

**THE MEANS**

**ENSURE**

**THE END**

## **Manifesting our Ideals**

Life, Liberty and the Pursuit of Happiness

Freedom, Equality and Brotherhood

Government of the People,  
by the People and for the People

To Each According to their Need,  
From Each According to their Ability

A Just and Sustainable Abundance

The Society to Benefit Everyone

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# Introduction

This essay will take you about an hour or so to read<sup>1</sup>. It is about money. As you come to understand the nature of money, as presented here, your world view will shift and you will understand in a new way why the world is as it is. The world view offered here will put you in a position to take effective action to create the economy and society that you know in your heart is possible. The understanding of money presented here will allow you to pursue the transcendent purpose you feel called to serve; voluntarily, with autonomy and with the ongoing opportunity to develop your capacities; and participate in building a healthy, sustainable, just and abundant community: a society to benefit everyone. The understanding of money presented here will enable us to manifest our ideals.

This will be the result of understanding that issuing the money is the primary tool of the sovereign. If we, the people, are to be sovereign, then we, the people, will need to learn to issue money for purposes that secure our inalienable right to Life, Liberty and the Pursuit of Happiness. We, the people, will learn how to regulate the money supply so that we create a society based on Liberty, Equality and Cooperation (Brother and Sisterhood, or Solidarity). A society in which each of us receives what we need, and each of us contributes, voluntarily, as inspired, what we are able, and as a result we create a Just and Sustainable Abundance. Of course, in order to accomplish this we will need an entirely new participatory, interactive system of governance based on the active consent of the people. Then, with the power to fund what we agree is good we may very well realize the ideal of the American Revolution, or as Lincoln put it: "A government of the people, by the people and for the people", and together we will create a society that benefits everyone.

When we, the people, are determining together what would be good, with the power to fund what we agree would be good, then only those things that we agree are good will be funded.

This essay is based on elucidating foundational experiences that we have as human beings. We are all together on the planet we share, in a world economy we either benefit from or suffer under, administered by a political system we consent to. This economy, political system and culture appears to be 'inadvertently' exploiting nature beyond her regenerative power, impoverishing 99% of us while enriching 1%, sickening and killing huge numbers of us, and dividing us into warring nations and ideologies.

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<sup>1</sup> Not including the links to source materials.

We long for a peaceful, just and sustainable prosperity. For one reason or another, all seemingly an inevitable result of our flawed human nature, this is always unattainable.

**When we understand the nature of money it will all be attainable.**

The more of us whose understanding of money rests on foundational insights into human nature, the more of us will enjoy the fruits of an honest, transparent, sociocratically governed political system. A political system in which money is a public utility issued and regulated to secure our inalienable right to Life, Liberty and the Pursuit of Happiness.

You may have noticed that just about every sentence in the paragraphs above elicited either a sense of joy and hope or a scoffing attitude about utopia, the venality of human nature and uselessness of idealism. You may also have noticed that you were unaware of the leading thought in the second paragraph i.e. **“Issuing the money is the primary tool of the sovereign”**. It is, therefore, imperative that one keep an open mind and not dismiss these ideas because of the apparent naivete. As you read through this essay please make the effort to test the veracity of the ideas against your own experience and ability to reason and resist the temptation to say that it may be true for you but it certainly isn't true for everyone else. Recognize that you are, in essence, just like everyone else<sup>2</sup>, and it is the culture (what you can get money for) that normalizes greed, violence and pollution. In other words, if it were up to you, how would society be? Would you want to be the benevolent or despotic dictator? Or, would you want to co-create with your relatives, friends, colleagues and neighbors the more beautiful world you know in your heart is possible?

## Who Issues Our Money?

Most people, when asked who issues our money, do not know, or give an answer that is wrong. Ask yourself “Who issues our money?” and consider how outrageous it is that you can't give a confident answer. We do not know who is issuing the money; and the popular ideas, such as the Government or the Federal Reserve issues the money, are patently false. What is being hidden? Why is it hidden? How is it hidden? **Who Issues our Money?**

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<sup>2</sup> Except of course for the sociopaths and psychopaths

If we knew who issues the money, and what it is issued for, and who controls the money supply, and who it benefits, “there would be a revolution before tomorrow morning”. That is what Henry Ford said, and he was quoting Andrew Jackson.

Consider for a moment how important it would be to know who issues the money and who benefits from issuing it. Consider how important money is: We need money to live. The culture requires us to “earn our living”. Apart from what we do for our families and friends and what we volunteer for, everything that happens is a result of what someone, or an enterprise, can get money for. We all know how to get and spend money. We know how to earn it. We know how to borrow it. Most of us know how to save and invest it. Many of us know how to get donations and grants; and we all know that when money is easy to come by we feel good and are prosperous and when money is scarce, as it is now, we suffer. We know that money is not wealth, it is how we measure wealth - you don't want the money, you want what the money will buy - but we do know that having money grants us considerable power and we save and spend the available funds to create the life we want. So before we get to who issues the money and for what, we will look at some fundamental aspects of human nature that will set the stage for understanding why it is so important to understand the nature of money.

## Egoism Motivates Consumption and Altruism Motivates Production

When we are spending money to create the life we want we feel entirely justified in being egoistic. Each of us spends our money on the things that will satisfy our needs and desires. If we had more money we could create a better life for ourselves, but however much money we have, we spend it on the things we need or want, that will make us better off. This is what we do, it is human nature. But, when it comes to doing something that we believe in, that serves a transcendent purpose, that benefits others, or our community, we are being altruistic, and that is also human nature. We are egoists when we are consuming and altruists when we are producing. This aspect of human nature is obscured by the system. The system and the culture requires that most of us have to earn money to live. If we did not have to earn money, if we all had unearned income, then we would not be confused about the altruistic nature of production. Of course, if what we produce is not valued in the market it won't be satisfying to produce it, so production is definitely about producing a good or service that people value. Doing something voluntarily for other people that benefits them,

that they value, is the definition of altruism. Because we have to earn money to live we are conflicted about why we are producing. Do we believe the father of modern economics, Adam Smith, when he points out that everyone pursuing their own self interest will result in the greatest good for the most people? This can only be said and have a ring of truth to it, if production is egotistically motivated by the need to earn one's living.<sup>3</sup>

Generally speaking the idea that we have to earn our living puts us in a position in which we are conflicted between fulfilling our purpose in life altruistically, and working for pay egotistically. We feel altruistically motivated when we are doing a job to earn money to support our family, but we are often conflicted by some of the requirements of the job that we do not believe in. Having to earn our living is designed into the structure of our society. When we get to who issues the money you will understand why it is the monetary system that requires it.

While you read this, notice the ready made concepts from the culture that pop into your consciousness. The culture provides the idea that nothing would get done if people didn't have to work for money, but you know that isn't true for you. If you had an unearned income so that your life was secure, you would be free (at liberty) to pursue the transcendent purpose that makes you happy! This is the meaning of our American ideal. The unanimous Declaration of the thirteen united States of America says "We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty and the pursuit of Happiness.--That to secure these rights, Governments are instituted among Men, deriving their just powers from the consent of the governed..."

Those who do not have to earn their living have a source of income that is "unearned". Unearned income is what we all want, because we recognize that is what we need if we are to be free. Free to pursue our life purpose, free to place our talents and ideas, our energy and ambition in the service of the transcendent purpose we are inspired to serve. Free to pursue all the things we feel are meaningful for a satisfying life, free to pursue true happiness. This is important, because our greatest source of satisfaction in life is doing something that other people, our community, recognizes as valuable. When it comes to volunteering we are clear about our altruistic desire to help. When we are working for pay we are always at least somewhat conflicted about the aim. Am I doing it because I need the money or am I doing it because it is valued? When we are going along with things we don't agree with at work it is because we need the

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<sup>3</sup> <http://www.yesmagazine.org/issues/money-print-your-own/beyond-greed-and-scarcity>

paycheck, when we are enthusiastic about our contribution and the good our work does in the world, it is because we are doing it altruistically.

This understanding of egoism and altruism is crucial to creating a new economy and society that will give us a just and sustainable abundance. It really is as simple as “when I am taking care of myself I am egotistically motivated. When I am taking care of, or providing for, other people, I am altruistically motivated, unless I am doing it for the money!” If I had an “unearned income” I could satisfy my needs and desires and I would voluntarily do all the things that satisfy my desire to make a meaningful contribution in my community.

Often the objection is raised that if people (not you) didn't have to earn their living, there would be nobody to do all the menial jobs that people only do for pay. Who would be a garbage man if they didn't need the money? Who will clean the toilets? This is one of those ready made concepts from the culture that just don't stand up to scrutiny. First off, in most households, most of the menial jobs are done voluntarily by the househusband and housewife. Those menial jobs that are done only for pay could be done voluntarily by people like your goodself because you see the need to do them and it serves the community; and because you would be free to design the work so that either it no longer needed to be done or became a fun and engaging thing to do. Why do we have garbage? If we were deliberating with our neighbors in a spirit of community we might very well decide to just eliminate garbage. Everything that is a byproduct of production that might become garbage, could be repurposed. If we understood money we could just issue or allocate the money to implement the plan we make to eliminate garbage. Now, there is a challenge worth taking on! And, by the way, in the town where I live the recycling center is staffed entirely by volunteers!<sup>4</sup>

## EXCHANGE Makes Both Parties to the Exchange Better Off

Conventional Economics concerns itself with the production, distribution and consumption of goods and services. Conventional economics assumes that money is a similar factor to everything else that makes up the economy and markets. There is a market for money (the banking system and stock markets) as well as for all the goods and services that

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<sup>4</sup> Google RSA Dan Pink Drive

we think of as the economy. However, in order to understand the special place that money has in the economy and society it is only necessary to recognize that everything moves from conception to production through distribution to consumption in a series of exchanges that are facilitated by money.

In every exchange facilitated with money, both parties to the exchange get what they want. One party gets a good or service and the other party gets money. When you provide a good or service think of the money that your customer, your client, or your employer, gives you, as a receipt for the value you provided. Then think of spending that money as giving a receipt to the vendor for the value provided to you. This way you will not think of the money as separate from the values it is representing. In every exchange the buyer is clear that the good or service is more valuable than the money and the seller is clear that the money is more valuable than the good or service. This is a characteristic of human nature that civilization is based on. It is the foundation of our prosperity. Just to be clear, if buying or selling something did not make you better off, would you do it? If buying something did not satisfy a need and make you better off would you buy it? If selling something did not make you better off would you sell it? So if both parties to the exchange are better off because of it, in the aggregate - with all the exchanges that take place everyday - we should all be increasingly better off. We can see the progress we are making in the aggregate, but the better off from exchange, or the profit from exchange, is not going to the vast majority of us. There must be some mechanism by which the better off is only benefitting the super wealthy powerful few at the top of the social hierarchy. This phenomenon is so crucial to understanding money that it bears looking at in detail.

First off we can recognize that exchange is the essence of economics. Everything that satisfies a material need moves from production through distribution to consumption in a series of exchanges that benefit both parties to the exchange. The closer to consumption, the more valuable the good or service is, and it is at its most valuable when it is bought by the consumer. With all the exchanges that take place in the economy every month it is obvious that we should all be increasingly better off. We can see this clearly in the accounting of the economy which shows the increase. The increase is not, however benefiting the people who make the exchanges. Society is structured so that the surplus (the better off) is automatically being transferred to the already wealthy, from the 99% to the 1%.

## Unit of Value and Means of Exchange



Each of the exchanges that make both parties to the exchange better off are based on the ability of money to be both a unit of value and a means of exchange.

The Unit of Value (what we use to measure value) makes everything with a price commensurate or comparable so that we can assess the relative value of all the things available in the economy. The Means of Exchange is a device we use to make use of the Unit of Value so that the values can be exchanged. This is analogous to the hour and minute, the units of time, which allows us to measure time, and the clock or watch that allows us to make use of the hours and minutes. When we have a clock our ability to measure time, to plan, assess our effectiveness and productivity, and keep agreements, is greatly enhanced. The unit of value and the unit of time are both measures, and as such they need to be universal. However, it would never dawn on us that there should only be one clock and watchmaker. While it is best that the unit of value be something that is universally recognized (like the dollar, which is the world's reserve currency) it is counterproductive for there to be only one tool for using the unit of value. We need many means of exchange, each of which has a unique advantage for society as a result of what it is issued for, what it enables its users to accomplish and how it is regulated. For example, we could authorize not for profit companies and agencies to issue a currency to their volunteers that they could use to pay government taxes and fees. We could issue a currency to represent the economic value of restored natural habitat and set an exchange rate with the trading currency to incentivise the desired outcome. Imagine that a company could earn more than it cost to mitigate any environmental damage it's activities caused. We could issue a currency to young people who volunteer for national service of some kind that they can spend when they retire. We could issue a currency for participation in the political process which could only be spent by not- for- profits we give it to.

Can you imagine using a watch that continually lost time (ran slow)? Why do we tolerate a means of exchange that constantly loses value (inflates)? We could do better and design a means of exchange that keeps its value, allowing for much better predictability in business planning, in retirement planning, in commerce generally. What if there were no need to produce a discounted cash flow, or calculate the net present value, just because the value of the means of exchange was constant?

A measure, even a measure of value, needs to be constant. If it fluctuates, it is not reliable. It used to be that a foot was as long as the King's foot. When a new king was crowned the measure "foot" changed to the length of the new King's foot. It wasn't until the 13th century that a more reliable standard was set. It may seem as though inflation and

deflation are inevitable, but they are not. They are a result of the fluctuating amount of money the banking system makes available.

## An accurate, reliable, Unit of Value

To keep the value of money constant three things need to be kept in balance. They are: the money stock, the rate of circulation, and the savings rate. The money stock is the amount of money issued and circulating. The number of transactions that the money stock facilitates over time is the circulation rate, also called the velocity of money, and the savings rate is the amount of money stock that is not circulating, but just storing value. These three factors kept in balance would allow us to keep the value of the means of exchange constant. If the money stock increases without it representing new value (too much money chasing too few goods) we get inflation. If the money stock is reduced we get recession and deflation. Or if the savings rate goes down there may be too much money circulating and we would get inflation. As an example, let us look at the housing bubble that burst in 2008. The too big to fail banks made it easier for people to borrow money for a mortgage, as in the Ninja loans they were making, that created the housing bubble. A NINJA loan is made to an enterprising fellow with **No Income, No Job** and no **Assets** so he can buy a house to sell again in a rising market. The market is rising in large measure because of all the NINJA loans (also called liar loans) the banks were making. This increased the money stock beyond what is reasonable, which would normally create inflation across the board, but didn't, because the inflation was mostly restricted to the housing market (rising house prices). When the bubble burst, the banks stopped lending, thus reducing the money stock so that there was not enough money stock circulating to make all the transactions possible that were possible before the shrinkage in the money stock. The money supply (money stock) shrank by about a third and the worst recession since the great depression set in. Because the rate of circulation also slowed, it was possible for the Fed to issue trillions of dollars (money stock) to put on the bank's balance sheets without it creating inflation. Another example is the increase in the savings rate, which also happened with the biggest companies having huge "cash balances" and that also reduced the amount of money circulating. The circulation rate slowed and the savings rate increased and so an increase in the money stock was needed. Now you know why the Trillions the Federal Reserve issued did not cause hyperinflation.

To follow this further, let us imagine that the banks were not all powerful and did not control Congress, and the President and Congress decided to

nationalize the banks that behaved badly. Instead of socializing the banks losses, imagine they socialized the assets! Imagine what would have happened if the too big to fail banks had been bankrupted and became public banks, owned by the United States, to provide banking services to the Government and the people. Imagine they were then staffed by bankers from the banks that behaved well, and that they used this understanding of money to regulate the money supply. What would happen if there was always the right amount of money to properly represent the values being created and distributed in the economy? There would be no inflation, no recessions or deflation, no bubbles and no busts. We would have a measure of value that was a real constant.

How long did it take for the technology to develop to perfect the watch? How long have we had Atomic Clocks which keep just about perfect time? Do we have the technology to perfect the regulation of the money supply? We certainly do. Now we just need the political will to break the stranglehold the banks have on our government and economy.

## Banks Issue our Money as an Interest Bearing Debt to Themselves.

That banks issue our money as an interest bearing debt to themselves is known as the banking secret. It is an open secret, and it is a very carefully guarded secret. It is so secret that most bank managers are unaware of it. It is easy to see why it is necessary to keep it a secret. Can you imagine anyone agreeing to have our money - what we have to use in order to live - being issued by a privately owned company to benefit its owners? No wonder there would be a revolution before tomorrow morning if this were generally known.

Rather than quoting scholarly works from the Federal Reserve System or the Bank of England<sup>5</sup> let us see if we can discover this just by reflecting on our experience of banking. We will need to resist all the ready made concepts from the culture that obfuscate the matter, such as the idea that we deposit money in a bank. We will learn about the difference between cash and checkbook money, we will learn about promissory notes, mortgages, interest rates, usury, bank credit, collateral, amortization schedules, assets, liabilities and capital. We will learn about a demand loan and about the payment system and check clearing and about "Fractional Reserve Banking". We will come to see why the only possible explanation for what we experience is that banks monetize our credit for

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<sup>5</sup><https://www.theguardian.com/commentisfree/2014/mar/18/truth-money-iou-bank-of-engl-and-austerity> and <http://www.rayservers.com/images/ModernMoneyMechanics.pdf>

their benefit. This is the other crucial piece to understand if we are to create together a Just and Sustainable Abundance. Therefore, if you do not understand and agree with every step please email me so we can address your concern. Any doubt about where the money we use comes from and there will be doubt about whether we can do the same thing that banks do, but for our benefit. When we understand money we will issue the money to benefit all of us, we, the people.

Let us begin this investigation with a \$100 bill. On it is written: "Federal Reserve Note" and "This Note is Legal Tender for all Debts Public and Private". A court of law will consider any debt as settled if it is paid with legal tender. That is what is meant by legal tender. When we think of money we think of cash, notes, and coins, the form of money we are most familiar with from childhood. So let us begin this investigation with cash. Imagine you open a birthday card from one of your grown children and enclosed is a \$100 bill. Since it is money in the form we are most familiar with, we can spend it and no one will know where we got it unless we tell them. Because of this, the person accepting it will test it to see if it is counterfeit, but generally speaking, the best form of money is cash. If it were a check for \$100 and you cashed it, the bank will want to know that your child is good for it and will put a hold on it, or if not, use your savings account balance as collateral, until the check clears. As it happens, you prefer not to carry cash, it is hard to get change for a \$100 bill, \$20's are too easily spent, cash can easily be stolen, or you might lose it. Since you would rather use your debit card you go to the bank to deposit it, together with the checks you also got for your birthday.

Now we will observe very carefully what happens at the bank. You hand the "deposit" slip with the cash (\$100 bill) and the checks to the teller. The teller checks your math, puts the \$100 bill in the cash drawer and the checks in a slot. You get a receipt that shows your bank account balance went up by the amount of the "deposit". You know from experience that the checks will get cleared, that the bank will put the checks into the check clearing system and the bank against which they were drawn will deduct the amount from the account that issued the check. But what happens to the cash? The teller puts the cash into the cash drawer. It is now the bank's \$100. If it were your money in the bank you could tell the bank what to do with it, but you don't and can't. From the cash drawer it will go to the vault and also onto the bank's balance sheet as an asset of the bank. Is there another possibility? Does the bank deposit the \$100 bill in a box with your name on it? Is it still your \$100 bill and the bank is keeping it safe for you? That may be what you think is happening, but is it? So, if it is not your hundred dollar bill anymore and it belongs to the bank what did the bank put in your bank account? What happens when you go to the ATM and use your debit card to "withdraw" \$100? Can you

withdraw a \$100 bill or do you have to take 20's? So it is definitely the bank's \$100 you are getting and not your \$100 that you "deposited", and your bank account goes down by \$100. This is very important because with cash the terms deposit and withdrawal may be deceptive, but it is easy to imagine that is what happens. It appears that you deposit money and you withdraw money.

What actually happens when the cash you are "depositing" goes into the cash drawer and becomes the property of the bank? What does the bank put in your bank account? It increases the amount in your bank account, but what is it? It is not cash, the cash is in the drawer and belongs to the bank, it is an asset of the bank. Yes, the only thing that the bank can put in your bank account is what it owes you. The bank owes you \$100 and your bank balance went up by \$100, which is the amount the bank owes you, its liability. So you actually lent the bank \$100 when you did what you thought was depositing a \$100 bill. It is a demand loan. A demand loan is a loan that must be repaid when you demand it. You demand it when you write a check, or when you swipe your card. You are presenting a demand to the bank and the terms of the loan you made are that the bank has to pay when you demand it. Therefore when you do what you think of as depositing money in your bank account you are actually lending money to the bank, you are making a demand loan to the bank. So far, no problem. Of what consequence is it if you lend money to the bank or if you deposit money in the bank. No big deal, right?

Before we get to why it is a big deal let us look at the difference between the checks and the cash. The cash you lent the bank belongs to the bank, and the money in your account is what the bank owes you. Do the checks you "deposited" belong to the bank? Let us reflect on that for a moment. The cash belongs to the bank, but do the checks? Can the bank spend the cash? Certainly the cash belongs to the bank. If you have cash you can spend it, if the bank has cash it can spend it. If you lend someone a \$100 bill they can spend it. The \$100 they pay you back, according to the terms of the loan, will not be the \$100 bill you lent. Let us hope that when you lend them your car they return your car not some other car. The point is that the money is not a thing, even though the \$100 bill is a thing, it is still only a representation of value. Any bill of the same denomination is as good as any other. Can the bank spend the checks? What are the checks? They are all a written instruction to the banking system to settle an account, what you owe, a debt. Who do the checks belong to? It used to be that you got the checks back in your bank statement every month, which makes it clear that they are yours. Then you only got pictures of the checks, and now you likely hardly ever use checks. Most of us don't get paper statements and we rely totally on our bank to faithfully carry out our instructions. And it does. Banks faithfully carry out the instructions we

give them with checks and swipes. When I buy something my bank account goes down. So the money in my bank account is what the bank owes me. If we look at this represented as accounting it will be very clear what is happening.

<b>YOUR BANK</b>	Asset	Liability
Cash	100	
Your account at the bank		100
Net is zero		

What it looks like in <b>your</b> accounts	Asset	Liability
Bank Balance (Demand loan to bank)	100	
Net is \$100		

Does check clearing show up on the bank's balance sheet? Does the bank ever take possession of the money the checks represent? Does the bank charge a fee for check clearing? Do you have a no fee bank account? Do you have a NOW Account and receive a tiny bit of interest on your average daily balance? Why is there a time lag between when you deposit a check and when your bank account balance goes up? So check clearing, what the banks do totally reliably, earns the bank some fees. It is a service the banks provide on which our entire economy is based. Except, of course, for the under the table cash economy!

The money in all those bank accounts is "money in the bank" not cash, often called checkbook money, and it does not belong to the bank, it is what the banking system owes its customers.

## Why it Matters.

The first thing to do is understand how our experience of lending is different from what the banks do. This is important because the success of the banking secret is based on our experience of lending. Let us

imagine a typical scenario, something that most of us have done at some point in our life. Your son has graduated from college and he has secured a job and made a budget based on his salary. Since he is savvy, he discovers that if he buys a car with a bank loan for the entire cost of the car he will pay a higher interest rate than he will if he makes a substantial down payment. The car he wants to buy costs \$25,000 and if he makes a down payment of \$5,000 and only borrows \$20,000 he gets a better rate. So he asks you to lend him \$5,000 on the same terms as the bank loan, and you do your due diligence just as the bank does. You look at his budget and his calculations and decide he is creditworthy and you lend him the \$5,000 from your retirement savings because the bank rate he will pay you is higher than the return on the CD you are cashing out to lend him. Like the bank does, you ask him to sign a promissory note, a simple one, unlike the bank's promissory note, that lays out the terms, which are the principal amount of \$5,000, the interest rate, the number of months and the monthly payment consisting of interest and principal. You used the  $PMT(\text{rate, term, -PV,})$  formula in your spreadsheet to calculate the payment. You are better off because you are getting a better rate than the bank paid, and your son is better off because he is paying less than he would without the down payment because of the reduced interest rate. Your son makes regular payments and you deposit them in your savings account. All is good until he has an accident that is his fault. The damage is cosmetic and so, instead of using the insurance payment to fix the car, he spends it on something else, promising himself that he will fix the car himself. However, before he is able to fix the car, the company he works for goes bankrupt and he loses his job. The company went bankrupt because it's bank did not provide it with a credit line (enough money) to tide it over the recession, and because of the recession he can't get another job that pays any where near what he had been making. Pretty soon he can't make the payments on the car and when he sells it to downsize and get a cheaper car he only gets enough money to pay off the bank loan, which he knows he has to do to preserve his creditworthiness. He can't keep making the payment to you and get another car and so he asks you to let him postpone making payments until he is in better shape financially. Instead of making his life significantly harder by insisting that he stick with the terms of the promissory note, as the bank would have done, you agree.

This story makes three points. Borrowing money is necessary to live the life you expect to be able to live. Banks are not in the least bit interested in the circumstances that lead to your not being able to pay: You owe the money regardless of what happens in your life, even though you lost your job because of the banking system. And because you are a human being and not a bank, you are interested in the circumstances that lead to your

son not being able to fulfill the terms of the loan and you agree to postpone the repayment of the loan.

Many years later, your son has paid you back and is married (you helped pay for the wedding, as did his wife's parents) and the newlyweds want to buy a house! Same realization about down payments and interest rates, but this time he needs \$50,000. Same considerations, the budget with their combined income supports them buying a \$200,000 house and if they only borrow \$150,000 the interest rate is significantly lower and so you agree to a similar deal, except that the term you give him is 15 years not 30 as the bank mortgage is. You are both better off with the terms you agree because you have \$50,000 from your retirement savings to lend him, and you will get a better return than you were getting from the tax free bonds the \$50,000 was invested in, and the 180 months is only two years after you plan to retire anyway. You do not take out a second mortgage on the house but you do go through the ceremony of signing the promissory note you had your lawyer draw up and you have it notarized.

The point here is that in order for your son to buy a house he has to borrow, and the bank secures the debt with a mortgage. The bank keeps the title to the house, it won't actually be his house for 30 years. You, on the other hand, are interested in helping out your son, but you really can't afford to lose the \$50,000 so the terms of the loan specify that you get paid if the house is sold. You know what you did to have the \$50,000, you know why you want to help out your son and you feel good about the deal you made.

So you lend money you earned because you believe in the purpose it is serving. This is key to understanding why, when we, the people, are the bank everything will be the same but fundamentally different. The People's Bank will always be interested in the circumstances of the people it invests in, it will only invest in purposes that the people agree are good and it will always return the profits to the people. The People's Bank will have the same considerations that you do!

Now we are ready to look at what happens when we borrow from the bank. Now we get to peer inside the banking secret and discover why money is scarce, the environment is being degraded, there are wars and poverty. And we will see why all of it is due to not understanding money and the banking secret.

Your son has gone to various banks and credit unions to see what the best terms he can get will be. The local credit union is promoting a first time buyers rate, and he and the bank manager agree that his credit is good for a \$150,000 loan at 5% which, because he is planning to buy a



\$200,000 house is 1% lower than if he were only putting the usual 1% to 10% down. This is before the housing bubble that crashed in 2008 and 6% is a typical rate for the period after WWII until around 2008, when the big banks and the mortgage companies engineered the housing bubble.

Appendix Two has more on that.

Your son and his wife find the perfect house which is advertised at \$225,000 and make an offer of \$200,000 which the sellers accept because, they say, they like the couple and understand that they can't pay more than \$200,000. Also, the front and back yards are rather unkempt and the house has been on the market for more than three months. The home inspection doesn't turn up anything problematic, the title search checks out. The date for the closing is set and here is what happens.

Present are the bank manager, the lawyer for the bank, your son and his wife and their lawyer the seller's lawyer and the real estate broker.

After the introductions are made the signing ceremony begins. Your son is presented with the promissory note for \$152,000 (which includes the points and title insurance). He has started to read the promissory note, but gets bored and because he knows he can't change it, and because his lawyer assures him that it is the standard agreement that banks use, he signs it. His wife signs it as well knowing she must. They also sign the mortgage. The bank manager takes the signed documents and leaves the room and returns after a while with copies of the documents and bank checks. Your son writes a check for \$50,000 out of his checking account where he parked the loan he got from you, after your more private signing ceremony a few days before, and gives it to the sellers lawyer.

The bank manager gives a bank check to the sellers lawyer for \$138,000, and a check to the Real Estate Broker for \$12,000 and then each person gets a copy of the statement of the bank showing the various amounts paid to each party.. Your son is mildly surprised that the amount he is borrowing is increased by the amount of the points and the title insurance, but he accepts it because it is better than coming up with \$2,000 that he isn't borrowing. The real estate broker got \$12,000 from the seller, because the realtor represented the seller not the buyer. so the seller got 188,000 and your son owes the bank \$152,000 which comes to \$819.97 a month for 30 years and the \$50,000 from you costs \$395.40 a month for a total of \$1,211.37 per month for 15 years and then \$819.97 for another 15 years.

Before everyone leaves your son holds up the amortization schedule which shows that the bank will get its money, the interest, up front

because the payments are mostly interest for the first fifteen years at least. He asks: “What did the bank do to deserve that I pay for a house for them, before I can pay for the house for myself”? Everyone is a bit taken aback by the question and among the answers that he gets are “that is what banks do, they lend the money you need on terms that are good for them” and “if you could get the money some other way you wouldn’t have to borrow from the bank.” And “banks are regulated so that they manage the money for the greater good of all.” But, everyone does agree that it is either outrageous or just remarkable that the banks have so much power they can make such a deal seem reasonable.

So what actually happened when the banker left the room with the signed Promissory Note and the signed mortgage? Where did the bank get the \$152,000 against which they wrote the checks the manager handed out when he came back to the room?

This is one of those moments when it is really important to notice the various ready made ideas from the culture that arise. Banks are intermediaries, people deposit money and the bank lends it out as described in “It’s a Wonderful Life” (the movie). Banks only have to have a fractional reserve to be able to lend money. The loans are backed by the bank’s capital. Banks take the risk on behalf of their depositors. There is a loan loss reserve so the bank can keep going even if there are losses; etc.

So where did the bank get the money it “lends” you? The simple answer is that the bank got the money from you. That may seem preposterous, but it is the simple truth. You gave the bank something that is as good as cash. You gave the bank your promise to pay. They investigated you and your creditworthiness before they gave you their commitment letter; they know exactly how much risk they are taking. You gave the bank a promise to pay that they know you are good for. You provide the value. The accounting looks like this:

<b>YOUR BANK</b>	<b>ASSETS</b>	<b>LIABILITIES</b>
PROMISSORY NOTE (deceptively called Loans)	\$152,000	
DEPOSIT (demand loan issued by the bank)		\$152,000
You provided the asset, the bank “lends” you what it owes you, its liability or Bank Credit. The bank monetized your credit and the interest it will receive from you is Income on its Profit and Loss Statement.		

What it looks like in your accounts

<b>YOUR BALANCE SHEET</b>	<b>ASSETS</b>	<b>LIABILITIES</b>
DEPOSIT (Bank Credit, what the bank owes you)	\$152,000	
MORTGAGE FROM THE BANK		\$152,000
Plus you owe over \$143,000 in interest		\$143,000
Total you owe		\$295,000

Now, because the magnitude of the deception is difficult to grasp, here are a few considerations for you. Is the promissory note you gave the bank as good as cash? Can the bank sell the promissory note for cash? If you know that it can, and most large banks do, then the balance sheet looks the same as the earlier one when you deposited cash! Your promissory note is as good as cash.

There are many more considerations. If you think that the bank has money to lend in the same way as you or I would lend money, then there isn't anything particularly wrong with this situation. If I am lending money that represents real value, such as work done, products sold, services rendered, because I haven't spent it, but saved it, it is easy to agree that I deserve compensation for making it available to a borrower. This is the rationale for lending. I get a return (interest) from the use of my money, money that represents real value.

When we make an agreement or contract with someone that involves a good or service on one hand and money on the other we call the money "consideration". In consideration for the money from you (which is a receipt for the value of goods and services already rendered), I agree to provide a good or service. This is an enforceable contract. However, the bank has not met that requirement. It is not offering money representing real value, it is offering its credit, what it creates out of the very specially privileged situation the banking system has arranged for itself by manipulating the legal system to ignore the issue of consideration. There is no consideration when the bank provides its credit instead of money, credit that it creates as an accounting entry on its books.<sup>6</sup>

Is there somewhere else that the bank could have gotten the money? What about all those ideas that come from the popular culture about banks being intermediaries, etc.? If the bank lent its depositors money in the way that we lend our money, then it would have to tell its depositors

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<sup>6</sup> [http://educationcenter2000.com/legal/credit\\_river\\_decision.htm](http://educationcenter2000.com/legal/credit_river_decision.htm) See also the Wikipedia article on the Credit River Decision to understand how the system works.

that they may not withdraw their money until it is paid back. Did you ever get a notice from the bank that it had lent the money in your bank account to someone, and therefore you may not withdraw it until it is paid back? So, obviously that is not where the bank got the money it lends you. Could the money it lends you have come from the capital of the bank, the money that belongs to the bank? Wouldn't that require that the banks have as much capital as there are loans outstanding? Is that possible, given what you know about how the world works? Bank regulators do require banks have a capital reserve, but it is a small fraction of the banks liabilities, the Fractional Reserve. That is the proof that the bank lent you what it owes you. Banking law allows a bank to create as much credit as the fractional reserve the Federal Reserve allows. Typically the Fractional Reserve is 10%, which means that for every \$100 in deposits (demand loans) the bank has as an average daily balance, it can create its own credit up to \$900, i.e. 10% is the reserve, and pretend its credit is real money and "lend" it out at interest.

What is most amazing in all of this is that the managers of banks don't understand this. When I was testifying before the Commission to Study the Feasibility of a Public Bank for Massachusetts I explained how banking works to the commissioners. The President of a Coop Bank said: "Wow, that explains a lot!" And the President of a mutual bank said: "That is not true, I know I lend my depositors money, I do it everyday! So I asked her: "Do you tell your depositors that they can't withdraw their money until the people you lent it to pay it back? And she said: "No, that is not how banking works!" Exactly.

There is another industry that manages money on behalf of the public, that is also regulated, and that also lends money, but in the way that we think of when we think of lending. The Insurance Industry receives money representing real value in the form of premiums from its customers and it lends those premiums out to very reliable corporate borrowers on terms that will assure that its income from loan payments plus interest will be sufficient to pay out all the insurance claims. Insurance companies do not create money the way banks do, they lend money representing real value. You do not get to "withdraw" your premiums. With a Whole Life Insurance policy you can borrow from the cash value, and to the extent that you don't pay it back it reduces the face value of the policy.

The banking secret is based on so many things that are hard to grasp that obfuscating what is really happening is easy when you control the legislatures that make the banking laws. It is a magician's trick. Look over here (at the regulations) while I do the deception over here where you are not looking.

And by the way, are there other ways in which money is issued? What about the United States Constitution that says Congress “shall have the power to coin money and regulate the value thereof and of foreign coin and fix the standard of weights and measures.” What happened to that? Congress issues the coins debt and interest free, as real money, but Congress passed legislation it obviously did not understand, under false pretenses, that established the Federal Reserve System which issues “money” as debt to the government and we the people.

To summarize this last piece. When a bank does what you think of as lending, there is no consideration, something of equal value, namely money that represents real value, which the bank provides. So you promise to pay, and the bank promises to pay. You actually pay real money over time and the bank doesn't pay real money, because it can just create its credit and act as though it were real money representing real value, and yet it will get payments of principal and interest that represent real value. The money you pay to the bank represents the value of the goods and services in demand in the economy that you provide! You have been tricked by ignorance into providing a substantial portion of your productive capacity to benefit a privately owned company that appropriates your labor for its benefit. If this is not clear, here is a proposition for you:

Pay me the value of two actual houses and I'll owe you the money for one house.

This only works when a bank does it because you do not realize that what the bank lent you is what it owes you, and the bank can never actually pay you. Only you can create value, and when you buy a house you create enough value over time to pay for two houses!

And finally, the problem is not monetizing our credit. Issuing money to represent our potential to create value is exactly what is needed. The problem is who is doing it, that it is done as an interest bearing loan and that it particularly benefits only a very few people and not all the people. This will become entirely clear as we progress through the banking secret. Please be patient.

**Banks Issue Only the Principal of “Loans” the Interest Has to Come from New “Loans”**

Now we get to the overall banking system. This is really hard to grasp, but if you are willing to suspend disbelief and just consider the evidence, it does become clear.

As we saw with cash and as we saw with the Promissory Note, banks issue what we think of as money, as what they call a deposit, but it is really their liability, what they owe, bank credit. So, if the Asset Cash or the Asset Promissory Note (called a loan) is reduced, either by withdrawing cash or making a principal payment on a loan, then what the bank owes, bank credit or what the bank calls a deposit, has to go down as well. This is clear when you withdraw cash. The cash you “deposited” (the demand loan) is an Asset of the bank and your bank account is a Liability. So when you withdraw cash, the Asset is reduced, and the Liability is reduced. The bank’s Asset Cash is reduced, you got the cash that was the asset, and therefore the bank’s Liability, the bank credit in your account, goes down as well. It does appear as though the cash came out of your bank account, so you think nothing of it. You deposited money and you withdraw money. That experience is the basis for the banking secret.

Now, what happens when you make a principal payment on the so called loan you got from the bank? Well the value, the promissory note, is an Asset of the bank just like the cash, and the bank credit (what the bank owes) that you used to pay for the house, is a liability of the bank, so when you make a principal payment the asset of the bank goes down and the liability of the bank goes down. What you experience is that what you owe the bank and what is in your bank account go down by the amount of the principal payment. The significance of this is completely hidden. A hypothetical will help make it clear.

What would happen if everyone paid off the principal amount of their loans? What we think of as money is issued by banks as the principal of so called loans. What we think of as money is really the liability of the bank that corresponds to the asset of the bank the borrowers provided with their promises to pay. Therefore, every principal payment reduces the liability of the bank, which is what we think is money. Therefore if everyone paid off their loans there would be no money in bank accounts, only cash and coins would be left as money! Why? Because the promises to pay and the bank credit in the banking system, go down together with every payment. “Pay off” the principal of the loans and the money is “paid off” as well, reduced by the same amount. And we would all still owe the interest but there would not be enough cash and coins to pay the interest.

If every principal payment reduces the amount of money available in the banking system and the money to pay the interest was never created, because only the principal is put in your bank account when you “borrow”, and the only other way that money comes into circulation is coins, and coins are a tiny percentage of the money supply, and since the cash is Federal Reserve Notes, also issued as the principal of a loan (but no interest) then there can never be enough money in the system to pay both the principal and the interest. That is, unless there is a debt that never gets paid off. In other words, if there is the principal of a loan that is never reduced, against which no payments are ever made, a debt that only gets larger and larger, then there could be enough money in the system to pay the interest. It would have to be a really big promise to pay, big enough to cover the need for money to pay the interest that was never created.

Is there such a debt? A debt that hasn't been paid down since the Presidency of Andrew Jackson? A debt that Congress has to vote to increase? A debt that is used as an excuse for austerity measures? A debt that we are all on the hook for? Yup, that's right. The National Debt cannot be paid down, ever, because then there would not be enough money in circulation so that we, the people, can continue to pay interest to the owners of the banks.

## Interest Automatically Transfers the Wealth from Us to the Owners of the Banks.

Most of us pay more interest than we receive. A very few receive more interest than they pay. Therefore, the fact that the banks issue what we have to use as money to live, as an interest bearing debt to themselves, the system is automatically, inexorably, continuously, transferring the wealth we all create together from those of us who pay more interest than we receive to those who receive more interest than they pay. That is the unvarnished truth. The way the banking system is designed, increasing wealth discrepancy is automatic. The wealth discrepancy is so great that it is obvious that we, the people, are in no position to compete with the super wealthy when it comes to influencing our governments. The Government is bought and paid for by the already wealthy.

There are numerous other problems in the economy and society that are caused by interest. Because the interest is not created, only the principal of what we call a bank loan is created on the books of the bank, there is never enough money available for everyone to make the payments. Interest generates competition. Everyone is competing in the economy to come up with the money there isn't enough of, to pay the interest. This is

the cause of the competition. Think about it differently than we normally do and it becomes clear. We are all competing for money, using goods and services to acquire money. The popular culture, the media, the educational system are controlled to the extent that they promote the neo darwinian theory of evolution which is based on the idea that competition is the natural state of affairs, and therefore we do not attribute the competition to money being scarce. Evolutionary biologists know that their neo darwinism is an unproven hypothesis. But what they do not admit is that the other scientific disciplines have disproven all the science the hypothesis is based on. Evolutionary biology is, however, an important explanation for why there is competition, that competition is natural, and so we accept it. If we knew that nature is entirely symbiotic, cooperative, mutually interdependent, balanced and resilient, we would wonder what was causing the competition in society. The premise that we are all familiar with, Survival of the Fittest, is logical nonsense. It is a tautology. If Logic, Grammar and Rhetoric had not been removed from the curriculum, we would all recognize this. Who survives? The Fittest survive! How do you know they are the Fittest? They survived! Rather than go into all the evidence here, you can read about it on the web<sup>7</sup>. There is a similar situation with Economics, which is known as the dismal science. If Economics were a real social science rather than an ideology, I would not need to write this book!

Another problem is that the bank loan is approved for a specific purpose, such as expanding a business, buying a car or buying a house, for which there is adequate collateral. The borrower has the expectation that the circumstances in which they live will continue, and the loan payments will be reasonable expenses. The house and car are both part of the status of each of us and our sense of worth may be bound up in our social status. However, the loan is due and payable regardless of what happens either to the thing or to the person. Even if the small business goes out of business the business loan will be due and payable because the owner personally guaranteed it; and the mortgage and home improvement loan will be due and payable, even though the business or job that supported it is no longer there. What will happen if my business (or the business I work for) fails; or my child is sick and I have to choose between medical bills and mortgage payments; or I am in an accident and can't work. This is what generates the underlying fear that we have to do all the things that the society requires of us, no matter how distasteful, harmful, immoral, or even illegal, they may be.

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<sup>7</sup> [https://evolutionnews.org/2014/10/nature\\_admits\\_s/](https://evolutionnews.org/2014/10/nature_admits_s/) and <https://www.allaboutscience.org/intelligent-design-vs-evolution.htm> and also Darwin Retried: An Appeal to Reason by Norman Macbeth,



Debt, along with wages, are the hidden or unquestioned control mechanism. We are debt and wage slaves, and if we are not then we either have unearned income or we are living very primitively. To understand this better consider what is involved in order to have slaves who do what you want. First off slaves must be very afraid of you and the community that enslaves them, but they will always be thinking about escaping. You are responsible for feeding, clothing, housing, training, disciplining, etc. your slaves. It may be profitable to have slaves but, slavery ended when it became apparent that the owner of a business could get done all that was needed, profitably, with debt and wages, instead of slaves. Your employees have to do what you hire them to do, and they have to feed, clothe, house, train and discipline themselves, and in order to have what they feel they need, they have to borrow, and in order to keep making the loan payments they have to comply with all the requirements of the economy and society in which they find themselves. And, although they may curse their job, it does not occur to them to want to escape, just maybe get a different job, or the same job, but for a more beneficent owner. That is right, debt and wage slavery is the basic control mechanism that keeps us from living the lives we know in our hearts are our real birthright.

Another problem is that since all our money is issued as debt, the money supply can be expanded or contracted by changing the requirements for borrowing. If you lower interest rates, or give liars loans, more people will borrow and the money supply will expand and with it the economy, and people will feel prosperous. But, then tighten the requirements for borrowing and less people will borrow and the money supply will contract, and with it the economy. Businesses will fail and people will be out of work, houses will be foreclosed and, well, you know the story<sup>8</sup>.

Because all our money is issued as debt and borrowing from the bank is the most straightforward way to get money, it may be obvious that the criteria banks use for lending, will play the most significant role in how the economy develops. If banks will lend only against good collateral to people with a great credit score, then complying is necessary to live as one expects to be able to. That is just the way it is. As the saying goes, capitalism is a lousy system, but it is better than any of the alternatives. However, that is not true. We do not know about the alternatives because the capitalist system has concentrated the wealth in the hands of the owners of the banks and they control the media, the educational system and the governments so that we are continually receiving the message that we must comply or be miserable.

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<sup>8</sup> <https://www.youtube.com/watch?v=idDJfvyIN-E> Also Babylon's Banksters by Joseph P Farrell explains how far back in history the banking deception goes.

You may recall that at the beginning of this essay I pointed out that the primary tool the sovereign uses to create the conditions in which the people live is money creation. Now you are in a position to appreciate that the owners of the banking system are the true, if hidden, sovereign. We pay them tribute with every “loan” we take out from a bank.

## Our Ideals and Human Nature

We can build up an understanding of the alternatives from first principles. The subtitle of this essay names the ideals we are inspired to manifest. Each of the ideals is a result of an understanding of human nature. *Life, Liberty and the Pursuit of Happiness*, are the inalienable rights that citizens organize a government to protect.

*Life* has to do with all the aspects of our physical well-being, including security and access to the resources needed to maintain life, such as water, food, clothes, housing, medical care, etc.

*Liberty* has to do with that aspect of human nature which expresses itself in being responsible for oneself, the ability to act autonomously. The choices that one makes create the conditions of one’s life and one must therefore be in a position to make those choices with as few constraints as possible. Freedom or Liberty and sense of self, or sovereignty, are intimately bound up. Even if we are in prison our sense of self, our spiritual identity, our sovereignty, can enable us to choose to create tolerable conditions for ourselves, even if we can only change how we think about our circumstances.

The phrase, ‘*pursuit of happiness*’ has an interesting history in that the earlier version of inalienable rights were Life, Liberty and Property. Jefferson and Franklin were agreed that the Government had a greater obligation than the protection of property rights and that the pursuit of happiness included property as in the Virginia Declaration of Rights:

“That all men are by nature equally free and independent and have certain inherent rights, of which, when they enter into a state of society, they cannot, by any compact, deprive or divest their posterity; namely, the enjoyment of life and liberty, with the means of acquiring and possessing property, and pursuing and obtaining happiness and safety.”

The Wikipedia article on Life, Liberty and the Pursuit of Happiness is very useful. For the purpose of this essay, suffice it to say that there are many things that make us happy, but the only really substantial source of

happiness is knowing that one is accomplishing one's life purpose, the transcendent purpose one feels called to serve.

The people together create a government that secures the conditions for Life, respects the Liberty of the individuals to do whatever they feel called to do, as long as it respects the rights of everyone else, and that leads to Happiness. To promote the conditions in which everyone can be happy must mean that everyone has what they need in order to pursue the transcendent purpose that makes them happy! The culture obscures this by talking about equal opportunity, but, as you know, that means the ability to be a better debt and wage slave and succeed in the competition for scarce money.

We could make the meaning of the phrase Life, Liberty and the Pursuit of Happiness real. If we understood money, we could decide, as a society, to issue money to every citizen at the beginning of the month, so that everyone can buy what the economy produces to secure their life. With their life secured by right, they are at liberty to pursue their purpose in life and fulfilling one's life purpose is what makes one happy.<sup>9</sup>

*Liberty, Equality and Fraternity*, which was the rallying cry of the French Revolution can be confusing because it seems that the ideals are contradictory. I like the order that they are in for understanding them. When I am *free* I am responsible for myself and able to make choices to create a satisfying and happy life. I will recognize the inherent *equality* of each of my fellow citizens and give them equal rights and the opportunity to create their satisfying life. Free and equal individuals do this through cooperation and building community together. *Solidarity and Community*,<sup>10</sup> the sense of belonging and of mutual aid and voluntarily giving of one's possessions or one's time and energy is a major source of happiness in our lives. "Practice random acts of kindness and senseless acts of beauty" expresses the urge to create community. All forms of cooperation, as in cooperatives, for example, are also how the urge to fraternity is expressed.

With Life, Liberty and the Pursuit of Happiness and Freedom, Equality and Brotherhood as our ideals we should be able to create a *government of the people, by the people and for the people!* This is the ideal that makes the Gettysburg Address so memorable. It is a summation of the American experiment. The assumption, of course, is that the people are sovereign, that the people have the same power to create the conditions in which

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<sup>9</sup> Check out the Social Credit movement which would monetize the surplus from exchange to give everyone the social dividend the economy generates. It is an objective number, very similar to a corporate dividend.

<sup>10</sup> What we used to call Brotherhood, but which is now politically incorrect.

they live as the King of England had when they were colonies and possessions of the King. What is particularly interesting about this phrase is that Lincoln refused to borrow the money needed to pursue the war from the New York bankers, so he issued Greenbacks, directly, as legal tender, to pay for the war. This money creation power was instrumental in Lincoln's confidence in the ability of the American people to govern themselves<sup>11</sup>.

Now we get to the ideal of the communist revolution, an ideal which resonated all around the world and formed the basis for the sense of solidarity of the working class people. *To each according to their need* is a protest against the injustice of the income inequality that deprives the poor of the basics needed to live a dignified life, and *from each according to their ability* is the way to be responsible for oneself and care for one's brothers and sisters in your community. What is so interesting about this ideal is how thoroughly trashed it is by the excesses of the Communist Parties, especially in the Soviet Union and China. *To each according to their need* is how we express our concern for and interconnectedness with each other, we all want to make sure that we each have what we need to live life in a dignified fashion. We can redeem this worthy ideal when we make it clear that *each according to their ability* is an entirely voluntary activity based on inspiration, with the freedom to act autonomously.

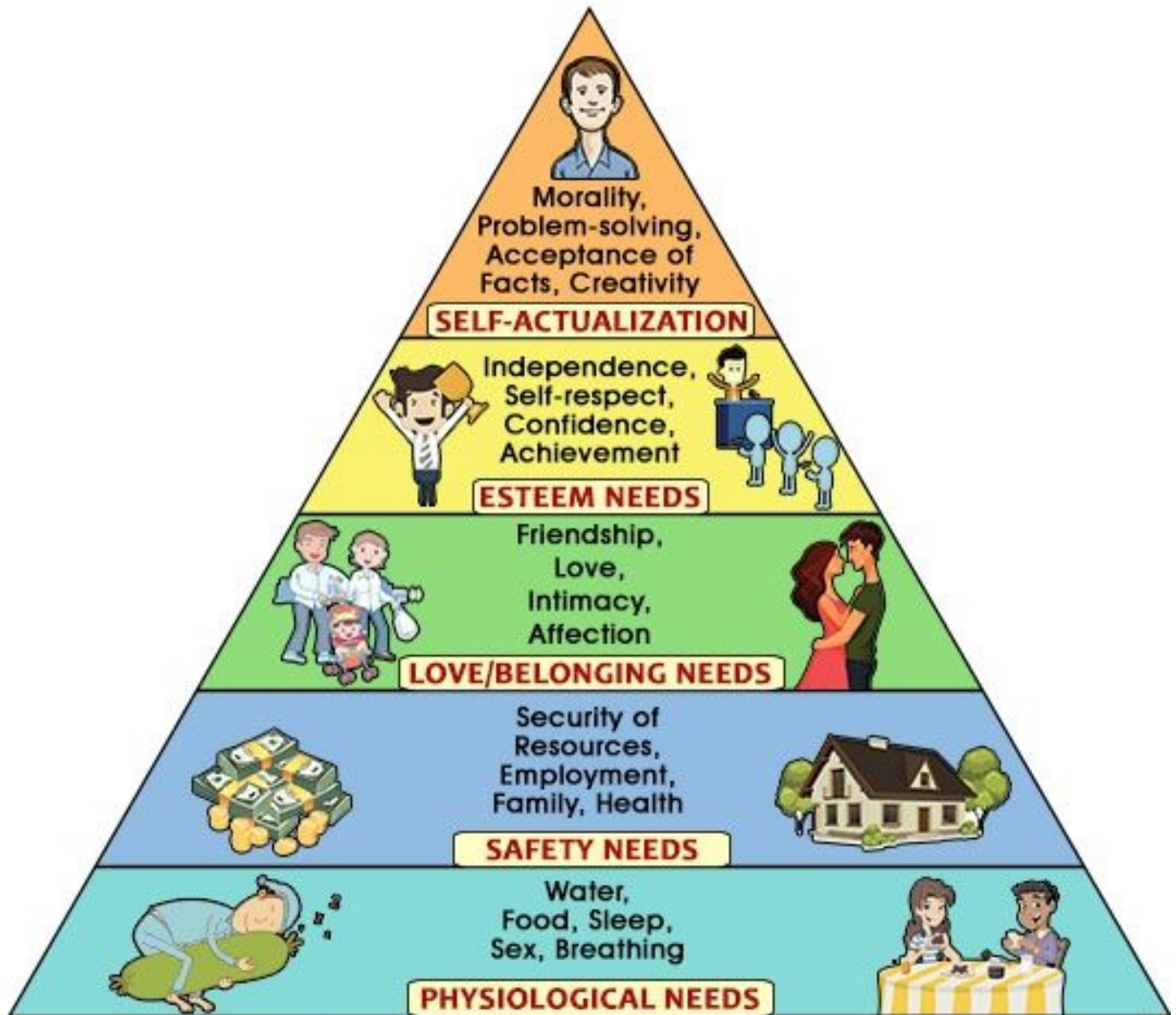
When these ideals are understood and inform our activities, the society that we create together will give us a Just and Sustainable Abundance. This brings us back to economics and money creation. The Just and Sustainable Abundance is also a part of human nature, it is a result of the way in which we interact with each other in society. We will understand how we can have a Just and Sustainable Abundance when we understand money and the power of us all being together in a society and economy in which we do things for each other that are needed or desired - for which there is a demand.

To sum this up, the social ideals expressed in these phrases are inspiring because they speak to that aspect of our human nature we recognize as noble, that we are able to act out of, to create a truly social, caring society. There is very little in the popular culture, in the mainstream media or in our educational system that supports this view as the main motivating force in society. There is, however, a large body of sociological research that supports the idea that people are primarily motivated to pursue a transcendent purpose (something that serves their fellow man or their animating spirit), that they educate themselves to become masters of their activities and that they act autonomously, (out of their responsibility for

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<sup>11</sup> [http://www.webofdebt.com/articles/lincoln\\_obama.php](http://www.webofdebt.com/articles/lincoln_obama.php)

self). We can use Maslow's Hierarchy of Needs to see how we could create a situation in which society secures the physiological and safety needs of its citizens by not requiring us to "earn our living". Society could easily guarantee that everyone receives an equitable share of the overall productivity of the economy to have enough money to secure their need



for material well being (physiological and safety needs). All of the social ideals are then realized entirely voluntarily on the basis of having obviated the underlying fear that arises when the basic needs are not secure.

Once the physiological needs and the safety needs of the individuals are met by society as a whole, then the love and belonging needs can be met on their own terms and not as a means to secure the basic needs. Healthy belonging creates the foundation for vocational arousal, the urge to dedicate one's life to accomplishing a transcendent purpose, something that serves one's community. This gives rise to the quest for understanding and capacity building (esteem needs) that forms the basis for self-actualization, and genuine creativity. Please read this paragraph again, as it is essential for understanding why we can co-create a just and sustainable abundance.

## Surplus from Exchange

Now we need to return for a bit to exchange. The economy is based on the exchange of values. Everything goes from production through distribution to consumption in a series of exchanges that benefit both parties to the exchange, that are profitable to both parties. The value of the goods and services is measured in units of value, dollars; the means of exchange, Dollar Bills, and coins, or bank credit ("deposits" in bank accounts) represent the value of previously provided goods and services, and the good or service is to be exchanged at a price. As you know, the price is the important part. The question is: "Will the good or service be profitable to me if I buy it at the listed price"? The seller, by listing a price, has already determined that it will be profitable if it is bought for the listed price. So if the buyer determines that at the list price it will be a profitable exchange, it happens. If it is equal, not profitable, then why bother? The point here is that because it is human nature to exchange goods and services at a price that makes us better off, or that is profitable, human nature creates a surplus. In the aggregate, with all the profitable exchanges that take place, we should all be increasingly better off<sup>12</sup>. Why do we not enjoy rising standards of living? There must be something that is interfering in the wealth creation process.

In order to look at this from our own experience we can wonder how much of our productive energy is going to interest. Rather than citing the various studies that have been done, we can just reflect on how much interest we are paying and get a good sense of how much of the surplus is going to banks.

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<sup>12</sup> In conventional economics this is called the capital formation process and it is attributed to increases in productivity.

How many loans do you have? Do you have a Mortgage, a car loan, credit cards, student loans, home improvement loans, debt consolidation loans, etc., and how much interest are you paying each month and annually? What percentage of your income is that? You may have read the cover story in Time Magazine recently about how much of the National Debt we each bear and you can look at the National Debt Clock to see what it is right now. Is it possible that interest rates are so low now because if they weren't so low the interest on the 20+Trillion national debt would be unpayable? Is it possible that low interest rates are also a way of constraining the aging hippy generation from being able to live off of their savings in retirement and get back to the work of ushering in the new paradigm that they started out their adulthood aiming to bring about?

Since all our money, except coins, is created as an interest bearing debt to banks, and since interest is automatically transferring the wealth from "borrowers" to bank owners, it is reasonable to assume that the elite bankers have plenty of money to influence society so that we don't learn about this in school, the media never talks about it and it is incredibly difficult to draw attention to this problem.

This is the issue that needs to be confronted. As soon as one realizes that our economy and culture is a result of what you can borrow money for, and interest is concentrating the wealth in the hands of the corporate and banking elite, then it may all become clear. Do you remember the bailout of 2009? Did you think the Government should bail out the victims and not the Big Bad Banks? If you did, you were among the 97% of the people who saw the injustice in socializing the losses caused by the bad behavior of the banks that manipulated the people in order to reap huge profits for themselves. It should, however, be obvious from this experience that banks are not servants of the people but rather the people are servants of the bankers.

Rather than going into all the things that the elite bankers have done to protect the banking secret and create this society and world we suffer in<sup>13</sup>, we will imagine together what would happen if we, the people, issued the money. Let us imagine together something that is very simple.

## Straightforward Economics

Economics is about satisfying our material needs, it is about production, distribution and consumption of goods and services. The demand for goods and services to satisfy needs and desires is what creates the

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<sup>13</sup> Please read Ellen Brown's *Web of Debt* and Stephen Zarlenga's *The Lost Science of Money*

economy. All the goods and services go from production through distribution to consumption in a series of exchanges facilitated with money. The unit of value (\$ ¢) makes all the goods and services commensurate, so that we can assess their relative value. The means of exchange (Dollars and Cents) allows us to exchange the values so that we can satisfy our needs and desires. Each honest and transparent exchange facilitated with money is profitable to both parties, and since this is an aspect of our human nature, we should all be benefiting from the profit from exchange, we should all be enjoying rising standards of living.

The market in which all these exchanges are taking place is regulated by the various governments in ways that make it obvious that it is not a “free” market. It is a “free” market only in the sense that the laws and regulations that govern it make it appear honest and transparent. What gets subsidised and what gets penalized are both parts of the market manipulation that obscures what is really happening. It is important to realize that the ideal is not a free market in which there is no regulation, but rather the ideal is to regulate the market so that it produces the results that our healthy human judgement deems is good for everyone. There is a saying in African indigenous culture that says: *If it is not good for everyone it is no good at all.* This is a really important concept if we are to create a society that realizes our ideals, a society to benefit everyone.

The economic process begins with an idea, an inspiration. The inspiration arises in an individual as a result of their individual uniqueness, their interests, talents and capacities, and the culture in which they live. The inspiration becomes vocational arousal, and develops into a concrete plan to provide a new or better product or service to satisfy a need. In order to implement their ideas entrepreneurs need capital (money) in order to organize their world so that they are in a position to produce or offer the good or service in the market. If the good or service satisfies a material need then it is reasonable to invest the capital needed. If it is a cultural or educational not for profit type of enterprise, then a grant is in order. The investments in the for profit business will produce a dividend that provides the value to pay taxes and make grants. This is the virtuous cycle. The culture inspires new ideas that make the provision of society's material needs more efficient and profitable which provides the funding to secure our right to Life, Liberty and the Pursuit of Happiness, and the continual development of the culture. This understanding underlies an economic ecosystem that is in balance and resilient.

A useful way of viewing society is a threefold view: Culture, Rights, and the Economy. The Economy provides for our material needs, Governance secures our Rights and the Culture provides for our spiritual needs. In order to regulate the flow of value from the economy where it is created, to



government that regulates it, and to the culture where it is consumed, We, the People, must control the money supply. We can design the monetary system so that the surplus that arises from providing for our material needs funds our societal needs and the culture. We can do this with a fair, simple, straightforward tax system and an accounting system that lets us know how much money is available to fund our cultural needs. The surplus provided by the continual gains in productivity that the intelligence being incorporated into the the economy provides gives the basis for a dividend income for everyone, to meet their physiological and safety needs so we can all concentrate on accomplishing our spiritually inspired missions in life.

## ***Monetary Reform***

The Federal Reserve System, which oversees the banking system that issues the money as interest bearing debt to itself, could be reconfigured so that it oversees a banking system that issues money in different ways for different purposes to serve the people. For example, Banks could issue money as a time limited equity investment to enable production. And Banks could issue money and allocate the returns from those investments as “taxes” to secure our rights. And Banks could issue money directly to the people as grants to fund the culture. In order for this new arrangement to serve the people, the people would need to be deciding how to administer the banks. In other words, the people would need to be active participants in governing the Banks. Bankers would most likely become life and business coaches since they would be charged with investing money and distributing the profits according to the judgement of the sociocratically organized people. Banking would become a most esteemed profession, a profession charged with realizing the common good and helping each of us to accomplish our life’s mission by allocating the capital our capacities warrant.

## **Public Banking**

The main problem with the existing system is that interest automatically transfers the wealth from the vast majority of the people to a very small elite, who can’t spend all the interest, and so lend it out again, which compounds the problem. A public bank, a bank owned by the people, chartered to benefit the people, could do all the same things that a privately owned bank does. Interest generated by a public bank, rather

than concentrating the wealth in the hands of the few owners of the banks, would be used to benefit the people; and there would never be any need to make money scarce because the People's Bank could issue enough of the People's Credit to satisfy the need for a circulating medium of exchange that allows all the demand for goods and services to be met.

A public bank could issue money for consumption, which is the demand side of supply and demand<sup>14</sup>. A public bank could give every citizen of the jurisdiction that it serves (Neighborhood, City, County, State or Nation) a line of credit, so that every citizen would have a basic income with which to satisfy their material needs. This would put everyone in debt to the public bank, that is: to each other. In fact, there is no reason to issue the money as debt, money can be issued as money, directly, to pay for the things that we agree are good. No one would have to earn their living, everyone could satisfy their needs from their dividend-as-right income.<sup>15</sup> Everyone could devote themselves to what they feel called to do. They could get the education they need to develop their capacities, they could get the capital they need for the means of production, they could get the working capital they need, etc. The inherent-to-human-nature desire to make a meaningful contribution to one's community and society is all the motivation needed for people to voluntarily, out of love rather than fear, provide for all the things that people want. This does not mean that we don't need money, since goods and services would still be sold at a price, but the motivation would not be clouded by the need for money to live. The capital needed to provide the good or service would be administered by the community so that everyone with a socially just and ecologically sustainable good idea could get the capital to implement it. The question would be: Is there a person or group with the desire and the capacities to implement it well? As is now the case, the demand for the good idea would be measured by the sales. Rather than the marketing, advertising, propaganda and manipulation we are used to nowadays, there would be newsletters and reviews, etc.

Since it is likely that the implications of this idea of giving everyone a social dividend income seems totally and hopelessly utopian, it should be clear, that you and everyone else, individually, would want to assume the obligations that correspond to this new reality. In the moment when everyone receiving the dividend income understands that they are also responsible for using their income to create the kind of economy and

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<sup>14</sup> Is supply and demand a useful concept? Isn't there only demand, either for a good or service or for money? Does supply when there is little or no demand distort the economy?

<sup>15</sup> This is the idea of Social Credit.

<http://www.michaeljournal.org/articles/social-credit/item/a-basic-income-through-a-social-dividend>

society that they want, then the benefit **and** the responsibility are in the right hands. How difficult do you think it would be for the people you know to sit down together, and with this understanding of money and no fear of scarcity, come to an agreement about how to administer the dividend from the bank they jointly own? How hard would it be to agree that everyone should have what they need to live, based on the overall productivity of the economy.

## Credit Unions and Cooperative Banks

If the members of the Credit Unions and the Cooperative Banks understood that “their” bank could be used to provide their members with their own credit, and that they could do what is described above under public banking, then they would elect a board of directors to implement what the members decide together they want. This is a very realistic avenue that could be pursued to create a genuinely public bank.

## Mutual Credit and Sociocracy

There is a way to create the new society from the bottom up, with no need to get permission from anyone, or any need to change the law, or lobby a legislature, etc. It is known generally as mutual credit and business to business barter systems. Business to business barter is a multi-billion dollar industry (12 Billion or more in the US) represented by the International Reciprocal Trade Association (IRTA) and barter is recognized by the IRS as taxable activity. Business to business barter systems monetize their members credit and use barter credit instead of dollars to effect trades but still use the dollar as the measure of value. It is the goods and services in the barter system that are valuable and barter credit simply represents those values so they can be exchanged. No need to use scarce dollars, the barter credits can be issued as needed. The barter system sets credit limits and regulates the system and its use so that it serves the members and they pay a fee to cover the administrative costs and profit for the owners of the barter company.

Community-created credit is a way for a community of people in a neighborhood or town to get together and agree to use something other than the dollar as the means of exchange. Having gotten together to make an agreement to use community-created credit there remains the question of what to issue it for! This is the governance question. Unlike most barter systems which are for profit companies that provide liquidity with the barter credit to member businesses, the currency that we need to use must be used by us to accomplish the purposes we agree would be

good. Representative democracy has failed us and consensus is way too cumbersome, so we need to look at new ways of making decisions and governance that are efficient and result in consistently good decisions. There is such a system of governance, and it is called Sociocracy.

## Sociocracy

Sociocracy or Dynamic Governance, is founded on basic principles that are inherent in our human nature. We are both individual and social beings. We are each highly individual, very different from each other, with different strengths and weaknesses, interests and talents. We are also all together in nuclear families, extended families, neighborhoods, cities, states, nations, workplaces, the economy, the culture and society in general. Our individuality is what, in particular, the culture celebrates. Advertising appeals to our egoism. Our egoism - the necessity to earn our living - orients what we do. We have many opportunities to create our world as we would like it to be and we spend our money to accomplish that. But we are only oriented towards what our fellow human beings need when we respond to an appeal from a not for profit or a politician. We never get the opportunity to sit down together to talk about and explore how we would like our neighborhood, our city or our nation to be. That is what Sociocracy would make it practical to do.

Threefold is a useful and orienting idea that can help us think about how we would like our society to be. The culture can be seen as consisting of three parts, Science, Art and Religion. Each is very different from the other but each is dependent on the individual's interests and capacities. To pursue Science, Art or Religion we must feel free and able to act autonomously out of our relationship to the issue we are working on. The culture requires freedom. When it comes to our rights and the common good we are in a very different situation because rights must be enjoyed by everyone and so equality is the operative principle. Governance - securing our rights - may also be seen in its three foldness. We have the Legislative function, the Executive function and the Judicial function. In the United States these are the three branches of government, the separation of powers. When it comes to the economy it may seem as though competition is the operative principle, but that is the competition that is created by the debt based monetary system that requires us to compete for money using goods and services. Actually, in order to provide for our material needs everyone needs to cooperate, and every enterprise that provides for our needs does so by getting the people doing the work to cooperate, pull in the same direction, get the job done. Three foldness of the economy is Production, Distribution and Consumption. This is where we see the brotherhood, or at least we will see it when we

are deciding together what it would be good to produce, distribute and consume. If it is not good for all of us it is no good at all!

With Freedom, Equality and Solidarity or Cooperation<sup>16</sup> in mind, we can look at the basic premise on which sociocracy is based. Since sociocracy is about governance it is based on equality, on equivalence, on respecting the diversity. When we are deciding together how we would like things to be, every voice needs to be heard. As strange as it may seem at first, it is the differences between us that are the basis for the unity. When our decisions include the considerations of all of us, we will all be able to unite behind them. This may seem fanciful, but consider that we are all human beings all together in an economy and society that we naturally believe should benefit everyone. Everything else in Sociocracy is technique for achieving decisions about what to do that includes everyone's considerations. However, there are a few basic agreements that we need to make in order for the techniques to be effective. These are: that we will use a rational argument to express our ideas, we will consent to proposals that have a time frame and method of evaluating them (if we have doubts we can shorten the time frame and make the evaluation more stringent), we will only object when we can articulate a rational argument for why a proposal will not serve our aim, and we will rely on the ability of our community to learn and progress in its development and we will act with integrity (do what we say we will do).

The main technique in Sociocracy is the circle. Each circle is small enough so that we can work together efficiently and large enough to include the people needed. A Circle should be somewhere between 5 and 40 people. Larger than 40 people is too unwieldy and should be dispersed to smaller circles with more specific aims. We go around the circle to hear what everyone thinks and feels about what is being discussed. We have no expectation that we will achieve consensus, but we do expect that we will be able to consent to proposals because the proposal includes our ideas and considerations. Every circle has an aim and it is the aim of the circle that orients the members in their decision making process. Every circle has a leader, and a delegate, a facilitator, and a scribe (historian or record keeper) and each position is filled by the person that the circle decides, on the basis of a rational argument, is the best person for the role.

The selection technique, rather than an election, is a good example of how sociocracy works with our goodwill towards each other, to come up with the best person for the job. Assume for a moment that we have already chosen our facilitator and that our leader was selected by the circle that

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<sup>16</sup> Brotherhood in the French Revolution before political correctness took hold.

convened our circle. We are considering who should be our delegate. The delegate represents us to the circle that convened our circle, the circle that gave us our aim and that we are gathered to fulfill. To begin the process we each write on a piece of paper who we think should be our delegate, just the name, and give it to the facilitator who then decides how best to proceed. Assume for a moment that our circle consists of 11 people and there are three people proposed. The facilitator will then initiate a round in which the question is "Why did you choose this person" and each person says something about why they chose so and so. The next round is the change round - having heard everyone's rationale, have you changed your mind, and why or why not? After that round the facilitator is likely to propose one person to be the delegate. Included in the proposal is the time frame and the method of evaluation. The timeframe and method of evaluation are really important techniques that make it reasonable to consent to a proposal. If there is controversy or fear of unintended consequences we can shorten the timeframe and make the evaluation more stringent. Having made the proposal, the facilitator is likely to ask for a consent round. If everyone consents, including the person proposed, the selection process is complete. If there are objections or doubts there are many intermediate rounds that could be initiated to help, such as the quick reaction round, or the clarifying questions round, or the alternative proposal round.

The delegate and the leader are both then members of the circle that convened the circle that just chose a delegate. The circles are double linked. So Sociocracy is not only a method for conducting meetings it is also an organizational structure. Sociocratic organizations are made up of double linked circles, from the Circle with the most general responsibility, such as the Board of Directors, to the circle with the most specific aim, such as the accounting circle. Each circle has an aim, the purpose it is convened to accomplish. The Board of Directors is likely to convene an Operations Circle, led by the person one would normally call the CEO (Chief Executive Officer), but in sociocracy is called either the convenor or the leader. The Operations Circle would then select a Facilitator, a Scribe and a Delegate. The Delegate would then serve on the BoD along with the Operations Circle Leader, creating a double link. This double linking makes it much more likely that there will be good communication in the organization and increases the creativity and resilience of the organization.

If we were to keep the ideals for society in mind and let go of the current ways of organizing society we can imagine creating a new society, within our current society, organized from the bottom up, from the circle of neighbors, from the smallest group that can meet face to face, to the circle made up of the leaders and delegates from the Neighborhood Circle, to

the Ward Circle to the City or Town Circle to the County Circle, to the State Circle to the Regional Circle to the National Circle.

So now we have the elements that we need to create the society that will give us a just and sustainable abundance, a society to benefit everyone. Let us review and then look at an excellent example of community-created credit and community involvement and decision making. Common Good™ in Greenfield, Massachusetts is a payment system that aims to create a Common Good™ Community leading to a Common Good Economy, and a Society to Benefit Everyone.

## Common Good Payment System

Let us assume that we now understand that the groups who keep the banking secret and issue the money as interest bearing debt to themselves, are the hidden sovereign. Let us also assume that the elite bankers, who oversee the banking industry that issues the money, are the primary architects of the economy and society, since you can only get new money into the economy for what banks agree to. Let us also assume that issuing money as interest bearing debt goes back a long way, since the elites must have had many centuries to perfect their control of society to keep the banking secret<sup>17</sup>

Let us also assume that you and I, together with our family, our neighbors, colleagues and co-workers are all capable of understanding money and that we will be willing to put some time and attention towards implementing the new monetary system based on community-created credit and that we can successfully govern ourselves using sociocracy.

This is the assumption that The Society to Benefit Everyone, Inc, doing business as Common Good™, was created to test. Initially, back in around 2006, when the not - for - profit company was formed by William Spademan, the aim was to charter a Common Good Bank. This Common Good Bank was designed by many people over a period of years, to be able to rapidly transform society based on the understanding that money creation is the tool the community needs in order to create a society that benefits everyone. The Common Good Bank would issue loans just like a normal bank but the profits would be distributed to promote the Common Good. It would also include an innovation that enables it to be the generator of Common Good Communities governed by a democratic

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<sup>17</sup> Joseph P Farrell's book *Babylon's Banksters* does a very good job of describing the methods the elite bankers have used since Babylon.

system that leads towards consensus that William developed. Members of the Common Good Bank would also join a Common Good Community whose members agree to use Common Goods instead of dollars for trades with other members of the Community. The dollars that would have been used are thus saved, and build up in an escrow account that the Common Good Community can allocate to accomplish ends that serve the Common Good.

Raising money to charter the Common Good Bank was proceeding too slowly, so in the fall of 2011 William decided that we should do the community created credit system without the bank. This led to the development of what was initially called rCredits and the process of developing the software for the new payment system. Rather than being a bank, it would be integrated into the mainstream by the members connecting their bank account to their Common Good Account so that when they transfer money from their bank account into their Common Good Account what actually happens is the dollars go into the escrow account and the system issues the same amount of Common Goods (CGs) into their Common Good Account. Members and businesses can also transfer money from their Common Good Account into their bank account. To the extent that they don't need to because they have plenty of places to spend their CGs, the dollars in the Escrow Account can be allocated to fund the common good.

One of the important innovations is the Common Good Payment Card, which is more secure than a credit or debit card because it has your photo on it. Your account is accessed by scanning the QR code on the card with the Common Good App on a smartphone. Merchants use a smartphone instead of a swipe or chip terminal to charge you for a purchase. The transaction cost is negligible, and the cost of administration can be met with donations.

The Common Good Payment system is based on an agreement that the members make with each other to honor each other's credit. The agreement to accept Common Goods (CGs) instead of dollars is what gives them their value. The agreement that the members sign is what creates the payment system and the community.

## Common Good Agreement

A. I recognize that:

- Common Good Credits are intended as the basis for the Common Good Economy -- a democratic, community-centered economic system that puts people and planet first.



- Together as a community we have the power to [issue credit](#) for our own use as a medium of exchange. It is our promise to accept Common Good Credits that gives them value.
- Governance by the people is essential for a just society.

B. As a responsible participant in the Common Good Economy:

1. As long as I can spend my Common Good Credits easily or exchange them easily for US Dollars, I will accept them without limit as payment for my goods and services. I will exchange Common Good Credits for US Dollars only if I cannot spend them easily.
2. I will accept Common Good Credits from members of any [Common Good Community](#) in good standing. In the event of a [cash flow crunch](#) I will [back](#) Common Good Credits up to my average monthly use over the past six months.
3. Whenever I exchange Common Good Credits for US Dollars or vice versa, I will exchange them one for one, and I will price my goods and services the same in Common Good Credits and in US Dollars.
4. I understand I may receive from the community a credit line or tentative incentive rewards that I can spend but cannot [cash out](#). If I have a negative balance and stop participating (or [if the system ends](#)), I will bring my balance [up to zero](#) as soon as possible.
5. I promise to maintain a high level of honesty, integrity, and [ethics](#) in my dealings with other Common Good participants and with the community (including the Common Good system itself). When there is a dispute, I will follow the [Dispute Resolution Process](#) and will honor its outcome.
6. I agree to participate responsibly in managing the Common Good Economy to the best of my ability and as my life circumstances allow, including:
  - a. [paying attention](#) and understanding how the Common Good Economy works
  - b. participating in the [decision process](#) to set my community's funding priorities:
    - i. to foster healthy, fulfilling lives for all community members and
    - ii. to assist communities elsewhere
  - c. participating in [other decisions](#) from time to time, as needed.

This agreement is like a simple Constitution for Common Good Communities. It is what governs our relationship to each other and to the system and gives us the framework for developing the Society to Benefit Everyone.

Check it out at [CommonGood.earth](http://CommonGood.earth)

## Conclusion

The premise of this essay is that the culture and society that we live in that is exploiting nature, condones war and tolerates poverty and misery is a direct result of the monetary system that requires us to earn our living. When we recognize that money is a social construct, a matter of agreement or law, and that there is no inherent reason for money to be scarce we can design a monetary system to give us the society we know in our hearts is possible.

In order to create the society we know in our hearts is possible we need to meet together in a system that depends on hearing from each of us. We need to craft proposals that we can consent to because we recognize that they are good for everyone. They are good for everyone because they are crafted by everyone. And then, when we have a proposal that we agree is good we will not wonder where we will get the money for it. We will either allocate the money for it from the surplus generated by human nature in every exchange, or we will issue it to represent the new value we are creating.

This is the key insight this essay aims to elucidate: Issuing the money for the things we value is the primary tool we use to create the conditions in which we live.

The culture is built on the premise that the end justifies the mean, The title of this essay is: The Means Ensures the End. If we want Life, Liberty and the Pursuit of Happiness we will have to use the means that will give it to us. If we want Freedom, Equality and Brotherhood we will need to use the means that will bring it about. If we want a government of the people, by the people, for the people we will need to issue the money so that is true. If we want everyone to have what they need to live, and if we want everyone to pursue the transcendent purpose they feel called to serve, we will need to fund them by right! If we want a just and sustainable abundance we will need to fund justice and sustainability. If we want a society that benefits everyone we will need to put everyone in a position to give it to us.

The means not only ensures the end it is the end. What do we want? Let us discover that together and issue the money to give it to us!

# Epilogue

My friend Ben Schawinsky wrote this and sent it to me in an email. It gives a different voice to what I have tried to elucidate in this essay. Enjoy.

## WE ARE ONE FAMILY IN LOVE AND JOY

The old saying goes if you don't have a plan, you become part of someone else's plan. Of course one can figure out the system and "Make IT", and, this is still being part of someone else's plan, just being smart and taking care of one's self. 99% are part of someone else's and this might include you. "Ah yes", you might say, "I've figured out the game and they ain't playing me. I'm sitting pretty", as the old saying goes. And this is great!! Yes, this is great for you and surely your immediate family, at the least.

A plan surely is in the works and you will never be aware of it in the main media. Of course I do, also, admit the plan running most of the world definitely is not mentioned in the main media.

On the other hand, the majority of the world population is slowly doing just a tiny bit worse every year. It's happening so nice and slowly, so most are just plain going along with it..... managing somehow. These are the people who are the recipients of a well designed plan. And, at this point let go of your brain saying, "Ah yes here goes another conspiracy theorist".

Practically, the world wide money system creates money thru debt, a really simple way to keep most running on an endless treadmill. Our astute (private) Federal Reserve banking system has the majority of our fellow citizens on a hamster wheel, not only thru debt, also thru raising and lowering the lending rate. This process is how those in the know, buy for ten cents on the dollar during a downturn and slowly bring back an upturn and sell for a dollar on ten cents. It's been going on for over a century. Our astute government uses debt to take over countries. We offer to go in and "improve" and then insist upon being paid back. One very popular strategy is to tell a country we are going to mine oil, create many new jobs and boost the economy along with lending much to achieve this. Oil spills happen costing much money for cleanup. The bill runs up. **In other words, a large debt is created and we simply go in and demand repayment. Now our dearly benign government** has them by the short hairs; thus, being able to make them dance to our tune. I'd say there have been some countries who refuse to play along and pay dearly for it.

Scarcity is by design here. We have so much unused land which could be growing plenty food, enough for all. WE could have a world wherein everyone has enuf!! The scarcity is created by a few who are afraid of losing their wealth. Money is by agreement. **"Hey guys!! You can keep all you have and allow everyone to live comfortably as well. Sometimes I wonder if you need to keep showing more and more, otherwise you will not be invited to the next party of the elite. And, of course, such a possibility is unthinkable; thus, ya gotta do whatever, to acquire more and more. Well, anyway, whatever is causing this runaway wealth grabbing it is nothing more than chasing**

***after something which is not where you are looking; namely, “money’s final gift. A goal reached based upon a false premise offers no satisfaction. Well being resides in the heart and only in the heart. Money is accumulation of energy. Whatever energy/agenda which inspires the making of money expands along with the expansion of the wealth. It is well known, if a stingy person makes a lot of money, they end up being more stingy upon gaining wealth. A person who hopes to find life’s satisfaction and plans to make lots of money to bring this about is in grave danger of having the dissatisfaction, which inspired the wealth acquiring process, expanded. This has the potential of being a bottomless pit. And, yet, it is not perceived.”***

I’ve written all of this for the sole reason of hoping to draw attention to the fact, most are being taken advantage of and it need not be so. It is high time for us all to look around us and to imagine another way, a way wherein everyone had, at least, enough. It is surely possible. It is simply nothing more than allowing all the benefits already in existence which could make life easier, allowing all the hidden technologies which would make life cheaper and easier. Yes! Free energy production technology has been worked out decades ago. A friend of mine knows a man who was working on this decades ago and went into hiding because his life was threatened. Those who are making big money from oil already have plenty for generations to come and cannot stop. This bottomless pit will never fill up. We are in a time wherein we must take some large steps if life is to survive here on Earth. One thing is for sure, should life end here, Earth would finally have a break from these human fleas, parasites sucking from her w/o regard toward her deliciously carefully crafted environment.

When we have free energy technology, we stop burning all those polluting fossil fuels and cease using nuclear reactors which use Uranium. (Cold fusion is another matter)

When we create a monetary system wherein every person is given a bare minimum stipend to live on, life’s angst will vanish in a couple generations. We will stop grabbing, relax and begin to REALLY come together as a human race in harmony instead of the dissonance we now experience..... (“You over there and me over here and don’t get too damn close”.....) In such a system, entrepreneurs will think up businesses. Money will be lent along with an advisor who assures success, and people will work in the business. They will want to, because they would like to have more money to have fun with. Everyone works a 4 day week and gets a 6 week paid vacation yearly.

**MONEY IS BASICALLY AN AGREEMENT. IT IS TIME FOR SOME SENSIBLE AGREEMENTS WHICH INCLUDE EVERYONE.**

You might say “This is just a stupid pipe dream”, and I can surely understand why. After all how would we get all those GRABBERS to change. If you decide not to be a grabber, this is the first step “Let’s decide to be here for each other”. Now imagine everyone deciding to do the same thing and hold this in your imagination in every moment and in every situation, day in and day out. This alone will change everyone and everything, because as you interact with others this will infect them whether they are aware of it or not. Did you see the film “Pay It Forward”? The big money holders who have made the choice to foist their fear upon the majority are a very, very tiny minority. When we hold

a new vision in our hearts it will infect the majority and in the end will infect that minority who are lost in some misbegotten agenda, one which mostly excludes.

For an idea, how would it be if we had meetings wherein people would stand and share an incident wherein someone made them feel included, made them feel acknowledged for who they are, and/or share an incident wherein they made someone else feel so, wherein someone else made them feel good, coming together where coming together is the theme.

It surely seems, the most popular man in our country is a reason for people to join hands and express. Trump is the man and bitching is the expression. This is not by chance fellow Americans. This man is much smarter than he is coming on. I feel very strongly his actions have been carefully planned. This whole thing has been orchestrated to keep everyone involved in (forgive the word, cows) Bullshit!! So many are astutely distracted. There isn't a place I go where pretty soon Trump is being berated. Whatever is being focused upon, whether it be in the positive or the negative, is being given our energy and concentration. This originates from the statement, "What you concentrate upon, be it in the positive or the negative, you eventually bring about".

Well yes, Bernie Sanders came along and started a movement of imagining things to be better for the common citizen. This got people imagining new, positive possibilities. Well he dropped out and trump was set up thinking everyone would go for his rap. Anyway he was placed in and now no one is thinking about new possibilities, just bitching and totally distracted, too busy to imagine the positive, no time left in the consciousness for remembering we are all one human population here to be together, here to be HERE for each other, here to care and help each other. Another faction exits also; the group who voted for trump and are busy defending him. We have two camps working diligently and completely distracted from what human nature truly is. The American public seems to have been successfully duped, as usual.

In truth, do the majority of the politicians in Washington really work for us? They have to spend most of their time collecting money for the next campaign. Go to ted Talks and see Ben Barber's talk "If Mayors Ruled The World". In my opinion the whole system stinks! It's time for us to bring new perfume.

Hey everyone, the majority of the world population is not, at all, wanting to have pollution, war and hunger. These three things are the result of the intentions of a very small minority. Love Joy and service toward each other is truly our natural state.

It is time for us to set a plan, to step away from being part of the Oligarch's plan, a plan to intend a **coming together**. This is ACTUALLY in process amongst many, many more than you might know. It is just not spoken of in any media. A "Mindfulness" movement is growing, even to the higher levels of corporations. Without realizing, the upper echelons are being led into meditation by being drawn to mindfulness in order to increase profits. With this meditation the awareness of togetherness grows.

The news is distracting most of us from this movement of coming together, distracting us from even imagining a plan. In truth, nothing is separate, all is connected. Ask the quantum physicists. Let go of the news, except for awareness of what the heck is going

on and imminent danger, and, you will find you are living a more relaxed existence, one which might include thinking about how your neighbor might need a helping hand. Listen to the news once a day or once a week. Might you say much better ways exist for using your imagination and intelligence? It is becoming common knowledge, *disease* is mostly created by a mind not at ease! It is high time for us all to come to ease, a very sensible plan. We certainly have the technology for this. Now it is time for us to let go. We can eradicate angst. This can only be done together. No one will do it for us. When we find people who are here for us we lose the angst, creating an environment wherein more and more people understand and join. First we must join hands and experience the untold power Love has. This will take some time. The next step will be to decide how we would like life to be. With this power of knowing things will change. This is a created reality and we are creating it in this very moment. What we concentrate upon, in the positive or the negative, we bring about.

We are all brothers and sisters here on this magnificent Earth. It is time for us to let go of the competition and to join as one large family, together here in Love and Joy; a new plan, a new game plan, a new joie de vivre (joy of living)!! The majority has been led by a miniscule minority for millennia, it is time for the majority to take charge by coming together.

Below are links showing the well designed plans, set up a long time ago, designed to simply keep all *not* In the know, DUPED. Yup, DUPED, something intelligent people are loathe to admit!! Are you intelligent? These are solely offered as info to inspire the creation of a plan of togetherness. Yes you!! ALL TOGETHER NOW!! Just plain be THE FOOL ON THE HILL and leave every encounter with the other feeling better. We are all family. Some are led astray. I'm willing to bet, when we are all together and caring, those who are "mis-behaving" will finally relax. Yes it could take generations and we must start. Judgment is separation. If you have not judged, there is nothing to forgive. If your child misbehaves, do you punish or discover the cause. LOVE IS THE ANSWER.

<https://www.shiftfrequency.com/trilateral-commission-power/>

<https://www.shiftfrequency.com/sutton-ww2-skullbones-bush/>

<http://www.tax-freedom.com/ta24003.htm>

<https://www.shiftfrequency.com/shipp-exposes-shadow-govt/> Video.