

POM Causes Instability

You hold a coin in your hand. You possess the coin. You give the coin to someone else. They now possess the coin. This is a two-party interaction using a physical object. You could substitute any money sized physical object for the coin and the interaction would remain two-party. Ownership is more complicated but so far as a POM (physical object money) is concerned, the interaction is still two-party.

The government collects taxes from you. You are one party and the government is the other party. You buy a house and you not only pay the seller, you also pay your lawyer, the guy who inspected the house, and probably several others as well. (I recommend the termite inspection, especially.) In each case you transfer money from yourself to someone else or some other party such as the law firm. This is the nature of POM transactions.

Two-party interactions are inherently unstable. We would like to think that marriages are very stable, for example. At the time of the marriage the bride and groom love each other. The whole community supports their new relationship being lifelong. The church may even threaten them with divine punishment if they do not live up to their marriage vows. Yet as we all know, divorce is far too common. An economy needs stability. Therefore two-party interactions are not good for an economy.

Why are two-party interactions unstable? Because when two parties interact *the power of the two will almost never be equal*. The party that has more power can use that power to gain still more power. By using power the strong party can increase their rewards at the expense of the weak party. This provides a motive, especially in the case of interactions involving a POM. The POM also provides a means, an amoral tool by which the stronger party can gain still more power.

This explains, in part, why money problems are one of the leading causes of divorce, why slavery tends to arise and why some men refuse to allow their wives to work.