

Chapter 6: Poverty Sticks

A capital economy embodies a nasty self-latching mechanism, which ensures that once you become poor, you remain poor. To break the chains of poverty it is therefore necessary to venture beyond the frontiers of conventional economics, and perhaps even, the law. [Footnotes]

Our Basic Needs

Mankind is not self-existent. He cannot survive outside his terrestrial environment. He cannot function without what it freely provides. He needs food and water. He needs clothing and shelter - especially when living beyond the limits of his tropical origin. Without them he will die. But the mere availability of food, water, clothing and shelter is of itself not enough. They must be available in sufficient quantity - and must be of sufficient quality - to meet the minimum requirements of the human body. Thus, for each of these basic needs, there is both a quantitative and a qualitative threshold below which human life cannot be sustained.

To ensure his survival, nature has equipped mankind with the instinct of self-preservation. No matter how advanced a civilisation becomes, this instinct always remains the driving force of its economy. Human survival and well-being is therefore the primary objective of all economic systems. The difference between one economic system and another is mainly to do with whether its political objective is to provide superabundance for a fortuitous elite, over-affluence for its self-seeking democratic majority or an acceptable level of well-being for everybody.

What Provides Them?

To answer this instinct for survival to as high a degree of well-being as possible, the human animal has been equipped with the intelligence and dexterity to extract the means of preserving and sustaining life directly from his natural terrestrial environment. However, for him to be able to expedite this extraction of his needs of life from nature, he must necessarily be afforded unencumbered access to - and full economic control over - a sufficiently sized portion of it.

For almost the whole of history this has indeed been the case, although it has not always been without encumbrance. The peasant's bounty was often oppressively taxed or even pillaged. Of course, even then, not all acquired their needs of life directly from nature, but most always had it to fall back on in case their easier, less direct means of support failed. Nonetheless, mankind was free to eat the fruits of the earth and to drink its water. He was free to cultivate it for food and to graze his animals up on it. He was free to hew its stone for shelter and to cut its wood for fuel. He was the possessor and inheritor of the earth.

By contrast, in our modern capital-driven industrialised economy, most of us have no access to the natural environment as the means of turning our work into wealth. The only portion of natural environment available to most of us in this day and age is our own back yards. My wife and I jointly own the freehold to our house and the land on which it stands. But although we own it, we do not have sovereign possession. The local authority is able to demand money from us for the privilege of living in our own house. It also restricts how we may use it and what we may do within it. We may use it only as a residence. We must not change that use without permission. In reality, therefore, our so-called ownership is only partial and is highly conditional.

Our garden is far too small to produce enough food for us. Statutory regulations forbid us to drill for our own water. We have only three small trees that would not even keep us in fuel for half a winter. They could not provide material for building or extending our house. There is not even enough wood in them to make the smallest piece of furniture. We are forbidden from felling them anyway unless they become 'leaning and dangerous'. I would never get planning permission for a wind generator or a photo-voltaic array large enough to supply our 400-watt continuous average electricity requirements. Size and statutory restrictions thus render the natural resources within the confines of our home totally impotent as a means of transforming our work into even our most basic needs. We are therefore forced to look beyond our home for an adequate source of the needs of life.

The Free Market

Beyond the boundaries of our tiny suburban house and garden, my wife and I possess no land. Nor do we have the right to exploit economically the resources of any designated area of the Earth's surface. In its role as the fundamental source of the needs of life, the Earth has for most of us been supplanted by a poor artificial substitute. We only have to walk down town and look in the shop windows to see that not only are the basics of life abundantly available, but so also is a vast range and variety of luxuries. A quick scan of the ads in our local paper or special interest magazines reveals an even wider plethora of goods beckoning us to consume them. This is the Free Market. And it is the Free Market - not nature - that is now the universal and exclusive source of our needs.

There is only one problem. The free market is far from free. To obtain any of its glittering array of wares, you are required to give in exchange ever-greater quantities of an elusive commodity called money. Without money, all this abundance is out of reach. It is unacquirable. Basics and luxuries alike might just as well not exist. And there is no substitute for money. It is no use walking into a shop to buy something and offering your labour in payment for goods. The shop keeper will most probably have no direct use for your particular skills.

Cut off from the natural economic resources of our planet - its land, its forests, its minerals - the free market is our only source of the needs of life. There is no other. But without money the free market will give us nothing. So without money we starve. Without money we die. Therefore, if we want to live, we must find some way of obtaining an adequate supply of money. But how does one acquire money? Again, from the free market. As one side of the free market will gladly supply our every need in [exchange for money](#), so too another side will - at least in theory - pay us money in exchange for our labour.

However, we discover only too quickly that the freedom of access we have to the money-earning side of this [so-called free market](#) is almost no better than the freedom we have to gain our needs from the land. I am good at producing computer software. Whether for accounting, contact management, marketing, communications, navigation, data acquisition or process control, I have provided often unique and innovative solutions. My skills are of value to people. They can produce significant benefits. For 18 years I tried with all endeavour to make a living by offering my expertise to the Free Market. I researched the market and found where its needs were - both its actual needs (what would really be of benefit), and its perceived needs (what the market thought it needed). I enlisted the help of government-recommended consultants to make sure I had got things right. I worked extremely hard. I persevered for 18 years.

Yet however much I tried and however resourceful I became, I never really got very far. There were invisible obstacles or [barriers](#) between me and my particular market that I simply could not cross. People desperately wanted my skills, but they did not seem to want them from me. Being a specialist, my marketplace is fairly narrow and specific. And as in practically every other sector of this Free

Market, powers, far greater than I, had decided to capture it all and to fence it off exclusively for themselves. Exactly as others of their ilk had done with the land long ago.

An Economic Establishment

From where I stand, the free market manifests itself as a vast array of economic entities. They come in a wide range of sizes: sole traders, family firms, limited companies, super-rich individuals, multinational corporations. However, the first two of these really belong to an idyllic past. Increasingly crushed under the competitive pressure of their larger neighbours, they are a dying breed. Small companies also regularly spring up and blossom like the desert flower for a short season, then inevitably they either become absorbed by a larger competitor, or die.

The minimum size - or [critical mass](#) - necessary for a company to be self-sustaining in today's free market is becoming larger and larger. These corporate leviathans constitute what is becoming an increasingly exclusive establishment whose members not only own all the economic resources of Planet Earth, but also the entire Free Market through which what they yield is consumed.

Conquest, inheritance and fortuitous trading were the main [instruments of acquisition](#) through which members of this establishment captured and held their portions of the land and economic resources of the earth. However, it is by [manipulating the public mind](#) that they capture and hold their chosen sectors of the free market.

Too Many Voices

As I look outwards, I sense lots of different signals coming in from my environment. I see the sunshine and the trees. I hear the birds and the traffic. I also sense signals coming in from society. The most dominant of these without question emanate from commercial advertising.

When I was 14 I built my first [radio receiver](#). It was a very simple one. It was a type known as a TRF (tuned radio frequency). The trouble with a TRF is that it is not very selective. It tends to pick up signals over a broad portion of the radio band centred around the frequency it is supposed to be tuned to. The result was that the station I was tuned to was often interfered with by other stations on adjacent frequencies. To my receiver, the radio band was thus a mad cacophony of stations each trying to make itself heard above the rest. Just like Class 3C (Year 8) at the local high school after teacher has been out of the room for ten minutes.

Likewise, the perpetual onslaught of commercial advertising batters my poor 'TRF' brain every day through mailshots and telesales calls, radio and television, newspapers and magazines, shop windows and other mass-media. I am constantly pressured to buy and consume on impulse a dazzling display of what are mainly useless products and services.

Setting The Squelch

To overcome the problem of too many interfering radio stations on my TRF receiver, there was a clever little facility called a squelch control. This allowed me to set the receiver to accept only those stations whose signals were above a certain minimum level. There may well have been a mad cacophony on the radio band, but if none of the stations had a signal greater than the level to which I had set the squelch control, there was silence. Only a handful of strong stations on the band would then be receivable. Hopefully these would be far enough apart in frequency for my receiver to separate sufficiently for each one to be heard clearly.

Like my old receiver, my mind too cannot cope with the sheer morass of signals being thrown at it. I cannot give every mailshot I receive the consideration deserved by the obvious amount of work that went into its production. Nor can I pay every good television commercial the attention deserved by the efforts and skills of its makers. My mind's defence is therefore to erect a wall of unconditional rejection against all of them. I try to shut them out altogether as I would the sound of rave music from an [offending ghetto-blaster](#) down the street.

I have in effect raised the 'squelch' threshold at which my attention will be triggered. I will thus only notice what is totally new, totally different or extremely loud. In this way, only a handful of the largest and loudest advertisers are able to break through my wall of rejection.

Pump Up The Power

On the congested short-wave radio bands the First World nations, and especially the superpowers, make themselves heard by increasing the power of their transmitters far beyond what is necessary to cover the distance. I therefore have to increase my squelch threshold. The little stations thus sink beneath the ever-rising threshold and disappear.

Likewise, to overcome my ever rising attention threshold - my market resistance - the corporate giants of the economic establishment project at me an unceasing torrent of signals that are totally new, totally different and forever louder. To do this they have to mobilise a vast array of skills and resources: market research, copy writing, graphic art and design, radio and television, printing, list-driven mass-mailing and telesales, the distribution infrastructure and on-the-road sales teams.

Buried In The Noise

This naturally drives the threshold of my market resistance still higher. And the higher it becomes, the more costly it becomes to breach. The cost has now become so great that only the establishment corporates themselves can afford it. As a result, individuals and small firms with their pathetic little ads tucked in the back pages of trade magazines are left unheard and unknown. They are like the weak stations on my TRF receiver buried in the sideband spatter of a powerful major broadcast transmitter. Inevitably they sink and then disappear without trace.

Through the raw power of mass-media marketing on a scale that only they can afford, the economic establishment has induced within me an intensity of market resistance that only they can penetrate.

A Wall of Iron

But I am not the only one. They have induced this same intense market resistance in everybody else as well - including themselves. So when I try to sell my own services and products directly into the Free Market, my efforts become vainly dissipated against the equally intense market resistance in others. I do not have - nor could I obtain - the resources necessary to overcome this impervious barrier.

The corporate masters have thus totally conquered the Free Market by getting inside the public mind. They have set a barrier in the id - an iron curtain over which they alone may pass. They stand at the gate between me and my market. They control the check-point between me and the only means of transforming my labour into the needs of life. And they guard it jealously. There may well be a market for what I have to offer, but access to that market is for me available only by kind permission of the economic establishment. I can only get to it through them. So how can I do this?

A One-Sided Relationship

The corporate masters, who make up the economic establishment, own the sole means of transforming work into wealth, namely the resources of Planet Earth. They are therefore [fundamentally self-sufficient](#). If the worst comes to the worst, they can produce what they need to consume. Consequently, they don't need me. They don't actually *need* anybody.

I, on the other hand, do not own any means of transforming my work into wealth. I am therefore [fundamentally destitute](#). The worst has come to the worst and I cannot produce what I need. So, although they don't need me, I desperately need them. So does everybody else. This guarantees that any relationship between myself and the corporate establishment must, of necessity, always be [one-sided](#). They will employ my labour only at their convenience, on their terms, and at their price.

Into the House of Bondage

So, although in today's 'Free' Market society I can no longer trade as a free man, I can still gain the needs of life by selling myself into bondage to work out the days of my life in the service of a corporate master. This is because, although he doesn't *need* me, I can on occasions be of use to him. My labour can increase the profitability of his enterprise. It can turn up the gain of his economic amplifier. Therefore, when it is to his perceived advantage, he may grant me leave to apply my skills - through his means - in return for money with which I can acquire my needs.

However, advancing technology is constantly reducing the amount and quality of labour required to extract and produce the needs and luxuries of life from the resources of the planet. Technology constantly reduces the need for physical labour. PCs and office aids constantly reduce the need for clerical staff. Artificial intelligence, expert systems and neural networks are constantly eroding the demand for professional expertise in areas where humans once felt themselves to be unassailable. Thus, advancing technology has made the economic establishment need us even less - or more precisely, less of us. When work is scarce, it is not a case of all of us working fewer hours, it is a case of less and less of us working longer and longer hours. Thus, more and more of us are left with no work, while all are kept in darkness regarding on whom the axe next may fall.

These factors all combine to ensure that the labour market is always a [buyer's market](#). This provides the economic establishment with a vast pool of cheap, willing labour from which to build its workforces. It is an environment of fierce competition for jobs in which people at every level, and in all walks of life, are constantly scrambling over their peers for positions that are frequently far below their personal capabilities. Labour is therefore always a buyer's market in which the buyers - the corporates of the economic establishment - are forever having to keep at bay the ever-expanding hapless hoards scrambling for employment. We have a [TRF syndrome](#) all over again, although the 'radio stations' are now individuals trying to [sell their skills](#) into the far more restricted 'market for jobs'. Nevertheless, it is still a case of 'he who shouts loudest gets heard'.

A Wall of Stone

The economic establishment keeps at bay this onslaught of competing prospective employees in the same way that I defend myself against the ever-rising crescendo of their advertising activities. They raise the squelch threshold. They set up around themselves a barrier - a wall of rejection - which only the 'best' will be able to scale. As recession and advancing technology reduce the number of people they need, so the barrier goes higher and higher. And the harder it becomes to get a job.

Conversely though, it is not so hard to lose one. There is a one-way tunnel that leads back through this [energy barrier](#) I call the Wall of Stone. It is a way out, but no way in. Acquiring a job is like

painstakingly and covertly sneaking into a football stadium over the wall and roof to see a match. Losing it is like getting thrown out through the gate. The economic establishment does not have to spend the vast amount of personal effort getting rid of you that you have to spend getting them to employ you in the first place.

The Upshot

So now, from where I stand, what do I see? I see the bounteous richness and beauty of our planet. I may look, but I may not touch. I am denied its use as an economic resource as if by a *Wall of Steel*: laws that grant exclusive possession of it to a small favoured elite.

I see a need for my products and services within the free market. I may see, but I may not sell. My access to it is denied as if by a *Wall of Iron*: the heavy marketing artillery of the economic establishment. I see a use for my skills within the enterprises of the corporate masters who make up the economic establishment. But I am prevented from applying them by a *Wall of Stone*: the fierce competition of the job market. I see a vast array of products and services from the free market. But because I have no trade and no job, I have no money. So I may look, but I cannot buy.

My use of the resources of Planet Earth to transform my work into the needs of life, and my use the Free Market to exchange the singular fruit of my own skills for the rich diversity of human endeavour, is solely at the behest of a small [exclusive coven](#) of powerful corporate masters. And at the moment, they simply have no requirement for my labour. So like a faithful understudy, I must wait in the wings until they do.

The Stark Consequences

Thus between them, it is the strategic decision makers of the economic establishment who - directly or consequentially - determine whether we work or starve. If they do not want our labour, we get no money. If we have no money, we cannot eat. If we cannot eat, we die.

Faced with inevitable starvation and death, understandably some try to acquire their basic needs through crime and violence if necessary. And justifiably so. After all, we are in this predicament solely because of the free market system. It is [forcibly denying](#) us use of what, anthropologically, is the natural environment from which, for millennia, we have been free to extract our needs of life by unilaterally applying our own labour.

The spectre of ten million human beings starving to death on the streets of Britain would be morally unacceptable to the mainstream population. And the consequential levels of crime and violence would be politically inexpedient to the establishment, especially since our plight would be openly visible to a world of more socialistically minded nations.

An Economic Back-Stop

Purely out of self-interest, therefore, 1990's British society reluctantly provides for its undeserving poor. The instrument of this provision is known as state [welfare](#). The amount of money provided to individuals and families by state welfare is carefully set to a level that can just sustain our biological existence without allowing us to become comfortable. It keeps us alive but impotent. It gives us enough to live on, but not enough to empower us to re-establish ourselves as independent self-sustaining elements of their free market system.

The recession of the early 1990s coincided with the [sudden availability](#) of my skills from the low-cost economies of the Third World and the former Soviet Union. At the same time, certain American

corporations introduced new technological fashions into their products in an attempt to rejuvenate sales in a stagnating market. The combined effect of these two things, exacerbated by growing [age prejudice](#) within the computer industry, quickly eradicated all demand for my skills. Then a major multinational with whom I had lots of on-going business decided to shut down its entire U.K. operations and relocate them in France. My personal contacts therein lost their jobs. Most of them had to leave the U.K. to find new work. They became scattered to the four winds. I consequently lost touch with them and thereby the personal credibility I had accumulated through them.

This left me with the task of trying to regenerate that lost proportion of my business from an increasingly depressed U.K. market. But by this time, big highly-capitalised American corporations, with their invincible marketing might, were invading the U.K. with software products, which, to the unenlightened punter, appeared to be directly equivalent to mine at a fraction of the price at which I could afford to sell them. My efforts were naturally in vain. They consumed all my savings. Not only could I not regenerate that lost business, I could not even hold on to my existing business. The unequivocal message from the free market was that it had absolutely no further use for any of my skills, products or services. Finally my funds ran out and I almost instantly fell against this economic back-stop we call state welfare.

Social Disempowerment

The effect of the contemptuously [low level](#) of state welfare subjects those thereon to a relentless creeping systematic process of social and economic disempowerment. The [savings limit](#) imposed upon all on state welfare is the ratchet that prevents us ever getting back. They have rendered me unable to meet the cost of maintaining my [social contacts](#). They have cut me off from friends and colleagues who could point me in the direction of emerging opportunities and corroborate my abilities and integrity. I can no longer afford to go and see people. I can no longer afford to entertain them as visitors. I have been forced into [social isolation](#).

These things not only impose this forced isolation on me. They have put everybody else on state welfare in the same state of isolation. They have thereby isolated us *from each other* and so prevented us from combining to fight our common cause. We are divided and conquered from the start. We are totally disempowered.

Prison of Poverty

As I sit here in my home writing these words, I am imprisoned by three high walls, each barring my way to the means of turning my labour into the needs of life. To survive and prosper I must scale these formidable walls. But the punitive level of state welfare deprives me of the resources I need to do this. What, therefore, can I do? I could tell myself that my prison is an illusion - that the walls of steel, iron and stone do not exist. I could count my blessings and submissively accept my new station in society. But I cannot ignore my feeling that this state of basic subsistence is wholly unfulfilling. I have knowledge I need to share. I have skills I want to use to the benefit of my family and to the good of mankind. My fundamental nature is not compatible with this state of idle isolation.

In what appears to be an increasingly dispassionate and [uncaring society](#), many are being [driven to crime](#) as the only means of acquiring their minimum acceptable needs of life. In these circumstances I find myself compelled to accept crime as morally valid. However, since I do not have any personal experience of it, I would most certainly get caught.

Under Western Capitalism, once you fall into poverty, poverty sticks. You become grid-locked into poverty by a system that supposedly creates wealth. Clearly such a system is faulty. Critically so. Terminally so. The only way left to break the chains of poverty is therefore to change the system.

The world must adopt a new system that dares to venture beyond the frontiers of conventional economics.

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