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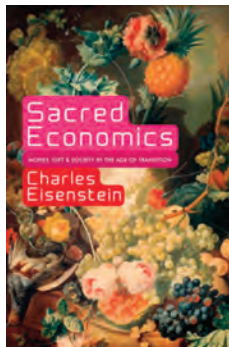
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book review

Sacred Economics | Money, Gift & Society in the Age of Transition

Review by Mary Beth Steisslinger

Sacred Economics:
Money, Gift & Society in the Age of Transition
Charles Eisenstein
Evolver Editions, 2012
<http://sacred-economics.com/read-online>



Is a more beautiful world possible? Many of us dream it is, and Charles Eisenstein's latest book, *Sacred Economics*, shows that it's possible and even probable. Probable in this interest-rate-driven and growth-dependent economy, because we've privatized, monetized and destroyed so much of what was once commonly owned, we're running out of growth options.

Humanity must now choose economic transformation or continuing destruction and resource theft via war and oppression to keep growing. We see many people worldwide standing up to denounce the latter. Still, many more are stressed, bewildered and don't know where to turn for solutions. This very readable book manages to be both witness for the many suffering the strain of the current system and a detailed inspiration to transform it.

Sacred Economics is most of all a practical guide on how to design an economic system, locally to globally, that employs the best thinking of many movements: Transition Towns, Permaculture, and what could be called a diverse international commons movement. The goal is an all-win economy that Eisenstein posits will bear the following characteristics...

- It will be an extension of the ecosystem, not a violation of it.
- It will promote local economies and revive community.
- It will be consistent with zero growth, yet foster the continued development of our uniquely human gifts.
- It will promote equitable distribution of wealth.
- It will be aligned with political egalitarianism and people power and will not induce more centralized control.
- It will restore lost realms of natural, social, cultural and spiritual capital.

This book can make the most economically averse (I counted myself in that category) into a fan of fiscal possibility because Eisenstein sees the power of a new global story emerging, and he can tell it well. In his words, the 'sacred transformation' we seek can be had when we learn to design for the "truth that has always existed. It is the truth of the unity or connectedness of all things, and the feeling is that of participating in something greater than oneself, yet which is also oneself. In ecology, this is the principle of interdependence."

Eisenstein uses this principle adeptly as he lays out logical steps towards creating an all-win economy. He provides ideas for policy mechanisms and individual actions encouraging the best in

innovation, entrepreneurialism and sharing, while eliminating externalities that benefit the few at the expense of society and nature. That is, he calls for institutionalizing checks and balances to provide for everyone's needs, not everyone's greed.

Here is an overview of some of the directions he recommends:

1. Elimination of interest rates and the creation of negative interest on reserves to eliminate hoarding by banks, keep money circulating, and end the risk-free advantage of usury (i.e., no more making money, just because one has money, at the expense of others and nature). He admits negative interest rates, or demurrage, could increase the destruction of remaining natural resource commons (e.g., forests, fisheries, fresh water, etc.) *if the demurrage rates were too high*. People might buy and sell resources faster to avoid loss of purchasing power. He recommends keeping rates close to zero to avoid boom-bust cycles and using collaborating non-private institutions to oversee it.

2. Elimination of unjust profits on commons controlled by private interests such as holders of electromagnetic spectrum, mineral rights and land. These properly belong to all of us, and their depletion should only happen by common agreement and for the common good. Anything that belongs to the commons should be subject to fees or taxes to create a strong economic incentive for conservation. Intellectual property can be returned to the commons by shortening copyrights and patents, thereby acknowledging the cultural matrix from which ideas arise.

3. Internalization of social and environmental costs could be achieved by backing currency with a basket of Earth's resources and its capacity to absorb waste. He proposes new institutional arrangements to set caps and rules for resource use, aligning economics with ecology and turning entrepreneurial innovation toward the service of the planet.

4. The social dividend acknowledges that the gifts of our ancestors and nature and the technological advances that they have made possible are a vast storehouse of wealth and innovation to which all of humanity are shareholders. The social dividend would be the bare amount to cover life's necessities, as it is more just to pay out the proceeds of economic rent of the commons, pollution taxes and so on to all citizens. It enables the dignity of all humanity and unleashes human creativity.

Eisenstein plainly says he's drawn from a rich body of creativity, from economists and social thinkers past and present. Thus to follow his quest for a more beautiful world and honoring the gifts of others he utilized in the writing, he has made this book available for free on the Internet as well as in bookstores.

He asks those who read *Sacred Economics* to consider what this gift might be worth to them, and if they deem it useful, to pay him in thanks or pay it forward. For me, this review is my way to pay it forward.

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