

JUBILEE YEAR

The Time Is Now...
Cincinnati The Place



**Economics of Compassion
Initiative of Greater Cincinnati**

JULY 2015

www.econofcompassion.org

There is a national movement towards a new economy. This most often speaks of national debt, interest rates, financial crisis, and student debts. We want to include debt forgiveness in that conversation.

In Cincinnati there is an Economics of Compassion Initiative which seeks a local economy that serves, and is measured by, the well-being of all of its citizens. One part of this effort is about the Old Testament idea of a Jubilee Year. Every seven years and every seven times seven years the debts are released. Historically this includes resting the land, gleaning of the harvest and in these times forgiving the debts of the poor.



LEADING UP TO JUBILEE

If we care about well-being, namely crime, health, safety, livelihood, children, vulnerable people, then we have to do something about neighborhoods of concentrated poverty. Poverty of means and poverty of possibility and imagination. The work begins with a shift in consciousness about our language and point of view. As a culture we have constructed the idea of poor and poverty to falsely describe certain people. As if a person can be measured by their annual income, housing status, family coherence, education level and access to the consumer economy. We sustain poverty by believing that these measures describe who our neighbors are.

Shifting our economic consciousness begins with the recognition that our dominant narrative is that the economy is by nature competitive, individualistic, and self-interested; winner take all. If you can't make it, there is something wrong with you.

We may think that is just the way things are. It is not. We made it up and not too long ago. We have a choice to shift our thinking and recognize an economy that is co-operative, communal and generous. We call it a compassionate economy. We have to get interested in the nature of credit and debt. This document is a declaration: if we want to live as neighbors and welcome people in from communal and economic exile, then we have to face the source of our debt as a prelude to its release.

JUBILEE & THE CONSUMER ECONOMY

If we want to tilt the economic system towards the common good and end the exiling effects of the current market system, we need to question some basic beliefs of the consumer economy. The consumer economy is based on certain assumptions:

1. Whatever we have is not enough. If what we have is not enough, then we are not enough. If we have less, then obviously something is wrong with us. This is a scarcity worldview. It leads to all of us thinking we need more.

2. Whatever we need can be purchased. Everything can be outsourced. Want to raise a child, care for the elderly, be safe, and be healthy? We can hire systems to do this. The service economy is a catchword for this. In this belief, we no longer need our communal capacity to produce much of what truly matters. Being without money in this context means that you do not have the means to outsource. It also means that you pay more for everything.

3. Labor is a commodity. A person can be purchased at the lowest cost and is expendable, replaceable and a holding action for automation. Capital chases cheap labor. It commodifies us and separates us from the human soul that provides the labor. In an economy that only rewards market value, if we live on the margin, or are elderly, or a youth or unschooled, then we are declared useless. And for what labor we do provide, we sacrifice control over our economic lives.

MORAL CONFUSION OF JUBILEE

The consumer assumptions which drive the constant expansion of debt create moral confusion with the idea of Jubilee. There is the tension between the clear mandate that one should pay what has been borrowed and that some debt burdens are oppressive and immoral. Here are examples of this complexity:

1. There was Jubilee 2000 and its successor groups which was a successful movement to forgive the debts of poor countries. These debts were originally incurred in the name of development and carried interest rates from the 1980's that

made their payment impossible. Several billion dollars was forgiven.

2. We have the practice of institutional and individual bankruptcy. Debts are re-negotiated or declared unpayable and the party is given a second chance. In each case, a deal is made with the creditors, with the understanding that it is better to get something than nothing.

3. We have the national debt which is never expected to be paid. The national debt of the US is nearly \$18 trillion. Considering all debts owing from government, business, household and foreign debt, the total amount of outstanding debt in the United States is nearing \$60 trillion. An estimated \$0.36 on every dollar Americans spend are interest costs on the total amount of debt that can never be repaid.

4. Usury has a long history. Aristotle and

Plato taught that there should be no lending at interest. So too, God instructed Moses in the Sinai not to extract interest from loans, except from strangers and foreigners. And the Catholic Church until 1850's forbade Christians from charging interest on loans. In certain times, earning interest on money was outlawed, except as in the bible, from strangers or foreigners. At other times there was a ceiling on how much interest was allowed.

5. In recent years, the debt of lower income people has been the target of aggressive marketing. Sub-prime mortgages led to the 2008 mortgage crisis. Mortgages became packaged as a speculative product for institutions. Car companies and financial institutions were too big to fail; TARP covered their debt and gave them time, some forgiveness, and continuing interest free loans.

the institutions who loaned money, knowing they were playing the percentages of repayment. Interestingly, in a positive way, the Rolling Jubilee effort buys similar bad debt and then forgives it.

9. We saw in Ferguson, Missouri that penalties on tickets and infractions became a major source of income for the municipality. Crime does pay. Civil non-payment of financial obligations was converted to criminal charges and in so doing reinstated debtor prisons.

10. We have a growing crisis of student debt. As in many other sectors of the financial industry, student loans were privatized and now those loans have become an unbearable weight. Especially with the lack of jobs that could finance that repayment. Those who borrowed public funds for education do have forgiveness options by community or school service for a couple of years. Teach for America, Vista.

11. City and state tax abatement is another form of debt forgiveness. In the name of economic growth, cities compete with tax breaks. Knowing that when the tax benefit is over, a certain number of these companies.

STANDING ON SACRED GROUND

“In *the seventh year, all are equal and this is the real essence of peace.” The Jubilee idea stands on sacred ground. The Israelites had economic laws which called for forgiveness and freedom from financial debts every 7 years and the redistribution of wealth (land, property and property rights) amongst the 12 tribes every 49 years (7x7). The Jubilee year was the year after the seven cycles of Shemita (Sabbatical years).*

This fiftieth year is sacred — it is a time of freedom and of celebration when

everyone will receive back their original property, and slaves will return home to their families.

Leviticus 25:10 "And ye shall hallow the fiftieth year, and proclaim liberty throughout the land unto all the inhabitants thereof; it shall be a jubilee unto you; and ye shall return every man unto his possession, and ye shall return every man unto his family."

THE JUBILEE CALL

The Jubilee task is to engage and explore this landscape of moral confusion and sacred obligation. It is a project of consciousness and commitment. It is not as simple as forgiving debt; that is way of beginning the conversation. It is a communal enterprise, for many an expression of faith and religion that commands attention and generosity.

In the context of the consumer assumption of nothing is enough and income and purchasing power is key to well-being, the economic disparity and the burden on our

neighbors is not simply a matter of writing checks or creating new policy and legislation. Nor can financial literacy and economic education break the spell. They all help and are worth doing, but what is required is an act of imagination. To re-imagine our local, neighborhood economies and the capacities and financial sobriety of those who reside there. Of valuing and making visible the neighborly culture instead of market defined social order. To replace consumption with neighborly covenant.

This covenant can begin in our own personal lives. Who owes us money and how might we authentically lift that burden? We might consider how we can become each other's banker by lending to each other without expectation of interest payments but simply the repayment of the principal loan.

We also need communal structures to release people from debt burdens and de-facto imprisonment. We need Slow Money and Rolling Jubilee. We need a community conversation about reparations. This can occur within a local and national movement for an alternative economy. We need to recognize this effort is occurring in every city and rural town in America. A more compassionate economy comes under many names: Localism, Food Shed, Social Entrepreneurship, Impact Investing, Co-operatives and Mondragon. It is publicized by the Parish Collective, Democracy Collaborative, Schumacher Center for the New Economy, BALLE, and Yes Magazine, and SOCAL. Private businesses such as Mars Inc are building models where ending poverty is an equal purpose with profit.

Our part is to create a local coalition in Cincinnati of the faith community, neighborhood leadership, philanthropists, social entrepreneurs, government, corporations, and social service institutions to support debt release and support expanded local economic productivity to several vulnerable neighborhoods in Cincinnati. We want to create conditions under which forgiving the debts of neighbors, welcoming them in from exile, and supporting their productive capacity becomes a common task and a common purpose.

2015 JUBILEE CIRCLE

We have begun the conversation of what an alternative economic system looks like. We view debt forgiveness as a cry in the wilderness in the Exodus. The modern wilderness being neighborhoods of concentrated poverty. This is a time of interruption of the dominant consumer and debt narrative. A time to implement Isaiah's vision in Luke 4:18 to "proclaim good news to the poor."

Call to Action. We plan to move forward in two phases:

Phase 1: Conduct a series of Jubilee Forums. Convene a wide range of citizens; business, social service, faith and neighborhood people, to identify the landscape of credit and debt in our neighborhoods.

-First to explore what kind of debt is most common, how much does it cost, what is it for, how is it repaid? Also what role does debt play on our lives and how to keep it in perspective?

-Second to invent forms of debt release that are realistic and would work to give people in vulnerable neighborhoods more control over their economic lives. This including how to increase their capacity to capitalize their gifts and build more economic vitality into their lives. Jubilee can jump start this.

Phase 2: Launch a recruitment and fund raising campaign to finance Jubilee debt release in these neighborhoods. This money would have two functions: Pay off or release debt and support residents in building their neighborhood economy.

We end with a quotation from the 1985 Kairos Document against Apartheid by anonymous church leaders in South Africa. Where it reads "church" we can add the word "community".

"The Church's call to action must consider that the struggle against Apartheid is generally waged by the poor and oppressed, who are part of the church already. Church unity is a matter of joining in the struggle. For those Christians who find themselves on the side of the oppressor or sitting on the fence, (the way forward is) to cross over to the other side to be united in faith and action".

Kairos quotes above taken from Wikipedia report of Kairos Document.

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