

A SELF-FINANCING WORLD MARSHALL PLAN
A SUPPLEMENTARY INCOME FOR EACH WOMAN, MAN AND CHILD

Poverty, disintegration of societies and unemployment are challenging us all to take responsibility for our world in new ways. The following self-financing World Marshall Plan would provide every person with a means to regenerate their own lives while helping to build a healthy environmentally-sound world economy in which all people are able to develop in their unique ways. This self-financing Plan is described in several books, including two sponsored by the Dutch Foreign Ministry. Here is a summary of how the plan works and is financed.

The Effects of a Life-Enhancing Supplementary Economy

If every man, woman and child were given \$250 (compounded by 7% p.a.) every year to be spent exclusively on his or her wholesome development, poverty and pollution would fade away. In poor areas, where a person earns \$400 annually, \$250 for each member of the family is a fortune. It could be spent on seeds or instruction on soil regeneration. Villagers could contribute to a water pump or sewage system for their region. Soon poverty and disease could make way for flourishing cottage industries and international markets would expand into poorer areas. In richer countries \$250 could be spent on personal growth or the development of mind or spirit. Attitudes would change as every year again each person would be asked to choose environmentally friendly goods and services for personal development. All, rich and poor, would be encouraged to consider such questions as: "What is health?" "What adds depth and meaning to life?" and "How can an individual develop personally without harming others or the environment?"

The world economy could change without lay-offs. As world markets for life enhancing and environmentally sound goods and services expanded, arms industries, drug, energy and electronic companies and others could gradually redirect research and development to qualify for these new markets. Business would adopt more life enhancing values. Attitudes would change as individuals, industry and governments experienced the benefits of serving the well being of people and Planet and saw poverty, unemployment, social disintegration, and pollution decrease.

The Supplementary Economy Is Similar to a Mail Order Barter System

Every year, a census is taken in every country to establish which wholesome, life enhancing goods and/or services every person wishes to order for the year. In the Technical and Evaluation Division of the U.N. Population Fund, it was suggested that countries could agree to attach a questionnaire to the ongoing census programme of each country. This questionnaire could be tabulated separately. This would be particularly useful while the infrastructure for the Marshall Plan is being put into place.

Each person is given a credit of the equivalent of US\$250. Once a year each person is asked to order goods and services for up to the amount of this supplementary income for her or his personal development. Nothing harmful to anyone or the Planet may be ordered. The credit of those not wishing to participate is cancelled for that year.

These "orders" are entered on a computer banking system, which links all countries and people. Existing commercial banks are connected to this system both for the benefit of the consumers and of the producers. People who can supply the life enhancing goods and services requested also make this known to development workers and are matched with the demand. Once supply and demand are exactly matched, marketable goods and services have come into being and the exchange can take place.

How is this Supplementary Economy Financed?

In the past, a country's currency was considered "hard" to the degree it was covered by gold reserves. Today, a country's currency is considered "hard" to the degree it is covered by "marketable goods and services". In essence, money can be seen as a point system that is allocated to each product and service to facilitate barter.

In today's world both rich and poor limit currency production for opposing reasons. The rich have the potential to produce the goods and services, but lack the markets. The poor are in need of goods and services, but often lack the ability to produce the necessary goods and services; and so neither is in a position to create hard currency as long as the currency is created on a national or regional basis. As soon as the world is seen as an economic whole, additional currency can be created to meet the WORLD situation of supply and demand. The additional currency can be divided among the world's population and can then be used to facilitate the exchange of goods and services as previously arranged via the computer system.

If the whole world were combined in one market, economists estimated that the world economy would be able to grow by 5%-10%. Let us say conservatively by 7%, if the production capacity would be matched by people's needs. This amount can then be used for several aims, including the building of the infrastructure and the implementation of this Plan. Once these costs have been deducted and the rest is divided equally among the world's population, each person would receive the equivalent of about US \$ 250.

Each year more people will become contributors to this supplementary economy and so growth will continue. Each year by, say 7% and each person's part of the new economy will increase. (Because the whole world is in constant flux, these figures change constantly and these calculations would have to be done to meet the situation. The 7% is therefore just a means to illustrate how the financing would work.

The Supplementary Economy has two characteristics, not shared with any economy elsewhere in the world, made possible by modern computer technology and census taking infrastructures being developed with the support of the U.N. They are:

1. Every woman, man, and child has an account and is connected through this banking system;
2. It would be known from the outset, each year, exactly what is needed and what can be supplied through the U.N. Economy.

This makes it possible to create a hard international currency for this Supplementary Economy and to determine the goods and services that will promote wholesome human development.

How Do People Determine Which Goods and Services May Be Offered through this Supplementary Economy?

Decision making in connection with this Supplementary Economy should involve all people. One way proposed uses the *sociocratic method*, by which people must grant their consent to each decision for it to be taken. If consent is withheld, the decision must be reformulated.

To determine which goods and services are to be made available and which to be withheld, each community is divided into groups of approximately 25 persons who make community decisions regarding goods and services considered harmful and thus not permitted. Each of these small groups sends 2 members with the outcome of their decision making to the next level of decision making, say for the local regions. Here, too, people meet in groups of approximately 25 people.

Again consent is sought. And then 2 of each group go to the next level, say the country level, and so the process continues. It was estimated that if all 6 billion people were involved in this form of decision making just 8 or 9 levels of decision making would be involved. This type of decision making is already used by some world organizations. The advantage: that community is formed as such topics are discussed regarding what is wholesome and what harmful to individual or planetary health.

What is Required?

The proposed World Marshall Plan provides a supplementary income for all people in every nation. It will take about 10 years to build the necessary infrastructure.

The infrastructure will consist of:

1. an electronic communication system, such as the Internet, connected to a
2. Bank, which works exclusively with money transfers, rather than actual currency and is built on the model of the Dutch Giro System, run by a branch of a world institution, like the UN; with
3. accounts for every man, woman and child in the world; and
4. two U.N. development experts for every one thousand people, each with access to this fully computerized banking system both for informational and data entry purposes.

It Would Be Impossible To Achieve the Same Through World Taxes.

Organizationally, it would be very complicated and financially impossible to levy any form of world taxes in order to generate income for a worldwide development income for all people to be administered by the U.N. Nobel prize winner, Jan Tinbergen, calculated that the U.S.A. would have to provide 2/3 and the EC one-half of their means if every citizen in the world were to receive a reasonable income. He quite rightly considers this impossible. Rich countries would collapse through a lack of funds, money would become too expensive, and the poor countries would only be helped in an ad hoc fashion. Soon there would be a lack of purchasing power.

Great Advantages for Existing Economies.

Because the Supplementary Economy creates a constant upward pressure on existing economies, there are many advantages. After all, the same producers deliver to both economies.

Because of their extra income from the new economic circuit and the higher demands in terms of quality and environmental friendliness, producers will be able to manufacture better quality products in the original economies. There is, as it were, a wholesome interaction between all private businesses and those activities performed for the Supplementary Economy. This produces profit, spent differently in each economic circuit.

In this way both economic systems can be transformed, enabling the development of body and mind of the individual citizen. The Supplementary Economy constitutes a synthesis between market and planned economic approaches and the resulting balance benefits all people in every aspect of their existence. Every consumer is encouraged to function as both a national and a world citizen through the use of his or her supplementary income. As world citizen, he or she is directly connected to the U.N., if it is chosen as administrating agency (i.e. humanity). No national government or organization can take away these human rights and at the same time the increased individual well-being provides the stability which governments require to carry out their mandate.

We would be able to refer to the Supplementary Income as the much-needed Human Rights Economy, or a psychological and spiritual economy in which the development of body, mind and spirit are in balance. In this way, we can respond for the first time in history to our spiritual and

political calling to produce a more loving and more reasonable world community, in which every individual can be a full-fledged partner in all situations.

Additional Characteristics of the Supplementary Economy

Decisions regarding which goods and services may be offered through the Supplementary Economy are made by all people in small community meetings. There are numerous precedents for this. Decisions will be made by consent, that is, people would have to agree on which products and services do not harm other people or the environment. This form of decision making builds community, raises consciousness and fosters responsibility with regard to the quality of life.

It Does Not Affect The Sovereignty Of Any Nation

Instead it enables each person to choose ways of contributing to the regeneration of their own economic and social environment in ways that benefit all people and the nation as a whole.

It Finances Itself And Is of No Cost To Any Nation.

On the contrary every individual, every business and consequently every country benefits.

No Interest Payments or Inflation, No Speculation. Less Likelihood of Fraud.

There is a direct link between production and consumption and there are no interest payments. There is therefore no inflation and can be no speculation. The rules of this Marshall Plan are monitored by the development workers and by all individual people who so wish. There is therefore less likelihood that there would be fraud using U.N dollars, than there is in today's less transparent economies.

Decrease In Pollution, Safeguarding Non-Renewable Resources

Production will be pollution-free and selective, and based on the prior consent of all people. There would be one type of goods and services for those who are physically poor and other types for those who are financially well off and would benefit from mental or spiritual enrichment and the full range between these two extremes. Those receiving material goods are subject to regulation, because pollution and the depletion of natural resources through this Supplementary Economy is not permitted. In the long run these problems would significantly decrease.

Less Unemployment

Unemployment will decrease drastically, as the supplementary economy expands and provides increased opportunities for new producers. As standards of living rise, the focus of the economy will shift from material goods (which often deplete the earth's resources) to services which refine personal and spiritual education, interpersonal and community relationships, and artistic and cultural expression. It will result in a constructive shift in the relationship between people and their planet.

For books and more information:

Pieter Kooistra, the author of this plan wrote: *Voor*; and *The Ideal Self-Interest* ISBN 90 7084 101 1 which can be ordered from **Foundation: Income For All People**,
Waalbamdijk 8, NL 4064 CB Varik, the Netherlands, Tel. +31 (0)344 651953.

<http://www.uno-inkomen.nl>

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