

REVIEW:



Sebastopol Independent School of the Long Now
A Penny University! SBC # 164

Associative Economics Cafe # 11

[More about ae cafe](#)

6:30 PM April 14, 2011

at the **FRENCH GARDEN RESTAURANT**

Finance at the Threshold and the Empathic Civilization!



with **Christopher Houghton Budd* & Jeremy Rifkin***

[Empathic Civilization YouTube – Jeremy Rifkin](#)

[Finance at the Threshold Part 1 YouTube – Dr. Christopher Houghton Budd](#)

[Finance at the Threshold Part 2 YouTube – “ “](#)

[Associative Economics Café – Daniel Osmer](#)

[Center for Associative Economics – Associate! \(Economics Journal\)](#)

LAST Week AE Café # 11 (SBC #164) Finance at the Threshold: Yellow & Blue Money

What's Love Got To Do With It?

What an odd question for an event purporting to be about economics. When featuring YouTube videos from Jeremy Rifkin and Christopher Houghton Budd one can expect nothing less than the surprising. Rifkin highlighted mirror neurons and the human empathic drive while Houghton Budd emphasized budgeting, forecasting and capitalizing youth initiative – all youth – everywhere. In the short YouTube segments Jeremy is claiming that consideration for others, not just self-seeking, is biologically ‘soft wired’ into human beings and animals. Christopher pointed to a powerful and objective ‘perception tool’, that if understood and practiced, engenders responsibility for our economic actions in the world while at the same time encouraging individual intuitive initiative.

Empathy and Altruism: Taking Others Into Account

Yes, it all sounds so altruistic. Where is the self-interest? Well, self-interest is certainly necessary but why not add ‘interest in others’ to the equation? Speaking of equations, the host of the 11th associative economics café introduced us to the wide-ranging concept of symmetry

as an important explanatory tool as it applies to economics and accounting. We all know about electrons/protons, matter/anti-matter, supersymmetry, group symmetry in mathematics, left/right, up/down and front/back; yet there are also debits/credits, buying/selling, production/consumption, the twin theory of value, and the symmetry of the human form itself. The late great economist John K. Galbraith suggested that a true understanding of economic life starts with a view of economics as a bi-polar phenomenon. Beware one-sidedness. 'Rights' without responsibility is like a debit without a corresponding credit in the more than 500 year old practice of double entry accounting. Double Entry Accounting is about **past** financial statements; that's half the story! It also needs to include the financial forecast for the **future** – budget, actual and the variance. This practice will change one's consciousness and awareness, even for a teenager.

Yellow and Blue Money

Physicists, mathematicians, and artists consider *symmetry* principles indispensable to the task of understanding how things work. In Christopher's monetary allegory [Rare Albion](#) (a fictionalized reality), money is of two distinct types, colored to ensure that they are not conflated. It is also about the role of the individual in localizing money Issue and credit creation. Yellow money is used for buying and selling and blue money for saving and investment. Yellow money is issued by the citizens, as and when they trade with one another, and is self-validating. Blue money is firewalled from the yellow money and is used as credit for investment. Trade Money/Investment Money. Gold played a role in Rare Albion before currency and credit were separated from one another.

Golden Rule Economics: Beyond the Market or the State

Oh right, back to love and economics. A field scientist and former Science Buzz Café presenter brought up the concept of love in response to the two YouTubes viewed during the evening – another symmetry? The golden rule: 'One should treat others as one would like others to treat oneself' – the ethic of reciprocity (From Wikipedia, the free encyclopedia). In Associative Economics, economics begins with Human Beings, sharing one planet with limited and not unlimited growth. Just remember, my expense is someone else's income and my income is the 'world's' expense. Reciprocity is an unrecognized essential element of economic life. The false claims made in most every high school economics textbook need to be re-examined and replaced: Economics is not about 1) allocating scarce resources, 2) it is not true that self interest automatically orders society, 3) going for the lowest cost is NOT the most social thing to do, 4) nor is it just a matter of supply and demand, 5) the human being is not just noise in the equations and 6) market forces are NOT like the forces that hold up the planets. It is the human being that drives economic life, if only we would all economically awake. The Financial Drivers License Program and the 'in-progress' self-education guide for economics is underway. Thanks for the attention. D. O.

