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To the Archbishops of Canterbury, Westminster and York

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I don't usually write to members of the clergy, especially not the high and mighty, but as all three of you have addressed this issue in recent weeks, I feel I must, because unlike David Cameron and Nick Clegg you will probably understand the real issues here.

Much of the Coalition Government's approach to "reforming" the economy is based on making work pay and reducing public debt. The first of these issues is a moral one, and has no place in economics. The Archbishop of York has advocated a living wage, which is admirable, but is not the real solution. One of the few things most economists agree on is that the minimum wage – which is lower than the living wage – harms rather than hurts the poor because it destroys both jobs and investment. In short, the minimum wage is a bit like a minimum alcohol price; when it is applied, human nature kicks in. When alcohol becomes prohibitively expensive, people look around for alternatives, which can be increased smuggling, or people brewing the stuff illicitly. The next thing you know there will be a mass outbreak of poisoning or even deaths because like illegal drugs, there are no quality controls.

If the Coalition Government realises that the minimum wage is wrong, it does not realise that it is not possible to ensure that work always pays, as the following will illustrate.

Last Thursday I had to collect an important document from Camberwell Magistrates Court, but the person who was processing it was not due in the office until 11am, so to kill some time I ambled up to court 2 where after the disposal of a driving case, the bench dealt with a shoplifter. The man in question was probably younger than me but looked older. He had stolen 3 packets of steak from a Sainsbury supermarket, and was already serving some sort of community sentence. He also had 56 (fifty-six) previous convictions for theft. Normally this would have warranted an immediate gaol sentence, but somehow the magistrates were persuaded to give him one more chance. He had a serious drug problem, and he was instructed to address that as part of his sentence. He was also ordered to pay £80 costs, which would be taken out of his benefit, which had already been reduced to nearly half the standard rate for some reason.

Needless to say, when he runs out of money he will again resort to shoplifting or some other form of theft. He is an extreme case, but there are many others. A hundred years ago even a man of his low estate could have found some form of gainful employment, but not in 21st Century Britain, and it is absurd even to suggest it would be possible, especially at a time, when according to *City A.M.* last October we were told: "IN the US, over 8,000 waiters have PhDs or equivalent qualifications, as have 5,057 cleaners. Roughly 317,000 waiters have university degrees, as have 80,000 bartenders and 18,000 parking attendants...A similar trend is becoming visible in the UK..."

So if even PhDs can't find work that pays, what hope is there for the great unwashed? There is an alternative, something called Basic Income, which is what the Church should be lobbying for. The implementation of such a scheme would destroy the poverty trap in one fell swoop and would allow the entire means-tested benefit system to be downsized significantly if not discarded altogether.

To tackle the increasing burden of debt would likewise require a change of mindset, *and* a change in the law, because as things stand, under the *Treaty Of Maastricht* European governments are not permitted to create their own money debt-free but must either tax it or borrow it at interest from the banking cartel. As long ago as 1937, the *Australian Royal Commission On Money* advocated the

creation of debt-free money by the Commonwealth Bank to fund public works, but the vested interests of the same cartel prevented this, which is the root cause of our current malaise. As technology progresses, fewer and fewer people will be able to do more and more work, something that should be a blessing for Mankind, but under the current system will become a curse. Unless something is done to reform it.

**Yours Sincerely,
A Baron**