www.ijccr.org · ISSN: 1325-9547

IJCCR (2011). 2011 Book Reviews. *International Journal of Community Currency Research 15*(A).
https://doi.org/10.15133/j.ijccr.2011.010

International Journal of Community Currency Research

Volume 15 (2011) Section C

BOOK REVIEWS

PETER NORTH (2010), *LOCAL MONEY*, GREEN BOOKS, TOTNES. ISBN: 978-1-90000322-52-2, 249pp. [1]

It should be no surprise to anyone that our present monetary and financial systems have problems. Some people have too much money and others have too little of it. Money has no loyalty to localities and communities. The long term trend is the depletion of the planet and the general impoverishment –culturally, as well as financial- of small communities. Against this background the Transition Movement presents a different vision, in which lifestyles become less energy-dependent and more reliant on local skills, enthusiasm and resources. That vision would require a different type of monetary system with multiple currencies circulating at the national and local levels. That is precisely where Peter North's Local Money comes in. As part of the Transition Movement, the book's message is "we can do better" in terms of a monetary system than what we do at present. Alternative currencies can be attractive as part of the solution to a number of problems entailed in the construction of a post-carbon economy. They can break the isolation of unpaid home-work, unemployment, disability and retirement, and advance the potential and creativeness of communities where neighbours can help each other out.

For those who share the vision of the Transition Movement or that are convinced of the need to reform the monetary system, this book represents a invaluable source of information on how to make if happen. Indeed, there is no lack of information in Internet as well as in print on the problems of the present monetary system or on how to start a complementary currency system in a locality. However, it would take a trained researcher several weeks or months to gather the quantity and quality of information included in Local Money. The author has insider knowledge of all but one of these cases and has been active in the research of complementary currencies for fifteen years. The book offers a systematic presentation of the reasons to encourage that transition and discusses with some detail ten experiences of alternative currencies around the world, including an analysis of the strengths and weaknesses of each case and type, a summary of lessons learnt and a score card to help users decide how to adapt it best to their communities.

Local money is organised in four parts with a total of seventeen chapters. The first part is titled "Justification", because it discusses the current monetary system and briefly reviews some theories on the origins and meanings of money. It explains the need to reform the monetary system along the line of localising economic activity and building more sustainable and resilient local economies. It builds the argument that alternative currencies lock in economic activity, support small businesses, and promote the consumption of goods produced in the locality. Communities would then see and feel the effects of their own economic decisions, instead of delegating them on organisations that transfer money elsewhere to maximise their profits. The outcome would be the development of more resilient localities.

The second part of Local Money presents the "Alternative Currency Models" in seven chapters. It starts with a brief history of alternative currencies with Robert Owen's utopian experiments in Great Britain in the 1830s. It describes the stamp scrip of the Great Depression in the United States and some of the early experiments in Southern Germany, Switzerland and Austria inspired by Silvio Gesell's ideas on monetary reform in the 1930s. The following chapter is dedicated to the Local Exchange Trading Schemes (LETS) launched in Canada in the 1980s by Michael Lipton that were later replicated in several other countries in Europe, Australia, New Zealand and elsewhere. Chapter six looks into the Time Banks system as a second option of complementary currency and the examines the principles of coproduction and inclusion of marginal groups. The seventh chapter introduces the case of the Ithaca Hours in the State of New York and outlines the details of using hours of work as currency. Chapter 8 discusses Argentina's Barter Networks as the largest present-day scheme of alternative currencies and as a case from which to learn what not to do. Although that chapter contains some minor inaccuracies in terms of dates, for instance, the section is remarkably illuminating. Chapter 9 delves into the German RegioGeld. It is the only experiment that Peter North has not visited himself but this does not undermine the quality of the section.

[1] Gómez, G. (2011) 'Local Money' book review *International Journal of Community Currency Research* 15 (C) 1-2, <www.ijccr.net> ISSN 1325-9547

Chapter 10 is the last one in that part of the book and discusses the BerkShares designed by the E.F. Schumacher Society in the USA. All in all, the second part of the book represents a rather unprecedented collection of cases and types of alternative currencies; there is no other publication available that offers a comparative analysis of so many experiences across the world and with up-to-date information.

The third part of the book deals with the newest generation of alternative currencies, specifically those within the Transition Movement in Great Britain. The first one is the Totnes Pound, in South Devon. The chapter is written by Noel Longhurst, a founder of the Transition Town Totnes Economics and Livelihoods group. The second case examined is the Lewes Pound in Sussex, which was the second Transition currency launched in the UK. The next experiment is the Stroud Pound in Gloucestershire, and it is described in chapter 13, which is written together with Molly Scott-Cato. The Brixton case, a London borough, is the last British case described in the third part of the book.

There is one chapter more in the third part of the book, in which North outlines a series of reflections and step-by-step recommendations on how to start and build a complementary currency at the local level in any community. The chapter is detailed and carefully written, although with a distinctively British bias. It contains well-founded advice that will appeal practitioners with some previous knowledge of the topic and a higher-than-average educational level.

The fourth is the last part of the book and it presents a variety of tools that can be used by communities to localise economic activity and make it environmentally sustainable. It looks into various financial instruments, like micro-credit, credit unions, local bonds, alternative banking organisations and the mobile phone's money used in Kenya. It also discusses other options of alternative currencies like energy-saving and commodity-backed money, besides electronic cards that reward reusing, recycling and consumption of green products.

The last chapter of Local Money includes some brief final thoughts to further the transition to a greener economy, where communities take the centre stage and carbon dependency is reduced. The last paragraph concludes that it will still take some time to move from the present world to a more sustainable and equal one. It emphasises the role that alternative currencies can play as part of the solution and in the final words of the book Peter North encourages readers to begin exploring the potential of these financial innovations.

While there is little in Local Money that has not been said before, the book represents an important step forward towards compiling and systematising the information on alternative currencies. In short, Local Money can be considered a textbook on the topic. It is useful to academics interested in the issue as a well-documented starting point. It will also appeal to a wider audience with a green orientation and an appetite for the nuts-and-bolts of alternative currencies. Hopefully, it will also inspire community leaders to actually venture into exploring the scheme in practice.

Georgina Gómez

International Institute Of Social Studies,
Erasmus University Rotterdam,
The Hague, The Netherlands
Gomez@iss.nl

MARY MELLOR (2010) *THE FUTURE OF MONEY*, PLUTO PRESS, LONDON. ISBN:978-0745329949, 176pp.[2]

Mary Mellor's The Future of Money takes its cue from the recent financial crisis to explore the history of money from ancient times until the present and presents solutions to the current financial problems. The book makes a damning accusation to the banking system for hijacking a public resource (money), using (and losing) it for personal gain, and to the political world for allowing this to happen. The author argues strongly for a reclaiming of money issuance by the state and letting the public decide democratically how to spend the money.

The Future of Money starts off with an exploration of what money really is through a look at the origins, nature and function of money. This forms the basis of the book. Mellor explains how money can never have value in itself, but can only measure relative values. She discards the idea that money needs to be linked to a scarce commodity, and states instead that money is a social construction, a combination of social conventions, banking systems and state authority. She also dismisses barter theorists who state that money grew out of barter, but instead says that money is important for its token value. She then delves into the relationship between money and debt, which forms an important part of the book, as debt is the main instrument for profit in the financialised economy, as the reader learns later in the book.

Once the origins, nature and function of money have been cleared out, Mellor explains the rise of the money economy as a far from natural process, instead proclaiming it to be a system imposed on people whose land has been taken away from them and who have had wage labour imposed on them so rich landowners could obtain more flexible wealth out of them while they lived in the city. She explains the capitalist dilemma that paid labour leads to a surge in debt because workers are paid less than the value of their products in order to extract profit from their labour. Mellor chal-

[2] Hermans, S. (2011) 'The Future of Money' book review *International Journal of Community Currency Research* 15 (C) 2-3, <www.ijccr.net> ISSN 1325-9547

lenges perceptions of what the economy really is and lets the reader question herself what wealth means for her. Mellor argues that the capitalist market cannot be seen as the source of value in a society and that money-based exchange systems do not equal the economy.

In the second chapter, Mellor explains the shift from debt-free state issued money to private bank generated debt-based money, which is effectively 'fresh air money'. She explains the innovations and new financial instruments in the second half of the twentieth century and explains how financial deregulation came about. For those who are not yet aware of how money is created these days, this chapter can be quite a shocker. For those who do know, it serves as a grim reminder of how banks have hijacked the money system and what immense implications this has for the global economy.

The third chapter argues that the privatisation of money by banks has led to the emergence of a financialised society where money value predominates. This has undermined public and collective approaches to social solidarity and security. As a result, public and collective assets have been privatised or demutualised. People have been encouraged to enter financial capitalism through pensions, stocks and mortgages. This chapter really pulls in the reader as it explains how the general public has been fooled into believing that one does no longer need society, but can handle the problems of different life stages by himself through savings. For a young reader like myself, who never knew anything but this financialised society, it becomes clear how banks have destroyed social solidarity and created poverty and inequality instead.

Chapter four looks at the main beneficiaries of the massive issuance of credit. The truly immense scale of debt and risk banks used since the seventies to earn profit is described. New financial instruments such as derivatives and securities are explained. The author tells the story of the eclipse of the productive sector by the rise of finance. Here the case for an abolition of an (in any case) unsustainable capitalist system becomes very strong. By summing up in such a clear and concise way the inner workings of the capitalist system and the motives of bankers, the reader begins to think in a more radical way about the abolition of capitalism and the time frame in which this should happen.

Chapter five deals with the financial crisis. Armed with the knowledge of the previous chapters, the reader follows Mellor as the card house implodes. Maybe it is because some time has passed since the events, but I have yet to read a better explanation of the reasons and sequence of events of the financial crisis. The public underpinning of the financial sector is revealed and the savings of the world disappear as states try to rescue the banks. The following chapter asks if any lessons have been learned, to which the answer seems to be no, and what lessons should have been learned instead.

In the final chapter Mellor looks for solutions. She proposes a sufficiency economy, and thus a steady-state economy, to deal with green and feminist arguments against the current system. The chapter looks at a range of proposals for how the money and banking system could be reformed in order to provide a practical financial basis for a democratic, ecologically sustainable and socially just provisioning system. Mellor has no fresh ideas, but stresses the reclaiming of money by the public, and establishment of a democratic process for deciding what to do with new money. She also discusses the ideas of Keynes, Gesell, Douthwaite and others.

The fact that capitalism has so clearly failed has opened the space for debate about new roads which society can take. However, if no one understands the nature of money and the intricate way the financial sector works, this debate will once again be hijacked by the financial sector. What Mary Mellor has done here is important. She does not offer any new ideas, but instead makes a strong case by objectively telling the story of money in a very clear and simple way. The veil of mystique around money falls off and all that is left is an ugly naked system of greed. This book is therefor interesting both for the general public, which gets a very good oversight of money from Babylon to Wall Street, as well as for any economist still believing in the efficiency of markets, who will have to rethink his world view.

Steve Hermans

Hermanssteve@gmail.com

ABDALHALIM ORR AND ABDASSAMAD CLARKE (EDS) (2009) *BANKING: THE ROOT CAUSE OF THE INJUSTICES OF OUR TIME,* DIWAN PRESS, LONDON. ISBN:978-1842001103, 191pp.[3]

Twenty years after the publication of the 1987 proceedings of the original seminar *Usury: root cause of the injustices of our time* the transcripts are reissued in the book *Banking: The root cause of the injustices of our time* which confronts the very nature of money itself. A powerful message is conveyed throughout the book, a combination of gullibility and greed has blinded people from the fact that limitless wealth has been based on limitless and exponentially expanding debt which has now come close to destroying the social and equilibrium of the entire biosphere we call Earth. Following the realisation of false banker's promises through the recession the book intends to inspire further thought and work regarding the foundations of money and banking.

The book can be broadly segregated into three key sections. The first two sections contain transcripts of the original 1987 seminar to discuss why usury is destructive and how usury has occurred. A third section contains some updated articles which take into context the recent economic reces-

[3] Walker, B. (2011) 'Banking: The root causes of the injustices of our time' book review *International Journal of Community Currency Research* 15 (C) 3-5, <www.ijccr.net> ISSN 1325-9547

sion to reinforce points from the previous sections and call for radical changes to financial systems. Throughout the book there is a strong convincing argument against usury which simplistically can be defined as 'moneylending' and 'obtaining something for nothing'. The book highlights that usury hugely shapes Western economy and society and should not just be considered extortionate rates of interest but also the taking of any interest whatsoever.

The first transcript 'Where does the Buck Stop?' highlights the need for a balance and equilibrium between transactions in order to provide mutually beneficial exchanges. However, this equilibrium comes into crisis when somebody wants something for nothing. Modern economics is then critiqued for pursuing continual growth and endless expansion and linking these concepts to the concepts of 'progress' and 'development'. At the core of this growth is the monetary system which is based on usury. The lending on interest is highlighted as a cause of inequality as those with money can make more money through lending as they had money in the first place thus putting them in a strong position and the borrower in a weak position. When applied to bankers they can continue to gain wealth and through a system that demands more and more, this cycle continues spiraling into and demanding endless growth. The author highlights that in fact this is all based on a system of beliefs as the money that has been created is worthless, banks are empty and people are being cheated.

The second transcript 'The History of Usury' discusses the past context of usury and highlights how the unnatural breeding of money from money has been historically prohibited. In the context of Judaeo-Christian and Graeco-Roman traditions, which can be associated as being the main sources of European civilisations, usury was condemned as it was considered to result in imbalance and disintegration. The article highlights that over the past few centuries the transaction of usury changed from being a crime condemned since ancient times to becoming respected and recognised business practice. The historical context of usury is used to highlight its innate destructive nature and that it is possible to live without it as has been the case previously.

The next transcript entitled 'The False Growth Cycle Inherent in the Credit-based Economy Together with some Historical Illustrations' argues that essentially due to the creation of money as debt, currency is a system that is not based around anything real and subsequently is unstable, unsustainable and will eventually break down. To effectively demonstrate this point, historical examples such as a Dutch economic crisis in the 1760s and what has become known as the 'South Sea Bubble' are effectively drawn upon.

The transcript 'Usury-free and Usurious Economies Compared' draws attention to three types of economy: a tribal economy; the free market or credit economy of today; and an economy with a bimetallic currency without usury. The contrasting extreme natures of a closed, geographically limited tribal economy and an open, competitive free market are discussed before the need for a natural balance between the two, a bimetallic currency without usury, is identified. This 'naturally balanced economy' would allow for exchange to take place freely with transactions being simple and immediate with usury prohibited.

The next section of the book 'The Setting' attempts to understand what kind of society not only permits but actively encourages usury. In short, the author suggests that this is a decline in morality and ethical behaviour which can be associated with the rise in prominence of a 'Wrong View' over the past few centuries. This 'Wrong View' treats everything as matter, is governed by physical laws and treats morality with interest, interest in goals to be achieved, satisfaction to be met. This contrasts with a 'Right View' which the moral imperative is a truly moral impulse to do good for its own sake which have arguably been deliberately broken down in recent times. The increase of usury can be associated with the emergence of this Wrong View and ultimately the author deems usury as 'objectively, absolutely and categorically immoral'. Three main causes of this widespread practice of usury are identified: individualism and psychological alienation – the Hollywood Syndrome; socio-economic injustice; and the loss of belief in intangible realities, the spiritual or 'unseen' world. The author subsequently concludes that at the heart of usury issues, there is a need for understanding, good character and correct ethical behaviour.

The transcript 'Usury and Its Effect on the Environment: a Local View' draws upon the example of grazing marshes of the Norfolk Broads to highlight how usury has impacted upon local environments. Simply put, despite the lack of need for many crops, farmers will grow them as it guarantees them a return that they require to pay off their debts as soon as possible so to prevent their continual increase due to interest. This debt is encouraged by agricultural policies and initiatives for instance through the Ministry of Agriculture, Fisheries and Food which provide grants of up to 50% for field drainage improvements thus encouraging obtaining loans from banks to cover the remaining amount. Subsequently, the author concludes that the usury incorporated into the EEC's Common Agricultural Policy has not prevented agricultural depression and has resulted in farmers borrowing heavily.

The next transcript 'The Oppression of Consumer Debt' argues that debt should not just be confined to the Third World but in fact should be considered domestically as well. The author argues that in the in the early-mid 1900s people lived within their means and did not get into debt unless it was absolutely unavoidable. The author suggests that domestic credit emerged when a person named Singer who made sewing machines found they were more expensive than people could earn and thus enabled people to pay installments on products resulting in a trebling of his sales within a year. Subsequently, this became common practice and the addition of usury alongside the increasing ease of obtaining credit has resulted in a widespread increase of domestic debt.

The next transcript 'Economic Imperialism' provides a brief critique of the flow of money from the third to first world in debt payments. Labeling the third world debt as bloodless imperialism the author highlights the immorality and criminality of usury and critiques the International Monetary Foundation's role in facilitating this.

The book then draws upon some recent articles. This includes one called 'Crisis! What Crisis?' which refers to the recent recession within the context of usury critiques provided earlier. This article has strong religious content which portrays the context behind the construction of the book and suggests that the lack of religion in Europe has taken away the moral basis of society. This article implies that supply and demand principles that underpin financial systems are inequitable. Subsequently, it is suggested that the values innate within Islam and reverting back to the use of the Gold Standard will help provide the solution to causes of usury.

The next chapter 'Deconstruction of the World Financial Power System: an Analysis of a Different Kind' focuses on four aspects of the modern financial power system: how fiat money (or money made out of nothing) comes into existence; loss of purchasing power and inflation; Central Banks and the Federal Reserve System; and Real Money and Shari'a Economics. The article firstly crucially and effectively identifies how fiat money comes into being through the creation of government, business and private debt. The author identifies how essentially money as we know it is not based in anything and subsequently is at high risk of failure if banks are unable to meet their reserve requirements. Secondly, the article explains how a loss of purchasing power, which is essentially the phenomenon of inflation, has created winners (the government and the banks) and losers (the general public). Using the Federal Reserve System as an example, the article then identifies several hidden objectives of Central Banks. Lastly, the article argues the clear need for a move away from Fiat money towards real money made with intrinsic value. The article suggests that this should be accompanied from a movement away from commercial banking to Shari'a-compliant investments that forbid the use of money to make money and interest-based loans.

The final article in the book entitled 'Open Trade – A Call to Action' calls for widespread 'open trade' through which there are healthy and transparent commercial practices free of systemic usury or other inequalities. The article calls for the Government to restore real currencies; establish free and open markets that observe simple laws preventing the incursion of exploitative modalities; revive appropriate contracts that do not support undercutting, usury and other unjust modes; facilitate open production in a social rather than competitive and individualistic way; establish open distribution networks; and support social needs through endowments.

On the whole, the book provides a refreshing and interesting take on Western financial systems whilst conveying a powerful message throughout on the destructive nature of usury and its intrinsic links to the creation of money as debt. The book effectively portrays the diverse and far-reaching negative consequences of usury drawing upon a wide range of relevantly applied case studies. Staggeringly the arguments put forward in the book are as relevant, if not more so, today as they were twenty years. Key points regarding the occurrence of detrimental financial systems are complimented with interesting principles regarding the need for an open currency. Although the concepts provided in the book are convincing and insightful, the book falls short of identifying or acknowledging the consequences of how society as it stands would cope with the demolition of interest creation. This book is an excellent read for anyone interested in the concept of money as debt and, whilst underpinned by a strong religious undertone, puts forward some unique and thought-provoking concepts.

Ben Walker

School Of Environmental Sciences
University Of East Anglia
Norwich, United Kingdom
Ben.J.Walker@uea.ac.uk

DEIRDRE KENT (2005) *HEALTHY MONEY, HEALTHY PLANET: DEVELOPING SUSTAINABILITY THROUGH NEW MONEY SYSTEMS.* CRAIG POTTON PUBLISHING, NELSON, NEW ZEALAND. 321 PP; ISBN 1-877333-29-8 [4]

Although this book was published almost seven years ago, its statements today are more relevant than ever. The "Occupy Wall Street" movement sparks demonstrations against the social and economic inequality; earlier in 2008 we experienced a financial crisis, and now we are facing the eurozone crisis, and there is no end in sight… All these events show us that there must be something wrong with our "one-size-fits-all" economic structure and money system. We need a radical change. Deidre Kent's book gives us a compass for understanding how money could connect, but not control people.

Healthy Money, Healthy Planet: Developing Sustainability through New Money Systems explains Gesell's statement: "They improved money exclusively from the point of view of the holder, with the result that it became worthless as a medium of exchange. The purpose of money didn't concern them, and thus as Proudhon put it, they forged 'a bolt instead of a key for the gates of the market.'" (Gesell, 1927) Kent elaborates on Gesell's thoughts and the operation of the servant role of money: if and when it serves the community.

[4] Szaly, Z. (2011) 'Healthy Money, Healthy Planet: Developing Sustainability through New Money Systems' book review *International Journal of Community Currency Research* 15 (C) 5-6, <www.ijccr.net> ISSN 1325-9547

In the first part of the book Kent gives an overview on the current interest-bearing money system, and problems associated with it. No wonder the author calls it 'sick money'. In the first four chapters after a brief history of banking she discusses the economic and social consequences of current money system: the growing debt spiral, the widening income gap, the instability and other environmental, social symptoms. She argues for a new and better model of globalization, since the monoculture damages and destroys all other cultures and structures of life. The fifth chapter examines the use of GDP as an indicator of progress, better said: as an indicator of market activity.

It is time to point out one of strengths of the Kent's work: it explains why a new type of money system is one of the absent elements of the definition and interpretation of sustainability. The importance of communities, let it be a local body or a group of citizens, is the other absent element of the sustainability. That is obvious from her explanations. The last chapter of the first part is a very useful summary, it summarizes the counterarguments, which may support the current mainstream model and explains why a paradigm-shift is inevitable.

In the second half of the book we are introduced to the "Healthy Money" system. Kent prefers to define money not by its function, as others economics textbooks. Accepting Bernard Lietaer's statement: "it is an agreement, within a community, to use something as a means of payment"(from B. Lietaer quotes on page 95). It should serve the community, so it should be the main part of the common property. Although the latter conclusion isn't written word by word in the author's text, it is implied: "The privilege of creating money to pass into private interests [...] is the most basic privatisation of all" (page 90).

The next chapter (Chapter 8) is the most exciting part of the book. Not only because Kent sees economy as an organic whole, emphasising that it should mimic the patterns of nature and arguing for the model "economies nested within economies", but also, because she formulates a new approach, which is barely known even after seven years: "The way of treating parts as wholes has been called 'holarchy' [...] such systems are more appropriate than hierarchies. Each living part is whole in itself and possesses something non-material and irreducible: a pattern of organisation." She adds: "In an organic holarchic model, each economy - supranational, national, regional, local and neighbourhood – would be a complete unit" (all citations on pages 103-105).

She states that a healthy economy (just like the cells in the body) needs semi-permeable membrane to provide protection, consequently we have to decide how to regulate the different flows (capital, goods, etc.) effecting our economy. The holarchic view gives guidance for the communities to construct their own healthy money systems.

Chapter 9 organizes the social benefits of community currencies, the next 40 pages present the different forms of complementary currencies all over the world – the reader may find a very useful systematic overview in Appendix I about the classifications of currencies and the comparative table following this (page 289-294). The different LETS initiatives (Chapter 10), the commercial trade barter systems (Chapter 11) and the perishable money systems with demurrage (like Wära, local shillings in Wörgl, Stamp Scrip, Simec, Chiemgauer) are described in chapter 12. The next chapter (Chapter 13) describes business-issued currencies, including the pre-paid vouchers schemes and a privately issued fiat currency (Chatham Islands notes). Chapter 14 shows us a very new type of complementary currency: Richard Douthwaite's energy-backed currency unit and Bernard Lietaer's terra.

The last four chapters give us a synthesis for the whole book, together with the above mentioned Appendix I to deepen our knowledge. The list with its 16 points on page 202-204 could be seen as the most important aspects for the stakeholders. Following that Kent emphasises some very important questions, e.g. legality by the government, acceptability by the users, convertibility, tax issues, etc. ... Kent does not avoid mentioning the phenomenon, that instead of having more and more diverse currencies, the world is moving towards fewer and even more monopolised currencies. She mentions four different disadvantages for common supranational currencies – all this prevail now during the time of euro-crisis. Chapter 18 deals with community banking in New Zealand and in other parts of the World in 20 pages.

Finally the last, 19th chapter emphasises the necessity of the change once more, and encourages the reader: "The time for monetary literacy has arrived [...] The freedom to shape the money we use may turn out to be just as important as other basic human freedoms, like the freedoms of speech and beliefs." (page 267)

Let's quote the words of a Hungarian holistic ecologist, József Agócs: *"The trouble of the world is not that we are doing something the wrong way. The trouble is that we do wrong things. If we finally did something of value, even poorly, the results would be better, even if not perfect."* Deirdre Kent's work helps us create a well-tuned money system.

This book should be of interest to activists and researchers as well. Activists get a lot of information from the glossary of definitions, from the useful websites and the list of organizations. The detailed bibliography and the 20 pages long list of end notes stimulate further research.

S. Gesell (1927): The Natural Economic Order (trans: Ph. Pye) http://www.slideshare.net/helyipenzek/silvio-gesell-the-natural-economic-order p 121.

Zsuzsanna Eszter Szalay

Institute Of Business Economics
Corvinus University Of Budapest
Budapest, Hungary
Zsuzsanna.szalay@uni-corvinus.hu

DAVID HALPERN (2010) THE HIDDEN WEALTH OF NATIONS (POLITY PRESS, CAMBRIDGE), PP307, ISBN 9780745648026[5]

This book sets out to examine some of the factors that go into the development of policy at the highest levels of (UK) government and, in particular, the growing appreciation of what is described as "the economy of Regard" and the "subjective well-being" of individuals in that development. Halpern himself was, from 2001 to 2007, Chief Analyst in Tony Blair's Prime Minister's Strategic Unit, a Unit responsible for researching factors that are relevant to policy development.

The book consists of six chapters that, for a general reader like myself with no formal background in social psychology (Halpern's field) or economics, range from the very readable to the difficult, very occasionally descending into the downright opaque – try this sentence (p32) "A second argument is that well-being underplays inequality (implying a kind of false consciousness of the poor and disadvantaged)." - end of quote. However, such lapses are fortunately very rare.

The economy of Regard is loosely described in the sentence "..much of what incentivizes and drives our behaviour, both in the "real" economy and in our private lives is not money, but what other people think of us and what we think of them in return." This leads to detailed consideration of "well-being" which has the longest entry in the Index. From the research described, it seems that most satisfactions come from a sense of community and the ability to communicate with others we trust.

While it is not the intention of the book to deal with known problems facing the world, it is disappointing that Halpern dismisses climate change by reporting that "Global warming has the potential to cause cataclysmic damage, but it is easily within our grasp to address it with, at most, a few percent of GDP". Then, when discussing the way that government policies may be influenced by local activities to offset declining voter participation, Halpern makes only an oblique passing reference to the growing effect of the Internet and social net-working.

For the general reader it may be that the most interesting aspect of the book is the insight that it gives into the process of formulating government policy, particularly in the UK.

For the local community worker and activist trying to anticipate problems ahead, the book may provide some intellectual support for ideas that are held intuitively while, for the professional politician or those close to the development of policies, Chapter 6, in particular, should be required reading.

John Riminton

---

[5] Riminton, J. (2011) 'The Hidden Wealth of Nations' book review *International Journal of Community Currency Research* 15 (C) 7, <www.ijccr.net> ISSN 1325-9547