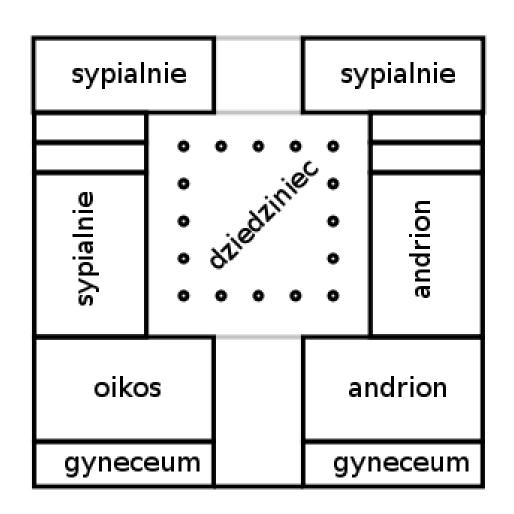
Economies

How we decide to allocate resources

—Dom Helder Camara

 "When I give food to the poor, they call me a saint. When I ask why the poor have no food, they call me a communist."



Oikos

- An oikos (ancient Greek: οἶκος, plural: οἶκοι;)
 is the ancient Greek equivalent of a
 household, house, or family.
- English prefix: eco- for <u>ecology</u> and <u>economics</u>

Definitions

- Economics = management of home
- Chrematistics = 'making money', the pursuit of wealth, the science or study of wealth..
- What is commonly called economics is nothing of the sort, it is pure chrematistics.
- And we have been experiencing 'chremastasis'...being stuck in wealth, in money for some time now.

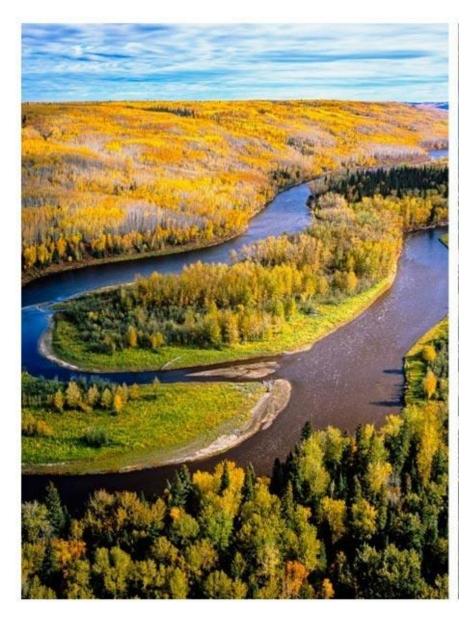
Meeting needs – Factors of production

The great economic question...

 Who gets what, where, when and for how much?

 Economic theory is a rationale to help us understand how we make these decisions, it is not an end in itself!

Land



Labour



Capital



Goods and services

How do we decide what to produce?

Also how much and who needs it?

 How do we discover the right price for a good or service?

The minister of bread for London



Allocating resources

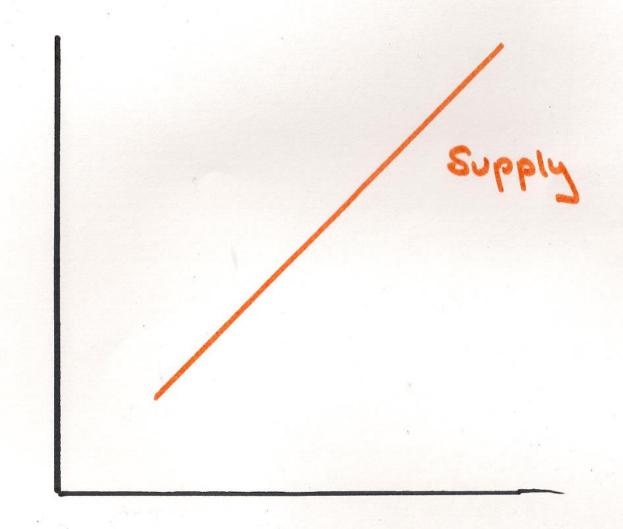
Command and planned economies

Market economies

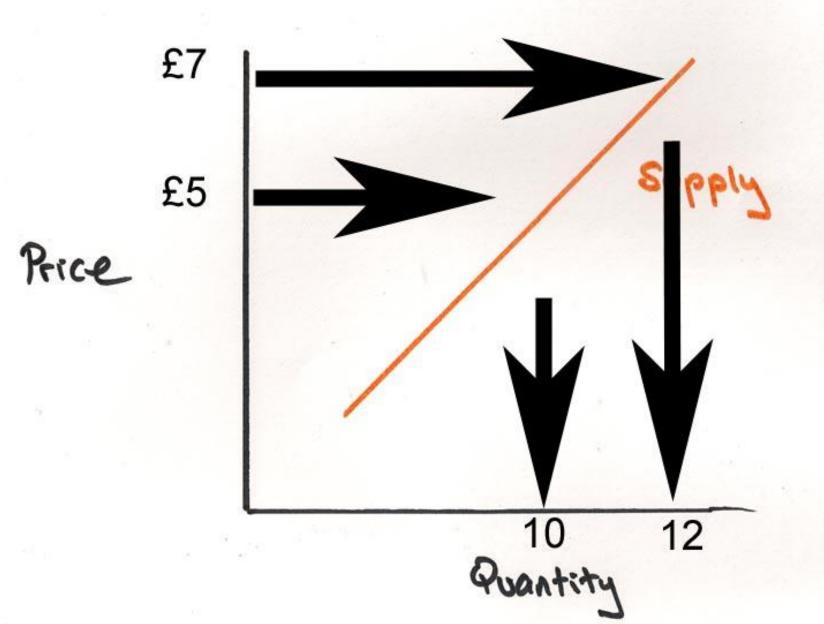


Upward sloping supply graph

 A prices rise producers have more incentive to supply a particular good or service Price



Quantity

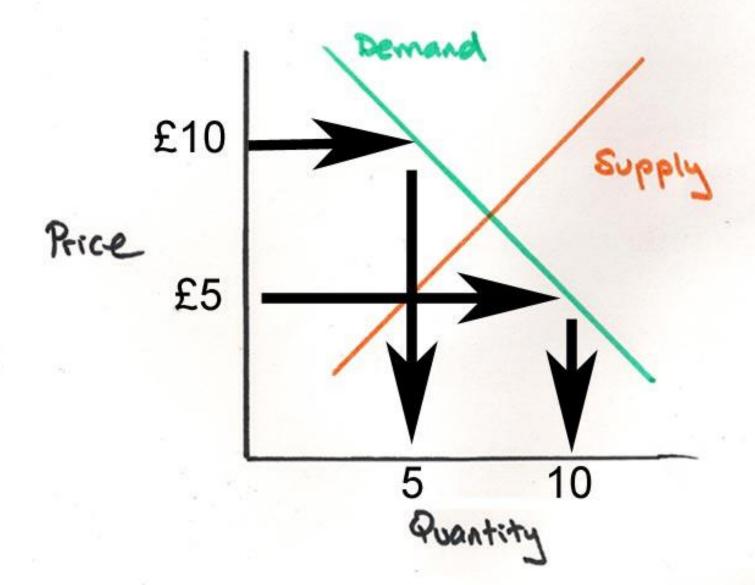


Downward sloping demand

 As prices rise consumers are less willing to buy an particular good or service Demand Supply

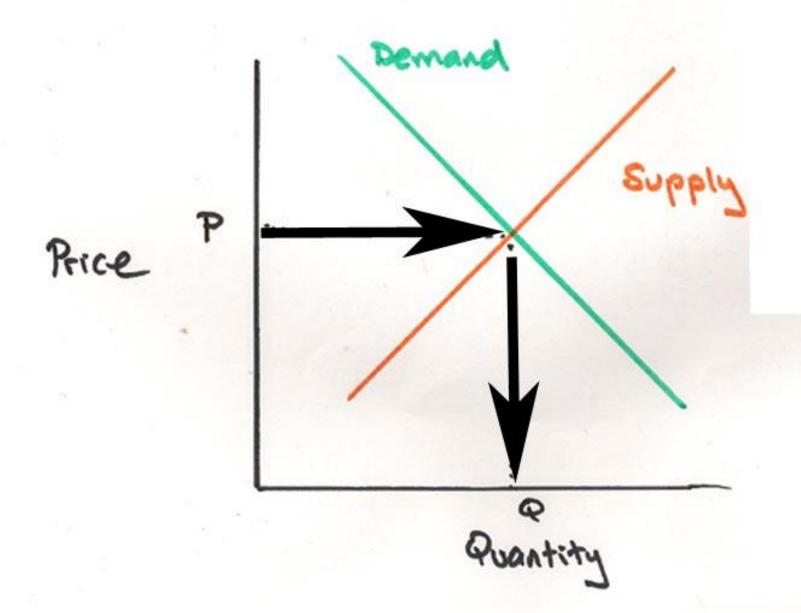
Price

Quantity



Price discovery

- Interaction between the forces of supply and demand
- Mechanism for resource allocation

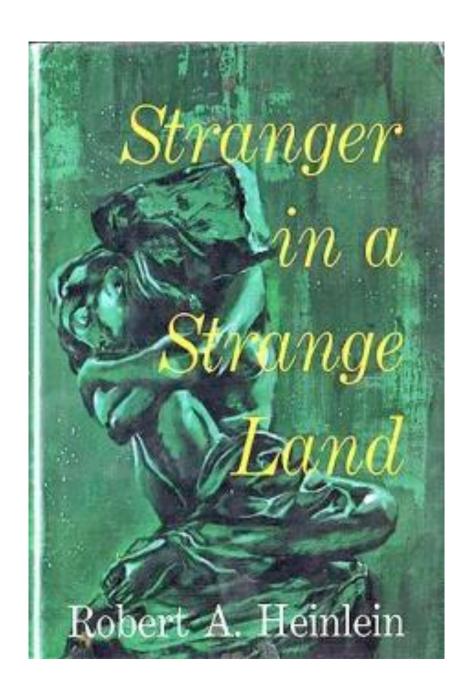


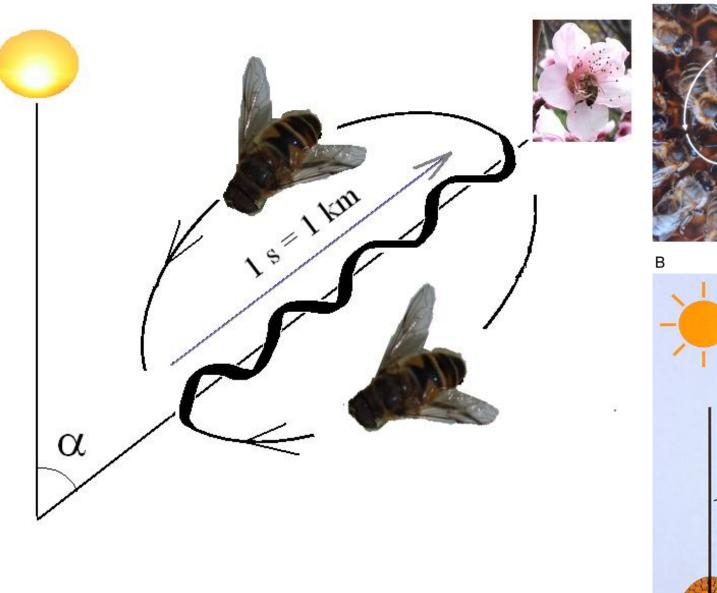


Free market Assumptions

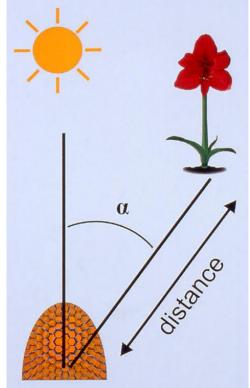
- Homogenous product
- Full disclosure
- No single trader or cartel can influence the market
- Consumers make rational decisions
- Consumers have full information
- No barriers of entry or exit from the market











Functions of money

- Unit of exchange
- Unit of account
- Store of value
- Measure of value
- Method of deferred payment

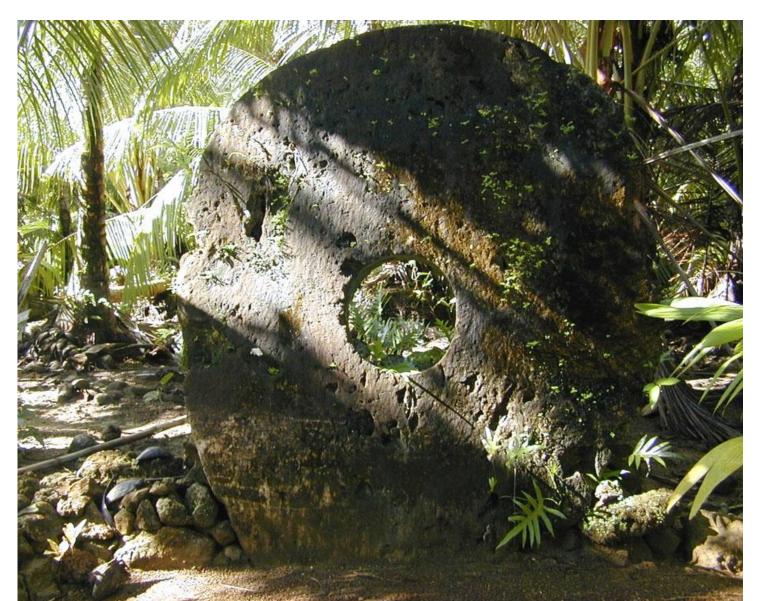
Needs to be divisible, durable and portable

What is money?





Yapese stone money



Alt currency



Bitcoin and crypto currencies



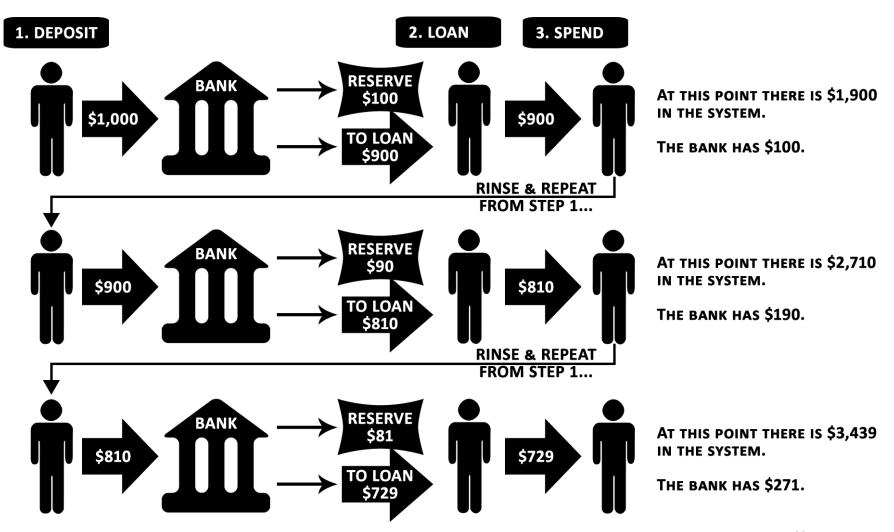
Money is information

- Decisions of how to allocate resources
- Feedback
- Rewards and incentives
- Future planning and investment

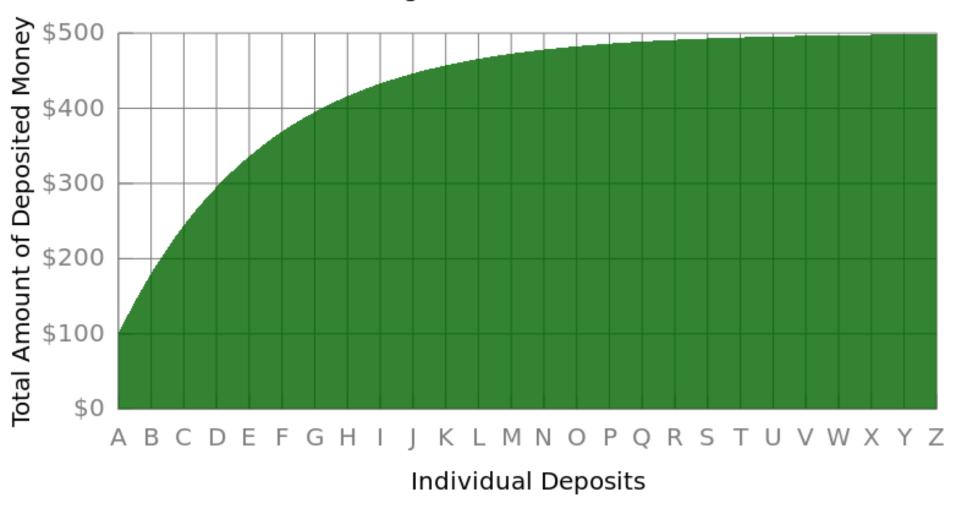
Capital creation and debt

Credit creation

THE BASIC FRACTIONAL RESERVE BANKING CYCLE



The Expanson of \$100 Through Fractional-Resverve Lending with a 20 % Reserve Rate



THE FILM THAT COST OVER \$20,000,000,000 TO MAKE

"A CRIME STORY LIKE NO OTHER IN HISTORY."

"IF YOU'RE NOT ENRAGED BY THE END OF THE MOVIE, YOU WEREN'T PAYING ATTENTION."

STAND AS A DEFINITIVE VE PRIMER ON THE DISASTER."

"A VERY ANGRY, VERY CAREFULL ABOUT HOW THE AMERICAN FIR TO DEFRAUD THE OR BRUTALLY CLEAR DOCUMENTARY DUSTRY SET OUT DELIBERATELY ERICAN INVESTOR."

"A POWERHOUSE THA

"A MASTERPIECEL SCARIER THAN ANYTHING WES CRAVEN AND JOHN CARPENTER HAVE EVER MA

TING, QUITE ASTONISHING, NK IT'S AS RIVETING WORK GETS,"

he Global Economic Crisis Q1 2008 Cost Tens Of Millions Of Peop

TORONTO

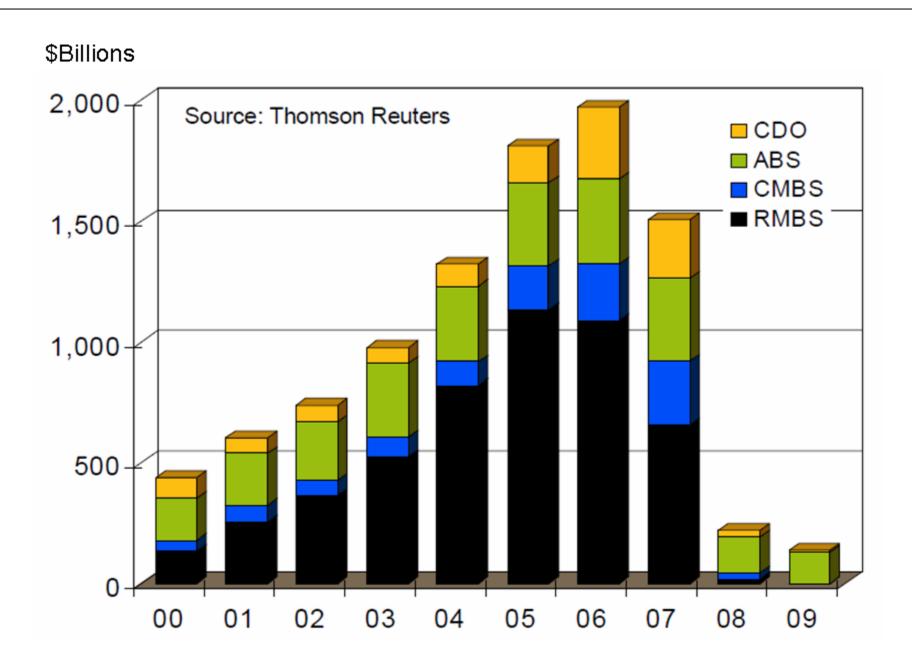
TELLURIDE

NEW YORK

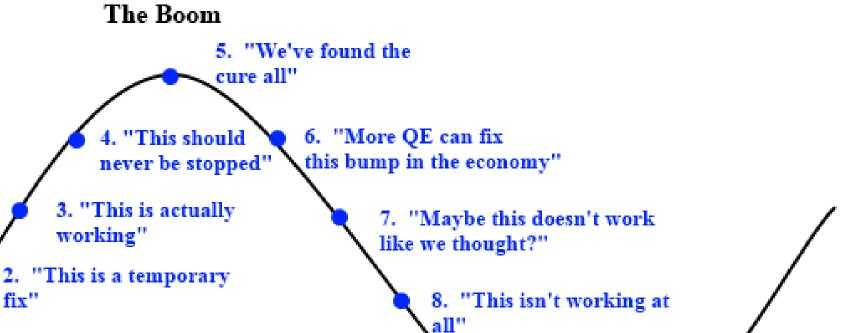
CANNES

DIRECTED BY CHARLES FERGUSON NARRATED BY MATT DAMON

WWW.INSIDEJOBFILM.COM WWW.SONYCLASSICS.COM



The Quantitative Easing Behavioral Cycle



1. "This is a band-aid on a gushing wound"

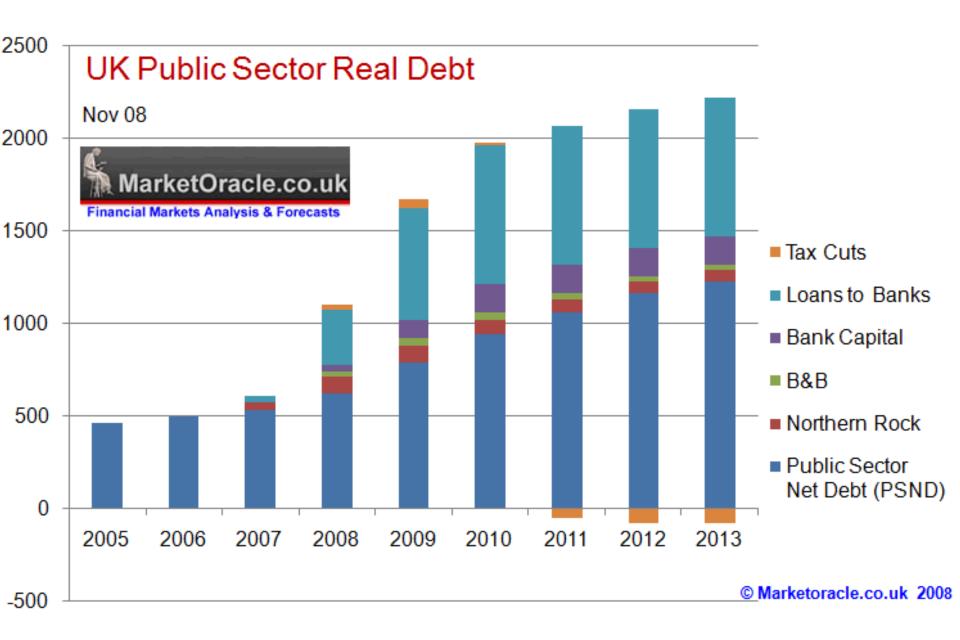
have been done"

The Bust 10. "We've gotta try

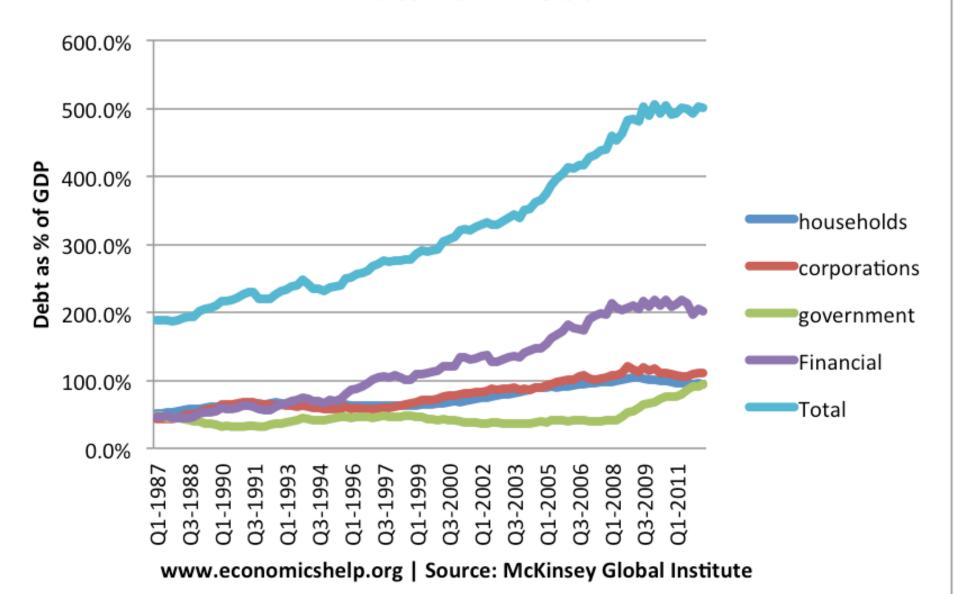
9. "This never should

something! How about

QE?"



Total UK Debt

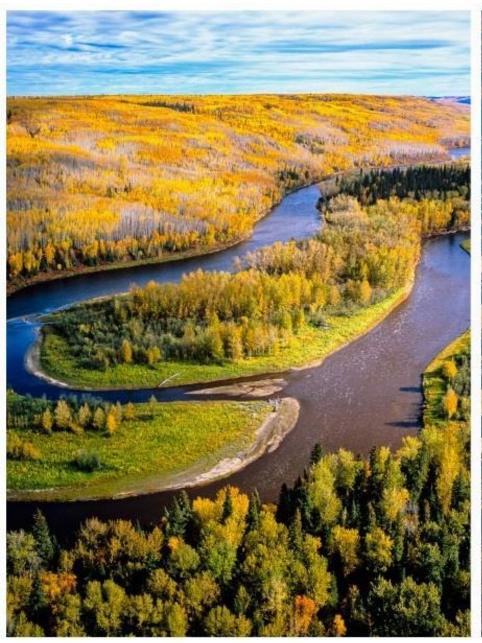


Externalities

 Costs of production not paid for directly by the producer

CEO of public company

- Appointed by board of directors
- Primary function:
 To maximise the shareholder return















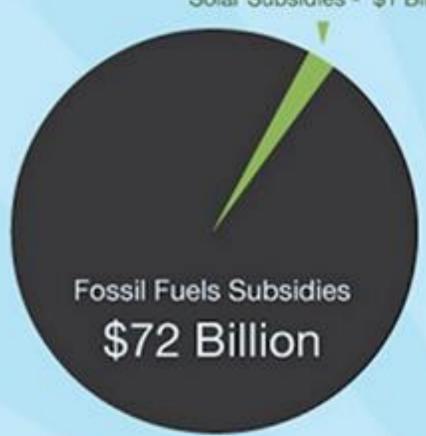
Opportunity cost

 The opportunity foregone as a result of any decision.

 We can only choose to allocate a resources in one area at a time

What if solar got the same subsidies as fossil fuels?

Solar Subsidies - \$1 Billion

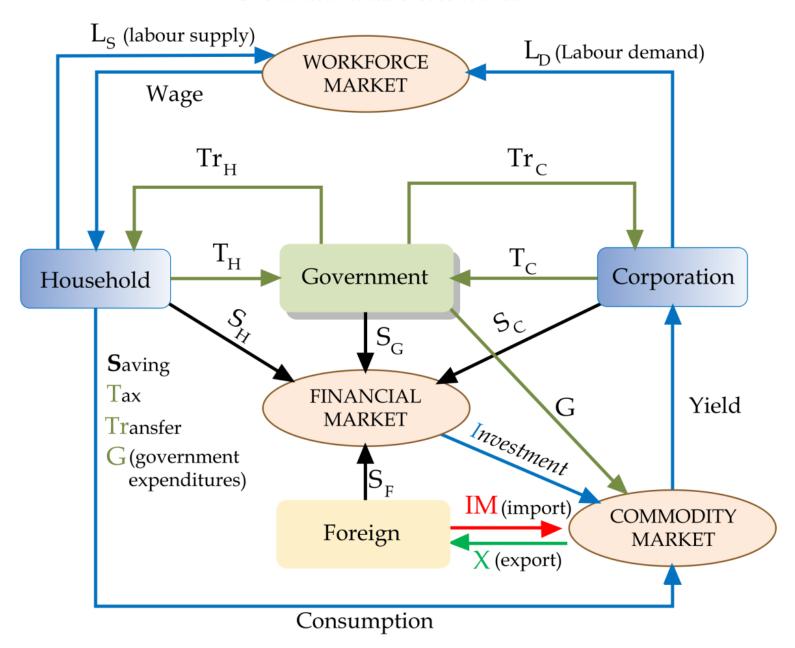


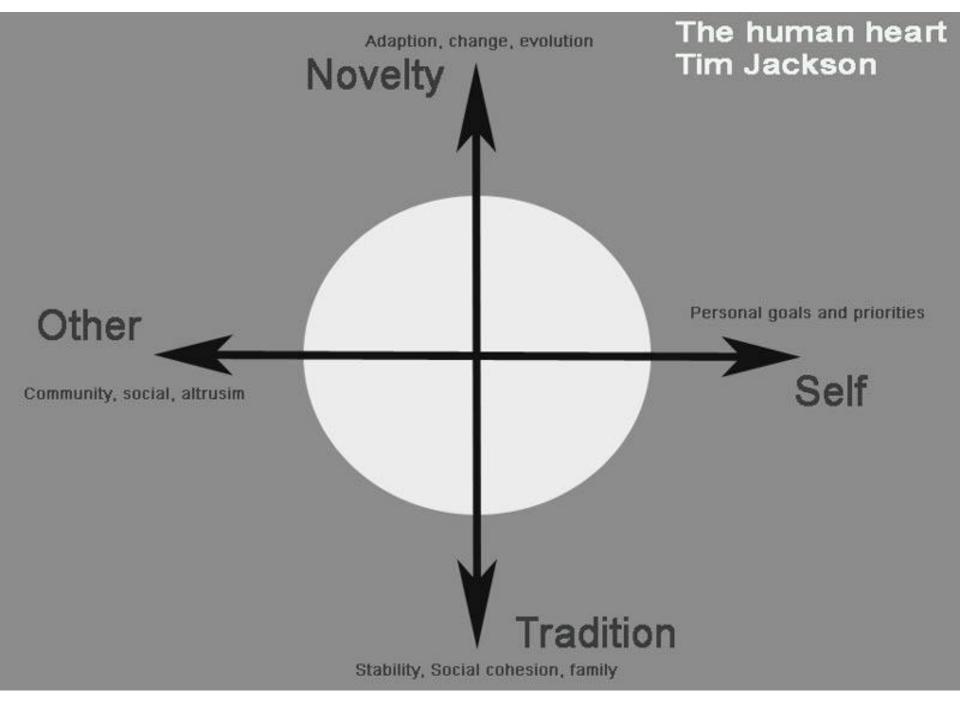
Amount you've paid towards fossil fuel subsidies as a taxpayer over 5 years: \$521.73

Amount you've paid towards solar: \$7.24

Economic systems

Circulation in Macroeconomics



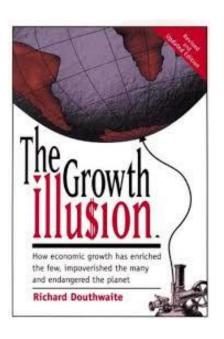


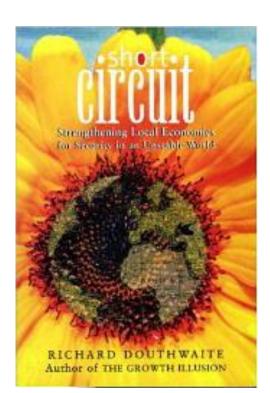
http://www.feasta.org/documents/ shortcircuit/contents.html

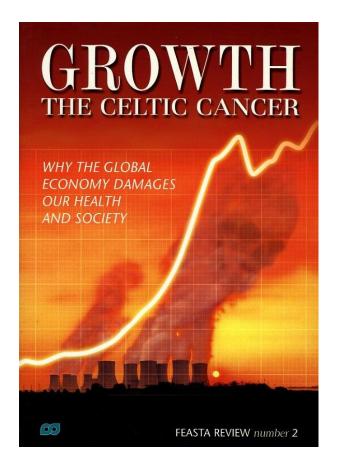


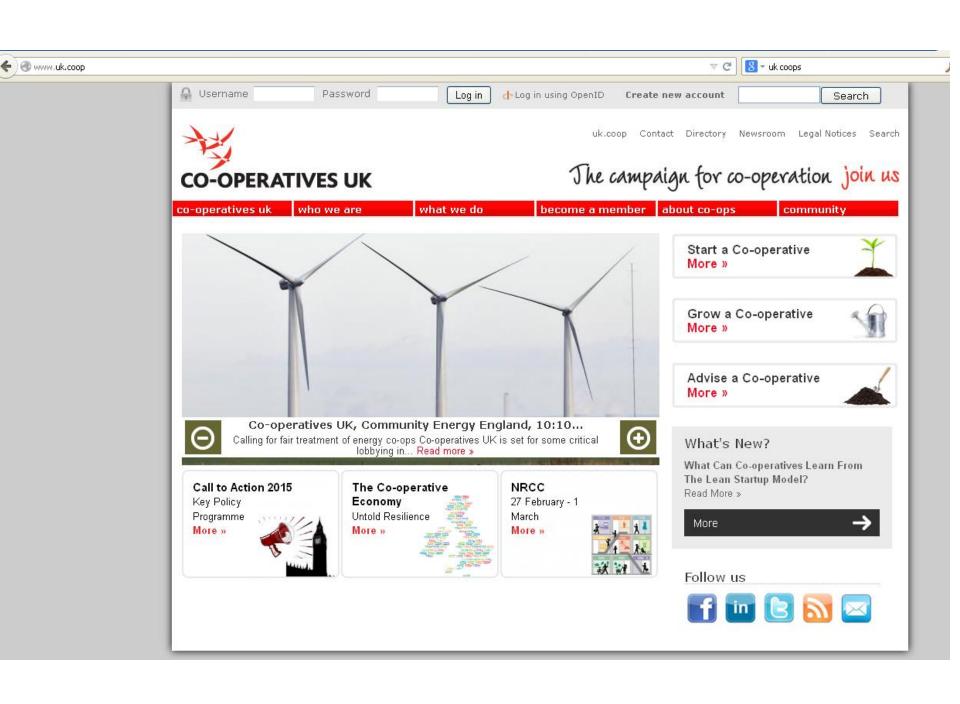
Short Circuit

Richard Douthwaite









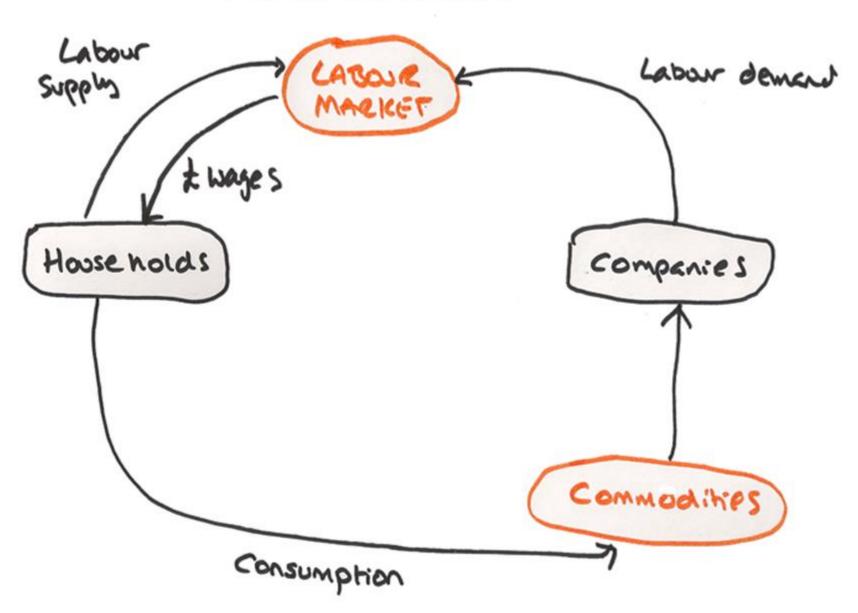
Credit Unions

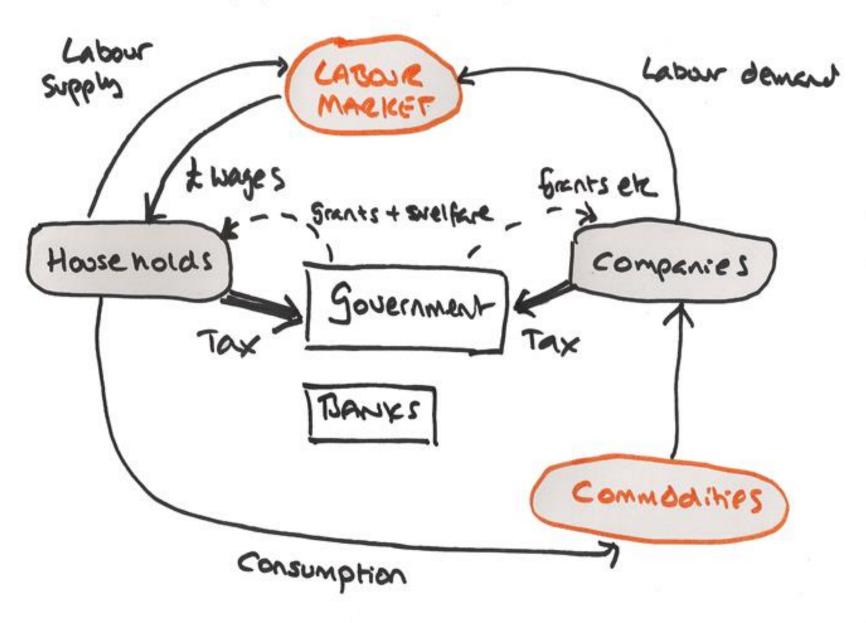
- Locally owned and managed investment institutions
- Energy cooperatives
- Housing cooperatives
- Mutual ownership
- Rochdale Pioneers

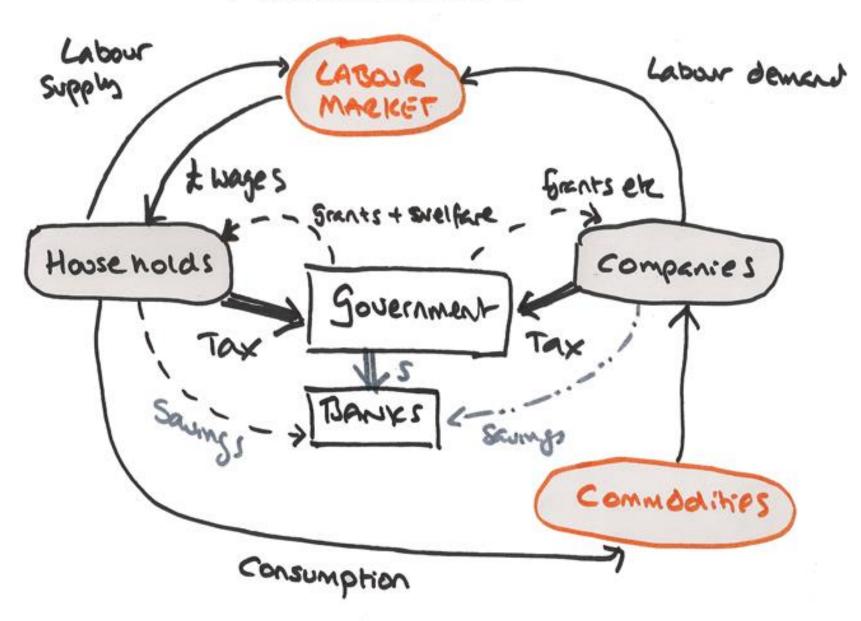
Mutually owned, stakeholder managed democratic institutions

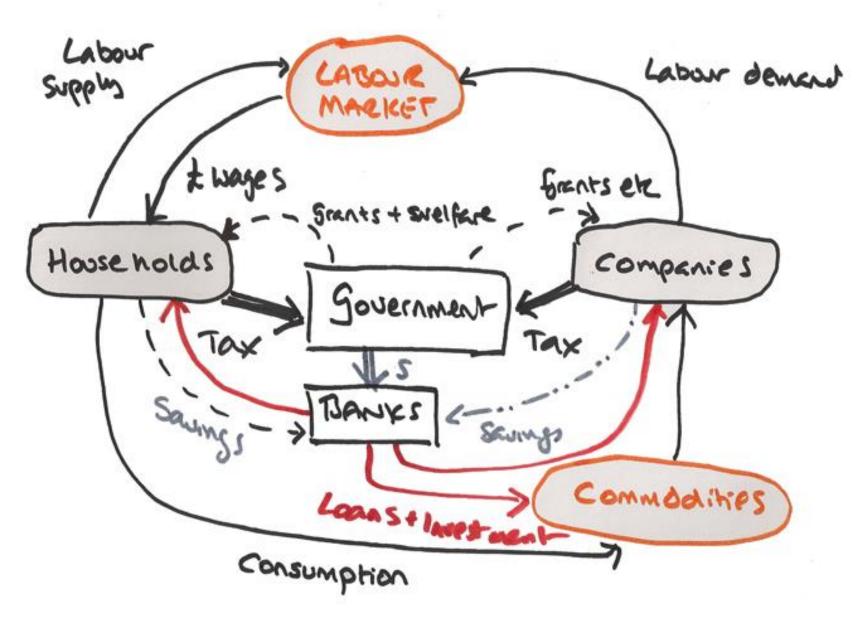
House holds

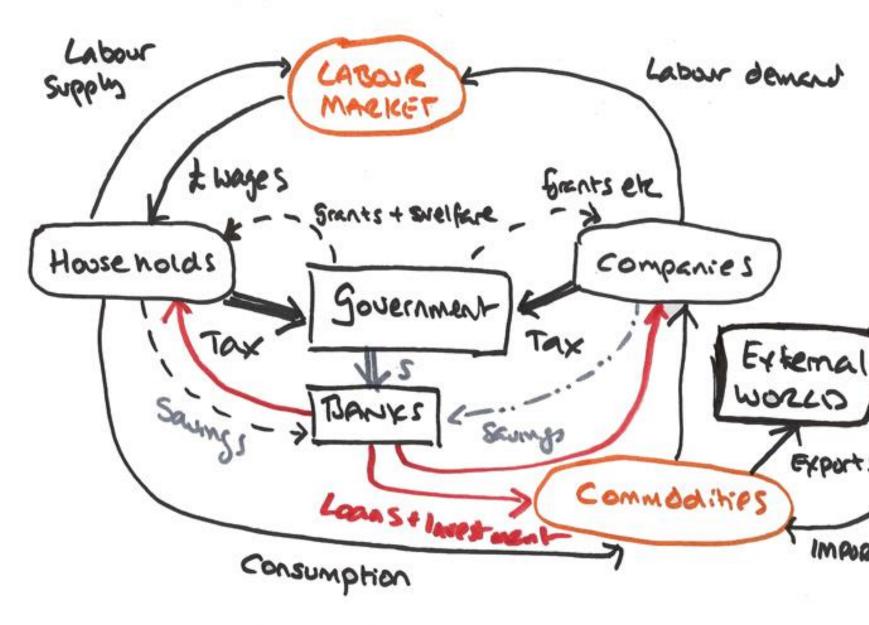






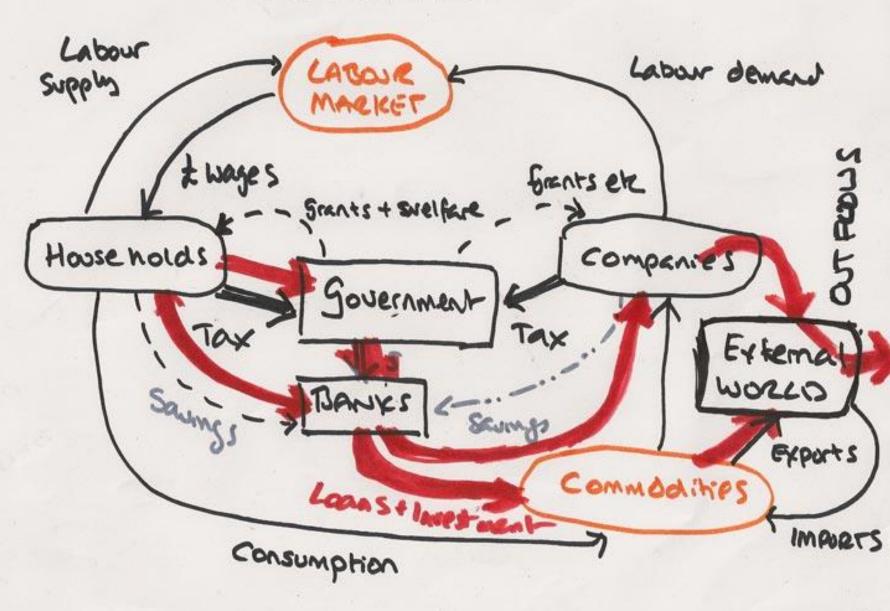






In a Globalised system

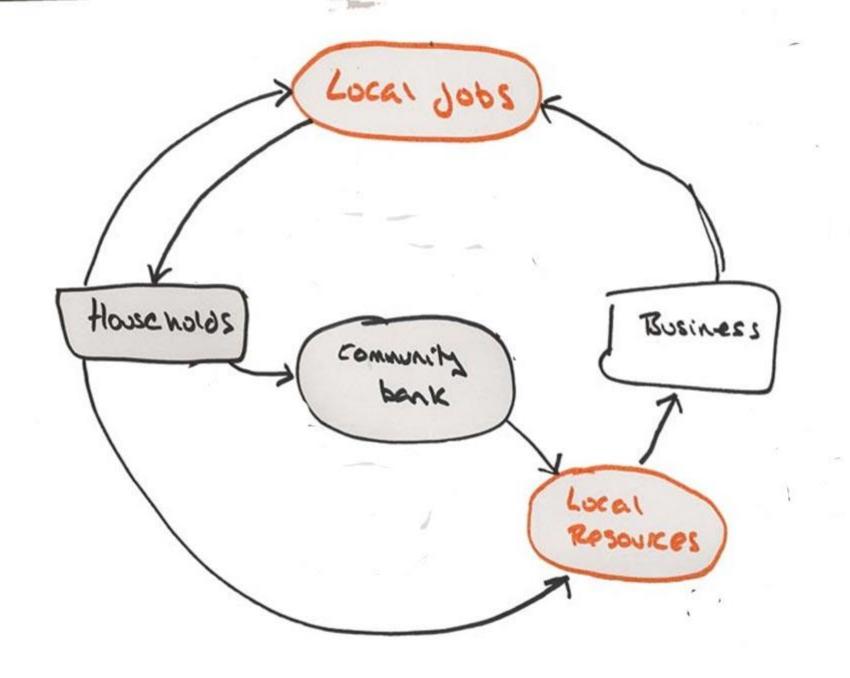
- Key institutions don't represent interests of the community
- Wealth tends to flow out of the system
- Surplus is not retained within communities

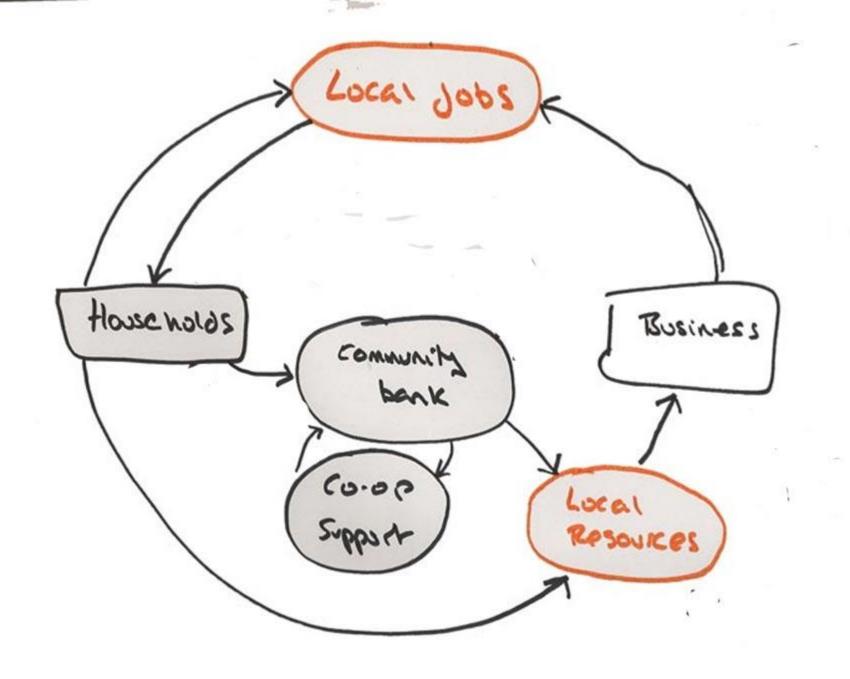


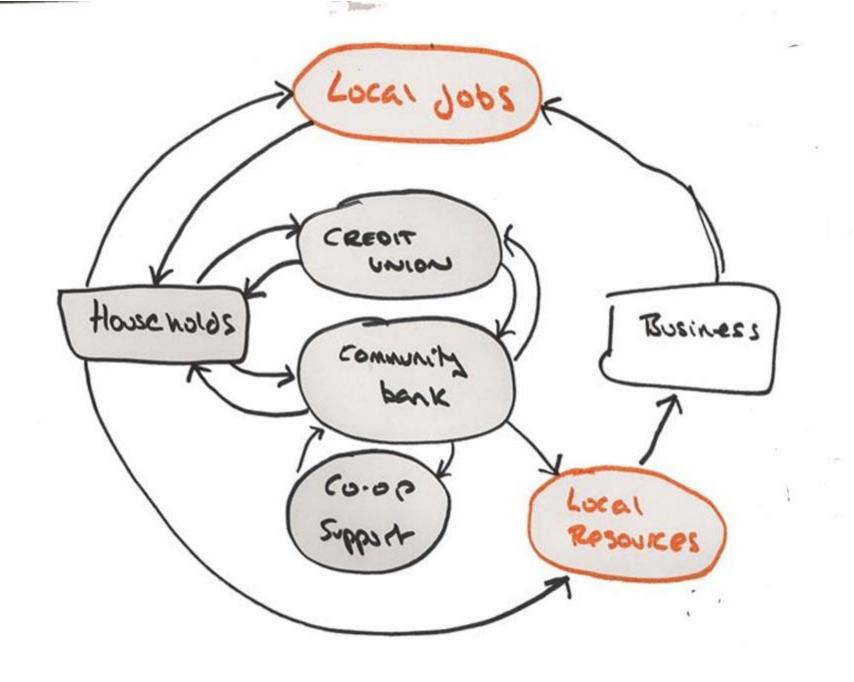
Local economies

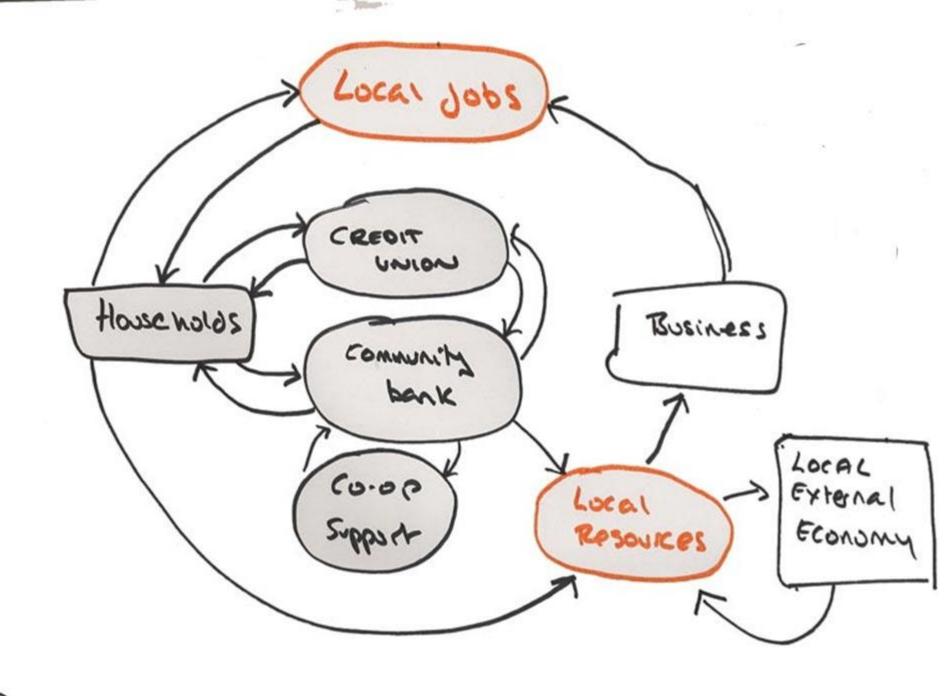
Global Local Jobs & Ecowny TANKS. CREDIT LNION House holds Business community bank LOCAL 20.06 External Local Economy Resources

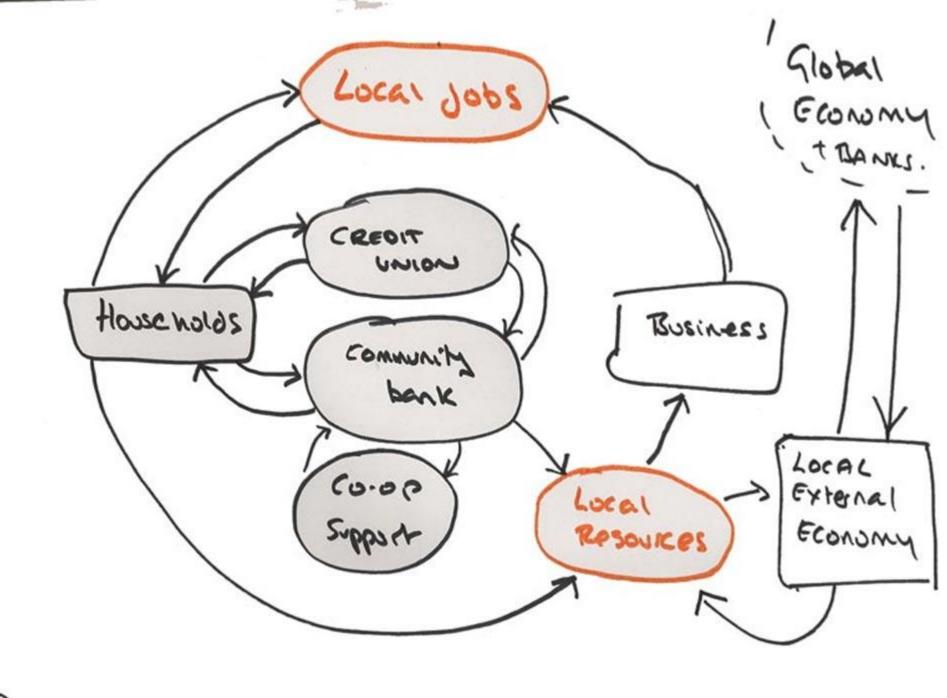
•

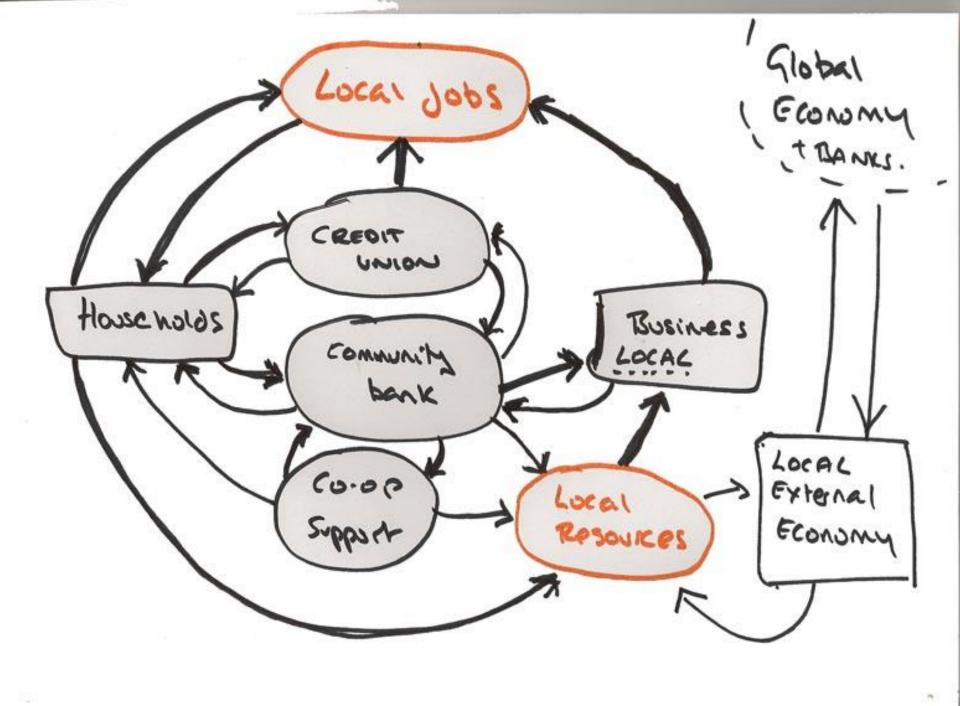












Dual economies

Informal and local system to meet local needs from local resources

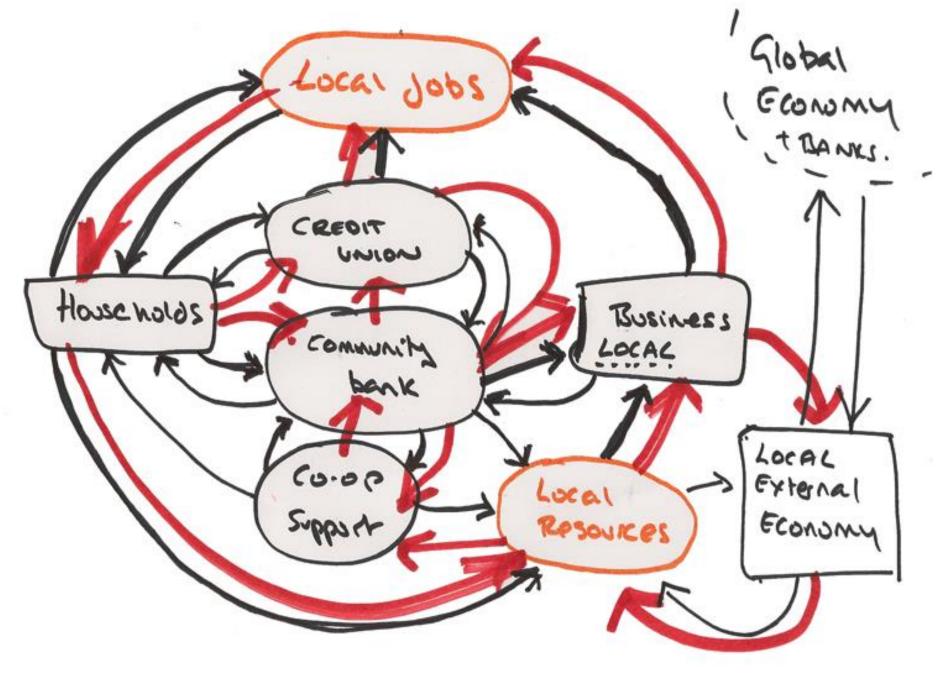
- Local financing and investment strategies
- Dual or multi currency systems
- LETS schemes and local script
- CRYPTO local
- CRYPTO global

Reinvest surplus

- Minimise leakages to outside strategically replace leaks from local alternatives
- Build institutions to channel surplus back into the community.
- Build links with like minded other communities and instituions

Community institutions

- Secondary co-operatives
- Credit Unions
- Community banking and financing
- Community energy investment schemes



~