

The Real Wealth of Nations: Caring Economy Tools for Change Makers

INTRODUCTION

The Politics and Economics of Partnership vs. Domination

Over the last 300 years, in the wake of the industrial revolution during which new technologies destabilized once established beliefs and institutions, one progressive social movement after another has challenged entrenched traditions of domination.

- The 18th century “rights of man” movement challenged the supposedly divinely ordained right of kings to rule their “subjects”.
- Feminism, and later the women’s liberation and women’s rights movements, challenged the supposedly divinely ordained right of men to rule women and children in the “castles” of their homes.
- The abolitionist and subsequent civil rights and anti-colonial movements challenged another tradition of domination: the supposedly divinely ordained right of a “superior” race to rule over “inferior” ones.
- The peace movement challenged the use of force to establish domination among nations, and the more recent movement to stop traditions of violence against women and children challenged the use of violence in family and other intimate relations.
- The movements for social and economic justice challenged traditions of top-down control.
- The environmental movement challenged the once hallowed “conquest of nature.”

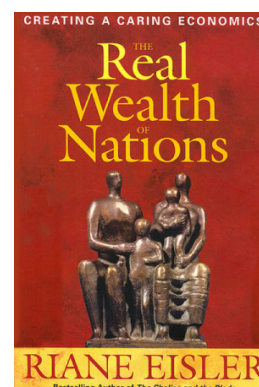


Dr. Riane Eisler

The Movement Back to Domination

These progressive movements have primarily challenged domination in the “public sphere” of politics and economics, rather than the private sphere of family and other intimate relations – *which we today know from neuroscience directly affect nothing less than how our brains develop*. Therefore, we have not had the solid foundations for partnership systems.

Consequently, domination systems have kept rebuilding themselves in different forms – be it the Nazis in the 20th century or the so-called religious fundamentalism (which is really domination fundamentalism) in the 21st.



The Real Wealth of Nations by Riane Eisler

In times of regression to domination, we see common patterns such as:

- Superior/inferior relations are reinforced and valorized whether between genders, races, or religions, and “others” are demonized and blamed.
- The world is portrayed as a place where one either controls or is controlled, and an angry, powerful leader is needed to solve every problem.
- We are told that investments in technologies of weaponry, prisons, and other forms of control take precedence over investments in caring for people and for nature.
- Receptivity to rhetoric based on fear and hate is still ensured in segments of the US population through domination-oriented family norms, including abuse and violence against children, which fuels stress and fear, wiring brains for the politics of domination/authoritarianism.
- This tendency is aggravated by an eroded safety net that further fuels insecurity and fear.
- On top of this, new technologies that shorten attention spans lead young people to want “quick fix” answers that seem to offer immediate relief.
- So underlying problems and dynamics are ignored, such as inadequate investment in caring for and educating people, starting in early childhood, which does not equip people for our new post-industrial age when manufacturing and other jobs are increasingly being taken over by automation, robotics, and the rapidly developing technologies of artificial intelligence.

The Window of Opportunity

The dislocation of established institutions and beliefs with the rapid move into the postindustrial age is stirring up fear and in that sense fueling regressive movement. But at the same time these dislocations provide the opportunity to build the missing foundations for a partnership system, starting with 4 cornerstones: childhood relations, gender relations, stories, and economics. I will here briefly focus on economics.

The Economics of Domination or Partnership

The economic anxieties and hardships facing many Americans are not just due to unfair international trade treaties, exploitive banks, and the control of wealth by a few on top, but to uncaring economic and business policies and practices we inherited from more rigid domination times. *The Real Wealth of Nations* examines these underlying dynamics and provides “a template for the better world we have been so urgently seeking,” to quote Archbishop Desmond Tutu’s comment on the book.

SAMPLE COMMENTS ON *THE REAL WEALTH OF NATIONS*:

“*The Real Wealth of Nations* gives us a template for the better world that we have been so urgently seeking. As practical as it is hopeful, this brilliant book shows how we can build economic systems that meet both our material and spiritual needs. It illuminates the way to a bold and exciting new future.”

— Archbishop Desmond Tutu, Nobel Peace Laureate

“Riane Eisler shows us how to value economically what is valuable humanly— and what could be more revolutionary than that? To imagine money not as the root of all evil, but the measure of all good, read *The Real Worth of Nations*.”

— Gloria Steinem

“An essential tool for government leaders, politicians, economists, and everyone looking for ways to halt environmental destruction, eradicate poverty, stabilize population, and build a better future, *The Real Wealth of Nations* shows us how to construct a sustainable new economy — and a good quality of life for our children and generations to come.”

— The Honorable Vigdis Finnbogadóttir, President of Iceland 1980-1996

“This book should be mandatory reading for every CEO, every economist, every government official, every student, and every citizen of our world. In its pages lies nothing less than the blueprint for the world we must create if humanity is to ever achieve true justice, equity, and sustainability. We can be that great society. *The Real Wealth of Nations* shows us how.”

— Jeffrey Hollender, President, Seventh Generation, Inc., author, *Naturally Clean*

“In *The Real Wealth of Nations*, Riane Eisler, long a voice of sanity and clarity in an increasingly confusing world, does what has been desperately needed for a long time: bring back a human- and nature-centric perspective to economics to show how ends and means can be integrated. We had better get this right, because time is running out on governing our societies by rules and institutions that lack any real sense of what truly matters.”

— Peter Senge, author, *The Fifth Discipline: the Art and Practice of the Learning Organization*, Founder, Society for Organizational Learning, Senior Lecturer, MIT

“Riane Eisler has provided an accessible, fascinating, and persuasive argument for a caring perspective on economics. Brilliant.”

— Nel Noddings, Professor Emeritus of Education, Stanford University, author, *The Challenge to Care in Schools and Starting at Home: Caring and Social Policy*

- *The Real Wealth of Nations* shows that economic systems are very different depending on whether they are embedded in a culture orienting to the domination or the partnership end of the partnership/domination continuum.
- To move forward we have to go beyond capitalism or socialism and right or left, and recognize that the problem is dominator economics. Long before capitalist billionaires amassed fortunes, Egyptian pharaohs and Chinese emperors hoarded their nations' wealth. Indian potentates received tributes of silver and gold, while lower castes lived in abject poverty. Middle Eastern warlords pillaged, plundered, and terrorized their people. European feudal lords killed their neighbors and oppressed their subjects.
- Today's capitalist "trickle-down economics" is a replay of earlier traditions where those on bottom must content themselves with the scraps dropping from the opulent tables of those on top. And the two mass applications of socialism, the former Soviet Union and China, concentrated economic control in the hands of those on top, ruled through fear and force, and had terrible social and environmental impacts.
- Economics is basically about what is, and is not, valued – and domination systems have a gendered system of values in which women, as well as "feminine" traits and activities such as caring, caregiving, and nonviolence, are culturally devalued in both social and economic policy, as well as in men, who are denigrated as "weak" or "sissies" if they display them.
- To understand, and change, current economic injustices and dysfunctions, we have to recognize that both capitalism and socialism came out of more rigid domination-oriented times.
- For both Adam Smith and Karl Marx, caring for nature and caring for people were not part of the economic paradigm. They saw nature as simply to be exploited. For them the work of caring for people, starting in early childhood, was "just women's work," and hence "reproductive" rather than "productive" work – a system of classifications still used by most economists today.

"Riane Eisler is one of the most important and influential thinkers of our time. In *The Real Wealth of Nations* she turns her attention to the importance of caring and issues a clarion call for contemporary societies to recognize and value the essential contribution of caregiving to human well-being."

— David C. Korten, author of *The Great Turning and When Corporations Rule the World*

"Why has conventional economics been so slow to offer compelling, useful responses to our most threatening challenges, such as environmental degradation or raging inequalities? Riane Eisler answers this question, and in doing so, reinvents the dismal science, infusing it with the essential ingredients it needs to get us out the terribly narrow box in which we've been stuck."

— Jared Bernstein, Economic Policy Institute, Advisor to Vice President Joe Biden, author, *All Together Now: Common Sense for a Fair Economy*

"Brilliant and inspiring! Riane Eisler is one of those few extraordinary people whose insight and ability to express complicated ideas in simple language help the rest of us to understand the human condition. *The Real Wealth of Nations* updates the dismal science of economics to the complex realities of the 21st century and points the way to a sustainable future."

— Mal Warwick, co-author, *Values-Driven Business* and Social Venture Network Board Chair.

"In her brilliant new book, *The Real Wealth of Nations*, author Riane Eisler (one of my heros) hits the nail right on the head. She points out exactly how and why the only sustainable economic systems are those that include the cost of human caring and happiness in the bottom line. And better yet, she provides us with practical steps toward implementing this crucial economic shift. *The Real Wealth of Nations* is must reading for everyone who is interested in the health of individuals, families, and our planet."

— Christiane Northrup, M.D. author of *Women's Bodies, Women's Wisdom, The Wisdom of Menopause*, and *Mother-Daughter Wisdom*.

"In this brilliant new look at economic systems and how they interact with culture, Riane Eisler has created what is sure to be a classic and – hopefully – world-changing book."

— Thom Hartmann, author, *The Last Hours of Ancient Sunlight*

"This book is an essential, practical and loving survival guide to the future. If we don't change our economics to caring for all peoples and the planet, we have no future. I'm grateful that Riane has applied her experience, wisdom and love to this fundamental reformulation that we so desperately need. May we take this to heart and change what we do."

— Margaret Wheatley, author, *Leadership and the New Science*

- The failure to recognize the value of the work of caring for people and for nature has always caused enormous suffering, but in our era of growing environmental despoliation and destruction it is ecologically unsustainable.
- As we today move ever further into the post-industrial knowledge/service age, when manufacturing and increasingly also service jobs are being replaced by automation, failure to recognize the value of the work of caring for people is also economically unsustainable.
- In this time when creative, innovative people who can work in teams for the common good are urgently needed, failure to invest in caring for people starting in early childhood is economically suicidal, since the quality of care and education children receive is key to nothing less than how our brains develop -- and hence will directly impact our collective future.

What is needed is a Caring Economics that recognizes that real wealth is not financial but consists of the contributions of people and of nature and where economic policies and practices support caring for both.

The Center for Partnership Studies' Caring Economy Campaign was inspired by *The Real Wealth of Nations*. It seeks to change economic policies and practices so that they:

- Invest in people who do the work of care
- Invest in early childhood
- Rely on new measures of economic health

The Real Wealth of Nations is available at the Center for Partnership Studies bookstore:

<http://centerforpartnership.org/store/>

The following pages offer a detailed look at the Caring Economics model.



Riane Eisler

Director, The Center for Partnership Studies and the Caring Economy Campaign

We currently live under a philosophy of economics that originated hundreds of years ago. Under the capitalist “invisible hand of the market,” it was assumed that prosperity would be guaranteed, and there was no recognition of the importance of nonmarket economic sectors. Socialist economic theory also failed to include as “productive work” the work of caring for people and nature performed in the household and volunteer economic sectors.

Today it is obvious that this old economic thinking is not working. *The Real Wealth of Nations* offers a framework for a new economic model – a caring economics that incorporates human welfare and optimal human development as its keystone.

A caring orientation includes caring for children, the sick, and the elderly, caring for employees, customers, and other business stakeholders, and what Edgar Cahn calls the civic labor of building healthy communities, the socially just labor of progressive social movements, and the environmental labor that preserves a healthy, natural environment for ourselves and future generations.



The basic premise behind *The Real Wealth of Nations* is that a caring economic system is urgently needed to promote human welfare and optimal human development. Based on our current situation, we need a new Caring Economic plan.

Caring economics benefits both people and businesses. Concern for employees and their families translates into increased competence and collaboration, encourages creativity and innovation, contributes to the organization’s collective capacity, and translates into better business, community, and global relations.

What is Economics?

The term “economics” has both scholarly and popular meanings. Academically, economics is a social science that deals with the production, distribution, consumption, and management of goods and services. The popular meaning is often shorthand for describing economic systems, policies, and practices, as in “American economics and politics.”

Current Economic Thinking

According to capitalist economic theory, the markets determine value through supply and demand. But this theory leaves out two key points. First, economic practices often artificially create scarcities, artificially raising values. Second, demand is largely determined by cultural beliefs about what is valuable.

The failure of present economic policies to recognize that caring and caregiving are integral to personal, economic, ecological, and social health directly affects our lives and our children’s future.

Massive economic inequities exist because our current economic system fails to fully value caring and caregiving, even when care work is performed in the market. Childcare workers are only paid an average of \$10 an hour, and yet we say “children are our most important asset.”

Current economic models do not take into consideration our daily lives and do not solve chronic problems such as environmental degradation, poverty, and violence. The common denominator underlying our personal, social and environmental problems is a lack of caring. We need a model that supports caring for ourselves, for others, and for the planet.

Current economic thinking causes distorted views and policies because we do not include all the foundational economic sectors. A new economic map would include the full spectrum of economies:

- Household
- Unpaid community
- Market
- Illegal
- Government
- Natural

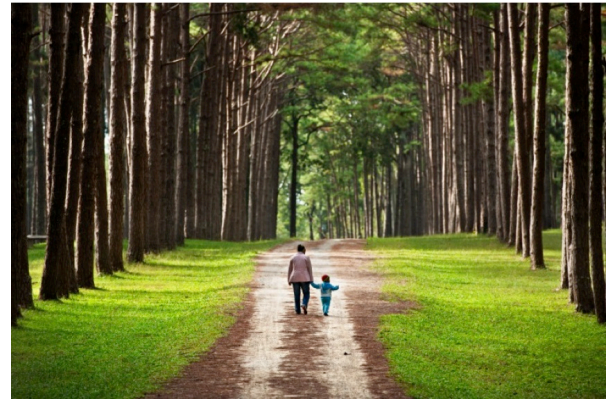
We are at a tipping point in our planet's history where fundamental change is needed. We cannot continue to exploit and pollute our natural environment and expect life as we know it to continue. Our global economy is running at a gigantic loss. Poverty continues to afflict billions of people. It becomes evident that we must adequately value caring and caregiving.

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The values that drive present economic systems are still uncaring. “Compassionate conservatism” has led to the reverse: the top of the economic ladder continues to have more while the bottom has less, and environmental threats are ignored. The two large applications of socialist theory in China and the former Soviet Union have not protected our natural environment or changed top-down economic control. We need a systemic approach that takes into account the more comprehensive social and cultural structure of which economics is a part.

The Social Foundations of Economics

Economic systems emerge out of larger social, cultural, and technological context. An effective economic system should support human well-being, advance human development, and protect nature’s life-support systems. Social factors shape and are shaped by economics. We must begin to examine economics from a new perspective. This requires a multidisciplinary approach that situates economics in the context of two opposing societal structures: Partnership (mutual respect) and domination (top-down control) systems. To understand partnership, we must expand the economic vocabulary to include care and caregiving.



Opposing Economic Societal Structures

The domination system allows only for dominating or being dominated. Hierarchies of domination result in scarce trust, high tension, and system cohesiveness based on fear and force. Leaders control and disempower. To succeed, a domination system suppresses or at best restricts and compartmentalizes caring and empathy. The top-down domination system is a holdover from earlier feudal and monarchic times. These systems devalued caring work and caring and subordinated women. Males “ranked” over females, and societally both genders valued men/“masculine” over women/“feminine.”

In contrast, a partnership system supports mutually respectful and caring relations. Hierarchies of actualization allow for bi-directional accountability and respect, with inputs from all levels. Leaders facilitate, inspire, and empower. Economic policies and practices support basic survival, community, creativity, meaning, and caring. There is equal partnership between women and men, and so-called feminine values and activities such as caring, caregiving, and nonviolence are highly valued in both women and men as well as social and economic policies – supporting the realization of our highest human potentials.

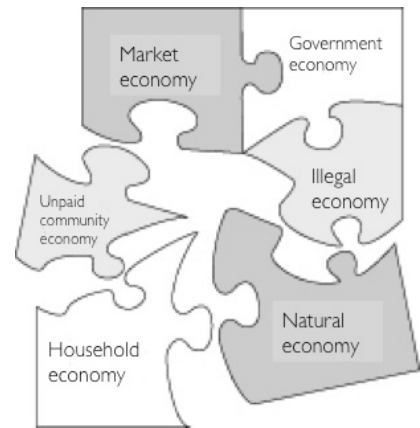
No society is a pure partnership or domination system – it’s always a matter of degree. But the extent to which a society orients to either end of the partnership/domination continuum directly affects every institution – from the family and religion to politics and economics.

The Imperative for Systemic Change

Conventional economic policies and measures are based on an incomplete model. They only account for three of the six sectors that form the total economy. The focus is on the formal market economy and the three life-support systems (household, unpaid community, and natural) are omitted. By contrast, the caring economics of the partnership system is based on a full spectrum economic map.

What Do Mainstream Economic Indicators Leave Out?

GNP (gross national product) and GDP (gross domestic product) leave out non-monetized and/or not reported activities, which comprise a huge proportion of our social exchange system. These widely used indicators provide no information about how goods and services are distributed or about how traditional economic activities affect the quality of life. They also fail to take into account environmental, health and other costs of market activities, and fail to include caring and caregiving as “economically productive.” Moving toward a partnership system will require new economic measurements that adequately address caring and caregiving.



Seven Steps Toward a Caring Economics

1. Recognize how the cultural devaluation of caring and caregiving has negatively affected economic theories, policies, and practices.
2. Support the shift from dominator to partnership cultural values and economic and social structures.
3. Change economic indicators to give value to caring and caregiving.
4. Create economic inventions that support and reward caring and caregiving.
5. Expand the economic vocabulary to include caring, teach caring economics in business and economics schools, and conduct gender-specific economic research.
6. Educate children and adults about the importance of caring and caregiving.
7. Show government and business leaders the benefits of policies that support caring and caregiving, and work for their adoption.

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Business people often say they need dollars-and-cents information before they try anything new. So how can a businessperson get enough financial information to justify taking a step toward caring economics?

The High Cost of Uncaring Business

We seldom recognize the high cost of uncaring business because the traditional measures of productivity do not provide true dollars-and-cents data. Fortunately, there are now case histories, statistics, and scientific studies that demonstrate the financial benefits of investing in the real bottom line: the health and welfare of people. Ultimately, the Real Wealth of Nations lies in the quality of its human and natural capital. Business activities must be socially as well as financially profitable, and the two are far from mutually exclusive.



Current economic measurements hide the enormous economic costs of uncaring business practices. Although often placed on the positive side of the GNP, the true costs of war, pollution, business-related spills and contamination, and natural disasters are negative. Consider the costs of the Exxon Valdez cleanup and loss of natural resources from the spill. Think of the billions of dollars spent on the Iraq war. Look at the economic drain in the aftermath of Hurricane Katrina. What really are the costs of the effects of pollution? Why is so much money spent on wasteful and inefficient investment in incarceration by the U.S. prison industry, when rehabilitation has been shown so very much more effective and less costly?

The ROI of Caring Business Practices

Businesses have reported a big return on investment (ROI) from caring business practices. Companies report that incorporating caring policies produces reduced turnover, less absenteeism, increased numbers of applications submitted for employment, lower overtime costs, and lower costs for recruitment and training of new employees. Employees also feel more positive about their relationship with their supervisors, better able to concentrate at work, and are more likely to stay on the job.

Psychological studies also show that when people feel good – which they do when they feel cared for – they are more productive and innovative. They are better negotiators, get along better with others, and are much more creative. Studies also show how compassion promotes trust, felt connections, and positive emotions, all of which lead to streams of action that greatly benefit organizations. From a purely cost-benefit financial perspective, investing in high-quality care for children is one of the best investments a nation can make.

Supporting good parenting by providing new mothers with care after child birth via home visits by a public health nurse or lay home visitor, and providing high-quality child care and preschool programs resulted in higher scores for infant development, savings on medical expenses, less business absenteeism, and reduced family violence.

- A cost benefit analysis of high-quality childcare indicated a 200 percent return on investment.
- Although U.S. workers spend more time on their jobs than their West European counterparts, the U.S. ranked only eighth in GDP annual compound growth per worker-hour among the thirty nations that belong to the Organization for Economic Cooperation and Development (OECD).
- Children in the U.S. are more likely to be poor, to perform poorly on international math and science tests, and to have babies as teenagers than children in other rich Western countries.

Creating the Caring Work Environment

What are some caring, financially successful companies offering their all-important human capital? They are providing a more participatory partnership management style, onsite daycare for employees' children, fully fringed health benefits, and generous sick days. Some even offer a seven-hour workday, medical facilities, counseling services, a gym with a swimming pool, track, two full-length basketball courts, work-out rooms and space for yoga, outside fields for soccer and softball, an onsite masseuse, a wellness coordinator, and lunch served in a cafeteria so children can eat with their parents. These companies have found that caring business practices make sound economic sense.

The Real Cost of Health Care

While the average U.S. worker earns more than European counterparts, Americans face much higher expenses for essential services, such as health care. Even though U.S. health care is the most expensive in the industrialized world, a 2005 survey shows that the quality of care is actually worse than that of the other nations studied.

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The Invisibility of the Obvious

Often, we can't see what's in plain sight: the *gender double standard* we've inherited from more domination-oriented times, and how it impacts customs, laws, religions, politics, and economics.

As humans, we live on stories. And stories of “men above women” are told to us long before we have the ability to question them. Both genders inherit this theme of devaluation of one half of humanity and anything associated with women. Caring and caregiving are devalued because they are “just women’s work.”

This double standard hurts everyone. For example, in many world regions girls are given less food than boys. This of course has terrible consequences for girls and women. But it actually has terrible consequences for boys too – and for society. When women have grown up malnourished, all their babies, male and female, are born less healthy physically and mentally.

A male-superior/female inferior view of humanity has still other dire consequences worldwide. It leads to the belief that the subordination of one group over another is not only inevitable but moral, reinforcing the perception that there are only two alternatives: dominate or be dominated, be superior or inferior.

And how can we seriously speak of free and democratic societies as long as this double standard of domination of one half of humanity over the other half is maintained?

There is another option: partnership.

Caring and Partnership

Valuing women and the so-called feminine is a key component of a caring economics. Giving visibility and value to caring won't solve all global problems. But only as we leave behind the gender double standard that devalues caring can we shift from domination to partnership and create a caring economic system.

The invisibility of caring and caregiving in economic indicators perpetuates the economic double standard. Some say caring can't be measured, and therefore can't be part of economics. But caring and caregiving can be measured once we change our economic indicators. One example is Gross Household Production + Gross Market Production = Gross Economic Production (GHP + GMP =GEP).

Surveys uniformly show that the monetary value of unpaid caring work is very high. In Switzerland, a 2004 study showed that the value of unpaid work equaled 40% of the Swiss GDP—and the largest part of unpaid work was performed by women in the household—with women contributing almost two-thirds of the total value of all unpaid work. The UN reported the estimated value of women's unpaid work is \$11 trillion each year.

Little-Noted Effects of the Economic Double Standard

The pervasiveness of the gender economic double standard was dramatically demonstrated in a recent study of the differences in pay rates of 2178 male and female managers working in 512 companies



across a wide variety of industries. Published in the American Psychological Association's *Journal of Applied Psychology* it showed that:

- As the percentage of women supervised increased, pay of both male and female managers drops.
- When females became the majority in a workgroup, both male and female managerial pay decreased sharply.
- A manager who supervised a group made up of only women received approximately \$9,000 less annually than one who supervised a group comprised of 50% women.

It Pays to Change

The economic double standard has led to unrealistic assessments of economic well-being. It has led to economic indicators that obscure the enormous benefits society derives from the essential work of caring and caregiving, whether it is performed by men or women.

A simple fact: the quality of life for both genders is higher in countries where women and caring are valued such as Sweden, Finland, and Norway.. Thus, perpetuating the gender double standard makes no sense at all. Until we recognize the gender double standard, we will not be able to understand or change our existing economic systems and measurements. The gender double standard creates the economic double standard, which is a lose-lose for all—men, women, and the earth. Exposing this gender double standard enables us to build *partnerism*: a partnership economic system where caring for humans and the planet is a central component.

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As in the parable of the blind men who each differently perceived an elephant, it's not possible to understand what lies behind our global problems unless we take into account the whole system.

Economic systems are embedded in larger social systems. Reexamining social dynamics through the analytical lens of the partnership/domination continuum helps us connect the dots. It makes it possible to see what scientists call systems self-organization: the interactions of the core components of a system that maintain its basic characteristics.



The partnership system brings out consciousness, caring, and creativity. The domination system brings out insensitivity, cruelty, and destructiveness. Psychology and neuroscience show that people's life experiences, and particularly their early relationships, profoundly affect which behaviors are inhibited or expressed. And anthropology and sociology show that people's life experiences and relationships are largely shaped by their cultures.

Characteristics of the Domination Model

Domination systems, whether Hitler's Germany (a technologically advanced western rightist society), Stalin's USSR (a secular leftist society), Idi Amin's Uganda (a tribal society), or the Taliban of Afghanistan (an Eastern religious society) have obvious difference. But they all share four key components:

- Rigid, top down rankings in both the family and the state or tribe (and all institutions in between), maintained through physical, psychological, and economic control;
- High levels of abuse and violence, from wife and child beating to pogroms and chronic warfare;
- Rigid ranking of one half of humanity over the other half, and with this, the devaluation of traits and activities associated with the "inferior" female half;
- Beliefs that present dominating or being dominated as inevitable and moral, justifying inequitable, despotic and violent cultures.

Dominator economics are based on rankings of superiors over inferiors. Economic domination is maintained by concentrating control in the hands of those on top. Markets are distorted through misleading advertising, weak or no standards for working conditions, interference with labor's bargaining power, little or no consumer protection, and government policies that leave the rich and powerful free to do what they want.

Intra-household economic distribution is also controlled by the male "head of household" – with women having little or no say in household spending, even though studies show that in domination-oriented families/cultures or subcultures, one dollar in the hand of the mother benefits children 8 times more than in the hands of the father because men feel entitled to spend their pay on drinking, gambling, and other such pursuits.

Dominator economics create artificial scarcities by misallocation of resources to those in control, failure to invest in the development of children's potentials, and skewed priorities that favor weapons and prisons over "soft" priorities such as caring for people. Freedom in a domination system is often a code word for those in control to use power without accountability. Over the last decades, the US has regressed toward the dominator model.

Characteristics of the Partnership Model

Cultures that orient to the partnership model also transcend conventional categories of east/west, religious/secular, pre-industrial/industrial/postindustrial. They can be tribal (Tseduray) or highly technologically developed (Sweden, Norway, Finland). Over that last 300 years, since the 17th century European Enlightenment, we have seen movement toward partnership systems, albeit countered by enormous resistance and periodic regressions.

The core components of partnership systems are:

- Democratic and egalitarian structure is the norm in both the family and tribe or state, as well as all institutions in between. Parents are still responsible for children, teachers for students, managers for workers, but there is a huge difference between “hierarchies of domination based on control and fear” and “hierarchies of actualization where parents/teachers/managers inspire, support and empower rather than disempower others.”
- Abuse and violence are not culturally accepted, so there is more trust and mutual respect.
- Men and women enjoy equal partnership, and “feminine” traits and activities such as caregiving and nonviolence are highly valued in women, men, and social policy
- Cultural beliefs and stories offer a more balanced and positive view of human nature.

An obstacle to building partnership-oriented structures is the misconception that only domination structures are economically efficient. Dominator economics are a pyramid, and partnership economics are “flatter,” with more democracy and participation in decision-making, as well as hierarchies of actualization.

- There are still leaders in government, managers in business, teachers in schools, and parents in families. In fact, there are more leaders in partnership institutions, since power is not concentrated at the top.
- There is competition in partnership systems, achievement-oriented competition, spurred on by seeing another’s excellence, rather than brutal competition designed to humiliate, destroy, or put an opponent out of business as in the dominator system.

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It is not capitalism that causes harm, but rather the underlying dominator beliefs, structures, and habits that we've inherited. Although we think of Greece as providing us a democratic heritage, only a small minority of the Athenian Greece population enjoyed the benefits of their famous democracy.

Our Brutal Economic Heritage

Athenian Greece had a top-down social and economic structure. Their economy was largely household-based, and those households were structured in rigid rankings of domination. Athenians held slaves, and the head of the household could practice legal infanticide. Women and children were property of men and had hardly any protection under the law. Women had no access to education, and were married in childhood as part of economic transactions among heads of their households.



Conquest of Nature

As noted by Brian Griffith, women were most likely the original tamers of goats and sheep. As pastures grew sparser, it became the male role to travel farther and to protect the herds from raiders. Men's economic contribution, specifically the use of force, became primary, and women's work assumed a secondary place. As herders they moved toward more lush pasture, they began to covet their neighbor's wealth. As they invaded, they brought their method of domination. Male control over women became draconian. Everything became geared to conquest and control of women, inferior men, and the land. Wealth accumulated through conquest and the elimination of competition.

In dominator tribal societies, chiefs owned more cattle, wives, and land than other men, thus creating a divide between higher and lower classes based on wealth. In Europe, these higher classes were "noblemen." In Western antiquity and the pre-abolitionist American South, slaves were legally bought and sold. Women were legally disempowered and deprived of legal, civil and property rights.

Today, ownership of another person is almost universally illegal, yet child and sex slavery is still practiced in many parts of the world. The modern workplace was built to meet the requirements of a dominator social organization with the role of the manager to control those in subordinate positions.

A core aspect of domination systems is the subordination of women and anything stereotypically considered "feminine." Women represent a staggering 70 percent of the 1.3 billion people in our world who live in abject poverty. Globally, women earn an average of two-thirds to three-fourths as much as men for the same work in the market economy. In the US, women-headed families are the lowest tier of the economic hierarchy, which means that one out of five American children lives in poverty.

Creating Scarcity

Probably the most inefficient and destructive aspect of dominator politico-economics is that it artificially produces scarcity. Artificial scarcities are constantly created by dominator politics and economies through over consumption, wastefulness, exploitation, preparation for war, and war itself. Another factor in the artificial production of scarcity is that the "high quality human capital" needed for the postindustrial economy requires policies that support good care for children. And in domination systems, this is a low priority, largely because childcare is stereotypically considered "women's work" – and is not economically visible.



Scarcity then leads to competition for scraps by those on bottom, which often takes on racial, religious, and ethnic overtones, leading to scapegoating. This serves two functions. First, it divides those on the bottom by pitting one against the other. Second, it channels frustration away from those who make the policies. A mentality of scarcity affects the wealthy as well as the poor, discouraging equitable distribution by those on top out of fear that they too will do without. Habits of domination continue to this day, and our technological developments threaten our entire ecosystem. Report after report warns that our present course is not sustainable.

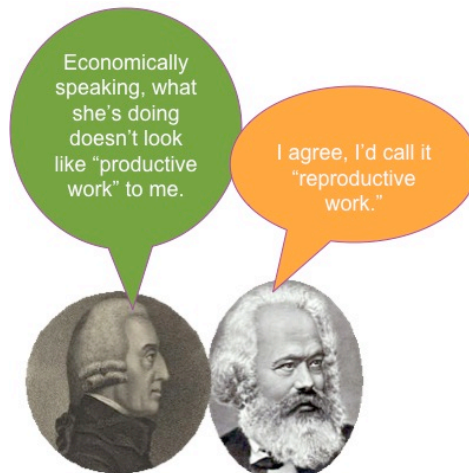
Yet failure is not inevitable! We can change the course.

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For most of recorded (or dominator) history, people were poor and were taught to accept this state as “normal.” From Aristotle’s philosophy of being born to your position, to Christianity’s concept of suffering as punishment for original sin, poverty has been historically perceived as inevitable. In the mid 1700s and with the start of the Industrial Revolution, the vision of progress through human interaction was applied to economics. If production could be improved, the economic system could be improved. In efforts to improve production, two competing systems arose: capitalism and socialism.

Capitalism

The so-called father of modern economics, Adam Smith wrote two influential texts. His first book, *Theory of Moral Sentiments*, has been largely overlooked. His second book, *Inquiry into the Nature and Causes of The Wealth of Nations*, better known as *Wealth of Nations*, became the “bible” of capitalism. While Smith accepted the dominator belief that people were inherently selfish, he did believe that humans can, and do, act out of sentiment for others, and believed altruism is important in families, particularly for women.



Smith believed that selfishness could work for the common good, if only the market was left to regulate production and commerce without government intervention. Smith’s anti-government stance must be taken in historical context. When Smith argued against government interference, he was indirectly challenging the economic control of the upper classes. At the time, the rich, land-owning upper class *was* the government. It usurped the common lands on which the average family raised food, displacing thousands and wreaking economic havoc. Smith wanted to keep the government (remember--the rich, land-owning upper class) out of the markets because it was through their control that many terrible conditions were created, and the government did nothing to rectify the situation.

Without this historical context, Adam Smith’s words have been misinterpreted and have resulted in creating the exact system he wanted to avoid. He would have shuddered to think his economic theory would be used to justify rapacity and greed.

Socialism

By the 19th century, it was becoming obvious that capitalism did not live up to Smith’s belief in its potential. It still emphasized individual acquisitiveness and greed (profit motive), relied on rankings (class structure) and continued traditions of violence (colonial conquests and war). Socialism was the reaction to this failure.

But socialist theory still retained domination elements such as the use of violence to wrest control (the end justifies the means) and the “dictatorship of the proletariat” to take control. Not only that, the two

major applications of socialism (the former Soviet Union and China) were in rigid domination oriented cultures.

When the Soviet Union fell, capitalism seemed to “win” as the more successful economic system. But the globalization of capitalism has created more gaps between haves and have-nots worldwide, as well as very serious environmental problems.

Partnerism

Both capitalism and socialism failed because they did not take into account the economic and social value of the work of caring for people, starting in early childhood, and for nature.

A healthy economy and society requires an economic system that supports optimal human development. Partnerism does that, ensuring the development of high quality human capital, maximizing the human capacities of all participants in society, and recognizing the need to care for, rather than just control, nature.



Capitalism and Socialism relegated the giving of and caring for life to “reproductive labor” – and included as “productive” labor many activities that harm and even take life. Once we recognize the importance of caring economics, we begin to see that many of our social and environmental problems are a result of economic practices that promote, and often require, a lack of caring. As the demand for more caring structures and rules grows worldwide, we can begin to revise economics in ways that support positive changes in all economic sectors.

Structure of Economic Institutions

Businesses, governments and families are living structures. They are held together by habits of thinking and acting and by stories and rules that mold these habits. Constructing an economic system that really works for the greater good will take time and will require the efforts of many people working together. To make the transition to Partnerism, we must begin by developing caring in all sectors. Economic structures, rules, laws, and beliefs differ depending on the degree to which a society orients to the partnership or domination model. It is time to change the economic story, to re-shape the rules and laws by changing the ways we think and act.

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The technological revolution has created what scientists call the new technological convergence. Biotechnology, nanotechnology, and artificial intelligence can be wondrous or destructive, depending on how we use these new technologies. A caring economy will ensure that they are used to create a more humane, environmentally sustainable, and prosperous world.

New automation technologies impact the economy by eliminating jobs and creating unemployment. The question becomes, what do we do with the surplus work population that will result in the wake of automation, robotics, and artificial intelligence? Liberal economists proposed a guaranteed annual income to help those in need. Milton Friedman proposed a negative income tax to protect low and no income earners. But just doling out money does not encourage productivity or creativity. Nor does it change dominations structures and beliefs.

However, linking a government supported guaranteed annual income to supporting care work (of people and nature) would accomplish both these goals.

What is Productive Work?

We need to redefine “productive work” to include utilizing our unique human capacities to create a more humane, healthy, and prosperous world for ourselves and our children. Automated postindustrial technologies open the door for redefining what is productive work in ways that utilize our unique human capacities for consciousness, creativity, and caring.



A New Perspective on Technology

How we use technology depends on whether it is guided by an ethos of domination or partnership. The same technological advance can lead to very different applications, depending on whether social structures and beliefs promote relations of domination and exploitation or relations of mutual benefit and caring. A caring economics would ensure that use of technology would meet the goals of human development.

The economics of globalization must go hand in hand with social policy intervention, which preserves and enhances the positive effects of globalization. We must shift to a way of living and making a living that promotes caring for humans and our natural environment. Trade globalization is a fact of economic post industrialism. The issue is whether globalization is guided by an ethos of domination or partnership.

The most critical issue for our future is not technological; new technologies are not going to solve our economic problems. We have to focus not just on material technologies but social technologies. **The most critical issue is how fast we can come out of denial about what is actually happening in our world and what we must do to shift to a way of living and making a living that promotes caring for humans and our natural environment.**

As humans, our capacity for caring is as hard-wired as our capacity for cruelty or selfishness—perhaps even more so. Research shows the humans register “pleasure” in their brain neurochemistry when engaging in caring behaviors.

But if we’re programmed to care, why has there been so little caring? To answer that question we must move from biology to culture. Culture has a huge part in shaping our capacity for caring. If a culture leans heavily toward domination systems, actual or perceived options will be limited, and choices will often be made with little or no caring for those lower in the pecking order.



Embracing Mutualism

Studies show that the human brain lights up with mutualism. Our pleasure centers are triggered. If we have the choice, we are likely to choose reciprocity.

Stress Rears its Head

Severe or chronic stress limits our inbuilt human capacity for empathy. Dominator structures artificially produce stress—the production of stress is a means of imposing and maintaining relations of domination and submission. Stress enculturates us to deny or disconnect from empathy and caring.

The Impact of Domination in the Home

Being raised in homes based on domination and submission tends to restrict people’s ability to be conscious of options and alternatives. This atmosphere also often impacts the capacity for empathy and consciousness, and children grow up to sustain systems – economic, political, religious, educational – that reinforce the dominator/dominated path. People who as children were dependent on abusive parents, often identify with those in control. This phenomenon helps to explain why the poor and lower middle class often vote for policies that benefit the super rich and mega corporations. Coming from authoritarian homes, they learn to identify with those in control and to deny that their “superiors” can do wrong.

Social Evolution

Many social movements have been challenging traditions of domination—slowly but surely we are moving towards partnership. Even Adam Smith, the father of modern economics, believed that self-interest would be tempered by consideration for others. Once a certain level of material affluence is reached, more material goods don’t seem to make people happier and are no substitute for the real satisfaction of close family and other bonds. The growing desire by millions of people to change customs, institutions, and practices in the partnership direction is encouraging!

It is our choice—and whether we collectively move toward partnerism or remain in a dominator model of economics will dramatically shape the next one hundred years – and beyond. By the grace of evolution, we humans are equipped with a neurochemistry that gives us pleasure when we care for others – be it for a child, a lover, a friend, or a pet. It is the dominator culture that interferes with our biological impulse to care. Learning to live in a caring culture would allow us to rebalance ourselves to our more natural biological state.

Many of our economic habits give little value to caring and caregiving, but as Gandhi stated, we should not confuse what is habitual with what is normal. We can change how we think, feel, and act. When a significant number of us change our beliefs and actions, our culture will change.



Economic systems are human creations, and we can change them by changing the rules and policies. We must begin to value caring and caregiving so that we can have a clean and healthy environment, humane workplaces, safer streets, better-educated children, loving homes, and a more peaceful world. We must change economic measures to better reflect the realities of what is productive vs. destructive.

We must focus on the role of women in the world, because statistics show that when the power and status of women is greater, so is the general quality of life. The key is for women to play an equal role in the formulation of governments and business policies. Only then will more men embrace stereotypically feminine values and priorities, such as caregiving and nonviolence.

A Caring Revolution is a sea change, the cumulative effect of all the ripples flowing from giving visibility and value to the most important work of caring and caregiving.

Some elements of a Caring Revolution:

- Schools offer education for good parenting.
- Governments help fund universal health care and high quality child care
- Partnership economic inventions like flextime, job sharing, paid parental leave, and caregiver tax credits gain currency.
- Men and women participate more equally in both the formal labor force and the work of caregiving at home.
- Volunteers receive reduced transportation costs and other community benefits.
- Care for the elderly is facilitated by adequate monetary pensions, including pensions for care work performed at home.
- Community currencies and bartering systems provide adequate value for caregiving in the exchange of services.
- As caring becomes the norm, illegal economies begin to shrink as the market for drugs, prostitution, and illegal arms declines.
- Caring for the environment is recognized as essential for economic health and sustainability.
- New technologies replace those that pollute and degrade our life support systems.

Here Is What You Can Do:

- Change the conversation about economics and begin to use the term “caring economics”
- Enlist people in positions of power to support the caring revolution
- Elect leaders that back caring values and change the current political landscape
- Inform national and international leaders of the benefits of caring policies
- Make presentations at meetings and conferences on Caring Economics
- Get business and economic schools to participate in the conversation about caring economics
- Conduct or promote research on the impact of gender roles and relations on economics

- Buy from companies who have caring personnel, consumer, and environmental policies
- Support organizations that work for women's and children's rights

It is up to us to create the conditions that support the Caring Revolution! Every one of us can do something now!

From Awareness to Action

Shifting from a domination economy to a partnership economy is possible!

When each of us changes the way we think and act, we encourage those around us to do the same. We change the rules in our families, our workplaces, our communities – and we then begin to impact the wider economic and political arenas.

Learn more:

caringeconomy.org

centerforpartnership.org

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