

## “Little Steps”

### Introducing Economics

The problem of introducing is one of being concretely and simply illustrative and also effectively detailed. I think of getting insights into transitional payments through locating ‘without tears’ (CWL 7, 151) the business of making milk-cartons. Might you have a shot at diagramming that business of making milk-cartons, with its complex of payments? But here I am recalling an effort of mine, in a recent e-mail, to talk simply of *profit* and of *social dividend*.

“Suppose, a small business, like my father’s two-van bread delivery bakery of the 1940s. He is making a living, and he thinks in terms of making a profit, profiting from it. He pays that profit to himself, and, say, has a corresponding standard of living, living up to his own and his family’s expectations. It could be quite a high standard, high enough to satisfy without stress the family group. So there you are, the simple notion of profit, which is really satisfactory self-pay. The whole village is like that. Leave out credit cards, or if you put such things in, then it is simply a postponement of payment, not a pressure of need.

O.K. Now he has a bit of luck in that he finds a new feed for the horse [we had a horse van and a motor van] that is as good but cheaper, and the van-driver (who was my brother: I was an occasional van-assistant in both vans) finds a way to reduce expenses, so my father is left with .....’extra’ profit.... a sort-of surplus. What does he do with it? Well, he banks it. What is it really? Well, he gets a little interest on it from the bank if he banks it e.g. as savings. But it lifts the bank a bit: it is a social dividend. Some other person who has a bright credit-worthy business idea can borrow it.

One can go on from there to bright ideas that will change oven or dough-mixer structures, then you are into a second type of firm, and larger innovations. Etc.”

I hope this helps in the challenge to reach sufficient competence, theoretic and empirical, to be able to ‘talk locally’ and avoid letting the discussion with locals, economists or journalists, slide into conventional sound-bite topics that fill the air-waves and the learned journals.