

## IMAGINE HOW THINGS COULD BE DIFFERENT

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We live in volatile time. As this article is being written, the continued chaos in the financial markets is ricocheting around the world. In country after country, community after community, people are watching the prices for food and fuel increase as thousands of jobs are being lost. In addition, the purchasing power of jobs that people do have continues to decline. Investments set aside for retirement are in danger.

Articles are beginning to appear questioning the form of globalization that has developed over the years. Several articles are asking what type of global economy should be functioning, a tacit recognition that globalization as we know it is not working. Of course, for many of us who work on issues of human rights, labor rights and sustainability, that realization occurred years ago.

So what is needed, what changes are needed in this globalized economy? As a basis for that thinking and planning, here are some suggestions.

### Change 1: Recognition of the difference between *Investing* and *Outvesting*.

Investing used to mean the placement of funding, time, energy, etc. into programs, policies, practices, institutions and relationships, with the intention of creating something for the long term. We *invested* in education, we *invested* in our communities, and we *invested* in our relationships. Businesses were built on investments of time and money and ideas. We bought homes as *investments* for the future. We developed investment portfolios for the long term, owning stock in companies for the long term. We expected the companies in which we invested to be profitable and to provide shareholders with on-going income. We created something for the long term, to be part of the economic and social systems that support communities and countries.

In contrast, *outvesting* (a word created by CREA) refers to those mechanisms whose sole purpose is to pull profits out of the system in the short term. Moneys are invested for the short term, based on the expectation of being able to pull out that profit quickly. Companies have been bought up by private equity firms whose sole desire was to strip the company of its components, sell them off and then either shut down the company or sell it off to another entity. The packaging and re-packaging of mortgages is another form of *outvesting*, with each layer or re-packaging designed for another *outvesting* entity to purchase and then re-sell the re-packaged mortgages.

### Change 2: Analysis through the double lens of both short term AND long term effects, both beneficial and harmful.

Reaction in response to an immediate situation has become one of the dominant modes of “planning”. Reaction rather than reflective, planned action means less time for research and analysis. Real analysis is more than just reaction to a situation. Real analysis is more than just responding according to how we feel about a situation. Real analysis calls us to move beyond the immediacy of feeling to the larger understanding that comes with thinking.

That thinking has to be about the long term effects of whatever programs, policies and/or practices are being proposed. Often what seems to be immediate good can have long term negative consequences.

Change 3: Analysis and planning in terms of the Common Good.

In our understanding of the environment, we have finally come to the realization that there is one world and that whatever happens to the air, the water, the soil in any location on the earth eventually affects all of us.

The same understanding is needed in terms of the social and economic components of our world. We are one people...living in different parts of the world. Damage to any group of people, lack of respect for human rights in any country damages what it means to be a human being anywhere on the earth. Likewise, economic planning, including financial planning, has to be done within the understanding that economic globalization means we are all economically connected.

There is only one world. Therefore all economic, social and/or environmental planning, assessment and analysis needs to be done in terms of the Common Good, that is, for the good of all persons and communities.

Change 4: Continual application of the Cui Bono (Who Benefits?) rule.

Applying The Cui Bono rule requires that we analyze a situation, regulation or law to learn who is actually getting the benefit of it. It further requires that we answer the question not just in terms of what benefits us and makes us feel secure. We need to examine beyond our own benefit to see who is losing out because of the rule.

It is essential to recognize that security, like sustainability, is only true if it applies to everyone. What may seem like a good response to a particular situation is truly a good response only if it does not cause other problems for people in other communities. Transferring problems is not the same thing as eliminating them.

Change 5: Recognition that the lack of rules and regulations gives unregulated power to those for whom greed is the basis for decision making.

The issue of rules and regulations is a tricky one because some would have us believe that their existence and application are designed to keep us from doing what we want to do. But the bottom line is that any society – local, national or global – needs rules and regulations and a system of enforcing them in order to continue being a society or community.

If we don't like the rules that exist then we need to improve them. But to revert to a lawless society produces chaos where only those who have power can get what they want. Anyone who desires a just society needs to work for rules and regulations, laws and enforcement mechanisms that recognize the essential dignity of each human person, both singly and in community.

Change can be scary. But if we are honest with ourselves, not to want change for the better is even scarier. It's planning the change for the Common Good – planning how to change and what to change - that leads to global security.