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# INTRODUCTION: THE MONEY IN YOUR HAND AND THE MONEY IN THE SKY

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Because that's where the money is.

—Famous bankrobber “Slick” Willie Sutton after  
being asked why he robs banks.

You...you're thinking of this place all wrong. As if I had the money  
back in a safe. The, the money's not here. Well, your money's in Joe's  
house...that's right next to yours. And in the Kennedy House, and Mrs.  
Macklin's house, and, and a hundred others.

—George Bailey, *It's a Wonderful Life*

For the love of money is a root of all kinds of evil.

—I Timothy 6:10

I got my mind on my money and my money on my mind.

—Snoop Dogg

Money is something you can hold in your hand. Real, tangible, paper and  
coins have weight and texture, can jingle in your purse, can get lost or found  
or cycled through the laundry. Money can burn a hole in your pocket or wait  
in your piggy bank for a rainy day; you can discover it beneath the couch  
cushions or stash it in the ash tray of your car. At the same time, and in  
larger quantities, money is an abstraction, a grand social agreement by which

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numbers in spreadsheets or information coded on magnetic strips can help us acquire the things we want or need. The money directly deposited by your employer into your checking account, then transferred online to pay your credit card companies for purchases you've charged—we might refer to this as money in the sky. It is real enough—you've earned and spent it—but it never exists anywhere outside a computer or the ether through which information travels in the modern age.

In either form, money at its most basic represents a medium of exchange, a substitute for older forms of trading that allows for an exceedingly complex



Figure 1. Sumerian stringed shell money

social system. In simple societies—not just those of the distant past but even, say, the networks between family members and friends—a person might easily trade something they have for something they want without the use of money: if you give me some of that pizza, I'll share my soda. Nor are concrete objects the only barterable items: if you'll critique my essay, I'll water your plants while you're away.

Even in a monetary system, what most of us have to offer is our labor and time, and we exchange those for material goods or for the labor and time of others. Money allows for these exchanges to become more complex than would be possible through simple bartering. Generally shared criteria for determining value ensure that even very different skills and talents can be easily exchanged for goods and services, for instance: a gas station attendant doesn't have to figure out how many gallons to trade for a therapeutic massage, a week of childcare, a Geology textbook, or double bypass surgery. Credit agreements allow larger exchanges to be spread over time or arranged for the future: even someone with no savings might need to get a car, a plane ticket, or a central air conditioning system. And, of course, an extensive legal and governmental apparatus can provide protection to the trading parties, so that no one gets

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treated unfairly, forbidden from buying or selling, or exploited by those with more leverage in the bargain.

A government's relationship to money is not simply protective, however, and money rises ever more skyward in the workings of our economic institutions. Governments spend money on the things they are obliged or expected to provide for their citizenry—things like education, infrastructure, and law enforcement—and they raise the money to pay for these things not just by taxation but by borrowing, both from their own citizens and from other countries. Taxation seems concrete enough when we mail our checks in April and see the balance in our checking accounts reduced, and when we pay for a treasury bond we receive in return a paper IOU of sorts. But the president of China doesn't hand the American president a briefcase full of cash when we "borrow" from the Chinese economy. Indeed, the very abstract nature of the financial world makes possible a nation-sized budget of deficits, expenditures, and promises. Central banks operate almost exclusively with money in the sky—figuratively, they function as much like a thermostat as anything, making decisions about interest rates, for instance, in order to heat the economy up if it's too cold or cool it down if it's too hot. Their decisions don't always work, and the temperature isn't always comfortable. But successful or not, most of the things governments do with money have little to do with what's printed at the Mint. The money they work with is far, far above your hands.

Our government, of course, isn't alone in this abstract world of money; like the sky, its boundaries extend far past the borders of the United States. Private banks on an international scale, through lending, investing, and trading with one another, exert terrific influence on global finances. Private bankers can manipulate markets, take risky gambles, even directly or indirectly influence governmental policies. In simple terms, the value of money—even that five dollar bill in your pocket—is created and manipulated by people in whose hands the



Figure 2. Due to hyperinflation, the country of Zimbabwe has had to issue higher and higher denomination notes

whole system is entrusted. The things that happen to the economy—a recession, skyrocketing inflation, mortgages becoming harder to qualify for—don't just “happen”; they are not natural disasters. And as much as you might wish to disengage from this vast and perplexing global economy, chances are that the funds you will use to pay for your retirement, your home, even your education are tangled up in it.

The financial crisis that erupted in September 2008 has shown us that there are risks to locating the global economy quite so ethereally. By late 2008, as many have described, Wall Street was operating like a casino. When interest rates were low, people had gotten loans, but the banks who had provided them began to gamble on these promises. They grouped and exchanged them with other banks, betting, raising, bluffing, and hedging their bets with insurance policies provided by other gamblers, everyone hoping to be in the right slot when the wheel stopped spinning. When the bets were called due, it seemed that no one had won, and no one had the money to cover their bets. Essentially playing games on paper, bankers made themselves and their companies tremendous amounts of money for a while, and then they brought the Western world to its knees.

In September 2008, in other words, Americans did not simply experience a system failure wherein the economy crashed like a giant computer. Rather, we suffered the consequences of decisions made by human beings with power over that system on which we all depend. Why did those powerful people make what seem now like such irresponsible choices? That's been the subject of numerous articles, books, and documentary films since 2009. For everything else you can say about money, it also has tremendous influence on the behavior and psychology of people. And through all this maneuvering in the ether of the global economy, there was a lot of money to be made, money that would translate into in-hand salary and bonuses for the bankers at play. Surely, the decisions made by those human beings—like the decisions any of us might make in similar circumstances, perhaps—were influenced by all that money.

The power of money is even more insidious than greed. Money forms the basis of compelling ideological systems, or those sets of beliefs, conscious or otherwise, that we use to ascribe meaning and value to things. Notions of class status, for instance, can provoke or excuse the unequal treatment of groups of people and the expectations we have about them. From the proverbial “in-crowd” of fashionable high schoolers to the Donald Trumps of business

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and industry, people may believe that they simply deserve better (or worse) lives than others, in terms not only of sustenance, comfort, and fashion but basic human dignity. Definitions of financial “success” may even alter the ways we esteem ourselves.

We may blame elite and elitist bankers who seem to have disregarded the value of the common man’s money in their pursuit of million-dollar bonuses, but we must be mindful of how money intrinsically influences the rest of us, too. None of us is entirely immune, and the consequences are significant, in large and small ways, for all of us.



Figure 3. Mr. Moneybags from the game Monopoly

Economic ideologies may also drive governmental policy in more subtle ways than the financial meltdown of 2008. Whatever our political or economic philosophy, most of us believe in a social system where at least some money goes to provide things for the public good: things like education, infrastructure, and law enforcement. But ideologies that hold some people more deserving, some more important, and some more expendable than others can extend to the things that government tries to provide to everyone. Capitalism, the economic model that governs most of the Western world, tends to find its ethical code in the wisdom of the market, fair but profitable trade, buying and selling with little external control, and gleaning whatever the market will bear for whatever you have to exchange. We live in a world where a staggeringly unequal distribution of wealth among individuals may be seen as appropriate, as long as the wealth is earned within the ethics of capitalism. But such inequality is often replicated on the entire social structure, so that poorer people get lower-functioning schools, more dangerous neighborhoods, and substandard healthcare. Questions of fairness and ethics quickly become much more complicated.

I would not argue that money is an evil. The oft-misquoted scripture at the beginning of this introduction clearly blames an emotional effusion, not a medium of commercial exchange. And we certainly need money in modern society: we trade it for the food we eat, the electricity that heats and lights our homes, the fuel for our cars. At the same time, though, money—and what we do with it—undeniably shapes our attitudes, reflects our beliefs, and drives our behaviors. What we spend our money on, what we'll do to earn it, and what we are willing to share, have everything to do with the way we value ourselves and our relationships to others. Our financial decisions reflect not simply our preferences but our value systems and ethical codes.

This book offers perspectives on money in many of its manifestations: the tangible, the abstract, the necessary, the luxuriant, the identity-formative, the ethical. There are pieces that discuss having a lot of it and pieces that describe having very little. I include are humor, satire, and lamentation, analyses, explorations, and complaints. I also include a variety of voices with a variety of concerns: as money comes to bear on nearly every field of human inquiry in one form or another, in this volume history, religion, economics, psychology, journalism, literature, and music all speak. These writers explain how money functions, how the middle class has changed over a generation, why college costs so much, and why minimum wage workers can't always just pull themselves up by their bootstraps. Women, Christians, gamers, musicians, and teachers get to frankly confront their value systems and the systems that value them. And cheapskates and spendthrifts both find merit in their philosophies of spending.

These articles, excerpts, songs and images will, I hope, give you a wider perspective on money as an incredibly powerful entity—from the economic systems that make it work, to the social systems that can't work without it, to the people on whom it works its influence. Although the book invites you to learn about and critique the larger systems of money in the sky, it encourages you also to consider how the money in your hand affects you, from your shopping habits and financial planning to your appraisals of yourself and others. Ultimately, even more than the money in your hand or in the sky, this book is about the money on your mind. I hope that you'll ask yourself hard questions as you move through this volume and reflect on your attitudes toward money.