

## Bubbles, Bailouts and Real Security

Jamaica Plain, December 7, 2008, Chuck Collins

Excerpt Available for Viewing at You-Tube:

<http://www.youtube.com/watch?v=QYnhvBD8D1w>

As you might expect, the global economic crisis has spurred some gallows humor. Here's a sampling:

What's the difference between an investment banker and a pigeon? A pigeon can still make a deposit on a new Ferrari.

How many stockbrokers does it take to change a light bulb? The answer is two: one to take out the bulb and drop it, and the other to try and sell it before it crashes.

For 15 years, in my day job, I've been tracking the growing inequalities of income and wealth in the U.S. Along with others, I have argued that you can't have a healthy economy if most people's wages are flat and their consumption is based on overwork and debt.

Nor is it a good idea to change the rules of the economy to pump up assets and funnel wealth to the superrich. Inevitably this leads to a bubble economy, as wealthy investors speculate with their surplus wealth and turn the market into a casino.

It's as if we have been shaking a seltzer bottle for 15 years -and now we're waiting to see how much real water is left in the bottle. The bad news is there is a lot of air.

Because of this, I've had the opportunity to do over one hundred talk radio interviews since mid-September. As people call in with their questions and comments, I've heard the anxiety, anger, fear and confusion about what is happening -and a deep yearning to understand.

On an AM morning drive time talk show out of Richmond VA, one woman caller said:  
"I've been reading on the web that there was a meeting at Harvard with a bunch of Wall Street guys and experts on Islamic Sharia law and banking. Is it true that Secretary of Treasury Henry Paulson and Barack Obama are going to try and impose Muslim Sharia law on the U.S. banking system???"

I said that I had not heard about it, but that Sharia prohibitions on usury might be a good idea. Later I thought: I know that during tough times, rumors spread about a Jewish Banking Conspiracy, stoked by anti-Semitism. But I had never heard of a "Islamic Banking Conspiracy."

There is a fury in the land about these bubbles and bailouts, and the idea that ordinary taxpayers are having to pay to clean up from the results of speculative greed on Wall Street.

Everyone asks: How bad is it? Will it get better soon? My view is we are at the beginning of the GREAT UNWINDING, not the middle or the end. And sadly, this was not a weather event. This was a human created disaster. And it could have been averted.

What is the meaning of the economic crisis for our lives. What will this mean for us personally? What will increase our real security? What might we do together to increase economic security in our community and planet?

I recently had coffee with my friend "Edith" (not her real name) who is my age, single, and rents an apartment in the neighborhood. She was telling me how she was worried that her job at a human services organization would be cut.

I said, in an offhand way: "Edith, you can come live with us."

"I can?" she said and started to cry.

"Of course. You have always have a place to live."

She began to sob.

Then a thought crossed my mind, "as long as we have our house." How quickly we can go to our most vulnerable place.

In the coming year, I believe the financial crisis will worsen and personal economic security will further erode for millions of us.

This economic crisis is not "out there" -it is real and present in our daily lives. We may all have a part of Edith in us.

Many people will face these challenges in isolation. Even those connected to religious congregations, unions or civic groups may be embarrassed or ashamed to reach out for help.

In our reading from the Drake Bennett's article, "Depression 2009: What would it look like," he serves up a very bleak image of neighborhoods hollowed out: empty houses aside houses overcrowded with people. The blue flicker of television sets in dark houses.

Today's economic downturn, Bennett says wouldn't be characterized so much by soup kitchens as isolation. "In precarious times," he writes, "hunkering down can become not simply a defense mechanism, but a worldview."

I think the article misses the potential silver lining of this time -the potential for community building, meals at home, growing and sharing food, slowing down.

But I think he's right about the potential for isolation. A Duke University study about social isolation found that last year, 25 percent of U.S. citizens say they have no one to confide with about personal troubles. This is double the number of people from 1985 who had no one to confide in.

The coming years will present us with a struggle over what kind of economy and society we become. If we do this right, our lives will be better. Our families and the fabric of communities will be stronger. And we will live in greater harmony with the earth.

Theologian Walter Brueggaman's call is for us to move:

From autonomy to covenantal existence;

From anxiety to divine abundance;

From acquisitive greed to neighborly generosity.

It's not exactly a bumper sticker.

Autonomy? I think of that as our extremely individualistic view of our self, apart from others and society.

Covenantal Existence? As a religious community we understand something about covenant -our promise to one another to hold this church together.

But how do we get there? One starting point is to unpack the values and messages of our culture that keep us apart. One of the dominant messages is "You are on your own."

Retirement? You need to figure it out on your own. Health care? You are on your own. Caring for family members with great needs? You need to invent your own play book. We are told: "We need to be self-sufficient, economically self-sufficient."

Bruggemann regards this autonomy, this form of extreme individualism as a myth, an aberration of modern history. This individualism "resists communitarian connectedness."

Another scary message is... "Some people are going to be left behind." The images of Hurricane Katrina reinforced this. "You may be left behind...because you are old, brown, black, disabled, or poor." These messages keep us apart. They block the possibilities for "covenantal existence."

Another step in our journey is grappling with the reality that everything must change. We are not going back to some Golden Age of 2006 or 1986 or 1956. Never again will we have an economy based on empire. Nor will we have an economy based on cheap energy or freely dumping carbon into the atmosphere.

Our planet, our landfills and our basements cannot sustain past levels of consumption. The premise that 5 percent of the world's population would consume 30 to 40 percent of the world's resources is not sustainable. Growth has to be redefined.

This epoch we are living in should be called "The Borrowed Times." We have been borrowing from the future to consume today. We have been borrowing from the prosperity and ecological stability of our children. We are eating their seed corn.

Together, we must face these realities. Our economy will be very different in 5 years and ten years. We can go two ways: We can retreat into fear, isolation, self-blame, scapegoating (Islamic banking conspiracies), individual action, a fortress "hunkering down" mentality. Or, we can move toward shared abundance, strengthening what we hold together, collective action.

Anxiety to divine abundance? This is certainly the spiritual challenge of the moment as we watch our financial security erode and listen to the dominant media whisper "depression."

What is this "divine abundance?" It doesn't sound like something you can use to pay the rent. I think Brueggemann is saying, Look at the gifts, the blessings of creation and society. Look at all we hold together. Consider the ways that we are being held.

The reality is: we hold a great deal together. There is a real economy of goods and services, local enterprise and arts. As a society, we possess amazing wealth and

resources, capacity, networks. Together we hold vast commonwealth. The problem is this wealth is grossly maldistributed.

Which brings us to the Acquisitive Greed. All societies have greed and gambling - just like there will always be people who drive fast and recklessly. But good societies figure out how to buffer their real economies from excessive greed -with rules, cultural constraints, regulations.

We've ventured to the limits of acquisitive greed. Our culture has enthroned it and our political leaders have encouraged it. The rules of the economy have institutionalized it. But it has brought us to the brink and we know it.

But what is the alternative? What is this vision of a covenantal economy, a solidarity economy? What kind of society should we have? Upon what values should it be based? What does neighborly generosity mean in practice?

I've always been curious about religious teachings on economic life. All the great religious traditions have very different measures for economic health than the market indicators such as Dow Jones or the Gross Domestic Product.

In the Christian tradition, we ask fundamental questions: What is an economy for? How should it be organized to serve the common good? How do we morally measure or ethically evaluate an economy?

The answer: The purpose of the economy is to support the flourishing of human life and all creation. An economy should be organized to aid us in caring for one another and all God's creation.

One precept of Christian social teaching is "the economy should be organized to serve people, not people organized to serve the economy." The "moral measure of an economy" is not how the rich or middle class is faring -but how those who are most vulnerable are

doing. This is a "Solidarity economy" -that recognizes our true interdependence and leaves no one behind.

The election of our new president is good news. I'm heartened that he is proposing bold economic stimulus and public works programs. We need a "Green New Deal" in order to make massive investments in infrastructure, retrofitting all our leaky old buildings and houses, generating millions of jobs anchored in our communities.

But I don't think we can wait for Barack Obama or any leader. The changes we need to make are substantial. So we need to prepare ourselves for change.

I'm exciting by the movement of "Common Security Clubs" that are forming around the country. A common security club is a place where people come together to look at our real security in the face of the economic crisis. It is part study group, part self-help and mutual aid, and part political action group.

In these clubs, we learn about how we got into this mess and what we can do together to increase our economic security. Our "mutual aid" muscles may be out of shape. Our ability to exchange gifts and practice neighborly generosity may have atrophied a bit in the last generation.

It is important to start simple, with the small weights. Some of the other clubs have started bulk food buying clubs, made pacts to get out of debt, organized parties to weatherize each other's houses.

Our church community already has many of these practices. We cook and care for one another when we are sick. Last Sunday, twenty of us raked leaves for twenty minutes and filled twenty bags. This is a living example of many hands make light work.

Some things we can't easily do for each other. We can't be a bank or a senior apartment building or food stamps or Social Security. That's where the organizing for bigger

changes comes in. We need to organize and press our elected officials to ensure the economy works for everyone.

I think Barack Obama has the potential to be a transformative leader. But that is because he knows it is not about him, but about us. By April (2009), it will be obvious that the economic crisis is not going away and there are limits to what a President can do.

What makes Obama transformative is what he may call forth in us. What muscles he will test. What sacrifices will he request. His success rests on how effectively he calls us toward covenantal life.

Here is the good news: We are waiting to be called.

We've been waiting for awhile. After 9/11 we were waiting to sacrifice for the greater good. Instead we were told to go shopping.

The vast majority of people in this country are hungry for a higher purpose. We know we can't borrow any more from the future. We know there is work to be done. We know that we and our neighbors are in need.

We know we are tired and anxious and need to witness the sign of a higher power, of community uplift. When we see others stepping up, this will help us overcome our fatigue.

We are waiting to be called to enlarge our hearts - to use parts of our bodies that have not been exercised, parts of our minds that not been tested. We are waiting to be enlarged and lifted.

We know what Barack needs to say. But we can't wait. Let us call it forth from one another.

Remember my friend Edith? Why did she burst into tears? She told me later that it was because she "felt held" -not physically, but emotionally, by her friends. In our most anxious moments we must hold one another, remind one another of what we have together.

We need to find those who are being left behind and hold them. If that means we knock on the doors of our neighbors that we have never met, then that is what we must do. We must build a solidarity economy that leaves no one behind.

We should never again let the voices of acquisitive greed tell us what is important or how our economy should be organized. We should not let acquisitive greed shape our culture, sell junk to our children, or write the rules of our economy.

We should banish the myth of the autonomous individual -and embrace the full reality of our covenantal existence: We are not alone. And we are nothing without each other.

Church is a place where can hold one another and let no one slip away. It is the foundation for exploring what covenant means -and taking its lessons and values into public square. It is where we can remind one another of both the hardship and the divine abundance, the plenty of God's gifts, and the abundance of what we hold together.

Let us hold one another and move from autonomy and aloneness to community and covenantal existence. Let us hold one another and move from anxiety to divine abundance. Let us hold one another and reject the economy of acquisitive greed in favor of neighborly generosity.