

Crises and Money

Why I study crises

When a crisis occurs, it is eagerly followed in the media. Just think of the crash on financial markets in 2007 and 8. The panic. “We will lose everything!” cried the market herd. I believe our financial system is best understood by looking at such examples. Here, then, is the MoneyMuseum guide to some historical and recent financial and other crises.

Crises occur when existing solutions can no longer cope with developments. New ideas are required. When crises follow closely, it's a sure sign a system is reaching its limits. In our case, our money system is in question. And that's what interests me.

There are many types of crises: social cataclysms like mass emigration, the growing wealth gap between rich and poor, terrorism, breakdowns on financial markets and ever more ecological crises from global warming, to say nothing of personal or spiritual crises. But many crises have our money system at their root, for example:

- Ecological crises can often be traced to the compulsion for growth that drives the world's economies. Make a profit or die. And that leads to utter disregard for nature, exploiting it beyond its capacity to recover.
- Economic crises often stem from the credit system interwoven into our system of money. Credit can lead to excessive levels of debt.
- Social crises can often be traced to our concept of ownership, which implicitly shuts out all others from the benefits of what we own. You can have anything you want. Just pay for it. Those without enough money are excluded.

These are three facets among many more that belong to our system of money.

Today, the money theory urgently needs revision. And from interdisciplinary sources. Simple answers might be nice but I don't think they will suffice here. Our world and our system of money have grown complex. So let's look at some financial and other crises. Let's find their causes together. Were earlier crises similar to or utterly different from ours? How did our system of money contribute to our recent crises? Your participation in formulating an improved money theory awaits you under the title “Money:critical.” Let's begin!