and social degradation. None of these problems can be adequately addressed until the monetary problem is solved.

As economies have developed and become more complex, the work that individuals do has become increasingly specialized. As a result, the exchange of goods and services has become ever more necessary to the satisfaction of individual needs and wants. Markets and money have evolved to provide for reciprocity in the exchange of goods and services, i.e., to help assure that one gives as much as s/he gets in the economic game of give and take. But markets are often dominated by a few powerful participants. Worse still, money itself is monopolized, which works to the disadvantage of almost everyone, as outlined above. Fortunately, increasing numbers of people are coming to understand the problem and are finding alternative non-monetary means of exchanging goods and services.

### **Popular Approaches to Non-monetary Exchange**

The process of economic exchange requires two things, (1) a way to measure the values of things traded, and (2) a way to pay for purchases. As long as people depend on banks and governments to provide them with exchange media, it will cost them dearly in their wealth and in their freedom. It is said that, "Necessity is the mother of invention," and, as people perceive a need they will invent better ways of satisfying it. Such is the case with economic exchange, and more than half of this book is devoted to

telling about innovative approaches to trading that do not use official government- or bank-created money.

The author touches upon value measurement possibilities but accepts for the time being the de facto currency standards that people are accustomed to using. But using the idea of the dollar to set the price of something is quite a different thing from using a Federal Reserve note to pay for its acquisition.

Thus, the book focuses mainly on the creation of innovative means of payment, i.e., 'alternatives to legal tender.' It covers both historical and contemporary systems of credit clearing, mutual credit, and local currency that people have used, and are using, to surmount the limitations imposed by conventional money. It also proposes other methods that are tailored to particular situations and that support local economies and social improvement activities.

There are several currents in this movement toward private exchange systems. Some of these are very limited and local in scope, while others are quite extensive, operating at the regional, national, and even global levels. There are, on the one hand, not-for-profit community exchange systems emerging from the grassroots, while, at the same time, the business sector is spawning a great many commercial trade, or 'barter', exchanges that operate as for-profit businesses and cater to the needs of corporate clients, some of them very large and well-known. Commercial trade exchanges have proliferated around the world and together they now enable the moneyless exchange of goods and services worth several billions of dollars every year.

Most of these alternatives to legal tender utilize a well-know process called 'credit clearing', or mutual credit. Anyone who has ever been a member of a '*LETS*system' or commercial trade exchange already knows what that involves. It is a matter of forming an association or circle of traders who agree to exchange their goods and services without using official money. Instead, the value of each trade is recorded, with the seller's account being credited (increased) and the buyer's account being debited (decreased) for the same amount. Account balances may be either positive or negative and, so long as a member is actively buying and selling, a moderate sized balance need never be settled (brought back to zero).

In addition to these systems of credit clearing, there are numerous examples of local currency notes which have been issued by various entities and circulated within limited local trading regions. Among the most impressive of these are the various "*credito*" notes that have been issued by many of the trading clubs that have recently sprung up in Argentina and other South American countries. These unofficial exchange media have made it possible for hundreds of thousands of families to subsist amidst the economic turmoil created by globalization and the privatization of the Argentine economy. On any given day, one can find at least 20 "trading fairs," each involving hundreds of buyers and sellers, going on somewhere around the country. In every case not a single Argentine peso changes hands.

This book tells these and similar stories, and contains detailed descriptions of the main historical and contemporary exchange systems – how they are structured, how they operate, how they have evolved. More importantly, it provides extensive guidance based on theoretical principles and practical experience, proposing how to do it so that success might be better assured and common pitfalls avoided. It is a primer which outlines the dimensions of the money problem and gives specific guidance on how the exchange process can, and is being liberated to better serve the needs of people and their communities. Implicit in all of these developments is the possibility of farther reaching acts of economic liberation. People are learning that they can do for themselves what banking cartels have always done – provide a medium of exchange – but in greater abundance and much lower cost and for things that really matter.

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### **The book**

*'Money: Understanding and Creating Alternatives to Legal Tender'* by Thomas H. Greco Jr. Published by Chelsea Green Publishing Company, Vermont. ISBN 1-890132-37-3 (softback) \$19.95; 240 pp; 2001.

### **The article**

This article was first appeared in the Winter 2001 issue of '*World Review*' published by '*New European Publications*' and was based on talks given to a meeting of '*The Schumacher Society*' in Manchester on 5<sup>th</sup> August 2001 and a tutorial prepared for 'The Globalisation, Money & Trade Forum at '*The Radical Consultation*' in Swindon Wiltshire on 15<sup>th</sup> September 2001.

**WORK & Human Fulfilment****100 Thoughts from the Work Forum**

1. What work means in terms of human fulfilment
2. Need to start where Kirkpatrick Sale left off in '*Rebels Against The Future*' about the Luddites
3. The Factory System
4. The Orphanage System and its insistence on learning a trade from a list of options
5. No Joy in making cornflakes compared to making bread
6. Drive should be towards the Human Scale
7. Jobs in supermarkets, computers & '*McDonalds*' is the situation in Purton today for young people
8. Decisions on work must be made locally offering work that is local and human scale
9. Where does the IT Revolutions, electronic cottages & 'homework' fit in...Settle and/or London
10. Must move away from the 'Work Ethic'
11. First question on an innovation...is it right or wrong?
12. Second question on an innovation...how do you use it?
13. Eric Gill's distinction between 'Tools' and 'Machines'...men use tools; machines use men
14. Is the Internet a tool or a machine?
15. Millions around the world cannot even afford a toothbrush
16. What is 'Good Work'...the ethics of the work we do...military contractors etc
17. Difficulty of finding meaningful work
18. Is the law governing the 'Limited Company' a basic problem...
19. 'Make hay while the sun shines'/'Live now for tomorrow you die' are rational responses to the crisis
20. The impact of the successful '*World Trade Centre*' attack on attitudes, psychology etc
21. The subliminal Power of Truth should never be underestimated
22. Revolution is futile
23. Reform is futile
24. Direct Action is not futile
25. 'TV Values' vs. 'Religious Values'
26. Our task is to construct a Message of Hope
27. The power of religious belief
28. Lies and the culture of lies currently prevalent in public life
29. Organised Churches vs. Religious Beliefs as inspiration
30. 'What are we to do about The Fundamentalists?'
31. Need to look for political and cultural 'Engines of Change'
32. Link between 'work' and 'nation'...'Is Englishness a prerequisite for doing good work?'
33. Does Wessex, Yorkshire etc. feed into this?
34. English people can identify with the county
35. Reality of local planning in the face of global businesses (mobile phone aerials, airport noise etc.)
36. How to structure and fund local workshops
37. The Coops in the UK as an example of the error of bigness...local coop shops would still be thriving
38. Shops should be local shops
39. Entertainment should be local entertainment
40. Dress should return to being locally made not globally made
41. The '*WTO*', '*MFI*' and '*GATT*'...'Free Local Business from Bureaucratic Regulation'
42. Eurocrats cannot handle the work-load
43. The enemy is closer at home...national bureaucrats hiding behind 'Brussels' to do what they want to do
44. Horses for Courses - the idea of 'meta-memes'...Richard Dawkins/Beckham-Cohen (*Spiral Dynamics*)
45. Current ethos that fulfilment comes from working on 'big problems'...trend towards the global
46. 'Basic Income Movement' as a means of freeing people to do more interesting things
47. Political and social developments have robbed work of its power to be fulfilling
48. Maldistribution of 'work-time'...idle young, idle old and idle poor as well as the idle rich
49. Does Nicholas Albery's '*Apprentice-Master Alliance*' scheme provide a way forward
50. The idea of 'Masters'...one who has gone before... and 'mastery of a trade or skill or art'

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51. Beauty as integral to fulfilment in work
52. Work is man's principal contact with reality
53. Relationships in work
54. Need to relate the work one does to one's personal needs
55. Architects have taken 4000 years to progress from a pyramid to a box
56. We live in the first ugly civilisation on the planet
57. Work and the '*Self-Build Movement*'
58. Work and Farmers Markets
59. Can Print Shops become local...e.g. Portland Print Shop for the Disabled in Ollerton Nottinghamshire
60. Instead of letting industrial technology employ us we should employ industrial technology locally
61. Quality circles raise self-esteem
62. Local Pension Boards should be established
63. Our aim for work should be to liberate people from toil?
64. 'Shadow Work' (see Ivan Illich) has replaced 'vocation' and 'toil' over the past 1000 years
65. Toil must now include the category of 'mind-numbingly boring work'
66. Eskimos have two dozen words for 'snow'...need disaggregated language for 'work'
67. Extended family (20+) have become 'Diminished Families (2)...
68. Family business idea is in crisis...nature of the crisis?
69. Are more jobs on the land the way forward?
70. Definition of productivity...e.g. food per acre or food per farm worker etc
71. Any definition of work must include 'quality'
72. Where have all the voluntary sector work gone...and why
73. The new voluntary sector...young people gaining 'work experience' for their 'CVs'
74. There has always been (unpaid) voluntary work 'for CVs'...e.g. the old apprentice systems
75. The Money: Work Nexus...is this getting better or worse
76. Subsidies Reversals needed to favour 'job-sharing' and 'part-time jobs'
77. 'Loafing' is a good thing...e.g. the tramp as it has a small ecological footprint
78. Lobbying Big Government to change the distribution of tax revenue. Is this futile or integral?
79. Costs & Benefits of the urban jungle (St Johns Wood) vs. the rural village (Purton, Wiltshire)
80. What makes for 'neighbourliness'?
81. Where have the '*Board of Guardians*' of the '*Parish of St. Leonard's*' in Shoreditch gone...and why?
82. Why have these really local institutions been replaced by big remote and corrupt 'local councils'?
83. Phenomenon of young people 'dropping out' of university as they cannot afford (or refuse) the debts?
84. 'Careers' mentality beamed at young people through the schooling system
85. Problem of schools attitudes to 'Good Jobs' and the current 'Career Fairs' from Big Business
86. Need for 'Tracy Worcester style' Alternative Work Fayres visiting schools
87. 'I am too busy...I have just retired'...the nature of (and need for?) 'busyness'
88. Good Work and Thatcherism's '*Enterprise Allowance Schemes*'
89. Good Work and '*The Prince's Trust*'
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91. Valuing of skills is skewed...e.g. 'family management skills'
92. Less and less 'Big Jobs'
93. Making jobs (headcount) disappear is one of the principal goals of any big organisation
94. Food production, garden management type jobs as a new growth sector?
95. National Curriculum vs. Local Curriculum...see Libby Purves Academic Inn paper on *Summerhill*
96. Assuming a 'Locally Empowered & Enlightened Community' and thinking through what they would do
97. Work & Drinks... need to return to local production/barrels/dray horses to replace juggernauts
98. Campaign for Local Drinks...a '*Still in Every Basement*' etc.
99. Can re-empowered Parish Councils provide a way ahead?
100. Can Parish Councils solve the problem of providing meaningful work for young people...how?

*Tom Paine was the author of 'Common Sense' written in 1772. His short pamphlet, published anonymously, was the spark that ignited the 'American Revolution' in the thirteen colonies of British North America and led in 1776 to the 'Declaration of Independence'.*

# Common Sense



*This booklet spells out the nature of the global crisis and shows how local communities can move beyond it to the human scale world of tomorrow*

*a CESC publication edited by*

**Peter Etherden**

*from contributions by*

**John Papworth, Kirkpatrick Sale & Nicholas Albery**

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*Afterword*

**4th July 2001**

*The complete publication can be downloaded from the Radical Consultation website at [www.realnations.net](http://www.realnations.net) as an Adobe pdf file*

## Fourth World Review

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September 17<sup>th</sup> 2001

Dear

Just a word of gratitude for your contribution to the *'Radical Consultation'* event. It produced a good number of sound working proposals and these lay the ground for ongoing action. They will be included in the report of the proceedings which I hope to send you shortly.

Meanwhile, whilst things are still fresh in your mind, why not send me a short note of assessment of the event and any further proposals for action you feel we might adopt?

A number of these would make fascinating reading in the next issue of Fourth World Review. Incidentally, if your subscription for FWR is no longer up to date do repair the omission! We need all the help we can get to keep the show on the road.

I am sure you share my own sense of frustration that there was so little time for us to talk together. My own frustration was increased by the fact that there were so many people with whom I have had contact over many years, people whom I have been able to meet very rarely and with whom I wanted so much to engage in dialogue.

I found it enormously stimulating that the event attracted a number of keen, energetic and able young people, and also the way the question of the fate of the land featured so prominently.

I enclose some further material relating to the Radical Consultation from my friend Peter Etherden

Here's hoping we keep in regular touch.

Yours truly,

John Papworth