

# working notes

*facts and analysis of social  
and economic issues*

## Debt: What does it really cost?

False Accounting: Why  
We Shouldn't ask People  
Who Commit Crimes to  
Pay their Debts to Society

---

The Consequences of a  
Bankrupt God

Modern Monetary Theory  
and State Finances: A  
Recipe for Progress?

---

"I didn't come to rock the  
boat, I was born in a boat that  
was already rocking"

Do You Always Have to  
Pay Your Debts?

---

Debt Addicts

---

Day of Remembrance for  
Lost Species: The Bramble  
Cay Melomys

## **Working Notes**

Facts and analysis of social and economic issues  
Volume 35, Issue 88, June 2021

### **Jesuit Centre for Faith and Justice**

54–72 Gardiner Street Upper, Dublin 1, D01 TX23

**Phone:** 01 855 6814

**Email:** [info@jcfj.ie](mailto:info@jcfj.ie)

**Web:** [www.jcfj.ie](http://www.jcfj.ie)

**Editor:** Martina Madden

**Layout:** Karl O'Sullivan, Pixelpress.ie

**Artwork:** iStock, Unsplash, Martina Madden, Cameron de Jong

**Printed by:** Pixelpress

**Design:** [myahdesigns.com](http://myahdesigns.com)

© Jesuit Centre for Faith and Justice, 2021

Articles may not be reproduced without permission. The views expressed in articles are those of the authors, and do not necessarily represent the views of the Jesuit Centre for Faith and Justice.

The Jesuit Centre for Faith and Justice is an agency of the Irish Jesuit Province. The Centre undertakes social analysis and theological reflection in relation to issues of social justice, including housing and homelessness, penal policy, economic ethics and environmental justice.

Subscriptions to *Working Notes* are free and can be established and maintained at [www.jcfj.ie](http://www.jcfj.ie). Contributions to the costs of *Working Notes* or the work of the Jesuit Centre for Faith and Justice can be made at [www.jcfj.ie](http://www.jcfj.ie)

An archive of *Working Notes* is available on the website of the Jesuit Centre for Faith and Justice: [www.jcfj.ie](http://www.jcfj.ie) Article pitches or submissions are welcome; please direct them to the JCFJ Director, Kevin Hargaden, at [khargaden@jcfj.ie](mailto:khargaden@jcfj.ie)

# working notes

*facts and analysis of social  
and economic issues*

Editorial .....	2
<i>Martina Madden</i>	
False Accounting: Why We Shouldn't ask People Who Commit Crimes to Pay their Debts to Society.....	6
<i>Alice Ievins, Ben Jarman and Thea Thomasin Reimer</i>	
The Consequences of a Bankrupt God .....	15
<i>Kevin Hargaden</i>	
Modern Monetary Theory and State Finances: A Recipe for Progress? .....	23
<i>Robert Sweeney</i>	
"I didn't come to rock the boat, I was born in a boat that was already rocking" .....	31
<i>Martina Madden</i>	
Do You Always Have to Pay Your Debts?.....	40
<i>Marcel Rémon SJ</i>	
Debt Addicts .....	43
<i>Nathalie Sarthou-Lajus</i>	
Day of Remembrance for Lost Species: The Bramble Cay Melomys.....	47
<i>Dr Byron Smith</i>	

# Editorial: Till Debt Us Do Part

---

Debt is a concept that most of us are familiar with. Credit cards, overdrafts, mortgages, and personal loans underpin the existence of the average working adult in Ireland. But what does being in debt actually mean and how does it affect our humanity, as individuals and collectively? This issue of *Working Notes* posits that it is not as simple as it may first appear. Debt is not merely a financial construct, but even that narrow paradigm contains a complex and sometimes Faustian agreement in which the borrower ends up paying far more than just the sum of monies owed.

## ENSLAVED BY DEBT

Anyone who has been in debt knows that it is about more than numbers on a balance sheet. It is a psychological burden that weighs heavily on the mind, and on the heart. It limits our options in a world that is boundless in its opportunities. Most of us take on debt out of necessity. It is less a choice than a compromise we must make to allow us to live an unexceptional, ordinary life.

Once in debt, whether it is from student loans for the degree we needed to get a job, or from the mortgage we needed to buy a home, we are trapped. Debt is where dreams go to die. We put aside ‘unnecessary’ things like our hopes of becoming an artist or musician. There are monthly repayments to be made, and so we need to work, and work, until (if we are fortunate) we can retire and enjoy a few years of glorious unproductivity before death. If we become ill and need to enter a nursing home for our last years, the state will take our home as payment for our care, ensuring we remain in debt until we draw our final breath.

As dull and depressing as this is, it is the good news. If we, who are not in possession of great wealth from our families (or perhaps a lottery win), get into debt and do *not* manage to repay it, we will incur the wrath of our legal and economic institutions. There will be consequences that will limit our lives even further. On a personal level, we are likely to feel embarrassment, guilt and even shame. For it is taken for granted that anyone of ‘good character’ i.e. a morally upstanding member of our society, repays his or her debts.



*Photo by Christine Roy on Unsplash*

## DEBT AS SIN

The Merriam-Webster Dictionary states that the word 'debt' was first used in the 13<sup>th</sup> Century and was then synonymous with 'sin' or 'trespass'. This connection between owing money and morality remains in our 21<sup>st</sup> Century secularised society, but now it is the culture of individualism which is to blame. When we assume that we alone have responsibility for our successes, then it follows that if we find ourselves mired in debt, or even worse, are incapable of repaying them, it is we who are to blame. We may petition our financial institutions to 'forgive us our debts' but the contemporary gods of finance do not hear such cries.

This notion of agency and personal accountability assumes that we are disconnected from the world within which we live, and the people in it. But we are not. We are part of a society, domestic and global, with all of its attendant benefits and costs. We may enjoy the illusion of control over our lives, but in many ways we are just cogs in the machine

of neoliberal capitalism; a system that relies on our indebtedness for its existence.

The association between not paying our debts and shame seems not to apply to the rich – the winners in the neoliberal game of life. If, for example, the property developers who defaulted on millions of euro during the crash, felt ashamed about their unpaid accounts, it was difficult to observe this in them. A lack of guilt and sense of obligation also appears to be absent in the very wealthy – who do not seem to think they must pay their debts to the state (and therefore society) and instead employ experts in 'tax avoidance', leaving the profits gained with the help of many, in the hands of the few.

Of course, we in the Jesuit Centre for Faith and Justice do not advise our readers to emulate the wealthy or to develop an attitude of blatant disregard towards the society we are part of. Quite the opposite in fact.

But... what if we changed how we think about debt?



## REFRAMING DEBT

*It is not from your own goods that you give to the beggar; it is a portion of his own that you are restoring to him. The earth belongs to all. So, you are paying back a debt and think you are making a gift to which you are not bound.* Ambrose of Milan

Ambrose of Milan, a bishop famed for his homilies which helped to convert Augustine and for his moral courage which faced down an emperor, was scathing in his appraisal of the wealthy, whom he admonished for their greed, excess, and shallow self-regard. In reading his sermons in which he verbally flays the rich, it is striking how it contrasts with our contemporary docile response to inequality. A world in which one percent of the population captures 82% of growing wealth would have been unimaginable to him. It should be equally hard for us to imagine.<sup>1</sup>

When we take as our starting point that the earth and its resources belong to everyone (a principle which Catholic Social Teaching calls the ‘universal destination of goods’), it necessarily changes how we view debt. The idea of there being enough for everyone, if everyone just took what they needed and no more, is still a radical one today. When most of us get into debt because the resources we need to live an unexceptional, ordinary life are just not there, who is really to blame? When the wealthy, in Ireland and around the world – the winners in the zero sum game of neoliberalism – have more than they need, in fact more than many *countries* need in some cases should the sense of shame and moral responsibility not lie with them?<sup>2</sup>

The unequal sharing of the resources of our beautiful Earth is most obvious when we consider the relationship between the rich countries of the world and the Global South. In Europe, the US, Australia and other wealthy nations, we give international ‘aid’ to countries in Africa, Asia and the Middle East. But, if we take Ambrose’s idea of a world where we all

own the same resources, this is not a gift, it is not charity; it is a debt we are attempting to repay. When we consider the harms done to the people of these countries by enslavement and the whole-scale theft of their natural resources to facilitate the building of our industrialised nations, that debt quickly spirals. And that’s just the past. The climate crisis which is impacting the poorest, least developed countries and harming their present and future prospects was caused by us. Now, we see, that some debts are immeasurable and ultimately unpayable.

## UNPAYABLE DEBTS

Debts do not have to be so vast in scale as the global injustices above to be unpayable. They can also occur on an individual level. Prisoners are said to be repaying their debt to society, as if this was a simple, measurable accounting exercise. But when most of our prison population is comprised of people who come from backgrounds of poverty, addiction and intergenerational trauma, what debt do they owe those of us more fortunate? Were they not owed the same opportunities that we had, leaving us as a society in debt to them? As for those who are in prison for the most serious, heinous crimes – they are facing a debt that is literally unpayable. To have taken someone’s life is a crime too grave to be discussed in terms of being ‘in debt’ to their loved ones, or to society. The person whose life is lost is unique, irretrievable and irreplaceable. There is no possible recompense.

## WHO SHOULD PAY?

Although it is impossible to repay some debts, and even the financial ones incur a greater cost than money, there are positive steps that would go towards a rebalancing of the accounts in some respects.

Debt forgiveness for arrears – for rent and mortgages, such as in the case of people who lost their jobs during the Covid-19 lockdown restrictions, seems like an obvious, fair thing to do, after a year where a certain sector of the population amassed personal savings and the rest found themselves without income.<sup>3</sup>

<sup>1</sup> Diego Alejo Vázquez Pimentel, Iñigo Macías Aymar, and Max Lawson, “Reward Work, Not Wealth” (London: Oxfam, 2018), p. 10, [https://doi.org/10.1163/2210-7975\\_HRD-9824-20180017](https://doi.org/10.1163/2210-7975_HRD-9824-20180017).

<sup>2</sup> Infamously, Jeff Bezos alone is said to be wealthier than Iceland, Tunisia, Jamaica, and Estonia combined. Poppy Noor, “To Understand How Rich Billionaires Really Are, Use This Calculator,” The Guardian, August 5, 2020, <http://www.theguardian.com/technology/2020/aug/05/billionaires-income-calculator-jeff-bezos-elon-musk>.

<sup>3</sup> Reamonn Lydon and Tara McIndoe-Calder, “Saving during the Pandemic: Waiting out the Storm?,” Economic Letter (Dublin: Central Bank of Ireland, 2021), <https://www.centralbank.ie/docs/default-source/publications/economic-letters/vol-2021-no-4-saving-during-the-pandemic-waiting-out-the-storm-reamonn-lydon-and-tara-mcindoe-calder.pdf>.

Instead, many can look forward to two years' worth of rent hikes in the next few months,<sup>4</sup> and banks will demand mortgage payments, leaving thousands of people in serious danger of homelessness.<sup>5</sup>

The Jesuit Centre for Faith and Justice has written reams about the ideology of successive governments in Ireland who prioritise tax breaks for international corporations and institutional vulture funds while starving essential services like housing. Maybe it is – finally – time to think of people living ordinary, unexceptional lives, who could do with similar consideration? A government with the commitment to the collective good that ensured nobody would need to take on debt for education, housing or healthcare. Let the shame rest with them.

## EXPLORATIONS IN WN88

In this issue, we have gathered pieces that explore this fascinating question from a range of perspectives that inform Irish policy and cultural life. Robert Sweeney critically introduces an important new conversation in economics known as 'Modern Monetary Theory' which promises a radical transformation of how states should view debt. Kevin Hargaden delves deep into the past to consider how our understanding of debt can be illuminated by the 11th Century theological writing of Anselm of Canterbury. A team of brilliant young scholars from Cambridge – Ben Jarman, Alice levin, and Thea Thomasin Reimer – probe the common justification of prison based on the idea of 'paying a debt'. We interview the former Lord Mayor of Bristol, artist and activist Cleo Lake, who succeeded in passing a motion in that city – made wealthy by the slave-trade – that acknowledged the harms of colonialism and racism. How we account for such debts accrued long in the past is always relevant in Ireland.

Two essays in this issue were first published in *Revue Projet*, the journal of CERAS, the Jesuit social centre in Paris, and have been translated from French by Niall Leahy SJ. In 'Do You Always Have to Pay Your debts?' Marcel Rémon SJ considers the moral obligation, if any, we have to our debtors. In her essay 'Debt Addicts' philosopher Nathalie Sarthou-Lajus compares the human cost of debt to an addiction. And finally, in a beautiful reflection from the Australian theologian and pastor, Dr Byron Smith, we are offered an insight into the vast ecological debt we are accruing through the harm we unknowingly inflicted on a tiny mammal called the Bramble Cay Melomys.

There are profound ideas here, which resonate with the very core of the Christian message. It is hard not to conclude that there is a need for debt jubilees for those who suffer under our economic system and that there must also be some tangible, material response to the debts history leaves at our door. Locally, we must wrestle with the widening inequality created by our debtor-society. And on a global scale, though it can never be sufficient, we must sincerely begin reparations, both to people enslaved by those who built our nations, and to all who live with the effects of a climate we destroyed with the carbon emissions of our industrialised countries.

Debt in our personal lives is not a personal failing, nor is it synonymous with sin or trespass. It is a consequence of living within an immoral, destructive political and economic global system.

**Martina Madden is Communications Coordinator of the Jesuit Centre for Faith and Justice.**

<sup>4</sup> Hayley Halpin, "Landlords Can Impose Rent Increases of up to 8% under Newly-Discovered Loophole as Covid-19 Rent Freeze Ends," *TheJournal.ie*, May 28, 2021, <https://www.thejournal.ie/explainer-8-rent-increase-5450610-May2021/>.

<sup>5</sup> Kevin Hargaden, "Ireland Faces Homelessness Tsunami," *Jesuit Centre for Faith and Justice in Ireland*, April 30, 2021, <https://www.jcfj.ie/2021/04/30/ireland-faces-homelessness-tsunami/>.

# False Accounting: Why We Shouldn't ask People Who Commit Crimes to Pay their Debts to Society

---

Alice levins, Ben Jarman and Thea Thomasin  
Reimer<sup>1</sup>

Alice levins and Ben Jarman are researchers  
at the University of Cambridge Institute of  
Criminology. Thea Thomasin Reimer is host of  
The #RacismsIsHeresy Project.

---

<sup>1</sup> Authorship note: all three authors participated equally in the writing of and  
thinking for this article.



The Prime Minister is putting prisons at the heart of our bold plan to create a justice system which cuts crime and protects law-abiding people. More and better prison places mean less re-offending and a lower burden on the taxpayer in the future. Boris's vision for policing shows this Government is serious about fighting crime. It is vital we have a world-leading prison estate to keep criminals off our streets and turn them into law-abiding citizens when they have paid their debt to society.<sup>2</sup>

This statement, given in response to the Prime Minister's announcement of 10,000 new prison places, puts the notion of a 'debt to society' at the centre of political discourse about punishment. The metaphor is familiar from daily life, but its mundanity discourages us from both questioning its justifications and understanding its implications. Most commonly, societal debt is understood to be 'paid off' when the offender has been punished enough. How this version of punishment pays *into* society, or how this form of repayment could add up to what criminal activity subtracts, remains unclear.

Despite (or because of) this lack of clarity, the debt metaphor is often used by theorists of punishment. It is perhaps most famously operative in the *lex talionis*, or rule of 'an eye for an eye', the logic of which is often considered vengeful to modern thinkers, and to imply without explanation that equitable injury can redress wrongdoing. Philosophers have attempted to give reasons why debts should be paid, most notably Herbert Morris, who argued that wrongdoers receive the benefits of social order without taking on the burdens of obeying the law. Punishing the wrongdoer resets the balance of benefits and burdens, Morris argues, by "taking from the individual what he owes, that is, exacting the debt."<sup>3</sup> Morris envisages punishment as not simply beneficial to society but as a *right* of the wrongdoer, as punishing them is the only way to respect their capacity to make choices and

their responsibility for them, and with these, their humanity. The metaphor also asserts the right of the punished to have their punishment end. Buckland's rhetoric, at least, implies that debts can be repaid. He speaks as if this balancing of the books permits newly-minted 'law-abiding' citizens to return to the moral community, once their debt has been paid.

Retributive thought is deeply concerned with questions of social responsibility, social order and social membership, then. Paying our moral debts is imagined as something we have both an obligation and a right to do. It affirms the norms by which we live and allows us to regain our membership of the civic community, which therefore has a corresponding duty to recognise our status within it. This way of thinking about penal debts certainly seems more attractive than that implied by the *lex talionis*, but it creates its own ethical and practical difficulties.

As it is commonly used, the metaphor of punishment as debt extraction imagines that those who are punished are expelled from the civic community, and the debt is imagined as a fee for readmission. This vision of expulsion is fundamentally exclusionary and does not help us think about what happens to people while they are being punished: for the metaphor to work, what matters is *that* debts are paid, not *how*. Furthermore, the metaphor offers no way to imagine what the process of re-entry might require or involve. It traps us in the past. All that the debt requires is repayment. What happens once the accounts are balanced—if they can be—is not of interest.

In what follows, we shall tell the story of one man imprisoned for murder in England and Wales, using it to show the limits of the 'debt to society' metaphor. In our conclusion, we offer a more inclusionary and generative metaphor to describe what we should do when a crime has been committed. This metaphor, which is inspired by the work of penal theorist Antony Duff,<sup>4</sup> models a response to crime which does not solely seek to mend the past—as though that were possible—but instead to build a better future.

<sup>2</sup> Robert Buckland, UK Secretary of State, for Justice, and Ministry of Justice, "10,000 Extra Prison Places to Keep the Public Safe," Gov.uk - Prisons and Probation, August 11, 2019, <https://www.gov.uk/government/news/10-000-extra-prison-places-to-keep-the-public-safe>.

<sup>3</sup> Herbert Morris, "Persons and Punishment," *The Monist* 52, no. 4 (1968): 478.

<sup>4</sup> R.A. Duff, *Punishment, Communication, and Community*. (Oxford: Oxford University Press, 2001); R.A. Duff, "Offenders as Citizens," in *The Routledge Handbook of the Philosophy and Science of Punishment*, ed. F. Focquaert, E. Bruce, and N. Waller (New York, NY: Routledge, 2020).



*Photo by Gabriel on Unsplash*

Before moving on, it is worth briefly noting that the story which we tell is based on research conducted in England and Wales, where two of the authors live and work. Some particularities will be specific to that jurisdiction, but our basic argument is applicable to any other in which the justifications for punishment are at all retributive.

### **CASE STUDY: THE IMPRACTICALITY AND INJUSTICE OF PAYING YOUR DEBTS**

It is one thing to argue that the metaphor is impossible to implement and that it upholds an unjust ideal, but another to show how. In early 2020, Derek was in his fifties, and had been in prison since his teens. Ben met him during research examining ethical thinking among men serving life sentences for murder. Derek had served his sentence in more than fifteen different prisons. His progress towards the low-security or 'open' prison where Ben met him had been halting and very slow. Resident there for many years, he was compliant and was trusted not to abscond, but plans for his release were complicated by his lack of social connections, the perception that he was risky, and his utter dependence on the state.

In England and Wales, the notion that the life sentence 'pays a debt to society' is questionable, not least because this contradicts the lifelong nature of the penalty. It is divided into two distinct parts. The first is a minimum term of imprisonment fixed in court by a judge (the 'tariff'), lasting in very rare cases for the offender's natural life, but mostly exacting a retributive penalty of prison years, calibrated to the offender's culpability in the crime. If the 'tariff' represented a debt, Derek had paid it off some twenty years before Ben met him.<sup>5</sup> But he remained in prison, during the second distinct part of the sentence. Legally speaking, then, his confinement was now no longer a punishment, but a measure protecting the public from him. The distinction meant little to Derek, for whom his imprisonment remained a punishment. His release, if ever ordered by a parole panel, would only ever be conditional: the meaning of the life sentence is that recall to prison is always a possibility. The 'debt' metaphor therefore does not function here, unless we accept that the debt can only be paid by his death.

<sup>5</sup> When Derek was convicted, life sentence tariffs were set by the Home Secretary and not communicated to the prisoner until much later. Release decisions also rested with the Home Secretary. This untrammelled executive power was eroded gradually by human rights litigation in the 1990s and early 2000s, after which existing tariffs were all reviewed by the Court of Appeal. Derek learned his new tariff after it had already expired. If the 'debt' metaphor means anything, then in effect he did not know the extent of his 'debt' until he was told (while still in prison) it was already 'paid'.

But the most obvious flaw is that the past offers no guidance on how some moral debts (particularly the most serious) can be repaid. What is done cannot be undone. In Martha Nussbaum's words,<sup>6</sup> expecting punishment to *undo* the past is no more than 'magical thinking'. This is most obvious in cases such as Derek's: no matter what his punishment, his victim will not come back to life. Undoing the past therefore cannot justify punishing him, and some other justification for punishing him is required as a response to his wrongdoing, or else some other intervention altogether.

Alternative justifications for punishment have been suggested. One, proposed by Margaret Urban Walker<sup>7</sup> and Jean Hampton<sup>8</sup>, would be to punish Derek to show that his crime mattered and that the harm done to his victim was wrong. Other justifications for punishment might include persuading Derek of the wrongness of his offence<sup>9</sup> or helping him change his behaviour. These explicitly productive goals are more persuasive than the 'magical thinking' that a wrongdoer's suffering rights their wrongs.

But Derek's case raises questions about each alternative. Having pleaded guilty to the murder, it is questionable whether he needed persuasion of his wrongdoing. Of a police interview after he handed himself in, he recalled: "I was beside myself, really. I didn't know how to explain my actions." Derek might actually have welcomed a punishment helping him understand (and perhaps change) his behaviour. But he did not get this help, at least not in the early years of his sentence. The nature of his offence resulted in ostracism and stigma he found hard to bear:

*"The offence I committed was so horrible that it warranted the gallows [...] I wasn't happy with my life. I had a feeling that [I'd] rather die [...] No indication of ever progressing. Spend the rest of my life in prison. I didn't really care whether I lived*

*or died [...] It would be more humane for me to have gone out by the gallows [...] It was torment. There's no other way around it [...] It [was] prevalent in every establishment, in every jail, in every year."*

Derek's hopelessness and indifference to his own life persisted for over twenty years. He made suicide attempts, self-harmed prolifically, isolated himself as much as he could, and was often heavily medicated. His experiences changed only after a member of prison staff pointed out that greater engagement with offending behaviour courses could result in Derek's eventual release, a possibility Derek said had never occurred to him before.

His experience of the courses was complex: he gained 'insight into what I did, how I did it, and why I did it', but groupwork also pushed him into disclosures which carried lasting consequences:

*"The worst experience [was] having to declare the sexual element [of the offence] in front of other prisoners. That was always the trepidation [...] Because ever since [...] it's been passed on year by year to different establishments [...] Even here, I have to live with that [...] It follows you through word of mouth by other people [...] Even if they don't know you and have never spoken to you before in their life, they will comment about it [...] I mean, you get accused of certain things day in, day out, week in, week out, month in, year in, year out."*

Derek's self-disclosures fulfilled his moral obligation to take seriously the wrongs he had done, and to try and be different. But they simultaneously renewed his ostracism and exclusion.

If serving the sentence and fulfilling its moral obligations were no more or less than what Derek owed, we miss how the price he pays for his offence differs from that paid by others for the same offence (murder). The debt metaphor distracts us from relevant questions about how to respond to wrongdoing, by implying that only the fact (and not the quality or the terms) of the repayment matters.

<sup>6</sup> Martha Nussbaum, *Anger and Forgiveness: Resentment, Generosity, Justice* (Oxford: Oxford University Press, 2016), 24.

<sup>7</sup> Margaret Urban Walker, *Moral Repair: Reconstructing Moral Relations after Wrongdoing*. (Cambridge: Cambridge University Press, 2006).

<sup>8</sup> Jean Hampton, "Correcting Harms versus Righting Wrongs: The Goal of Retribution," *UCLA Law Review* 39, no. 6 (1991): 1659–1702.

<sup>9</sup> For example: Duff, *Punishment, Communication, and Community*; Jean Hampton, "The Moral Education Theory of Punishment," *Philosophy and Public Affairs* 13, no. 3 (1984): 208–38.

Another—again quite obvious—flaw with the metaphor is its limiting bidirectionality. It positions Derek as the debtor and the state as the creditor. This makes it hard to identify who owes what to whom, and to reflect the reality that the benefits and burdens of rule-following are unevenly distributed in society. On this basis too, the idea that punishment could restore equilibrium is unlikely, as is the idea that retributive punishment alone can achieve justice.

This point can be illustrated by shifting the focus from Derek's crime to its antecedents. Born into a large family amid what he described as 'squalor and violence', he was taken permanently into state care before reaching school age, following neglect and violent abuse by his mother. He spent the rest of his childhood in a succession of children's homes and boarding schools. Some memories of these places were warm, but others were only too familiar from accounts of similar institutions in the 1970s. Aged six, Derek was sexually abused by adult staff. Abuse continued, in a succession of institutions throughout his childhood. By his early teens, he was emotionally withdrawn, but was also having sex with other children and being abused by adults. Speaking of his mindset a few years later, around the time of his offence, he said:

*"[All those] years of children's homes [...] It's hard work to live with. You don't have any room in your head left for anything else. The thought I had, even when I was [with my mother], was: 'Why is this happening to me?' I didn't warrant what she did, what was happening to me. I didn't warrant the matrons... I didn't warrant the abuse... the physical abuse, the sexual abuse, the torture. I didn't warrant that. I was a child. Completely mixed up. And not exactly knowing what was going on [...] I couldn't make any sense out of what was happening and why, and so I just had to live each day as it came."*

Of course, none of this can excuse the murder Derek committed. But the questions it raises—particularly about Derek's developing attitudes to authority, and his experiences of trust and betrayal—were highly relevant to his account of the offence. If his propensity to

violence stemmed in part from the unpunished violence he was subjected to, then blame and punishment directed at him go only some of the way to restoring addressing the wrongs.

The debt metaphor therefore again obscures much that is important. It suggests that the imbalance or disorder to be righted by the justice process is straightforward, linked only to the offence itself, and payable by Derek to the state. If the lethal and irreversible harms he inflicted on the victim cannot be righted, it implies that what must be put right are his transgressions against laws and the moral boundaries they delineate. But the harms done to other relevant parties hardly feature: the victim's family, for one (entirely absent from any of the prison records Ben reviewed);<sup>10</sup> but also Derek himself. He had broken some of society's most important rules, but had also seen few exemplars of rule-following. Others had abused him, breaking laws with impunity, such that even he could not recognise his own victimisation at the time. This is not a moral order we should want to restore, even if punishment could do that.

In prison, Derek read in a newspaper that one of his abusers was being investigated by police for historical offences against children:

*"[When I saw that] I thought, 'I know who he is'. [And] I thought, 'I'll sort him out' [by making my own allegations to the police] [...] And then it came out... he had a long... he had past convictions for it! And they still employed him in a children's home! I was down as a T[aken] I[nto] C[onsideration], an add-on to his prosecution."<sup>11</sup> A multiple abuser. And I'm just a TIC."*

A note of indignation is evident here, prompted perhaps by the immense symbolic expectations Derek loads onto a bureaucracy which is nevertheless responsible for the cost-effective disposal of its caseload. Instead of being able to give his account of how he was victimised, he found himself just "an add-on",

<sup>10</sup> The offence took place before victims' families acquired the legal right to make impact statements during the criminal justice process.

<sup>11</sup> We were not able to verify the facts here, but what this probably means is that when Derek's abuser entered a guilty plea to other charges, he asked for other allegations including Derek's to be taken into consideration in his sentencing.

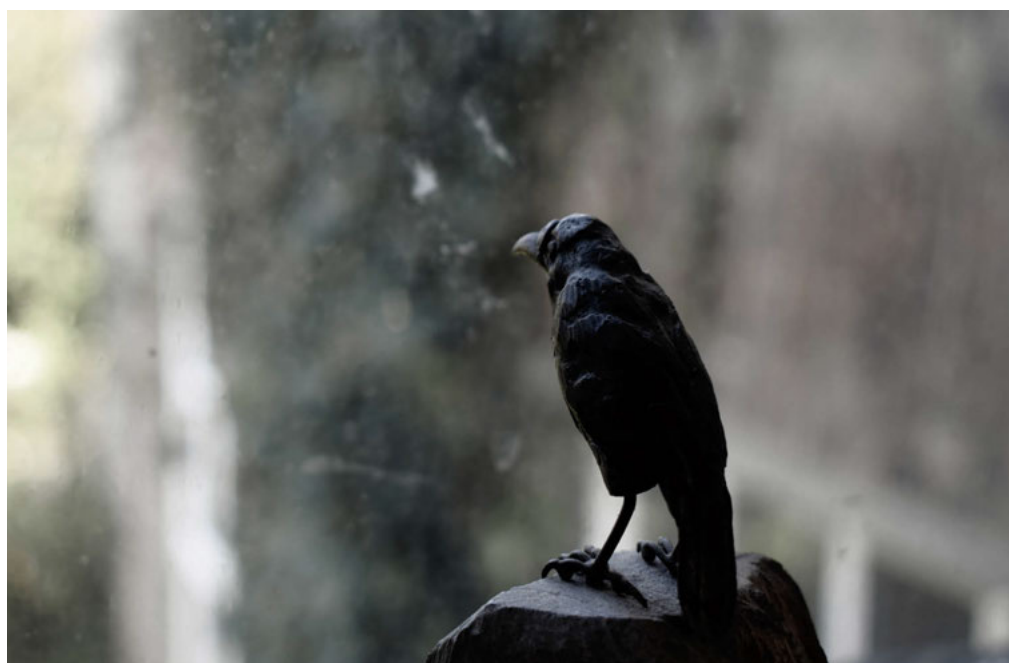
with his allegations appended to an existing prosecution. His words seem to question whether criminal prosecution alone offered him a sufficient framework for justice.

The third flaw with the metaphor therefore becomes visible as we pursue it to its conclusion. We use the notion of a ‘debt to society’ as though everyone who commits the same crime incurs a similar debt. From this we conclude that punishments for similar crimes should be of equivalent severity. But debts are differentiated by interest rate, according to the debtor’s perceived ability to pay. Financial debts therefore have different effects for different people. Just as differentiated rates of interest can mean that those who have less pay more to borrow the same sum (and vice versa), so also punishments extract more from some, according to their pre-existing circumstances. This was particularly evident when Derek was compared to the very small number of men Ben interviewed who had owned property before their imprisonment. They had material security and capital usable after release. For those starting with less, by contrast, punishment destroyed even more. Derek had received one visit during nearly four decades in prison. His sole personal connections in the outside world were his probation officer

and a handful of volunteers. His meagre social, economic and cultural capital made him all the more dependent on state welfare. He also had to contend with the dizzying technological and social changes that had occurred between the 1980s and the 2020s, evident for example when he described not knowing how to buy a bus ticket with a debit card. To suggest that release from prison would ‘write off’ his debt and enact his reintegration to society is to grossly underplay the persistent exclusion he faced.

## CONCLUSION: DUFF AS AN INCLUSIONARY ALTERNATIVE?

Derek’s case is an extreme one: his experiences may not be typical, but they reveal difficulties faced less intensely by others. But the very extremity of his case stress-tests our ideas about punishment: what it is for, what offenders want (and deserve), and the mutual responsibilities of punishers and punished. And as we have seen, the ‘debt to society’ metaphor provides practically and ethically limiting guidance for responding to crime. It looks to the past, as though what is done can be undone. Contradictorily, it relies on an equation (crime against the state plus punishment by the state equals a repaid debt) which whitewashes victims, and ignores the



*Photo by Martina Madden*



multiple debts and credits which we accrue over our lives. It is also fundamentally exclusionary, in that it suspends rights, demands repayment before they are restored, and offers no safeguard against the ill-treatment of coercing a debtor into paying an unpayable debt.

One possible response to the flaws with the debt metaphor would be to stop assuming that the wrongdoer has a special responsibility to pay the debt. Such an approach has often been termed *restorative* and is offered as an alternative to a more retributive framework of justice. The goal of restorative justice, an approach employed in many different ways, is to recognise that harms have been committed, with all relevant parties—victim, wrongdoer, and community—coming together to repair them.<sup>12</sup> True, in some cases only action by the wrongdoer can mend the harm (if a traumatised victim needs to no longer see them, for instance). But in many others, the wrongdoer need not play a part. Other members of a community can fix damaged property, for instance, or provide physical or psychological therapy. While there is much to praise in the restorative approach, we believe that people who commit wrongs carry a special responsibility to respond to them, and that there is a moral distinction between harms (damaging experiences) and wrongs (unethical actions). If we are harmed by someone, the hurt feels different if we perceive it was deliberate than if it was by accident. Wrongs *feel* different, the more so as they become more serious. This distinction means that people who commit wrongs do carry a special responsibility to somehow respond to them, especially where the harm cannot be put right.<sup>13</sup> In a phrase beloved of modern penal abolitionists, employing yet another financial metaphor, people who have committed wrongs ought to be ‘accountable’ for what they have done.<sup>14</sup>

It does not work to replace ‘paying your debts’ with ‘repairing the harm’, then. Drawing on the work of penal theorist Antony Duff, we

While there is much to praise in the restorative approach, we believe that people who commit wrongs carry a special responsibility to respond to them, and that there is a moral distinction between harms (damaging experiences) and wrongs (unethical actions). If we are harmed by someone, the hurt feels different if we perceive it was deliberate than if it was by accident.

suggest the metaphor of “fulfilling a civic obligation” as an alternative tool to guide our responses to crime. Duff argues that, done very differently, “criminal punishment could and should be inclusionary, as something we can do, not to a ‘them’ who are implicitly excluded from the (law-abiding) community of citizens, but to *ourselves* as full, if imperfect, members of that community.”<sup>15</sup> He argues that punishment could do this by operating as a sort of moral communication, conveying to those who offend “the censure they deserve for their crimes,” and aiming thereby “to persuade them to repent those crimes, to try to reform themselves, and thus to reconcile themselves with those they have wronged.”<sup>16</sup> Duff’s punishment is more than just persuasion, though. It should also function as a secular penance, representing an apology and a burdensome practice—that is, a “civic duty”—something the wrongdoer actively undergoes, not something to which they are passively subjected. Thus imagined, punishment becomes “an essentially civic enterprise, in which citizens engage with each other as citizens.”<sup>17</sup>

In this metaphor the criminal law is not the exercise of power by a sovereign (which might be a single person or a body) on its subjects, nor is it the accounts management of the bureaucratic state extracting readmission fees from expelled debtors. Instead, criminal

<sup>12</sup> Nils Christie, “Conflicts as Property,” *The British Journal of Criminology* 17, no. 1 (1977): 1–15.

<sup>13</sup> Hampton, “Correcting Harms versus Righting Wrongs: The Goal of Retribution.”

<sup>14</sup> Danielle Sered, *Until We Reckon: Violence, Mass Incarceration, and a Road to Repair* (New York, NY: The New Press, 2019).

<sup>15</sup> Duff, *Punishment, Communication, and Community*, 77. Emphasis in the original.

<sup>16</sup> Duff, *Punishment, Communication, and Community*, xvii.

<sup>17</sup> Duff, “Offenders as Citizens,” in ‘The Routledge Handbook of the Philosophy and Science of Punishment’, edited by Farah Focquaert, Elizabeth Shaw, and Bruce N. Waller, 1st ed., 26–36. Routledge. (2020).



law is understood as a distinctive kind of civic practice that seeks to provide an appropriate response to “public” wrongs.<sup>18</sup> It affirms the legal reality that criminal offenders remain citizens,<sup>19</sup> but goes further by suggesting they also have particular responsibilities to the civic community, as do their fellow citizens to them. Duff admits it might seem incongruous or inappropriate to talk as though someone who commits a crime acquires a particular civic duty, since a criminal offence is precisely a failure to discharge one’s civic responsibility. Here he suggests a comparison with formal roles such as doctors or teachers, or with informal ones like romantic partners. Both codes of professional practice and norms of interpersonal behaviour allow for when things go awry: when teachers engage in misconduct, or romantic partners fall out, they acquire new obligations and might undertake steps in reparation. “Analogously,” argues Duff, “a citizen who engages in civil misconduct...can be said to acquire new responsibilities by doing so.”<sup>20</sup>

We argue that this is equally true for those who commit crimes. These responsibilities will vary, but are likely to include the responsibility to publicly mark the wrongness of the crime, the responsibility to make amends (where possible) to the victim, and the responsibility to endeavour to change elements of one’s life which contributed to the crime. Such a response to wrongdoing—whether called ‘punishment’ or not—does not seek to undo the past, but is justified by it. It instead seeks to build a civic community and does not narrow our attention to focus on only on the crime and the offender’s relationship to the state. Crucially, it is also inclusionary, in that it treats the wrongdoer as someone who matters while they are fulfilling their obligations, and whose treatment should foreground this possibility. Indeed, one benefit of this metaphor is that it reminds us of the mutual bonds of citizenship,

so that just as people who have committed crimes have obligations, so do other members of the community to people who have committed crimes.

What practical difference would it make if we moved from understanding punishment as the extraction of a debt from expelled debtors, to understanding it as the fulfilling of an obligation, undertaken by citizens? What’s so much more fecund about the metaphor of civic responsibility (versus punishment as debt extraction) is that it can facilitate what we envision for actual policy and practice. What obligations can citizens properly and meaningfully demand of one another? What modes of punishment can citizens properly demand? What obligations does an offender owe to her fellow citizens? It is worth noting that the inclusionary metaphor we are suggesting does not necessarily preclude the possibility of coercion or imprisonment in all cases, but it does demand that imprisoned people are understood to retain their membership of the civic community. Within our metaphor, the carceral sentence is understood as a type of seclusion within the civic community rather than an expulsion from it. It does, however, preclude incarceration as it is currently practiced in England and Wales, as well as within other countries with which we are familiar.<sup>21</sup>

“What obligations can citizens properly and meaningfully demand of one another? What modes of punishment can citizens properly demand? What obligations does an offender owe to her fellow citizens?”

<sup>18</sup> R.A. Duff, *The Realm of Criminal Law* (Oxford: Oxford University Press, 2018).

<sup>19</sup> Citizenship is not an uncomplicated category – what of short-term residents, tourists and other migrants (both documented and undocumented)? – but it is a term that we and he use because it is a category which recognises public obligation. Duff briefly considers people who are not citizens and he suggests the normative category of “guests.” R.A. Duff, *The Realm of Criminal Law* (Oxford: Oxford University Press, 2018), Pp 117-127.

<sup>20</sup> Duff, “Offenders as Citizens.” in ‘The Routledge Handbook of the Philosophy and Science of Punishment’, edited by Farah Focquaert, Elizabeth Shaw, and Bruce N. Waller, 1st ed., 26–36. Routledge. (2020).

<sup>21</sup> Certainly, some countries punish in more inclusionary ways, but they do not meet the exacting demands of our metaphor. Norway, for instance, runs a much less painful prison system than England & Wales, but its institutions still degrade many of their inhabitants (Crewe et al., in progress), and the punishment which it delivers is often experienced as morally meaningless (Levin & Mjälund, in press).

It would require enormous and structural changes for our penal institutions to become “sites of genuine civic punishment.”<sup>22</sup> Were our metaphor to be operationalised, crime would be responded to judiciously and parsimoniously. Fewer people would be sent to prison, and they would serve much shorter sentences in more legitimate institutions which would be reimagined as part of our communities. We would recognise the citizenship of people in prison by recognising their right to vote and participate in political life. This would include reasonable expansions to people’s freedom to shape what happens during their sentence and upholding their capacity to say how resources assigned to their rehabilitation should be distributed. We would also facilitate opportunities for work, education and training that aim to improve the futures of those engaging in them. Where possible we would enable these opportunities to cross prison boundaries, and people would be imprisoned where they are able to fulfil the obligations which they incur through punishment, including to family, society and the self.

If both parties wanted to, victims and offenders would be given the opportunities to meet and discuss what happened. When the sentence was served, people would be given concrete and substantive help with resettlement and disabling post-release restrictions on their liberty would be the exception not the norm. Most importantly, their punishment would end. Only under such conditions might it be appropriate to think of undergoing punishment as a civic obligation, and only under such conditions could we come close to properly responding to Derek and his crime.

---

<sup>22</sup> Duff, “Offenders as Citizens.” in ‘The Routledge Handbook of the Philosophy and Science of Punishment’, edited by Farah Focquaert, Elizabeth Shaw, and Bruce N. Waller, 1st ed., 26–36. Routledge. (2020).

# The Consequences of a Bankrupt God

---

Kevin Hargaden

Kevin Hargaden is Director of the Jesuit Centre for Faith and Justice and its Social Theologian. He is the author of several books, most recently *Theological Ethics in a Neoliberal Age* (Cascade, 2018).



iStock-530234727

## INTRODUCTION: A MARGINALISED DISCIPLINE

The issue of debt is a contemporary question, and also one that has been examined for centuries by theologians. Presented as a simple relationship between those who have, and give, and those who don't, and take, debt has become the controlling concept in our societies and economies. The housing crisis in Ireland causes experts to lament 'financialisation', a word that points to how houses primarily function as equity and leverage; mini-reservoirs for liquidity.<sup>1</sup> A person's future prospects rely in large part on educational attainment but we have arranged access to that through loans, so that our youth emerge into the working world already in the red. Debt has become ubiquitous; even the one percent find themselves leveraged to the hilt in a world built on a promise to sometime pay back what has been taken.

In this essay I will reflect theologically on the concept of debt and find that it operates at the heart of the Christian narrative. Historical examinations of how debit and credit intersect

theologically rejuvenate consideration of the issue in a contemporary context, as they relativise indebtedness in our individual consciousness and open new political horizons for who it is we 'credit'.

## WHY GOD BECAME MAN

A theological consideration of indebtedness led me to the masterpiece of Anselm of Canterbury *Cur Deus Homo* (Why God Became Man), which was compiled in about 1094AD. In it, Anselm examines the central claim of Christianity - that God became human - using the analogy of debt. For Anselm, sin does not mean doing a bad thing, but rather refers to a state of existential deficit best described in terms of debt. His way of thinking about the core tenets of Christianity integrated debt, sin, and – to use another economic term – redemption. This rigorous thinking about these concepts can inform our understanding of them even today.

What is posited resonates strongly with our contemporary conversations. Anselm assumes that the world in which we find ourselves is good, foreshadowing contemporary environmentalism. He also offers an explanation for how that good has gone so awry. Humans,

<sup>1</sup> Manuel B. Aalbers, "Subprime Cities and the Twin Crises," in *Subprime Cities: The Political Economy of Mortgage Markets*, ed. Manuel B. Aalbers (Chichester: Wiley-Blackwell, 2012), 10–13.

called to keep and care for this world, instead established a realm over which they could dominate. This is not, for Anselm, a myth about trees and forbidden fruit, but a reality, which has consequences beyond calculation.

Paul wrote to the Christians in Rome that 'The wages of sin is death' (Romans 6:23). Anselm might supplant that last word as 'debt'. The plight of humanity is to find ourselves, despite ourselves, hurtling towards our own annihilation – a plot familiar from its retelling in novels, films and plays.

In Anselm's argument, only God can save, yet only humanity has sinned. God becomes human in the form of Jesus, who was raised in an ordinary family, enculturated within his society, and trained in a craft. So far, so human. But, unlike the rest of humanity, he lives in perfect harmony with the world which has been spoiled by human rebellion. His freedom from complicity is his unique difference, and what is being claimed when Christians contend that Jesus was without sin.

Reading the Gospels, we can see this liberty in effect. The alliance of political, legal, and religious authorities that arranged his execution were angered by the almost imperious sense in Jesus' words and actions that the complex structures of society did not apply to him. All the ways we have devised to mark someone in or out, good or bad, valuable or useless – our very morality appears to be condemned as camouflage for our basic, fundamental, universal existential debt.

Jesus wasn't put to death simply as a heretic, or a revolutionary, never mind as some vague philosopher espousing a harmlessly generic call to love each other. All the forces of civilization had to array themselves against him because compared to him, they are exposed as savage.

As Anselm explains it, Jesus dies a death due to all who are in this cosmic debt to sin. But, free from sin, he himself did not owe any debt. He did not need to face death. As man he was blameless, as God he was perfect, and so his trial, torture and execution end up doing far more than exposing once and for all the violence at core of human civilisation.

Thus, the events of Easter serve as a cosmic rebalancing. The revolt against God and his good creation represented by sin is more than met in the inestimable love of Jesus. We who are bankrupt when left to our own devices, now find ourselves recipients of this infinite credit. The unfathomable value of the Godman obliterates the deficit accrued through all of history – those long dead and those waiting yet to be born – such that his resurrection is not a conjuring trick but a signal towards a fundamentally restored Creation.<sup>2</sup> Christians very quickly came to talk about the events of Easter as an actual new creation, which lingers in our culture in the way we demarcate time into BC and AD.

In Anselm's words:<sup>3</sup>

This debt [of sin] was so large that, although no one but man owed it, only God was capable of repaying it, assuming that there should be a man identical with God... the life of this man is so sublime and precious that it can suffice to repay the debt owed for the sins of the whole world, and infinitely more besides.<sup>4</sup>

Anselm's account of how God became a human drops us straight into a conversation theology has been cultivating for millennia. It is a 'dogmatic' conversation, having to do with things that are believed by Christians about God, but that conversation is embedded in concepts with which we are all too familiar: credit and debt, honour and shame, desolation and consolation. To understand fully why that might be relevant to contemporary society, we must first consider how contemporary society is ordered.

## THE AGE OF DEBT

Consider a student set to graduate this summer, ready for the rest of their life to begin. Unless they can draw on familial wealth, they will likely begin applying for their

<sup>2</sup> Much more can and must be said about Easter, but nothing meaningful can be said about Christianity that does not involve this divine transaction to some degree. There is a vast secondary literature on Anselm's argument – which has certainly not been received with universal acclaim within the church. For those who want a short-cut to one of the finer pieces, consider: Stephen R. Holmes, "The Upholding of Beauty: A Reading of Anselm's *Cur Deus Homo*," *Scottish Journal of Theology* 54, no. 2 (2001).

<sup>3</sup> Anselm's gendered language is left unchanged but the meaning should be clearly understood to refer to humanity.

<sup>4</sup> Anselm of Canterbury, "Cur Deus Homo, 2.18", *The Major Works*, ed. Brian Davies and Gillian Evans (Oxford: Oxford University Press, 1998), 348.



Photo by Sasha Freemind on Unsplash

first graduate positions with considerable debt.<sup>5</sup> At every subsequent step, that debt is likely to increase. Rising levels of credit card debt can be easily understood when the average rent in Dublin now tops €1700.<sup>6</sup> Even in an inflated market, such stratospheric rental costs incentivise property ownership, which entails further debt – if and only if the requisite deposits for eligibility are achieved.<sup>7</sup>

The student is a useful representative example of how our contemporary society is ordered because he or she allows us to consider how things will develop, not just over news-cycles or election-cycles, but across the human life-cycle. When we discuss things in terms of debt, we too easily imagine it as an accounting problem, to be resolved in a spreadsheet. But we know that debt, or the need to access

credit, has real-world consequences. Indebted reality shapes the opportunities that the graduate might reasonably pursue. Further down the road, there is surely a connection between debt and life-structure. It is very straightforward for older generations to conclude that young Irish people are not marrying or raising families at the same rate as older people because of some nebulous idea of ‘changing values’, which may in part be true. But the material reality that house-values have changed might offer more explanatory power. Debt is not just a financial construct but a lived reality. The person who – because of eye-watering rental costs – is living paycheque-to-paycheque even though earning a healthy salary – may need to rely on credit cards, overdrafts and loans just to get by. Marriage and/or babies get pushed down the list of priorities when basic financial security is absent.

It is in this sense that we live in an age of debt. Oscar Wilde had one of his characters quip that cynicism means knowing the price of everything and the value of nothing, but when we order our lives around access to credit, we are remaking society in a foundationally cynical direction.<sup>8</sup>

<sup>5</sup> Although the Irish educational system promises to be free of tuition fees, Zurich estimate that, on average, a degree secured while living at home costs €18,088 and that rises to €33,868 if living on campus. Zurich Life Assurance PLC, “The Cost of College in Ireland 2020,” Zurich Life, accessed April 26, 2021, <https://www.zurich.ie/savings-and-investments/education-costs/college/>.

<sup>6</sup> Eoin Burke-Kennedy, “Rental Costs Rise by 2.7% in 2020 as Dublin Rents Average €1,745,” *The Irish Times*, March 21, 2021, <https://www.irishtimes.com/business/economy/rental-costs-rise-by-2-7-in-2020-as-dublin-rents-average-1-745-14518743>.

<sup>7</sup> Ernst and Young report that affordability is beyond the reach of first-time buyers in half of the counties of Ireland, leading them to openly speculate that we are at the end of the era of “owner occupation”. Annette Hughes, “Just How Affordable Is Housing for Ireland’s First-Time Buyers?,” Strategy and Transaction Report (Dublin: EY Consultants, February 26, 2021), [https://www.ey.com/en\\_ie/strategy-transactions/just-how-affordable-is-housing-for-ireland-s-first-time-buyers-](https://www.ey.com/en_ie/strategy-transactions/just-how-affordable-is-housing-for-ireland-s-first-time-buyers-).

<sup>8</sup> Oscar Wilde, *Lady Windermere’s Fan* (London: Penguin, 1995), 55.



## General Government Gross Debt, 2000 to 2020

The ratio of government debt outstanding at the end of the year to gross domestic product at current market prices

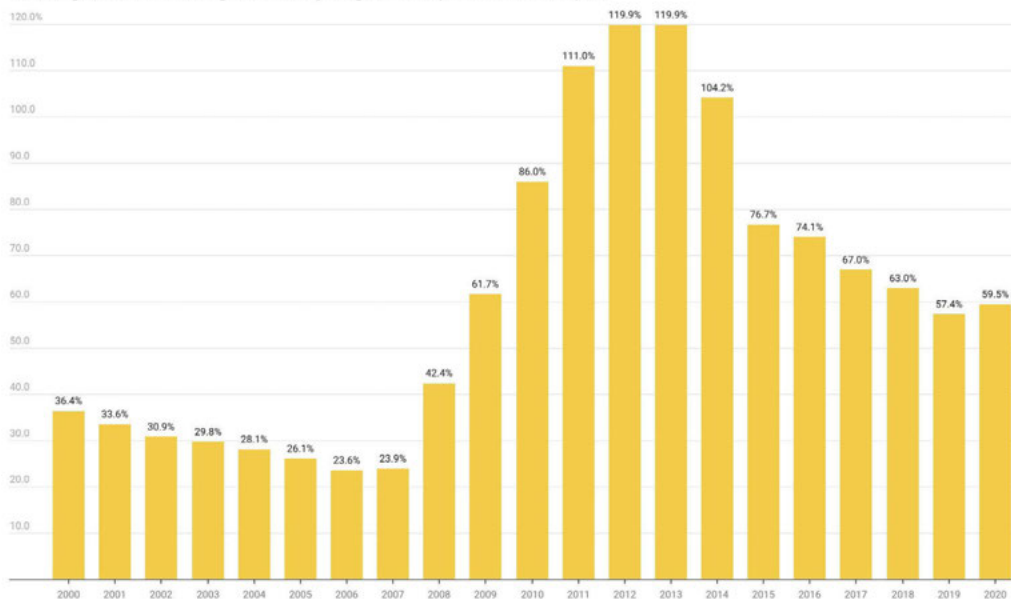


Chart: Keith Adams • Source: Eurostat • Created with Datawrapper

Graph by Keith Adams, Jesuit Centre for Faith and Justice

If we take a snapshot of debt levels in Ireland today, things look relatively healthy - at least in comparison to the latter years of the Celtic Tiger. The lasting effect of Covid-19 restrictions remains to be seen but initially it looks like in aggregate the economy has seen a striking increase in the rate of savings. Still, at the onset of the crisis, Ireland was both the fifth most indebted nation in the EU *and* that level of debt was taken to be no cause for alarm.<sup>9</sup>

When we look at general government debt ratios during the period of the euro, we find this conclusion is borne out. Ireland currently operates with a ratio about twice what it was in the halcyon days of the early 2000s. But the ratio peaked during the crisis at four times the level we enjoyed in 2002. The conclusion we can draw is that the level of indebtedness seen across the society, while not being something about which we are complacent, may be *economically* sustainable. But we would be making a deep mistake if we thought that debt functioned primarily on the economic level. What our sample student allows us to see, as the decades of her adulthood stand before her, is that she enters into every choice bounded by the burden of debt and the potential of

credit. Such a scenario may be economically sustainable, but it is *politically and psychologically* totalising. The Theology of Debt

Let us consider again that college student. They emerge from their graduation ceremony bearing a scroll which sits atop their already mounting debt. We can now see that the prevalence of debt is not simply an economic proposition. It may be bad news for the markets if debt escalates out of control but it might have all sorts of benefits for those charged with keeping society ticking over. The indebted citizen is the domesticated citizen. That student is aware that whatever else they do, next month there will be another payment to be made to chip away at their debt. Failure to make that payment will close off access to credit needed for when they have to suddenly replace the transmission on the car that allows them to commute or to access that postgraduate diploma needed for promotion, or they need an urgent flight to visit a gravely ill relative. Given that context, a choice between exploring the vital contribution that Catholic Social Teaching might make to Irish social policy at the Jesuit Centre for Faith and Justice (on the modest salary of a non-profit employee) and joining a consultancy firm's graduate program (where

<sup>9</sup> Amie Lajoie, *Exploring Household Debt in Ireland* (Dublin: TASC, 2020), 10.

they will innovate new vocabulary to describe mass redundancy) where the salary will likely exceed six figures within five years, may not be a real choice at all.

There are, thus, at least two ways in which we live in an age of debt – a financial sense that can be charted in a spreadsheet as a ratio against assets and a political sense that exerts its force in the imagination of the citizen who stands indebted. A mortgage is, etymologically, the *death-debt*. Our student stands in for us all as the indebted citizen who is not simply a person with financial obligations which hold them back but is a ‘debtor subject’ made insecure on a very basic moral level by the asymmetry of finance.<sup>10</sup>

Historically, the Christian church waged, at times, a successful war against debt because theology was able to discern this power dynamic. Repeated exhortations in the Law of Moses forbade the Israelites from lending at interest (Exodus 22:25, Deuteronomy 23:19, Leviticus 25:36), the prophets railed against violations of that code (Ezekiel 18:13, Habakkuk 2:7), and the wisdom literature underlined the social dynamics at play (Proverbs 22:7). The creditor and the debtor do not meet each other as equals. Their transaction is consensual only in a formal sense, as the citation above puts it clearly: “the borrower is the slave of the lender”.

These Scriptural injunctions were developed theologically so that long before the rise of modern banking, a scholastic theologian would have been able to argue that interest-bearing loans are problematic because they effectively slice up an individual’s future and hand it over to the creditor.<sup>11</sup> To take a loan is both a necessary step in securing a home, or means of transport, or an education, and it is also a promise that you will dedicate a portion of your time that has not yet happened to serve the needs of the one who extended credit.



Photo by Wes Hicks on Unsplash

Politically, debt promotes docility. Arriving into wider society having finished university, the student bearing debt has already been shepherded away from economically less fruitful paths, and discouraged from implementing what they have learned in modes that disrupt the economy or society. Debt does not just chasten us economically. A more fundamental chastening exists in the political sphere.

## CONCLUSION: A NEW MARGINAL REVOLUTION

Theology turns out to have something significant to say to our young student and to society more widely. It can help us discover that there are ways to get at the injustice of an indebted society that predate Marx and his many descendants. And it can alert us to a third way that debt functions.

The student graduates bearing a financial debt and is politically constrained by this debt. But these are the debts that can be easily tabulated and processed by an algorithm. The primary debt our new graduate carries is a debt that is definitionally beyond numerical representation. They are in debt

**The primary debt our new graduate carries is a debt that is definitionally beyond numerical representation.**

<sup>10</sup> In all of this, I am deeply indebted to the work of Italian social theorist Maurizio Lazzarato, whose works – especially *Governing by Debt* and *The Making of the Indebted Man* have been formative. This quote comes from *The Making of Indebted Man*, trans. Joshua David Jordan (Amsterdam: Semiotext(e) Intervention Series, 2012), 5. See also: Kevin Hargaden, *Theological Ethics in a Neoliberal Age* (Eugene, OR: Cascade, 2018), 37.

<sup>11</sup> Famously, Thomas declared that lending at interest is unjust in itself because it is “to sell what does not exist, and this evidently leads to inequality which is contrary to justice.” Thomas Aquinas, *Summa Theologica* II-II, q. 78, <https://www.newadvent.org/summa/3078.htm>.

to their teachers down through the years who carried them to this point. They are in debt to parents or other family members for the encouragement and structure needed to succeed. They are in debt to friends who made the process so enjoyable. Even harder to compute, they are in debt to the toil of those who established the institution and indeed the discipline they studied in. They stand on the shoulders of giants – along with countless ordinary adjunct lecturers, departmental secretaries, and IT technicians that make “knowledge acquisition” possible. Beyond politics and economics, they are metaphysically in debt.

We all are.

Now when we think about this fundamental debt – the *original* debt<sup>12</sup> – that social creatures bear to the societies that pre-exist them and upon whom their existence rests, we find that Anselm’s medieval musings in *Cur Deus Homo* suddenly has real political practicality.<sup>13</sup> The reflective student, upon graduating, may feel overwhelmed by the magnitude of the debt to all those who made their path possible. How could they repay it? This wonder may grow exponentially as they consider that every aspect of their life rests on a similar, unlikely, fragile, and magnificently unrepayable foundation of human effort.

When it comes to the good in humans and the societies we construct, the merit involved cannot be calculated. When it comes to the bad, the dishonour is similarly infinite. For every graduate who has received a 1:1, we know that there were entire classes of people bypassed historically or who are actively obstructed today. We can extol the university system that the student stands within only as long as we don’t recall all the crimes of omission and commission enacted by that same system.

In this light it becomes visible that the moral mathematics of infinity that Anselm unfolds in

“They stand on the shoulders of giants – along with countless ordinary adjunct lecturers, departmental secretaries, and IT technicians that make “knowledge acquisition” possible. Beyond politics and economics, they are metaphysically in debt. We all are.”

his account of why God became human has direct relevance for understanding the age in which we live. Our fundamental debts – the kind that can never be compressed into a euro amount – are so great that only God is capable of making the accounts balance. We cannot claim for ourselves any merit based on our own effort that is not first dependent on the efforts of another, such that the merit that we are granted appears so sublime and precious that it can suffice to devastate forever the idea that our lives can be transacted in easy columns of debt and credit.

Theology makes a potent political claim: if everyone is in debt, no one is the creditor. The claim that Anselm makes is that a universal human constant of ‘indebtedness’ was exposed by Jesus of Nazareth’s death and resurrection. The cross exposes the universal debt and the empty tomb obliterates it.

In Anselm’s feudal context, the Easter events represent a divine action which was infinitely honourable.<sup>14</sup> In our neo-feudal context of contemporary capitalism, we can say that it represents a divine action which is infinitely creditable. When God so fully credits Creation, we cannot quite so contently believe in bankruptcy.

The political impact of Anselm’s ancient theological argument can function as an antidote, a counter-narrative, an intervention from the past with pressing contemporary relevance. If we are credited without debt –

<sup>12</sup> Here, my thinking is clearly informed in the background by Graeber’s account of debt as a modern development of a much more universal existential state: that state where all we can say to another is “I’ll owe you”. David Graeber, *Debt: The First 5,000 Years* (Brooklyn, NY: Melville House, 2011).

<sup>13</sup> Indeed, the essay ‘False Accounting’, in this very volume testifies to how any social endeavour to precisely account for a slice or the whole of this debt is likely to end up violently distorting lives. The super-abundant response to harm and dishonour that Anselm sees enacted in the life, death, and resurrection of Jesus subverts our retributive logic entirely, exposing how a system of justice that is not merciful is parody – or as Derek describes it within the piece in question, a “torment”.

<sup>14</sup> Granting the broader feudal context is not meant to suggest that this is all that is at play for Anselm. I am convinced by David Whidden III’s argument that the Rule of Benedict is the best specific context for reading the text. David L. Whidden III, “The Alleged Feudalism of Anselm’s *Cur Deus Homo* and the Benedictine Concepts of Obedience, Honor, and Order,” *Nova et Vetera* 9, no. 4 (2011): 1086.



*iStock-1292581865*

then gratitude is the appropriate response. We are not debtor subjects, but grateful recipients. Cost/benefit analyses dominate utterly our political imagination. But if at the heart of the Christian claim lies a conviction that a line can never be accurately drawn to truly account for what a good has cost or how deeply a benefit proliferates; it has consequences for debt in both the economic and political sphere. It gives us new language to say that there are some things of value such that to talk of cost is absurd and it offers a new accounting of who and what we owe such that our prototypical student should not reject the path where they might do good without earning. If they are cosmically in credit as a result of Easter, they are liberated to live perpetually in debt to spite the markets.

Theology offers here a new ‘marginal revolution’. The cross upon which Jesus died, as Anselm so clearly understood, is a revolutionary overturning of the human hierarchies replicated across societies: exposing the strong as weak, the criminal as good, and the bankrupt as the one from whom all credit is derived. The God who we declared bankrupt on the cross was still richer than we could imagine. His empty tomb replenishes our cosmic vault in a way that forever relativises debt and defeats death.

The Gospel does not devastate all economic arrangements – you can still do business after Good Friday. But it leaves all accounting of morality attached to credit and debt in tatters. The rich are not good because they are rich. The poor are not bad because they are poor. The voices from the margins are the voices theology seeks out because they are the voices that are owed the attention of those in the centre. They are the voices through whom God is heard.

# Modern Monetary Theory and State Finances: A Recipe for Progress?

---

Robert Sweeney

Robert Sweeney is the Senior Economic and Policy Analyst at TASC, an independent think-tank whose mission is to address inequality and sustain democracy by translating analysis into action. He is currently the lead researcher on a project examining economic inequality in Ireland and Europe.

The onset of Covid-19 has been met with massive intervention by public authorities around the world. Governments have undertaken a range of supports to keep households and businesses afloat. It is now recognised that high levels of public indebtedness do not necessarily impose economic costs in terms of growth and stability, which constitutes a shift in thinking among policymakers and within the mainstream of the economics profession. Still, calls can be heard that belt tightening will be needed post-Covid, through either a reduction in public spending or an increase in taxation.<sup>1</sup> This raises legitimate questions within progressive/left circles about how long the current fiscal path can be maintained, and the appropriate scale of public spending going forward. The answers to these questions are different depending on whether the question is posed at the nation state/Irish level or EU/Eurozone level. In this piece we discuss the utility of Modern Monetary Theory (MMT) to this debate, for Ireland and Europe.

## MODERN MONETARY THEORY

The central idea of MMT is that countries that issue their own currency are not financially constrained. This is because a government in control of its currency can simply ‘print’ new money to finance its spending. In today’s world, printing money does not mean opening up the printing presses, but rather is about creating money electronically at the click of a mouse. In its purest form, the central bank simply credits or increases the bank account of the government, which is then free to spend. Or it could come about if the central bank purchases government bonds when the government issues them. In cases where the government has decided to borrow from a third party, it is still financially unconstrained. This is because it can simply create new money to pay off those debts, using either of the methods just described. A less pure version would see the central bank purchasing bonds in the secondary market, so that when payment comes due it is still effectively one branch of

**The central idea of MMT is that countries that issue their own currency are not financially constrained. This is because a government in control of its currency can simply ‘print’ new money to finance its spending.**

the state paying another. The only constraint a ‘monetarily sovereign’ country faces are the ‘availability of real resources’ and the risk that money creation might induce inflation, of which we’ll say more about shortly.

Within MMT, neither taxation nor government bond sales serve to finance or fund the government. This is argued by walking the reader through a series of accounting exercises, though it also comes from argument.<sup>2</sup> To take taxation as an example. Proponents of MMT typically point out that the state is the sole arbiter of what form of payment is acceptable to settle taxes. It decides what type of money is or is not acceptable to pay taxes. Moreover, in order for there to be money to pay taxation, that currency needs to exist. Therefore payment of taxes comes after money. And money comes from spending by state. As above, after the central bank credits the government’s bank account, the government can then credit the private bank accounts of private actors, such as a construction company when it builds public roads. Therefore, neither taxation nor bonds sales fund or finance the government.

The role of taxation and bond sales, rather, is to withdraw money and resources from the economy. The creation of new money by the state has the potential to induce inflation, the proximate cause of which, MMT advocates and many others agree, is too much money in circulation relative to the amount of goods and services. This is especially a concern when the economy is operating near full capacity. If the state-financed state spending is used to increase the productive capacity of the economy, this is less of a threat – more money, yes, but now chasing more goods and services. Still,

<sup>1</sup> Burke Kennedy, Eoin. ‘Donohoe warns State’s high debt level leaves it exposed to rising interest rates.’ *The Irish Times*. Mar 4th, 2021. Accessed May 26th, 2021. <https://www.irishtimes.com/business/economy/donohoe-warns-state-s-high-debt-level-leaves-it-exposed-to-rising-interest-rates-1.4501394>

<sup>2</sup> Bell, S. ‘Do taxes and bonds finance government spending?’ *Journal of Economic Issues* (2000) 34(3), pp.603-620.





*Photo by Cory Woodward on Unsplash*

raising taxes staves off the threat of inflation by absorbing some of the excess money arising from state spending. Issuing government bonds also drains money from the system.

The state is therefore not completely unconstrained. The constraints it does face are based on the availability of real resources and the threat of inflation. With greater resources the possibility for money-creation to induce inflation is diminished. So if factories are operating below full capacity and the government creates money which is then used to purchase goods and services, businesses may be able to meet that demand. When, however, capacity is reached, prices will rise.

Aside from the real resource constraint, a country which is not monetarily sovereign is also limited. To be monetarily sovereign is for the government to issue its own currency (countries such as Ecuador which use the dollar do not qualify), to have most of the state's debt denominated in that currency, and to have a floating exchange rate.<sup>3</sup> Obviously if a government does not issue the currency it uses, it cannot 'print' that currency and is therefore financially constrained. Similarly, if much of

its debt is denominated in foreign currency, it cannot meet those obligations by creating money and so, again, it is constrained. A fixed exchange rate limits the ability of a government to create money as excess money creation threatens the peg. This is because printing money leads to an increase in the supply of currency, and can therefore lead to a fall in its value. However, when these three conditions are met, the state can and should spend big. Programmes such as a Green New Deal and government employment can be rolled out without the nuisances of taxation and borrowing to get in the way. The latter programme, the so-called Jobs Guarantee, is a staple of MMT economic policy.

In essence, governments should create money to expand government spending without concern for the size of the deficit or level of debt. Only when the economy approaches full employment should the government raise taxes. Because of the focus on fiscal policy to achieve the government's macroeconomic goals, monetary policy takes a back seat and interest rates should be set close to zero. But how relevant are these policies to a country like Ireland, or to the Eurozone? And, for that matter, how accurately does MMT describe things in the US, the country where its doctrine has most purchase?

<sup>3</sup> Ehnts, D.H. and Höfgen, M. 'Modern monetary theory: a European perspective.' *Real-world Economics Review* (2019) p.75.

“In essence, governments should create money to expand government spending without concern for the size of the deficit or level of debt. Only when the economy approaches full employment should the government raise taxes.”

## MMT, EUROPE AND THE LIMITS OF ECB POLICY

MMT adherents recognise that institutional constraints limit the ability of most if not all nations to follow MMT economic policy. Having surrendered control over their national currencies on joining the euro, Ireland and other Eurozone countries are clearly not monetarily sovereign. It is the ECB not the nation state which decides on when and how much money to inject into the economy. And there are clear limits on what the ECB can do, aside from the economic arguments. Moulded by the German experience of hyperinflation in the 1930s, the ECB is widely regarded as among the most conservative and inflation averse of the world's major central banks. The ECB and the national central banks to which it delegates much of its policy implementation are explicitly forbidden from engaging in what is called 'monetary financing', financing of governments through money creation. It is illegal for central banks of the Eurozone to purchase bonds directly from government. In the wake of the Eurozone crisis, it did eventually begin to purchase government bonds in the secondary market, from banks, pension funds, and other actors after they had purchased them from governments. But even that was met with legal challenges. Institutionally, then, the ECB cannot follow MMT.

A different question is whether it should, if unshackled from its various political and legal constraints. One of the most prominent critiques of MMT has come from left Keynesian economist, Thomas Palley.<sup>4</sup> Though it is technically true that governments are financially unconstrained in the sense that

money can be printed to service debts, it is not necessarily economically costless to do so. If financial markets expect governments to engage in large-scale public spending programmes financed by money creation, inflation expectations will rise. With higher expected inflation in the future, financial actors will seek compensation on holding government and other forms of debt, if the real returns on their investment are to remain the same. This will push up interest rates on borrowing, leading to a slowdown in economic activity. Arguably, the state could simply purchase more government debt and push down interest rates again, but with more inflation expected in the future the cost of borrowing in private markets will remain elevated, including mortgage markets. If interest rates rose sufficiently, it could induce a recession.

It is also unclear as to what would actually happen if the state's holdings of government debt increased ever more. Government debt securities play a central role in private financial markets as their perceived safety renders them the most important form of collateral when banks, funds, and other players borrow, from each other and from the central bank.

It has on occasion been pointed out that the history of the Eurozone crisis and more recent developments are consistent with MMT or vindicate an MMT-centric view of the world.<sup>5</sup> During the height of the crisis, around 2012 the periphery countries of the Eurozone came under immense pressure as falling tax revenues, bank bailouts and general uncertainty pushed up government borrowing costs. Unlike the other major central banks of the world, it was perceived by financial markets that ECB would not intervene with sufficient force by purchasing member states' debt. Previous purchases were intended to provide liquidity rather than prevent peripheral countries defaulting. The timidity

<sup>4</sup> Palley, T. 'What's wrong with Modern Money Theory: macro and political economic restraints on deficit-financed fiscal policy.' *Review of Keynesian Economics* (2020) 8(4), pp.472-493

<sup>5</sup> Ehnts, D.H. 'The Eurozone is fully committed to MMT. Brave New Europe: Politics and Economics - Expertise with a Radical Face.' (2020) Accessed April 2021. <https://braveneweuropa.com/dirk-ehnts-the-eurozone-is-fully-committed-to-modern-monetary-theory-mmt>  
Mitchell, B. 'ECB's expanded asset purchase programme – more smoke and mirrors' Blog (2016). Accessed April 2021. <http://bilbo.economicoutlook.net/blog/?p=33643>  
Mitchell, B. 'ECB confirms monetary policy has run its course – Part 1.' Blog (2019). Accessed April 2021. <http://bilbo.economicoutlook.net/blog/?p=43176>

“**Though it is technically true that governments are financially unconstrained in the sense that money can be printed to service debts, it is not necessarily economically costless to do so.**”

of ECB action raised the upward pressure on government borrowing costs and the spectre of Eurozone breakup grew.

In July of 2012, however, then governor of the ECB Mario Draghi made his now-famous speech to bankers in London that the ECB would ‘do whatever it takes to preserve the euro’ with potentially unlimited purchases of government debt in secondary markets. The mere commitment to buying debt in sufficient amounts had an immediate calming effect on financial markets, and the risk of default withered away. This was eventually followed by actual purchases of government debt through the ECB’s quantitative easing programmes.

A similar tale can be told during the pandemic when current governor Christine Lagarde committed the ECB to ‘do everything necessary to counter the virus’. After a previous fumble in which she stated that the ECB is not in the business of reducing spreads, the turnaround had an immediate calming effect on markets. Indeed under the ECB’s Pandemic Emergency Purchase Programme, the ECB has committed to purchasing €1.35 trillion of government debt. Add to that the purchases under quantitative easing and the central bank is now the largest holder of Irish government bonds. With a willing and able public purchaser of Irish debt, borrowing costs have come down dramatically. This is why the burden of servicing debts has been so low, and is set to fall in the coming years despite Ireland running an estimated budget deficit of 8.8 percent in 2020.<sup>6</sup>

But the ability of central banks to create money and purchase government debt is and has been contingent on a number of

historically unusual circumstances. In 2012 and beyond, private banks were still reeling from effects of the financial crisis that began in 2007/08. Banks across Europe were more risk averse and hoarded liquidity. The injection of unprecedented amounts of money into the financial system, mostly through ECB purchases of government debt, did not induce banks to lend. Banks were instead loaded with reserves (electronic cash), and lent only sparingly. Post-crisis regulatory reforms also had a constraining effect on bank lending. More recently, households have been accumulating savings, and private banks have again been exercising caution. The even larger injections of reserves by the ECB during Covid have not translated into spending, and hence inflation.

At a more conceptual level, the state can create cash and electronic cash but that constitutes only a small part of the money supply. Most of what is considered money, such as current and savings accounts, are not fully backed by cash, either physical or electronic (banks correctly assume they only need a small amount of cash on hand to meet withdrawals and process payments). Most money creation takes place as banks engage in lending, which is influenced by a variety of factors including the general economic outlook and regulatory factors, not just central bank actions. Ask an MMTer and they will surely agree. But MMT fails to account for how recent historical peculiarities have severed the link between state money creation and inflation.

“**With a willing and able public purchaser of Irish debt, borrowing costs have come down dramatically. This is why the burden of servicing debts has been so low, and is set to fall in the coming years despite Ireland running an estimated budget deficit of 8.8 percent in 2020.**”

<sup>6</sup> Conefrey, T., Hickey, R., and McInerney, N. ‘COVID-19 and the public finances in Ireland.’ *Central Bank of Ireland, Economic Letter*, 2021. (2021) (3), p1

## MMT, IRELAND AND THE JOB GUARANTEE

MMT devotees would argue that if Ireland were not a member of the Eurozone then it would be freer to pursue MMT-type policies. Our historical experience suggests otherwise. For all but a very brief period before joining the euro, Ireland did not pursue a floating exchange rate system.<sup>7</sup> It first pursued a currency board, an extreme form of fixed exchange rate whereby all of the Irish currency in circulation is backed by (in the sense that the national/Irish authorities hold) foreign currency against which it is pegged. Later Ireland followed more conventional fixed exchange rate systems; first a fixed exchange rate pegged to British sterling and later to different baskets of European currencies.

Today around half the world's countries have fixed exchange rates. It is simplistic to say that a country necessarily should allow its currency to float as the choice of currency regime involves trade-offs. An advantage of pegging the punt to the pound was that Britain was by far Ireland's most important trading partner, so stability of the exchange rate facilitated trade. Fixed exchange rates can be difficult to sustain, however. A floating rate system can also be beneficial in that a currency can depreciate in response to a fall in demand for exports, offsetting the falling export demand. A drawback is that because the country does not need to fix the value of its currency to another, states may be tempted to simply print money. For MMTers this is considered beneficial, but outside MMT economists of all political persuasions see the benefits as being much more circumscribed. That recent money creation has not resulted in inflation does not mean that it will not do so in the future, or has not done so in the past. Economic history is replete with examples of high and hyperinflation induced by excess money creation by the state/central bank.

The composition of government debt is also not a choice. The share of Ireland's foreign currency borrowing increased significantly in the 1970s, contra MMT best practice.

“That recent money creation has not resulted in inflation does not mean that it will not do so in the future, or has not done so in the past. Economic history is replete with examples of high and hyperinflation induced by excess money creation by the state/central bank.”

This was driven by a difficulty in raising funds domestically as economic difficulties began to grow. Moreover, Ireland was not the exporting powerhouse it is today, so foreign currency borrowing helped fund net imports.<sup>8</sup> Real economic constraints, not discretionary policy decisions, led to rise in foreign currency debt.

Leaving such considerations aside, suppose a monetarily sovereign Irish government did decide to pursue MMT. What would happen? In the event that it did induce prices to rise, the answer is to raise taxes, which would cool down inflationary pressures. Depending on the size of the tax increase needed, this may not be straightforward politically. Capitalist societies are ridden with class conflict. The wealthy have control of mass communication and taxation has been much maligned. The richest are also good at stashing their money away out of the reach of state. State charges and taxation levied particularly on the lower and middle classes is contentious. Substantive changes in fiscal policy requires acceptance and political momentum which doesn't appear overnight. Water charges and property taxes are examples of that, levied when the state was in its worst fiscal crisis in living memory. Even parties of the left such as Sinn Féin and People Before Profit recoil from taxing all but the wealthiest in society.

Interestingly, Randy Wray, who along with Stephanie Kelton is MMT's leading scholar, weighed in on the Irish debate a few years ago. In 2012, he proposed that the government hire anyone who could not find work, and who was willing to work. The government would provide jobs in areas of goods and service need,

<sup>7</sup> Honohan, P. 'Currency, credit and crisis: Central Banking in Ireland and Europe.' Cambridge University Press (2019). Pp. 21-72

<sup>8</sup> FitzGerald, J. and Kenny, S. 'Managing a Century of Debt.' *Journal of the Statistical and Social Inquiry Society of Ireland* (2019) 48, pp.16-19.





Photo by Ibrahim Boran on Unsplash

“Capitalist societies are ridden with class conflict. The wealthy have control of mass communication and taxation has been much maligned. The richest are also good at stashing their money away out of the reach of state.”

such as health and social care, infrastructure, and public housing. The rate of pay would be close to the minimum wage and may also include benefits such as healthcare, and in-kind benefits such as provision of childcare and transportation services. The programme would be of unlimited duration, but as the economy recovered and the private sector expanded and offered higher wages, people would naturally be recruited out of the programme.

The jobs guarantee would indeed have been a humane way of dealing with mass unemployment as experienced in the last crisis, and now again during Covid. Ireland has deficits in many areas most notably in public housing and care, and it is reasonable that the state would step in to fill in those gaps. With wages set around the national minimum wage, the programme is unlikely to be inflationary.

This is in contrast to a US-version of the proposal where wages would have been set at a level which would have put many private sector employers out of business and would have induced significant inflation.<sup>9</sup>

To me, it is still unclear what the effect would be of guaranteeing employment even at or around the minimum wage. It is likely that the better conditions that would surely prevail in government employment would induce workers into the government sector, even if there were little differences in wages. This is to be welcomed in some sectors such as childcare, for instance. Childcare, for a variety of reasons, is more appropriately managed and delivered through the public sector. But most minimum wage workers are in retail and hospitality and they too may migrate toward the government sector. The answer in the retail sector would be to raise wages, which it can well afford to do. But sectors such as food services have much slimmer margins and a significant increase in wages may render them unviable, especially if and when the government implements the living wage. Would the state have the capacity to absorb

<sup>9</sup> Baker, D. 'Dems' job guarantee isn't nearly as easy as it sounds.' *Daily Beast* (2018) Accessed April 2021. <https://www.thedailybeast.com/dems-job-guarantee-isnt-nearly-as-easy-as-it-sounds>

much of the hospitality sector? Should the government be running restaurants, and what would the EU say about that? Given the political and perhaps legal capital needed for a jobs guarantee, those resources may be better spent on a conventional government works programme such as countercyclical spending on public housing. Moreover, work share programmes whereby firms reduce work hours so as to minimise job losses in a downturn are tried and tested, and have buy-in from social partners.

“Given the political and perhaps legal capital needed for a jobs guarantee, those resources may be better spent on a conventional government works programme such as countercyclical spending on public housing.”

## CONCLUSION

MMT has had undoubted successes, especially in the US where it has been most ascendant. It provides an antidote to the neoliberal takeover of economic policy and strikes at the heart of deficit hawks. For countries of the Eurozone, such as Ireland, its policy prescriptions are largely academic. Even it weren't, for me it goes too far in terms of what the government can and cannot do in a capitalist economy. To say that a state is financially unconstrained may be true in the narrow sense that it's a policy choice whether or not to default. But this ignores the consequences of excess money creation by the central bank. MMT also abstracts from political realities. We need not conscript MMT to chart a progressive way forward, which inevitably means a larger state which must be funded. This means that policymakers cannot eschew making difficult decisions, because there is no panacea.



# “I didn’t come to rock the boat, I was born in a boat that was already rocking”

---

Martina Madden

Cleo Lake is a former Green Party UK councillor and Lord Mayor of Bristol<sup>1</sup>, whose pride in her heritage as a mixed-race Briton and experience of the racism endemic in British society inspired her to speak out against injustice and to become a politician, activist and artist.

Martina Madden is Communications Coordinator of the Jesuit Centre for Faith and Justice.

---

<sup>1</sup> Bristol Green Party UK website. Accessed May 8<sup>th</sup>, 2021. <https://bristolgreenparty.org.uk/councillor/cleo-lake/>

## INTRODUCTION

This issue of *Working Notes* explores the concept of 'Debt' in a more profound way than its commonplace meaning of a sum of monies owed. This broader, deeper definition of the term relates to an issue that Lake has been foremost in: the battle for accountability and reparations for the harms of enslavement and colonialism in the UK; a debt that money cannot repay. Her unstinting campaigning for justice came to fruition earlier this year when the *Motion for Atonement and Reparation for Bristol's role in The Trade in Enslaved Afrikans (TTEA)* was passed by Bristol City Council, enabling it to lobby the Parliamentary Commission of Inquiry to begin the process of Slavery Reparations, making it the first UK city council to do so.<sup>1</sup>

Lake was also involved in the *Countering Colston* campaign, which was started in 2015 to decolonise Bristol and push back against the legacy of 17<sup>th</sup> century slave trader Edward Colston, whose influence persists today through organisations including the Society of Merchant Venturers, and in his memorialisation at several sites in the city.<sup>2</sup> The *Black Lives Matter* protests which erupted globally in summer 2020 in response to the murder of George Floyd, culminated in Bristol in a bronze statue of Colston being pulled down and thrown into the river Avon.<sup>3</sup>

Martina Madden of the Jesuit Centre for Faith and Justice spoke to Cleo Lake by Zoom on Thursday, 25th March 2021. Their conversation has been condensed and edited for clarity.

**Martina Madden: Thank you for agreeing to be part of this issue of *Working Notes*, which is about debt. Because it's an area of expertise you have, I wanted to speak to you about reparations, but we'll get to that! First of all, can you tell me a little about yourself? You've described yourself as a politician, activist and artist – it's an interesting combination.**

<sup>1</sup> Morris, Steven. 'Bristol council calls for parliamentary inquiry on slavery reparations.' *The Guardian*. March 2nd, 2021. Accessed May 8th, 2021. <https://www.theguardian.com/uk-news/2021/mar/02/bristol-council-calls-for-parliamentary-inquiry-on-slavery-reparations>

<sup>2</sup> Countering Colston – Campaign to Decolonise Bristol website. Accessed May 8th, 2021. <https://counteringcolston.wordpress.com/>

<sup>3</sup> 'Slave trader statue torn down in Bristol anti-racism protest'. *BBC News* website. June 8th, 2020 Accessed May 8th, 2021. <https://www.bbc.com/news/av/uk-52954994>

**Cleo Lake:** It is! So you're exactly right, that's how I describe myself. I'm currently a Green Party councillor in Bristol. I was elected in 2016, and I went on to become the Lord Mayor of Bristol in 2018, to 2019.

I've been an activist... I'd say that that really began more heavily in 2012, when there was a significant fallout within the Afro Caribbean Community and institutions over the cancellation of the St Paul's Carnival, which is just over 50 years old now. That was also the 50th anniversary of Jamaican Independence. The carnival was cancelled, which caused complete outrage in the community. I attended meetings, I organised meetings, but then I went on from being a bit of a rebel to chairing the carnival, which was a challenge! That got me more known and then that led me to be elected.

Equally, I was also writer-in-residence at the Arnolfini, which is one of our bigger cultural venues in Bristol. I've been a dance artist – I have a degree in dance and creative writing, and I'm a director for Black Artists On the Move and an actress and director with Sheba Soul Ensemble.

**MM:** You're a Renaissance Woman! That's a really interesting background. And your election as Lord Mayor of Bristol in 2018 made you the first Black female Lord Mayor in the UK?

**CL:** No, I don't know if it was in the UK. I think we also had one in Birmingham; I'd have to check. But, you know, regardless, it's great. I mean, let's also look at the first Green Party Lord Mayor of Bristol, which was the reality and, more recently – I was listening back to a clip from Martin Luther King where he said he doesn't care about 'the first Black this, the first Black that' – it's about the second and third and fourth and fifth and tenth and having it normalised.

**MM:** You were involved in the *Countering Colston* campaign – were you also instrumental in starting it?

**CL:** I would say although there was resistance from the collective to becoming a formal group, we did move to naming ourselves and

claiming ourselves as a group. But yes, I was there from the start.

I'm an ex-pupil of Colston's Girls' School. Funnily enough, it was a school that from the age of about five, I would walk past with my mother and sister. When my mum was walking us to charity shops from where we lived, we passed by the school, and I'd say to my mum, "What is that place?" And she said, "Well, it's a private girls' school." I said, "I'm going to go there." She didn't really take that on, but I went on to go.

I generally enjoyed my time, but did become aware later on in my school career who Edward Colston was, because we weren't told. And every first Friday in November, we would have to go to a commemoration at the Bristol Cathedral, where we'd wear a stupid hat, a badge, a bronze chrysanthemum - which was his favourite flower - and we'd go and sing his favourite hymn, and we'd give thanks for him for being the founder of our school. But we had no idea that he was an enslaver.

So it was quite painful when I discovered who he was. I think it probably came about via Festival of the Sea - a big festival in Bristol. I think it was around 1996 where there were protests because of the celebrations and part of that was a replica of the Matthew ship, which was a John Cabot ship that sailed from Bristol to Newfoundland, you know, and I'm sure had interactions with indigenous communities. There was nothing mentioned in that festival about enslavement, about anything, and there were protests against it.

I remember seeing people from the community on the news and raising it in my English literature class at school. At the time it was the headmistress who was the tutor. I tried to raise the point of who was Edward Colston, and why are these people saying the statue needs to come down? I was just floored, basically told to shut up, and that these people protesting were just ignorant and stupid. So, I just sat there crying silently and just feeling ostracised and disappointed because the other students were also not educated. So that's where some of this began.

In 2015, I think, it was a friend of mine, an artist called Libita Clayton. She was part of a collective based in St Paul's, and for Black History Month that October she set up a mock pirate radio station, and she called it BS2 Resist & Revolt. BS2 is the postcode area of St Paul's in Bristol, where traditionally, the Caribbean community and more Afrikan<sup>4</sup> heritage and diverse communities live. It certainly has a very strong Jamaican presence. That's where the carnival is and that's where we had the 1980s riots, or uprisings, which were the first in the country. It was Brixton in '81, which commemorates its 40th in a few weeks... it was Bristol that went first in 1980, and again in 1986, because of a police raid on a Jamaican café.

BS2 Resist and Revolt was the title of her mock radio station, and she was a newcomer, so she wanted to understand this background. She had myself, another artist called Roz Martin, and a representative from Bristol Radical History Group, Roger Ball. And we started to talk about the powerful elites of the city - the Merchant Venturers etc.

At that point, - as an ex-student of Colston Girls' I knew that in a couple of weeks, they would have their annual commemoration [of Colston] on the first Friday of November. The group were all shocked to hear that this went on, and was *still* going on. We decided then and there, let's rock up to the commemoration, and challenge it in some way.

So we did. People made pamphlets educating people on who Edward Colston was. We rocked up, and handed out the pamphlets. I was actually invited in, as an ex-pupil, to go and observe the commemoration. So, I did. I hadn't been back for nearly 20 years! That was quite interesting.

So that went on. We continued to challenge. There were other celebrations. On his birthday in November, there would be the Merchant

---

4. Bristol Green Party UK Website. 'Council to Debate Reparations and Bristol's Involvement in Afrikan Enslavement.' "You could in fact argue that 'Africa' is the wrong spelling as it was changed upon the arrival of Europeans who substituted the 'K' for a 'C'. Today the use of the letter 'K' signifies Afrikan unity and the importance of a shared political language and is used widely by the campaigners who have spent many years fighting for reparatory justice." Accessed May 31st, 2021. <https://bristolgreenparty.org.uk/council-to-debate-reparations-and-bristols-involvement-in-afrikan-enslavement/>



*Cleo Lake as Rosa Parks (Photo courtesy of Cleo Lake)*

Venturers Societies, the Dolphin, Anchor and Grateful Society. They'd rock up in their morning suits, mainly old white men. They'd process around the city, they'd have their banquets, they'd also go to the tomb of Edward Colston. They'd also get out relics, like pieces of his hair and his nails! So, really quite bizarre. Anyway, we kept chipping away - lobbying in the cathedral, lobbying in the schools.

They were very resistant at first, but over time, of course, it all shifted. They got rid of the flower. They decided that they would make commemoration centered on the girls themselves, because there's some great activists actually in Colston Girls'.

It's now renamed Montpelier High School. I went back as Lord Mayor to give the keynote speech at commemoration, which was great. So that all shifted. We also had lobbied at that time that Colston Hall change its name, and again, met with a bit of resistance. Once I was elected, I became harder for people to ignore. Even though they once had their own

opinions about us as campaigners, once you're a councillor, and then you're Lord Mayor, they have to by convention give you that respect and that time.

One of the first things I did when I was elected as a councillor in 2016 was... We were told, you can attend cabinet meetings by the administration, and you can ask questions, but it can only be on things on the agenda. I saw that it was on the agenda that the council were going to sign off on £10 million for Colston Hall redevelopment. And whilst I support that, in some ways, because I'm an artist, I'm a cultural person, I want to have the best facilities in our city. What I questioned was, can we also discuss a name change if we're giving that money over? And can we also look at the inequity in the city, given that you're paying off £10 million with very few questions yet other institutions like the Malcolm X Centre that was gifted to the city after the riots in 1980, hasn't really received any significant funds since then? They walk away without a penny. Others walk away with £10 million.

The Mayor was furious with me and said that I shouldn't have raised it. However, the chair of Colston Hall at the time agreed that they would look at the name change.<sup>5</sup>

One of our *Countering Colston* campaigners was also Marti Burgess, who was on the board of Bristol Music Trust, who run the Colston Hall. So that was also an impact - that we had key members in different positions who could influence, such as Joe Butch Brown, who is a professor of philosophy at Bristol University. Marti Burgess is now the first person of Afrikan heritage to become a Merchant Venturer.

**MM: I want to talk to you about the motion for atonement and reparation, and the trade of enslaved Afrikans. It happened quite recently that Bristol City Council passed this motion, is that right?**

**CL:** It was on the second of March. So just a few weeks back, and I think it needs to be clear that this has been something that has been an action led by campaigners as a strategy. Because these are campaigners, primarily, it started with the *We Charge: Ecocide and Genocide*<sup>6</sup> campaign. They've probably been in existence for seven or eight years. One of the things they're involved with is the Annual Reparations March [<http://www.reparationsmarch.org/>], which I think is in its sixth or seventh year. That happens on the first of August, which they call the 1st Mosiah - named after Marcus Mosiah Garvey<sup>7</sup>, and it's a march that would go from Windrush Square Brixton, to the Houses of Parliament or Parliament Square, handing in a petition to 10 Downing Street, charging the British State with ecocide and genocide, for the enslavement of Afrikan heritage people.

*Maangamizi* is a Swahili word. And that language is spoken typically in places like Tanzania, Kenya, and Congo [DRC]. So, this is an attempt by people in the diaspora to reclaim language and to reframe their own narrative, and it sums up the historic experience of people of Afrikan Heritage, but also the contemporary harm. The first thing they will say is we have to stop the harm that's still happening. Whether that's police violence, whether that's deaths in custody, whether that's disproportionate outcomes in mental health or schooling... a whole host of things. What happened last year, actually the way forward now, because of Covid, in some ways, is that the march, which is a healing activity in itself, to gather as a huge community with allies and march and demand, is now a reparation, rebellion grounding.

The idea is now that we just set up and try to occupy Brixton as the grounding where we can also, you know, hear speeches, listen to each other, plan forward. So those are the sort of people who've been behind the strategy for reparations, which is to call for the all-party Parliamentary Commission of Inquiry for truth and reparatory justice and unprecedented governmental inquiry, where we would be our own witnesses to our experiences and also, we'd call witnesses globally. It would also be an acknowledgement by the Government that there was a harm committed and the ramifications of that are very much with us today and need to be addressed.

So that's what they wanted. And they decided a few years back that actually, what we could do as a strategy is to go through local government, local councils, to court, to get these motions through as a way of lobbying for this. I've been part of the march and the Green Party campaign going back a few years with people like Jenny Jones, and more recently, Scott Ainslie, who was one of our MEPs. Discussions have taken place because of Green Party support and past reparations motions at the autumn conference last year. It's something that we support as a party and is now part of our policy. And, of course, motions were passed in Lambeth and Islington.

<sup>5</sup> Colston Hall was renamed Bristol Beacon last year. 'Colston Hall music venue renamed Bristol Beacon.' BBC News website. September 23<sup>rd</sup>, 2020. Accessed May 8<sup>th</sup>, 2021. <https://www.bbc.com/news/uk-england-bristol-54240812>

<sup>6</sup> 'The 'Stop the Maangamizi: We Charge Genocide/Ecocide!' Campaign Petition (SMWeCGEC) is one of the ISMAR campaigning tools for mobilising our people's power to exert upon the British Houses of Parliament towards establishing the All-Party Parliamentary Commission For Truth & Reparatory Justice, and other actions necessary to advance the process of dialogue from the ground-upwards, with the British State and society on Reparatory Justice.' [stopthemaangamizi.com](http://stopthemaangamizi.com) website. Accessed May 8<sup>th</sup>, 2021. <https://stopthemaangamizi.com/>

<sup>7</sup> Marcus Mosiah Garvey was a Jamaican-born Black nationalist and leader of the Pan-Africanism movement. History website. Jan 21<sup>st</sup>, 2021. Accessed May 8<sup>th</sup>, 2021. <https://www.history.com/topics/black-history/marcus-garvey>

I tried to put this motion on the table under the instruction in collaboration with campaigners from July last year. That didn't happen for various reasons. The initial motion did have other aspects in it such as, let's have more equitable funding for our Black-led cultural institutions etc. So anyway, what had happened since then was quite positive in that campaigners were able to bridge some gaps and bring the Afrikan Heritage elected officials i.e. the Mayor, Deputy Mayor and myself together.

They called some community meetings for Afrikan Heritage communities at the beginning of this year, and also allies and institutions like the university, the church, etc., so that they could understand a bit more about reparations and what we're asking for. And to understand that, well, money is important. It's not just about money, because money isn't going to restore everything that's been lost, and it's not going to guarantee non-repetition of history. So those were positive meetings, more people were on board. We were able to pass the motion on the 2<sup>nd</sup> March, which was great, because it was also the 40th anniversary of the National Black People's Day of Action, which took place in London 40 years ago, where thousands of people took to the streets because thirteen teenagers died in a fire in New Cross. And there was no investigation carried out, in fact, to this day, no justice either. It's highly likely it was a racist arson attack. No one was called to account, still haven't been. I think the tagline was '13 dead and nothing said'.

**MM: That's a good overview. Money is not going to be enough to make up for the harms caused. But what you're talking about is reparations within the UK, although you did mention ecocide and genocide, and that leads us into the issue of environmental injustice. Ireland is also complicit as one of the richest countries in the world which have largely been responsible for climate change, when it is countries in the Global South that are suffering.**

**Do you think that when people in countries in Europe say, "if we went further to make living conditions better for people in, say, Malawi,**

**It's not just about money, because money isn't going to restore everything that's been lost, and it's not going to guarantee non-repetition of history.**

**then we wouldn't have to deal with so many refugees' it's just a cop out? Or do you think that it is a possible way forward?**

**CL:** It may have some benefits and may have some negatives. It makes me think of when people say, 'but we're giving tons of aid to countries'. Well, you might be but many countries are also in a lot of debt. In fact, one of the first campaigns I got involved with was *Jubilee 2000 Drop the Debt*. I mean, it's absurd that Haiti is still paying money to France for their emancipation. Of course, Haiti was the first Black republic, and the first major enslavement revolt, which kind of informs the way towards abolition, but actually people don't understand. We all understand that Haiti is a very impoverished country. We saw that with the natural disasters, again, you can tie that into climate change and whatever else. It would seem confusing to many people why on Earth these countries are still paying money to France, which is one of the richer countries on the planet. It's bizarre. That needs to stop.

I think people will say all types of things. Local politicians will say, "Yeah, but we're doing inclusion activities. We're pushing forward in our diversity and inclusion agenda, and equality agenda." Great. That needs to happen. But it's not reparations, you're not naming the historical harm. You're not trying to atone for it. You're not trying to educate people on the past and how that informs the future. And until you do, we're going to keep getting problems because ignorance in society is often, you're often ignorant in relation to the lack of education that you've had. So sometimes, we can all pursue our own education. But you can't necessarily blame generations because they're as good as this education system that they've been given, which we know now, in many ways is not fit for purpose, particularly when we think of our colonial past and narrative, and how we spew that out.



It's only a couple of years ago that my son came home with homework, asking him if he would like to grow up and be like Christopher Columbus. Well, no, what a genocidal maniac! No, no, I don't think so. We have the buzzwords now - decolonising the curriculum and blah, blah, blah, fine. You know, we also have things like representation matters. Representation does matter. And when we think of police forces, or institutions getting more people of colour, or whatever other protected characteristics involved in recruiting fine, but a lot of the time they don't retain these staff. And also, do you just become part of a racist institution? You know, if the institution doesn't change?

So, there's many things and I think to try and more clearly answer your question. No, it needs to...that's why also on the motion, I was clear that it's not about saying something behind closed doors, and talking about the equality agenda and what you're doing in administration. It's about naming it and naming it publicly - reparations.

**MM: Do you find that as a member of the Green Party in the UK that it is up to speed with these issues? Is climate justice both on a domestic and on a global level of vital importance? Here in Ireland there seems to be a lot of division within the Green Party between those who think it should be social justice led, and those who think there's not really that much time for that - let's concentrate on the environment.**

“Local politicians will say, “Yeah, but we’re doing inclusion activities. We’re pushing forward in our diversity and inclusion agenda, and equality agenda.” Great. That needs to happen. But it’s not reparations, you’re not naming the historical harm. You’re not trying to atone for it. You’re not trying to educate people on the past and how that informs the future.”

**CL:** I think it's a journey, and I think more people are understanding the links between social justice and economic justice equally. I think if we're serious as a party, we have to be serious about bringing as many people as we can with us. So, let's think about the average person in the UK. Let's think about their economic situation, whether they're frontline workers or whatever. What is their main concern? Well, their main concern at the moment is survival. That's not to say they're not concerned about the other wider issues of climate change, but they're also trying to survive.

So how do we connect with them? If you don't connect with them, then we won't be a credible party. So, we have to embed that we are about people, and we're about social justice, and that actually, social justice and environmental justice go hand-in-hand. That's why Greens support reparations, and we've held workshops, etc. to further explain what we're talking about. And of course, as we said, the campaigners charge ecocide and genocide, because they see those things as intrinsically linked. They see extraction and destruction to people and the planet as intrinsically linked. So, there is no separation for them. But it's a journey.

I often say it was encouraging to see how the world has responded to this climate emergency - the youth strikes etc. But at the same time, where is the outcry for the poverty emergency, or the racism emergency? You've got to put those things on the same footing.

**MM: Just to bring you back briefly to something you said earlier about a Debt Jubilee for the Global South. Would you see that as the most important item on the list for reparations in that sense?**

**CL:** I think it would be very good, very positive. However, we also need to be real, that we have many issues with governance in places in the Global South. Nothing's perfect. In fact, the ravages of neocolonialism are very much there. So, I back things like the emergence of a global, Afrikan people's parliament that will be made up of an international community, and will be accountable. I have quite close contacts with Ghana, and I'm seeing that

I want happiness, I want to smile, I want to laugh. I want to find joy. That's what we should be aiming for.

actually, young people on the ground are quite disenfranchised. They aren't empowered - they can't even get employment. So, you know, privilege is relative. And whilst we have our struggles over here, we all have, I believe, an element of privilege, whether we acknowledge that or not, in relation to others. But certainly being able to get away from the yoke of debt would be useful.

**MM: And finally, Cleo, I just want to know what motivates you? These are huge issues that you're talking about. Huge global inequalities. So how do you keep going, and what gives you hope?**

**CL:** You know, I also say to people... what, actually, what do we want? Well, I don't know about you, but I want to be happy. I want happiness, I want to smile, I want to laugh. I want to find joy. That's what we should be aiming for. And it's about stripping everything back and thinking, well, what are we doing here as humans, we've become so distracted with x, y, and z and manipulated, that I think we've kind of lost our way. It is demanding and you do have your ups and your downs. But because of my upbringing, with a British mother of Scottish

heritage, who didn't have the best start in life, but who committed herself to educating myself and my sister, and took us on protests from about the age of six, a lot has been embedded in me. And my father, who I describe as a proud Afrikan man born in Jamaica, tried - in the limited time he had with me because he passed away just after my 10th birthday - to make me understand that I was an Afrikan, that he was Afrikan at a time when there was some sections of Caribbean people and Afrikan people who are quite divided because of our history. And he gave me a book when I was nine years old called Black Americana, charting the journey of enslavement by the Portuguese to the present day. And I think those are all the things that have imprinted into me and made it part of destiny, whether I've enjoyed it or not, as I say to people, I didn't come to rock the boat, I was born in a boat that was already rocking. And for me, when I feel like giving up, I feel well, I can't because there's all these young people now who need to be inspired or motivated or even understand that you can speak out and you can stand up and you can get into positions. And together we can actually change things.

**MM: Let's hope so. Thank you, Cleo.**

# JESUIT SOCIAL CENTRES IN EUROPE



# Do You Always Have to Pay Your Debts?

---

Marcel Rémon SJ

Marcel Rémon SJ is a Jesuit and statistician, who runs the Social Research and Action Centre, Paris, which is the publisher of the *Revue Projet*.



*Photo by Mathieu Stern on Unsplash*

From a semantic point of view, “should” pertains to the domain of ethics. Some debts are said to be immoral or illegitimate, for example those contracted in the dictatorships of Southern countries or the (often unavoidable) excessive debt of certain families in precarious conditions. Obligation also refers to the legal aspect: the failure to pay debts can lead, depending on the context, to slavery, prison or dependence on the International Monetary Fund. “Always” stands at the heart of this issue: are there exceptions or, conversely, is there an irrefutable iron law? This question calls for a deeper understanding of the context of each situation. But, whatever the debt, its handling will depend on an underlying power relationship, whether expressed or not. The term “pay” introduced us to the intricacies of repayment techniques, from immediate payment to outright cancellation, not forgetting debt rollover. The adjective “your” is not neutral! Is the initial borrower always the final payer? Who is responsible for the debts of Southern countries? Or those of European states? What about those inherited by future generations? Finally, the word “debt” mentioned in this article serves as a catch-all phrase, evoking a wide range of situations, some of which are tragic, grotesque, and others of which are positive and emancipating.

## DEBT, AT WHAT COST?

To take on debt is to compensate for a lack of liquidity. Cash flow means here and now. It helps us live from day to day. It should be noted that one can be rich and still be short of cash. Being indebted does not necessarily mean living beyond your means. A company or a country can be wealthy and not be able to use it. As the saying goes, a debt is a future promise, but it can also be the beginning of a race against the clock.

The main characteristic of the future is its unpredictability. The creditor gambles on the debtor’s promise to repay. There are several ways to protect oneself from future hazards: mortgage, state-guaranteed loan, solvency of companies, violent threats in case of non-payment, etc. The very essence of any debt is the letter of credit, a strong relationship that must stand the test of time. Debt is first and foremost a relationship in time. As written about by Nathalie Sarthou-Lajus, it can represent addiction and dependence, as well as emancipation and alliance. It is thus necessary to appreciate the multiple facets of debt and to grasp its ambivalence, especially in crisis situations. Debt can force states to fall to their knees, and can put a noose around the neck of

over-indebted individuals. How can one come to pay with one's body and one's life to pay off an insolvent debt?

## EXPLORE OTHER MODELS

It is not only when debt is contracted that the ethical dimension is involved, it is throughout the repayment process. The debtor and the lender are not equal. It is not, as we say in economics, a zero sum game. The creditor expects his money to be profitable and to earn interest. Charging a high interest rate is immoral and even illegal in some countries. Like money, letters of credit can pass from hand to hand and become anonymous.

However, the link with concrete reality remains essential. The indebted person or institution is rooted in a community, which will also have to face the hazards of the future. In times of crisis, debt links are affected by the collective environment. The debt is not privatised to the only two debt signatories, it reflects the life of the community through time. This explains the call for the creation of a deliberate currency, carried by a community with the power to modify credit letters. Currently, such authority is restricted to national and central banks, although there is nothing to prevent other models.

## THE RESULT OF AN ARM WRESTLE

At national and international levels, conventions regulate the realities of indebtedness. They are meant to embody justice and ethics. They often reflect the reality of the power relationships involved. Debtors have little power to defend their cause against creditors. Their plea often calls for solidarity or for common interest: for example, in terms of employment, it will benefit everyone if a specific factory does not close. Furthermore, the power relationship can be reversed when the debt threatens the global system, when a company becomes too big to fail.

**The debtor and the lender are not equal. It is not, as we say in economics, a zero sum game.**

For internationalised debts (those of states or large corporations), the framework is more volatile. The major multilateral institutions - such as the IMF, the ECB or the Paris Club - only have relative authority. Not to mention the famous "vulture funds" that buy up "irrecoverable" debts for a few pennies in order to demand their repayment with no shame. In this globalised world, depending on whether you are powerful or miserable, court judgments [and economic games] will make you white or black!

## QUESTION OF POLITICAL COURAGE

The temporal and collective dimension of debt makes it eminently political. Whether it is the debt of households, students, companies or states, its management is based on political choices that reveal a project common to a family, a territory or a nation. Debt is someone's responsibility because, even when it is cancelled for the debtor, the cost falls on others. Choosing not to pay or to postpone one's debt is politically choosing who should bear the cost.

When the burden of debt is shifted without control onto the shoulders of future generations, or when the over-indebtedness of populations in the South is not called into question, we are clearly abdicating our responsibilities today. A resignation that reflects the lack of vision on the part of our leaders. But, on the other hand, debt can be a symbol of political courage when a community needs to mobilise additional resources for the common good to come, such as the ecological transition or the reduction of inequalities.

Do you always have to pay your debts? Technically, the answer to this question can only be negative if one refuses any determinism that would ignore the dimension of the future's uncertainty and the collective dimension of the debt relationship. During crises, these dimensions take on a more and more concrete face, calling for solidarity-based management.



# Debt Addicts

---

Nathalie Sarthou-Lajus

Nathalie Sarthou-Lajus is a philosopher,  
deputy editor-in-chief of the journal *Études*,  
and contributor to the *Revue Projet*.



*Photo by Dmitriy Ermakov on Unsplash*

**Debt creates an interdependent relationship between the creditor and the debtor, until the alienation of the latter from the former. Like an addiction, it can lead to alienation from one's own body.**

One of the signs of the current era is the making of over-indebted and “addicted” people. This is a widespread phenomenon of our so-called liberal societies which have generated new forms of alienation.<sup>1</sup> Since the subprime crisis in 2008, triggered by a financial system that took reckless risks, we have been going through an insolvency crisis that has crushed many individuals and led to the bankruptcy of states. This debt crisis is not unrelated to the increase in the consumption of psychotropic products and addictive behaviours. The example of the middle-class American “white boy”, crushed by over-indebtedness and devastated by the use of addictive, legally prescribed opioids, is a particularly striking illustration of this

“Debt creates an interdependent relationship between the creditor and the debtor, until the alienation of the latter from the former. Like an addiction, it can lead to alienation from one's own body.”

double dilemma. The combination of austerity measures and abstinence cures appear to be ineffective remedies. Debt and addiction move from one situation to another, revealing an addiction that exposes to untreatable, or even incurable, relationships of alienation.

The Latin etymology explains the dimension of alienation inherent in addiction, in relation to a debt that cannot be paid because it is limitless. Despite the current Anglo-Saxon resonance, the word addiction comes from the Latin *ad-dictus* which means “said by”.

The Roman slave had no name but was dedicated and named by the master to whom

<sup>1</sup> Sarthou-Lajus, N. Bayard, 1 Vertige de la dépendance (Février 2021)

The Latin etymology explains the dimension of alienation inherent in addiction, in relation to a debt that cannot be paid because it is limitless. Despite the current Anglo-Saxon resonance, the word addiction comes from the Latin *ad-dictus* which means “said by”.

he was assigned and whom he had to serve. He who is bound by another is deprived of the freedom to govern himself. The term then evolved to designate an individual in a situation of servitude because he cannot pay his debt. Debt bondage was a widespread practice in many medieval societies and, for a long time, being in debt meant losing freedom. The Latin origin of addiction is thus enlightening because it indicates the double constraint of servitude and debt : Roman slaves were said to be “addicted”, deprived of freedom, and said by the master to be in a literal sense of alienation. We can therefore remember that being addicted means, originally, being “said by the other”. In medieval law, addiction implied that a debtor was “bound by body”, as soon as he could not pay his debt. The creditor thus had the right to seize the debtor, and could dispose of the person’s body.<sup>2</sup>

How can one end up paying with his body and his life to pay off an insurmountable sense of indebtedness?

The latin etymology of addiction makes it necessary not to understate the condition of *homo addictus*: without being a delinquent and less often from the margins, he remains a slave, even though he thinks he has control over the toxic substance which he has made his master. Having worked for a long time on the notion of debt, I was immediately challenged by this etymological reminder of addiction: How can one end up paying with his body and his life for an insolvent sense of debt? How can we free ourselves from an unlimited debt that makes us consent to such violence turned against ourselves?

## THE LIABLE DEBTOR

The debtor, like the “addicted” person, is bound, subjected. This fatal ligature, which is inscribed in his flesh and deprives him of freedom, is one of the principal features of the ancient conception of debt, which our era is far from having abolished. In Rome, the penalty of insolvency is addiction, by which the debtor is “awarded” to the creditor. In the same way, the patient who suffers from an addiction is now affiliated with the product to which he is addicted and which now determines his identity by renaming him: the person who suffers from an addiction to alcohol is defined as an “alcoholic”, the one who is addicted to cocaine is designated as a “cocaine addict”, etc. In medieval law, the debtor is bound by the body when he cannot pay his debt: the alienated body thus serves as a substitute for the unpaid debt. In the same way, the addict is devoted body and soul to the substance which he made his master. Even when he uses the drug as a remedy for his discomfort, what is a remedy of which one is no longer the master? The author William Burroughs, who knew exactly what he was talking about, perfectly described this state of slavery, avoiding both romantic lyricism and moral condemnation : “Whether you sniff or smoke it, eat it or stick it in your ass, the result is always the same: you become a drug addict, i.e. a prisoner.”<sup>3</sup>

This semantic comparison between debt and addiction is of particular interest beyond the actual representation of slavery and prison. For it suggests how the body is dedicated to the repayment of a debt, and the price we are willing to pay for it, both in physical suffering and in psychological torment. When the debt is unlimited, the debtor is forced to pledge his body and his life, which leads to his loss of freedom and his deepest abnegation. In the feudal system, being in debt thus committed the body, placing the debtor in a situation of deprivation of freedom, of complete control by the creditor who had the right of life and death over his debtor. This anguish of an insolvent state of debt haunts our contemporary societies in the widespread form of addiction.

<sup>3</sup> Burroughs, William. *Le festin nu*, cité par Cécile Guilbert, Robert-Laffont, Bouquins (2019) p. 494. *Écrits stupéfiants, drogues et littérature d'Homère à Will Self*

<sup>2</sup> Toubiana, Éric-Pierre. *Addictologie clinique*, PUF, *Quadrige*, (2015) p. 9.

The addict is subordinated to his poison and makes him his master in order to be “held” by something, when he no longer feels supported by any consistent relationship and loses control of his life.

## STRUCTURAL DEPENDENCY

It is unrealistic to imagine a society without debt, as well as a society without drugs. Debt and drugs are inherent in all cultures as signs of a structural dependency whose effects are diverse and complex, toxic and beneficial. But a system that generates this point of insolvency and addiction proves structurally destructive, because it no longer makes the investments that would be necessary in the future to fight against the toxic effects of its development. Basically, it no longer has any hope for the future, nor for relationships other than alienating ones, because it has fallen into cynicism.

Insolvency and intoxication are dangerous because they are alienating.

“Insolvency and intoxication are dangerous because they are alienating.”

The creditor-debtor relationship is a typical example of alienation, insofar as the debtor consents to his subjection because he hopes to make a profit from it. The debtor is dependent on his creditor, in both senses of the word: he needs him and he expects from this relationship a substantial gain, an advance on credit that will give him freedom. The “addicted” person loses all control over the addict and becomes a slave, just as the debtor is at the mercy of the creditor. He is possessed. In other words, he loses himself. Debt and addiction are thus related to a desire for independence that fails and to the same anxiety of alienation. They are the signs of a dependence which is unthinkable for our liberal societies.

# Day of Remembrance for Lost Species: The Bramble Cay Melomys

---

Dr Byron Smith

Dr Byron Smith is rector of St George's  
Anglican Church, Paddington, New South  
Wales



The fawn-footed melomys (*Melomys cervinipes*) - a close relative of the now extinct Bramble Cay melomys.

*All rights reserved by Cameron de Jong*

The Bramble Cay melomys (*Melomys rubicola*), is also known as the Bramble Cay mosaic-tailed rat. On Earth, there are over 2,200 rodent species comprising about 40 per cent of all mammal species. What's one rat?

And the Bramble Cay melomys is amongst the most insignificant of rats. It is not particularly genetically distinct from a number of other similar species of melomys. It's never been useful for any human project. We've never hunted it for fur or meat. No child has ever had one as a pet. No tourists have ever paid to see one. It may perhaps be considered the least of all mammal species.

Bramble Cay, from which this rat draws its name, is its only known habitat. And this is amongst the most insignificant of islands. Just a few hundred metres across, less than 4 hectares in area, the cay is a tiny dollop of sand in the Torres Straight, closer to Papua New Guinea than the Australian mainland. It is the northernmost tip of the Great Barrier

“No child has ever had one as a pet. No tourists have ever paid to see one. It may perhaps be considered the least of all mammal species.”

Reef and the northernmost piece of land over which Australia claims sovereignty. And it is flat and basically featureless, never rising more than a couple of metres above mean sea level. No humans have ever lived on the island. It is amongst the least of all islands.

The Bramble Cay melomys was first described scientifically by Oldfield Thomas in 1924. It is not hard to find as the cay is so small. It is just that no scientists bothered to go there until then.

In the 1970s, it was recorded that there were several hundred Bramble Cay melomys flourishing on the fleshy leaves of the scrub that holds the sand together. A 2004 survey found just a dozen. The last official sighting



“The last official sighting was in 2007. A fisherman who often visits the island says he last saw a melomys – just one – in late 2009. This solitary animal may have been the ending of the Bramble Cay melomys, the last of its line.”

was in 2007. A fisherman who often visits the island says he last saw a melomys – just one – in late 2009. This solitary animal may have been the ending of the Bramble Cay melomys, the last of its line.

Two official University of Queensland surveys in 2014, the last one involving multiple camera traps and intensive daytime searches, failed to find a single individual. A couple of months ago in an official scientific report, it was declared extinct.

The report said habitat destruction from ocean inundation was almost certainly to blame for their extinction:

“Available information about sea-level rise and the increased frequency and intensity of weather events producing extreme high water levels and damaging storm surges in the Torres Strait region over this period point to human-induced climate change being the root cause of the loss of the Bramble Cay melomys. Significantly, this probably represents the first recorded mammalian extinction due to anthropogenic climate change.”<sup>1</sup>

This creature is not only the most recent extinction of which I’m aware, and not only is it another item on the embarrassingly long list of lost Australian mammals, and not only might it stand in as a terrestrial placeholder for all the (largely unrecorded) marine species lost in the northern Great Barrier Reef during the recent catastrophic bleaching also caused by a warming ocean, this insignificant rat is also a symbol for all the useless little species, the unknown earthlings winking out all over the place on a rapidly changing planet, whose lives and existence precious to God.

Thomas Aquinas once wrote:

“Although an angel, considered absolutely, is better than a stone, nevertheless two natures are better than one only; and therefore a Universe containing angels and other things is better than one containing angels only.”<sup>2</sup>

Tonight, we mourn the Bramble Cay melomys, a gift we were largely ignorant of having received, a creature whose loss doesn’t threaten us, yet whose demise was pretty much entirely our fault.

This too was one of the creatures called to praise their Creator in the great choir of life (cf. Psalm 148). Its voice is now stilled. Let ours fall silent also.

*This article was taken from a blog post entitled ‘Day of Remembrance for Lost Species: The Bramble Cay Melomys’ which Dr Byron Smith wrote on November 30th, 2016, and is republished here with his permission.*

“Tonight, we mourn the Bramble Cay melomys, a gift we were largely ignorant of having received, a creature whose loss doesn’t threaten us, yet whose demise was pretty much entirely our fault.”

<sup>1</sup> I. Gynther, N. Waller, L.K-P. Leung, “Confirmation of the extinction of the Bramble Cay Melomys *Melomys rubicola* on Bramble Cay, Torres Strait: results and conclusions from a comprehensive survey in August–September 2014”, Unpublished report to the Department of Environment and Heritage Protection. Queensland Government, Brisbane, 2016.

<sup>2</sup> Quoted in A.O. Lovejoy, *The Great Chain of Being* (Cambridge, MA: Harvard University Press, 2001), 77.

# ETHIOPIA EMERGENCY APPEAL



The conflict in Tigray, Ethiopia has caused a severe humanitarian crisis, leaving people without shelter, food or clean drinking water.

More than 350,000 people - many of them women and children - are facing famine.

**Irish Jesuits International** is working to provide food, healthcare and basic supplies to the most at-risk people in the region.

Visit [www.iji.ie](http://www.iji.ie) to find out more or call us on **01 836 6509** to make a donation today.



# • COP26 • CLIMATE JUSTICE IS FOR US!

COP26 is a meeting of national leaders at the United Nations' climate change conference which is taking place in Glasgow this November.

Join with us and the international Jesuit network in raising awareness of climate justice issues that our representatives must address.

Visit [www.jcfj/jcfj-at-cop26](http://www.jcfj/jcfj-at-cop26) or email [cmurphy@jcfj.ie](mailto:cmurphy@jcfj.ie) for details of how to get involved.





The Jesuit Centre for Faith and Justice  
is an agency of the Irish Jesuit Province.

The Centre undertakes social analysis and  
theological reflection in relation to issues  
of social justice, including housing and  
homelessness, penal policy, economic ethics  
and environmental justice.

Jesuit Centre for Faith and Justice  
54-72 Gardiner Street Upper, Dublin 1

Phone: 01 855 6814  
Email: [info@jcfj.ie](mailto:info@jcfj.ie)