Economics Where People DO Matter

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Passing On

Packages have been arriving in our mail box lately, continuing an age-old custom. They've contained a hodge-podge of new and used baby clothes—some well used and handed on from birth to birth, others special keepsakes handed down for several generations and stored away till needed. Some things have been new-bought, crisp and bright, some hand-made by friends and grandmothers who knew of special needs and loves.

We know of people who buy such things all new. At one time we would have been more inclined that way ourselves. But the patient love that some forgotten grandmother several generations ago put into a tiny lace collar wouldn't be there. And the special pleasures of thinking of the friend who made a quilt or crocheted a crazy hat, or of having baby clothes made from remnants left over from your own favorite high school shirt can't be bought in any store at any price.

This simple and ancient custom of passing on is much more than a wise and welcome frugality. It's a part of our economics where people *do* matter—one of the parts that never make the slightest blip in our GNP but which make much welcomed gifts to our hearts and lives.

Our money economy is well and intentionally designed so that people *don't* matter. Jobs are designed so that people are easily replaceable and therefore less valuable and lower paid. Goods are designed to be disposable, and along with them we dispose of some of the self-respect of the people who worked to make them. Products are designed and packaged to prevent a buyer from finding out the durability or details of construction or operation. Products are merchandised at fixed prices so salespeople and buyers cannot exercise and develop judgement of what is an appropriate price for a given situation. Yet the merchandiser is free to scoot the prices up or down to lure or soak the buyer.

Little is said about other parts of our economy where people *do* matter—there's no profit to be made in promoting someone else's self-reliance. But passing things on, auctions, barter, helping out friends, self-reliance, and household economics all have an increasingly important role to play in our future. For that future has to both maintain itself within shrinking resource limits and at the same time to restore the sense of human and natural dignity, of belonging, and of psychological and spiritual reward of life that has been destroyed by our industrial economic culture.

Haggling

The necessity of people-economics may lie in the future, but its benefits are available now and being sought by more and more people as the novelty of our supermarket culture dissolves into a bitter aftertaste of exploitation. Just one step away from the new car showroom is the used car lot, beyond the edge of the safe and standardized world and into a fluid and ever-changing world whose rewards require an expenditure of your personal energy. You're on your own! Buying and selling used things—cars, clothes, houses or whatever—requires more knowledge and gambling to participate in, but also offers greater returns for that risk and effort.

Five years ago, when we moved to Oregon, we bought a used stove for $50. We were novices to the world of used goods, and didn't know if we were being taken, but it was worth the risk for the time we needed it. After our fire we went back to the same place, because by then we knew they'd been fair and honest. They didn't have any stoves of the kind we wanted, but told us we really couldn't go too wrong with any used stove we could find—they work or they don't, and they're easy to fix. When we finally found one, the guy wanted $40 for it but didn't have any place to plug it in to see if it worked. We knew by then that the price was great if it worked, and probably fair if it needed fixing. When we got it home and plugged it in, sparks flew everywhere, but the problem boiled down to one broken wire and less than an hour to fix. Cheap new stoves cost nearly $200, so we ended up with a better product, saved about 75 percent of the cost, and learned how to repair a stove—a good return for asking a few questions and taking a small gamble.

Second hand stores, auctions, used car lots, classified ads, friends, and haggling prices are all a different kind of economics than Sneers or Pay-More. Price depends on what you know and don't know, how you and the other person feel towards each other, how much others are willing to pay, what you really want it for, and how much wool can be pulled over the other person's eyes. Do a little homework—check prices in the classifieds, look up new prices in the Sears Catalog. Talk to a repair person. Get a feel for the market. It takes a little more time and asking the right questions. It develops a good eye for people.

One of my first lessons in barter when you can't even speak or read the language came from a fellow-traveler in Istanbul when we were buying food from the market vendors. Stand back and watch the coins. See what the locals are paying for what, even if you don't know the language. The second lesson—don't insult the seller or the merchandise if you don't know what you're talking about. The bluff is obvious, insulting and infuriating. Just say you aren't willing to spend that much money for that merchandise, and make a counter-

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offer. Compare prices and condition, and play from there.

Yes, haggling takes a little time, but it's a cheap and worthwhile education. It leads to respect for the other person, how much they know, and how well they can size you up. It is probably the only practical way to deal with the trading of unique or used goods, and a source of fun and satisfaction that cannot be gotten from buying fixed-price new merchandise. When fewer and fewer of us can afford "new," it's a rewarding, cash- and resource-effective way to trade, and truly part of an economics where people do matter.

Helping Out

As much as haggling is the most common people-process for determining price for goods in a particular situation, helping out is one of the most time honored ways of dealing with services in economies that are localized enough that people know each other and are around long enough to reciprocate. It recognizes the truth of the word "obligation"—that you really owe something back to someone who has helped you that isn't erased by a mumbled "much obliged" and a round of drinks.

Looking back, I'm amazed at how much of our lives, even in middle America, never went through the money-changers but was part of a great process of helping back and forth. Many of our vacations while growing up were to visit our relatives living in various places. One uncle was conveniently in the Army, which moved him and his family to new and exotic places like Kansas and Georgia and Virginia every two years so we had new places to visit! While another of my aunts was sick, my cousin came and lived with us for several months.

Around home, of course, money rarely changed hands for work done, so probably two-thirds of the work done by our family as a whole—like almost every family—never saw a dollar accounting. With the neighbors, lawnmowers were borrowed, hair was cut, houses and pets taken care of during vacations, rides into town given and taken, and baby-sitting done. Our neglected grape arbor came under the wing of a neighbor lady who took the grapes every year and gave us grape juice and grape jam in return.

Over the last few years our lives have even more interwoven with others in an interlocking web of obligations and giving, sharing, borrowing and being given, and our lives have become much richer in the process. Lane's younger brother and sisters have all come and spent time living with us—helping put out the magazine, building and rebuilding a house, sharing each other's lives and getting to know each other again as "big people." We've gained a lot, and hope they have too. We've passed on to others our newly acquired skills of pouring concrete, doing electrical wiring and building windows, and we've received—not necessarily from the same people—baths and dinners and used water heaters and sinks and tools and help felling storm-damaged trees.

All that saves money, yes—quite a lot of it once you figure in the taxes you have to pay on the money you would have had to earn to pay someone to do those things, the middleman profits you've eliminated, and the better results you've gotten doing things exactly for your needs. But does all this playing around add up to any significant impact on our economy? How does it deal with gasoline, rent, buying a new car, or taxes?

Often it can't—which merely says that part of your life is still in the dollar economy, and you may wish to leave it there. Gasoline? Probably little help unless you know a friendly farmer. But maybe you can carpool or share rides with someone. Rent? Sometimes you can trade fix-up or maintenance work for a rent reduction, but the big help of helping out is to help you build your way out of the rental market. A new car? Wrong market again. A used car, yes. Repair and maintenance, surely. Taxes? The more you move out of the dollar economy, the less you have to earn and to pay taxes on! In our own case, I would estimate that we've reduced our cash needs by more than half over the last few years, and should cut them in half again in the next couple of years.

But dollar savings aren't the most important reward. It's often a lot easier to do things with four hands instead of two. It's usually more *fun* helping someone do something, where you don't have the responsibility and can just do the doing and not the worrying and figuring. It's *fun* to be in on felling trees, building walls, making things happen. It's *fun* growing new skills, learning how things are done, and what things actually are worth in sweat time, money time, and work time. And not having any skills to offer is not a problem for long. Two willing hands and a little sweat helping someone who knows how is the quickest and easiest way to learn skills.

Many current attempts at structured barter arrangements, barter "banks" or trading clubs fail to recognize that one of the real benefits of "helping each other out" is that when it operates among friends or neighbors, it doesn't need any immediate return of a favor or *any* kind of accounting procedure other than that little flag in the back of your head that finally says, "Hey, I've helped him *a lot*, and he hasn't done anything in return. Let him fix his own roof!" If accounting is needed, money works better than most barter banks—that's what it was designed for! Helping out works partly because it's all between friends, or you become friends in the process, but also because each person views the helping out very differently. The helper probably wanted an excuse to get out of the house anyway, probably had fun helping, and probably had forgotten how desperately floundering it felt before when he or she needed that particular help themselves. The "helpees," on the other hand, think they've been given a lot more than they have, because they *needed* the help, probably didn't know how easy it was to learn or perform the assistance they were given, and probably believed the helpers knew what they were doing!

That difference in perceptions is an important social glue. Over a period of time and helping back and forth, it frequently ends up with everyone feeling they've gotten back a whole lot more than they've given themselves. I have that feeling of gratitude and thanks towards many of our neighbors and friends, and have discovered that many feel the same in reverse. The used water heater we were given meant another trip to the dump for our neighbor, but to us it was the equivalent of $100 and the heart of a future solar water system. And so it goes.

In any case, most helping out is just that. It rarely is tied to getting something back, though eventually things come full circle through the oddest of routes.

One of the great benefits of economics where people do matter is that they force you to get to know people and get to understand people. You have to learn that George won't ever turn down your request for help, though his back is killing him this week and you shouldn't ask him. Or that Alice has a wealth of skills for cutting bureaucratic red tape. And that Sam is always dependable in a pinch. And somewhere along the line you begin to learn the true costs—both economic and social—of an economics where people don't matter.

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