

# *Future Money* by James Robertson

## Footnotes with hyperlinks

### Preface

1. Another necessary condition will be a human population no larger than the world's resources can support.
2. For a fuller account of these two paragraphs, see the Introduction following this Preface.
3. This was one of the conferences organised by Professor Charles Handy, to whom I am still grateful for his support at that time.
4. A formal education in economics can badly limit people's perceptions of reality – confirming my long-time friend Hazel Henderson's well-known definition of "economics as a form of brain damage". However I do also understand that, in this day and age, learning that my proposals are based on the experiences of an elderly, white, Oxbridge male may automatically turn some readers off!
5. Colin Baker verifies this in *State of Emergency: Crisis in Central Africa, Nyasaland, 1959-1960*, Tauris, London, 1997: Chapter 6, 'The wind of change', pp 179-202.
6. As there were in Nyasaland (now Malawi) in our visit there later on the tour.
7. This is now already happening, supported by 'anti-capitalist' street protests.
8. For details of this and my other books, see <http://www.jamesrobertson.com/books.htm>.
9. <http://tinyurl.com/782nwu6>.
10. It was an inspiring experience to attend the centenary celebrations, in October 2011 at Bristol, of E. F. Schumacher's birth.
11. Thirty years later I read James Lovelock's following comment to the *Financial Times*, 27 April 2007, about his scientific work: "There are very few scientists who have the chances I've had of working entirely independently, and not being constrained by the need to do work that will bring my next grant in. I would never have been allowed to develop Gaia at a university or a government department or an industrial one. You could only do it alone." That reflected my own gratitude for having been able to change to a more independent way of work in the 1970s; and it heightened my awareness of how much a society loses, when greater numbers of experienced and open-minded people do not see similar changes as possible for them.
12. All those aims will be supported by the money-system reforms proposed in the coming chapters. I believe that they will be more relevant to UK Prime Minister David Cameron's idea of the 'Big Society' than he himself yet recognises.
13. Bill Dyson, director of the Vanier Institute of the Family in Canada (1972-1983), who died in 1989, was a good friend who confirmed my understanding of pre-political action, and put us in touch with many other like-minded people in Canada. <http://tinyurl.com/7o6d6h3>.
14. See [www.jamesrobertson.com/books.htm](http://www.jamesrobertson.com/books.htm).
15. See <http://www.jamesrobertson.com/turningpoint.htm>.
16. For details see [www.jamesrobertson.com/toes-nef.htm](http://www.jamesrobertson.com/toes-nef.htm).
17. As previous reference.
18. Ed Mayo is now the Secretary General of Co-operatives UK, the membership network for co-operative businesses.

19. <http://www.jamesrobertson.com/books.htm> - creating.
20. <http://www.soziologie.uni-halle.de/huber/index.en.html>.
21. <http://www.jamesrobertson.com/ne/alternativemansionhousespeech-2000.pdf>.
22. Stephen Zarlenga, director, American Monetary Institute, in recent personal correspondence. His book *The Lost Science of Money: The Mythology of Money – the Story of Power* is a masterwork. [www.monetary.org](http://www.monetary.org).
23. See Chapter 3 for more on this point.
24. Ronald Higgins, *The Seventh Enemy: The Human Factor in the Global Crisis*, Hodder and Stoughton, 1978.

## Introduction

1. Roy Madron and John Jopling take an interestingly different ‘systems approach’ in *Gaian Democracies: Redefining Globalisation & People-Power*, Schumacher Briefing No 9, Green Books, 2003. Readers may like to compare their approach with mine.
2. See <http://brooklynrail.org/notefrompub> and other internet references to Fichte.
3. In the present absence of a genuine international currency, some of these are now also used for international transactions.
4. Mrs Thatcher’s belief as British Prime Minister in the 1980s.
5. Some people will see deep-sea oil drilling and nuclear power as two other examples.
6. See Chapter 7 for the role of gold and other commodities in the money system.
7. For the past, see Chapter 1; for changes now proposed, see Chapters 3 to 6.
8. Some implications of this are discussed in Chapters 2 and 4. I have already mentioned in the Preface the interesting parallel between our understanding of the money system and our understanding of the solar system. Complicated and costly corrections have had to be introduced to compensate for failings in our unreformed mainstream money system, which correspond to the complications of ‘epicycles piled on epicycles’ that had to be introduced into late Ptolemaic astronomy to explain why the paths of the planets supposedly circling the Earth – and subsequently the sun – did not move in simple circles. See Sir James Jeans, *Physics and Philosophy*, Cambridge University Press, 1942, pages 184-5.
9. *The Collapse of Complex Societies*, Cambridge University Press, 1988, pp. 148-152.
10. Professor Martin Rees, *Our Final Century: Will the Human Race Survive the Twenty-First Century?* Heinemann 2003. The Astronomer Royal believes we have only a 50/50 chance of surviving into the next century.
11. Professor Frank Fenner, emeritus professor of microbiology at the Australian National University, believes “it’s an irreversible situation. I think it’s too late.” See <http://tinyurl.com/7fozkqe>.
12. James Lovelock, *The Vanishing Face of Gaia*, Allen Lane, 2009.
13. <http://iefworld.org/ddahlo8d.htm>.
14. <http://tinyurl.com/7mpmabb>.
15. I agree with Helen Clarkson of Forum for the Future, <http://www.forumforthefuture.org/blog/only-connect>, that E.M. Forster’s advice “Only connect” in *Howard’s End* (1910) “is possibly one of the best explanations of sustainability I know. Sustainability is not just, after all, about environment, economics, and society, but about the linkages between those fields and how they affect one another.”

16. James Robertson, *Reform of British Central Government*, Chatto & Windus and Charles Knight, 1971, p 5.
17. To follow this up in detail, see Chapter 5 of the 2010 Mirrlees Review at <http://tinyurl.com/84tuy9r>. For critical comment, see Richard Murphy's <http://tinyurl.com/7jzmj4j>.
18. Adair Turner, 'Europe's Best Defence Against Deflation', *Financial Times*, 4 November 2002.
19. See, for example, this *Telegraph* article about the "bonanza for city lawyers, advisers and accountants": <http://tinyurl.com/yegymzq>.
20. See Chapter 1. For example, the Bank of England owes its origin in 1694 to the inability of King William III to raise money by taxation for his wars with France.
21. Known as 'cap and trade', 'cap and share', 'quota trading', etc.
22. See the *Telegraph* article on the windfalls from EU carbon trading: <http://tinyurl.com/yjhw8mw>.
23. <http://tinyurl.com/3ogh6xj>.
24. See Chapter 7 for more on this.
25. The introduction of a universal Citizen's Income will play a particular part in this. A more general point to note is that these new freedoms from the centralising effects of Big Money, as from those of Big Government and Big Business, will be crucial to the 'Big Society' idea of UK Prime Minister David Cameron. See <http://www.communities.gov.uk/communities/big society>. For a 25-year-old view on what is now being called the 'Big Society', see *Future Work* at <http://www.jamesrobertson.com/books.htm - futurework>.

## Chapter 1

1. This chapter is largely based on material prepared for *Une Histoire de l'Argent: des origines à nos jours*, published by Autrement, Paris, November 2007. See <http://tinyurl.com/7q8fmo6>. I am very grateful to Philippe Godard for his editorial support on that short book, and to Autrement for their permission to use the material here.
2. "Procul, O procul este, profani." Virgil, *Aeneid* vi, 256.
3. In *The Wealth of Nations*, 1776.
4. e.g. Joseph Tainter – see Introduction, footnote 9.
5. Fernand Braudel, *The Wheels of Commerce: Civilisation & Capitalism, 15th-18th Century*, Fontana Paperbacks, 1982, p. 521.
6. The British Currency Act of 1764, prohibiting American colonies from issuing their own currency, was another.
7. See, for example, 'Tax Havens Cause Poverty', <http://tinyurl.com/ykqodjt>.
8. See, for example, Tim Parks' fascinating book, *Medici Money*, Profile Books, 2006.
9. Fernand Braudel, op. cit., page 565 (see footnote on p. 49).
10. I owe that figure to Michael Rowbotham's path-breaking book *The Grip of Death*.
11. Most other central banks now are agencies of the state – the US central bank, the Fed, being the outstanding exception.
12. This is described in bankers' jargon as 'leveraged' investment.
13. For more about gold see Chapter 7.

## Chapter 2

1. Although important aspects of many people's lives are still 'unmonetised', money values now

- motivate the ways of life for most people in almost every part of the world.
2. Mr Micawber was a character in Charles Dickens' 1850 novel *David Copperfield*. A modern equivalent would be "Annual income, £20.00, expenditure £19.95, result happiness; annual income £20.00, expenditure £20.05, result misery."
  3. Herman Daly's 'Further Commentary' in Tim Jackson, *Prosperity Without Growth: Economics for A Finite Planet*, Earthscan, 2009.
  4. It would be surprising – until you realise who is mainly employing and financing most economists – how few of them tell us how the money system works to generate the money values that it does, and what purposes it works for as a whole.
  5. (1) As a moral philosopher, Adam Smith saw the first part of virtue as "the judging faculty, the faculty which determines not only what are the proper means of attaining any end, but also what ends are fit to be pursued, and what *relative value* [my italics] we ought to put upon each. This faculty Plato called, as it is very properly called, reason, and considered it as what had a right to be the governing principle of the whole". (Adam Smith, *The Theory of Moral Sentiments*, Part VII, Section II, Chapter II, p. 316, Cambridge Texts in the History of Philosophy, Cambridge University Press, 2002). (2) James Buchan, *Adam Smith and the pursuit of perfect liberty*, Profile Books, 2006, provides a readable and moving corrective to the simplistic amoral view of many contemporary economists on what Adam Smith meant by "the invisible hand".
  6. Robert Skidelsky, *John Maynard Keynes*, Vol. 1, pp. 40-50, Macmillan 1983, gives an interesting account of it.
  7. However, on the philosophical side of the academic divide too, it is noticeable that highly acclaimed recent books on justice – for example, by John Rawls (*A Theory of Justice*) and Amartya Sen (*The Idea of Justice*) – ignore the effect on justice of how money values work as they do, resulting from how they are created and managed.
  8. See Appendix 1 for more on the Georgist and Social Credit movements.
  9. Plato and Aristotle also agreed on "the paramount monetary principle – that the nature of money is a fiat of the law, an invention or creation of mankind and society rather than a commodity". Stephen Zarlenga, *The Lost Science of Money*, p. 35, American Monetary Institute.
  10. To take an extreme example, a particular 5-bedroom house in Chelsea in London was sold for £1,000 in 1910; ninety years later it was worth £4.5 million, an increase of 450,000%. That was nearly 37 times greater than the increase in the price of a basket of basic items like bread and potatoes over the same period. See the review on my website of Fred Harrison: *Boom/Bust: House Prices, Banking and the Depression of 2010*, Shephard-Walwyn, London, 2005 at <http://tinyurl.com/83k6k68>.
  11. <http://tinyurl.com/2k37l>.
  12. A fuller summary is in Chapter 6, 'Changing Worldviews, Changing Values' in *Future Work* (page 76) available on my website at <http://tinyurl.com/7cgx97p>.
  13. "... democracy, the rule of law and human rights. These are not 'Western' values; they are universal values of the human spirit" – former UK prime minister Tony Blair in *The Times*, 19 March 2011, p. 27.
  14. <http://tinyurl.com/6m5ew6n>.
  15. For how this happens and what should be done about it, see Chapter 3 on Managing the national money supply.
  16. See footnote 11 on p. 75, and for what should be done about it see Chapter 3 on Managing the national money supply and Chapter 4 on Public revenue and spending.
  17. See <http://laszlo-zsolnai.net>. Also see the UK Institute of Business Ethics –

<http://www.ibe.org.uk>.

18. See <http://www.jamesrobertson.com/news-jul11.htm> - books; and <http://tinyurl.com/6gqaxb9>.

19. Questionable ones include former heads of foreign states and their families.

20. For example the Royal Bank of Scotland, now owned by the UK government, “over-invests in fossil fuels and under-invests in renewables and other clean technologies”. See <http://tinyurl.com/82mwwby>.

21. “Methods used to remove already formed contaminants from a stream of air, water, waste, product or similar. These techniques are called ‘end-of-pipe’ as they are normally implemented as a last stage of a process before the stream is disposed of or delivered.” See <http://tinyurl.com/7kyuygy>.

22. A detached view might also see them as one example of the ‘epicycles piled on epicycles’ responses to failures in our present ‘pre-Copernican’ mainstream money system to function in ways we need it to function (see footnote on page 32).

23. My personal views on this subject have not changed much since I led the new economics foundation project on ‘Economic Teachings of World Faiths’ (1987-1994) – see <http://tinyurl.com/7fdnujy> on my website.

24. Adam Smith was arguing for economic freedom against the ‘mercantilism’ of royalist control of the economy which favoured powerful interests in support of Britain’s trading and military power in competition against other nations. He would never have dreamed of saying that making money should be a central purpose of our lives.

25. See Tarek El Diwany, *The Problem With Interest*, Kreatoc Ltd, 3rd edition, 2010. <http://tinyurl.com/7lm9mbg>.

26. <http://www.stpaulsinstitute.org.uk>, also see the note on banks’ morality at <http://tinyurl.com/7crjkad> and <http://tinyurl.com/7lubxhm>.

27. <http://www.socialjustice.ie> (includes banking, basic income, taxation and other financial policy issues).

28. <http://www.ccmj.org>.

29. See the EECR report of March 2011 on ‘The Banks and Society: Rebuilding Trust – social, ethical and environmental concerns’, <http://tinyurl.com/88vsujo>.

30. <http://www.ekkleisia.co.uk>.

31. <http://tinyurl.com/nhvaska>.

32. See BBC News report at <http://tinyurl.com/39m8kxw>.

33. See ‘Responsible finance and economic justice’, 24 Nov 2011 at <http://tinyurl.com/7sqkbe2>.

34. It naturally happens that these questions reflect aspects of the sane, humane, ecological (SHE) future discussed in my earlier books since *The Sane Alternative* in 1978. See <http://www.jamesrobertson.com/books.htm>.

35. Tim Jackson, in his acclaimed book *Prosperity Without Growth: Economics for A Finite Planet*, makes a compelling case against endless economic growth. Also see footnote 3 on p. 69. 36. <http://www.jamesrobertson.com/books.htm> - futurework.

## Part Two: Proposed reforms

1. For further discussion see F. A. Hayek *Denationalisation of Money*, <http://tinyurl.com/722aqgd>, and comments by Huber and Robertson in *Creating New Money*, pp. 50-52. See <http://www.jamesrobertson.com/books.htm> - creating.

2. We all need outside reinforcement to resist opportunities for diverting money to ourselves, whether we are working for the public interest or for private profit. It is true that, even in ‘highly developed’ countries like the USA and UK, activities now take place among public servants – officials, elected representatives, etc. – that can be interpreted ethically, if not legally, as financial corruption. But, in principle, it will always be easier to establish ways that “lead us not into temptation” and guard us against ‘moral hazard’, if we are working for the common interest rather than for personal or private-sector profit.

3. See *Future Work* (1985) – <http://www.jamesrobertson.com/books.htm - futurework>. This is relevant to Prime Minister David Cameron’s hopes for a ‘Big Society’.

4. Sources for monetary reform include <http://www.bankofenglandact.co.uk>, <http://www.positivemoney.org.uk>, <http://www.jamesrobertson.com/links.htm - monetary> and <http://www.jamesrobertson.com/books.htm - creating>. 5. Sources for the future of taxes include <http://www.taxjustice.net> and <http://tinyurl.com/7hj7n7c>.

6. Sources for future public spending include <http://www.jamesrobertson.com/article/citizensincome.pdf>, Norman Myers and Jennifer Kent, *Perverse Subsidies*, Island Press, 2001.

## Chapter 3

1. An example of present conventional thinking has been that the terms of reference of the recent UK Independent Commission on Banking didn’t include ‘Who should create the national money supply, and in what form?’. No wonder that its final recommendations have been seen as inadequate by people with the common interest at heart, and seen at the same time as damagingly costly and cumbersome by the banking industry itself. See <http://tinyurl.com/3acopaa>, <http://tinyurl.com/88u5zqd> and <http://tinyurl.com/7djyx4w>.

2. In pre-democratic societies it was kings and rulers who provided all the currency. Their income from doing so was called seignorage (see Chapter 1), and they spent it as they decided. No expert economic knowledge is needed to see that corresponding arrangements in today’s democracies would treat all the income from creating new money as public revenue, and that normal democratic budgetary procedures would decide on its first use.

3. For more on the penalties for counterfeiting and forgery, see Darius Guppy at <http://tinyurl.com/y9glcec>.

4. This is only one of the many ways governments now make taxpayers subsidise the banks. Some others are discussed by the new economics foundation at <http://tinyurl.com/7dvyl9q>.

5. The rate at which money loses its value for what it can buy. 6. Source: Bank of England Interactive Statistical Database figures for ‘M4 and M4 Lending’. See page 19 of Submission to the Independent Commission on Banking, November 2010: <http://tinyurl.com/3vqfvws>.

7. UK Prime Minister David Cameron’s idea of the ‘Big Society’ cannot be effective until the privilege is withdrawn that now means Big Money dominates our lives.

8. <http://tinyurl.com/7t2x8bj>.

9. From TARP, the \$700 billion Troubled Asset Relief Program launched under President Bush’s Emergency Economic Stabilization Act of 2008.

10. <http://tinyurl.com/87jsxv>.

11. See <http://tinyurl.com/3xg69gj>.

12. As noted earlier, fractional reserve banking is what we have now. It requires commercial banks to keep in reserve only a fraction of the money deposited with them. For example, if the

required fraction is 10%, a deposit into the banking system of £1,000 would allow it to create an addition of £900 to the money supply by lending it to customers as ‘credit’, and then a further 10% of £900, and then a further . . . and so on.

13. “Parturient montes, nascetur ridiculus mus.” Horace, *Ars Poetica* (183).
14. ‘Government debt’, ‘national debt’, ‘sovereign debt’, and ‘public debt’ all mean much the same thing. It should not be confused with the ‘total debt’ of a country, which includes the debt of financial institutions, non-financial businesses and households in addition to government debt.
15. <http://tinyurl.com/3x3kk7f>.
16. <http://tinyurl.com/26u4k3k>.
17. Like the Bank of England in the UK, the Fed in the USA, and the European Central Bank in the eurozone.
18. The Treasury and Bank of England should be asked to publish their best estimates.
19. The estimate of £200 billion at <http://www.bendyson.com/statistics> therefore seems very moderate.
20. See p. 100.
21. See p. 99.
22. <http://tinyurl.com/3xg69gj>.
23. <http://tinyurl.com/7uxloec>.
24. See footnote 8 on page 32 for the parallel between the radical reform of the world’s money system needed now and the 16th-century Copernican revolution in our understanding of the solar system. The complex regulations needed at present by the unreformed money system match the epicycles piled on epicycles needed then to correct the consequences of pre-Copernican, Ptolemaic astronomy.
25. The view of Michael Portillo when Shadow Chancellor: see *Monetary reform – making it happen*, p. 41, <http://www.jamesrobertson.com/books.htm> - [monetary](http://www.jamesrobertson.com/books.htm).
26. ‘Economic Contribution of UK Financial Services 2010’, <http://www.thecityuk.com>.
27. Research by the new economics foundation in 2009 found that “while collecting salaries of between £500,000 and £10 million, leading City bankers destroy £7 of social value for every pound in value they generate.” See ‘A Bit Rich: Calculating the real value to society of different professions’, <http://www.neweconomics.org/publications/bit-rich>.
28. What we should do about international monetary reform is discussed in Chapter 5.
29. Like the Bank of England in the UK, the Fed in the USA, and the European Central Bank in the eurozone.

## Chapter 4

1. See the section in Chapter 1 on ‘The Bank of England: the first central bank’ (p. 54).
2. On another similar point, it was only in 2005 that the two revenue departments, the Inland Revenue and the Customs & Excise, were merged as HM Revenue & Customs, enabling the UK government to develop a better integrated approach to different forms of taxation – if elected UK ministers should ever accept the need for one.
3. See, for example, <http://tinyurl.com/7dfy84s>, <http://tinyurl.com/6wo3oxj> and <http://tinyurl.com/8x9zcsy>. Thanks to Steve Kurtz for these references.
4. ‘Moral hazard’ is often used to describe subsidised risk-taking that will create unlimited private profit as the reward for success for the risk-takers while limiting their losses at public expense.

Banks being 'too big to fail' is a good example. 'Moral hazard' can also be used more widely to describe any situation where the risk-takers take profit from success but other parties to a transaction bear most of any losses.

5. See <http://tinyurl.com/ykqodjt>.

6. <http://www.express.co.uk/posts/view/266993>.

7. Fred Harrison's *The Power in the Land* and other books are a prime source of information and comment on the wide-ranging arguments for land value tax (LVT). See

<http://tinyurl.com/78hbzq5>.

8. See (1) 'Land campaign – Why we should follow Pittsburgh', Christopher Huhne (later a Cabinet Minister in the UK Coalition Government of 2010), *New Statesman*, 27 September 2004.

<http://tinyurl.com/7adobfs>. (2) Samuel Brittan, 'A case for taxing land', *Financial Times*,

9 December 2005. <http://tinyurl.com/76x9hpc>.

9. <http://tinyurl.com/yjgdmyv>.

10. Among a very large number of sources of information on environmental taxes like these, a Google Search for 'Paul Ekins & David Gee' would be a good place to start browsing. It will include <http://www.greenfiscalcommission.org.uk>.

11. See <http://www.citizensincome.org> – also search that site for 'basic income'. A Citizen's Income will play an essential part in the transition to a meaningful 'Big Society', even if people in big government, big business, big trade unions, and big banking and finance resent their resulting loss of power over other people.

12. Their present environmentally wasteful costs include duplication of buildings, heating, lighting, etc. between homes and 'workplaces', the costs of daily mass commuting to and from those, and the costs of mass transportation involved in foreign trade.

13. A fuller account of this approach for anyone wanting to go further into it is at <http://www.jamesrobertson.com/ne/benefitsandtaxes-1994.pdf>. The statistics in it are now out of date. Otherwise it is still as relevant as it was when it was written.

14. These include costs of £82bn a year (2009) for 'outsourced' public services (Oxford Economics for Business Services Association – see <http://www.bsa-org.com/documents/70> and text under Chart 2.1.

15. <http://tinyurl.com/76c847x> and <http://www.taxpayersalliance.com> – search for 'real debt').

16. This does not include the huge present subsidy to the commercial banks (Chapter 3).

17. Norman Myers, *Perverse Subsidies: Tax \$s Undercutting Our Economies and Environments Alike*, IISD, Winnipeg, Canada, 1998.

18. See <http://tinyurl.com/4hh8e97>, also George Monbiot at <http://tinyurl.com/6mgahbq>, and see also <http://tinyurl.com/4mbhpggh>.

19. *The Daily Telegraph*, 18 February 2011, <http://tinyurl.com/4x7jalw>.

20. How much the gap is steadily widening is suggested by the example which I quoted in another context in Chapter 2. Over the longer term, the rate of increase in the price of houses has hugely eclipsed increases in the prices of other products and people's earnings. A particular house in Chelsea in London was sold for £1,000 in 1910; ninety years later it was worth £4.5 million, an increase of 450,000%, nearly 37 times greater than the increase in the price of a basket of basic items like bread and potatoes over the same period. Fred Harrison, *Boom/Bust: House Prices, Banking and the Depression of 2010*, page 117: Shephard-Walwyn, London, 2005, one of Fred Harrison's many pioneering books on the need for Land Value Taxation.

21. For free lunches see <http://www.the-free-lunch.blogspot.com>. Land enclosure has played a prominent part in widening the gap between rich and poor in the history of 'developed'



economies and continues to play that part in ‘emerging’ economies today. See, for a recent example, <http://tinyurl.com/727j93t>.

22. Alanna Hartzok is one: see <http://www.earthrights.net>.

Appendix 1 provides background to the Georgist and Social Credit movements.

23. <http://www.jamesrobertson.com/book/futurewealth-section3.pdf>.

24. The figures are taken from: <http://tinyurl.com/6vodry6>.

25. <http://tinyurl.com/85hswrn>.

26. See the Section on Regulation, Supervision and Guarantees in Chapter 3 and footnote 24 there, comparing the present need for these complicated regulations to the epicycles piled on epicycles that were needed to correct the errors of pre-Copernican astronomy.

## Chapter 5

1. <http://www.bbc.co.uk/news/10413076>.

2. <http://tinyurl.com/3vzad2u>.

3. <http://tinyurl.com/7skqbzu>.

4. *Our Global Neighbourhood*, Oxford University Press, 1995.

5. Revenue from global taxes might also have funded the per capita distribution of some of it to national governments, as a right of every citizen of the world to a share in the value of global resources as a global Citizen’s Income, but the International Commission did not mention that.

6. Michael Rowbotham, *Goodbye America! Globalisation, debt and the dollar empire*, Jon Carpenter, 2000, is a valuable international successor to his *The Grip of Death*.

7. Richard Douthwaite, *Defense and the Dollar*, 2002 and Feasta, *Climate and Currency: Proposals for Global Monetary Reform*, 2002. Details of both from The Foundation for the Economics of Sustainability, e-mail: feasta@anu.ie.

8. Romilly Greenhill and Ann Pettifor, *The United States as a HIPC* (heavily indebted prosperous country) – how the poor are financing the rich, new economics foundation, London, 2003; <http://tinyurl.com/76notmt>.

9. Henry C. K. Liu, ‘US Dollar Hegemony Has Got To Go’, Asia Times Online Co. Ltd, 2002.

10. International Monetary Fund, *Reserve Accumulation and International Monetary Stability*, April 2013, <http://tinyurl.com/2bw94yf>.

11. *Forward with the euro – And the pound*, Economic Research Council, 2002. See [www.jamesrobertson.com/article/forward.pdf](http://www.jamesrobertson.com/article/forward.pdf).

12. <http://tinyurl.com/869fvw7>.

13. That is why many of us tend to say ‘governance’ instead of ‘government’ in contexts like this. But, whatever we call it, the time has come when basic, democratic money-system functions are now needed at the global level as well as nationally.

14. It particularly exists in the ‘revolving door’ between the two sectors. See for example Political Cleanup, <http://political-cleanup.org>. Also see ‘Lobbying in USA’, and ‘Links list’ on that website.

15. <http://www.transparency.org.uk>.

16. <http://tinyurl.com/7gwm8h6>.

17. But will this actually happen? What will make it happen? The answer is that we, the people of the world, must find ways to make it happen. That applies to money system reform in general, and will be discussed further in the concluding chapter.

18. Economic instruments include taxes, charges, deposit-refunds and schemes for trading rations

or quotas or permits. They are used by governmental agencies as financial incentives to encourage producers and consumers to adopt environmentally sound and efficient production and consumption. See <http://tinyurl.com/7fe5kpm>.

19. See, for example, <http://tinyurl.com/7x65tja>.

20. *Investing in Development: A Practical Plan to Achieve the Millennium Development Goals*, Chapter 13, p. 193, Earthscan, 2005. <http://tinyurl.com/7mxbh3g>.

21. See <http://tinyurl.com/7hu4wpp> and <http://tinyurl.com/732ossq>.

22. <http://wdr2011.worldbank.org/agenda>.

23. <http://www.una.org.uk/about.html>.

24. <http://tinyurl.com/6qkkwaq>.

25. <http://tinyurl.com/7u5x42s>.

26. <http://tinyurl.com/27nor2>.

27. <http://tinyurl.com/8a7bqc2>.

28. <http://tinyurl.com/6msvmhe>.

29. <http://tinyurl.com/yjhw8mw>.

## Chapter 6

1. See [http://en.wikipedia.org/wiki/Transition\\_Towns](http://en.wikipedia.org/wiki/Transition_Towns).

2. A good illustration of the close connection between the Transition Towns movement and local money systems, is at <http://www.transitionbooks.net> – see the vertical column of typical local community banknotes on the right-hand side of its home page.

3. <http://www.communitycurrency.org/cc-resources>.

4. <http://tinyurl.com/7qcj732>.

5. See, Colin Hines, *Localization: A Global Manifesto*, Earthscan, 2000, and a perceptive review at <http://tinyurl.com/77tushm>.

6. Largely taken from my previous books *The Sane Alternative* (1978, 1983), *Future Work* (1985), and *Future Wealth* (1989) – see <http://www.jamesrobertson.com/books.htm>. They are still very relevant, especially to the current ‘Big Society’ idea.

7. Pat Conaty’s record, ranging from inner city social enterprises like credit unions and other local Community Development Finance Institutions (CDFI) to Community Land Trusts (see <http://tinyurl.com/7284w6h>) provides examples of practical actions being taken forward on those lines.

8. ‘The UK economy is turning back to the co-operative model to sustain its future’. <http://www.uk.coop/economy2011>. Ed Mayo is Secretary General of Co-operatives UK.

## Chapter 7

1. For the meaning of moral hazard see Chapter 4, footnote 4 on page 125.

2. <http://tinyurl.com/6556z96> and <http://tinyurl.com/7u9b9es>.

3. <http://tinyurl.com/3z6kakx>.

4. <http://www.jamesrobertson.com/books.htm-dependency>.

5. [www.paecon.net/HistoryPAE.htm](http://www.paecon.net/HistoryPAE.htm).

6. <http://www.degrowth.org>.

7. I see how they can provide the basis for private contracts, investments or insurance policies, but not how they can provide a basis for public currencies.
8. 'Gold is Stable in Value 4: More Commodities Prices, and Commodity Baskets', see <http://tinyurl.com/74l4sft>.
9. This principle goes back quite a long time. I don't claim to have invented it myself, but in 1983 I was writing in *The Sane Alternative*, page 41, that "the SHE (sane, humane, ecological) path of development will lead the peoples of the world's rich and poor countries to converge around an adequate and sustainable level of material consumption" — in contrast to the HE scenario that the richest countries would continue to lead the rest along a 'hyperexpansionist' path.
10. See, for example, <http://tinyurl.com/7x65tja>.
11. <http://tinyurl.com/6ua3b5b>.
12. <http://tinyurl.com/24vcae>.
13. The Global Infrastructure Anti-Corruption Centre (GIACC), <http://tinyurl.com/7zetcq2>.
14. (1) Political Cleanup, <http://political-cleanup.org>. (2) Transparency International UK, <http://www.transparency.org.uk>. (3) Unlock Democracy, <http://tinyurl.com/879ntfh>.

## Conclusion

1. Two examples are the American Monetary Institute (Stephen Zarlenga), <http://www.monetary.org>, and the Positive Money Campaign (Ben Dyson), [www.positivemoney.org.uk](http://www.positivemoney.org.uk).
2. See 'Devil's Tunes', Chapter 10 in *Beyond the Dependency Culture*, <http://www.jamesrobertson.com/books.htm - dependency>.
3. Joseph Huber, reminding me recently about Thomas Kuhn's theory of scientific paradigm shift in *The Structure of Scientific Revolutions*, 1962, said: "People do not normally give up their convictions, even if these have become untenable, because this would be too threatening to what they see as their identity and their professional and economic existence. They combat against the challenge or challengers – as long as they manage to defend their status; or, as time goes by, until they become marginalised and die out. That's what Kuhn called the 'biological solution' to competing paradigms and to the struggle between conservative and progressive positions". Unfortunately however, in this case we may not have enough time to wait for the 'biological solution'.
4. <http://www.jamesrobertson.com/books.htm - sane>, page 1.

## Appendix 1: The Georgist and Social Credit movements

1. <http://www.theiu.org>.
2. [www.henrygeorgefoundation.org](http://www.henrygeorgefoundation.org).
3. <http://progressandpoverty.org>.
4. Those campaigns are well documented by Mason Gaffney and Fred Harrison in *The Corruption of Economics*, Shephard-Walwyn. <http://tinyurl.com/7746vot>.
5. [http://en.wikipedia.org/wiki/Social\\_Credit](http://en.wikipedia.org/wiki/Social_Credit).
6. A good example is Alanna Hartzok, Earthrights Institute, <http://www.earthrights.net>.