FAIR TAXATION

  3. GP-US Proposal Results: ID 918 - 2018 Platform Amendment -

     Fair Taxation (voting@gpus.org)

Message: 3
Date: Mon, 23 Jul 2018 03:05:00 -0400 (EDT)
From: voting@gpus.org
To: natlcomvotes@green.gpus.org
Subject: [usgp-nc] GP-US Proposal Results: ID 918 - 2018 Platform
Amendment - Fair Taxation

Voting for the following proposal is now closed. Here are the results:

Proposal ID: 918
Proposal: 2018 Platform Amendment - Fair Taxation
Floor Manager: Andrea Merida, andreamerida@gmail.com
Discussion: 06/16/2018 - 07/15/2018
Voting: 07/16/2018 - 07/22/2018

Result: Failed

117 Total Votes Received from 45 States/Caucuses
Presens Quorum: 33 0.6666 of 49 Accredited States/Caucuses
Consens Quorum: 70 0.6666 of 105 Yes and No Votes

Yes: 35
No: 70
Abstain: 12

No: Claudia Ellquist - Arizona
No: Angel Torres - Arizona
No: Ryan Giglio - Arkansas
Yes: Marilyn Rumph - Arkansas
Yes: Robin Rumph - Arkansas
No: Joy Davis - Black Caucus
No: James Lane - Black Caucus
No: Josefina Aranda - California
No: Marla Bernstein - California
Yes: Steve Breedlove - California
Yes: Sue Roberts Emery - California
No: Sanda Everette - California
No: Mike Feinstein - California
Yes: Richard Gomez - California
No: Lisa Hsu - California
Yes: Josh Jones - California
No: Jared Laiti - California
Yes: Jon Mann - California
No: Bob Marsh - California
No: Cordula Ohman - California
No: Linda Piera-Avila - California
Yes: Luci Riley - California
Yes: Erik Rydberg - California
Abstain: Phoebe Anne Sorgen - California
Yes: Terrance Tovar - California
No: Andrea Merida - Colorado
No: Stephen Molyneux - Colorado
No: Owen Charles - Connecticut
Yes: S. Michael DeRosa - Connecticut
Yes: Joshua Kelly - Connecticut
Yes: Bernie August - Delaware
No: David McCorquodale - Delaware
Abstain: Jenefer Ellingston - District of Columbia
Yes: Justin McCarthy - District of Columbia
Yes: Henry Lawrence III - Florida
No: Elijah Manley - Florida
Abstain: Bruce Dixon - Georgia
Abstain: Qadija Tatum-Aamir - Georgia
No: Budd Dickinson - Hawaii
No: N. Nikhilananda - Hawaii
No: David Black - Illinois
No: Chris Blankenhorn - Illinois
No: Aaron Goldberg - Illinois
Abstain: Gini Lester - Illinois
Abstain: Mary Jane Oviatt - Illinois
No: AJ Reed - Illinois
No: Sheldon Schafer - Illinois
No: Holly Scholz - Illinois
No: Monica James - Indiana
No: Holly Hart - Iowa
No: Paul Krumm - Kansas
No: Kris Smoot - Kentucky
No: Andi Wojciechowski - Kentucky
No: Tony Affigne - Latinx Caucus
No: Darlene Elias - Latinx Caucus
Yes: Margaret Elisabeth - Lavender Caucus
Yes: Morgan Moss Jr - Louisiana
No: Justin Beth - Maine
Yes: George Hamilton - Maine
No: Lyn Maravell - Maine
No: John Rensenbrink - Maine
No: Margaret Flowers - Maryland
No: Tim Willard - Maryland
Yes: John Andrews - Massachusetts
No: David Gerry - Massachusetts
No: Joanna Herlihy - Massachusetts
No: Linda Cree - Michigan
No: John Early - Michigan
No: LuAnne Kozma - Michigan
No: Jennifer La Pietra - Michigan
Yes: Louis Novak - Michigan
No: Mike Zubas - Michigan
No: Deanna Murphy - Minnesota
Yes: Andy Schuler - Minnesota
No: Nekita Gandy - Mississippi
Yes: Jan Hillegas - Mississippi
No: Alison Baldree - Missouri
No: Ron Burch - Missouri
No: Cheryl Wolfe - Montana
Yes: Shane Fry - Nebraska
Yes: Robert Hanson - Nevada
Abstain: Craig Cayetano - New Jersey
Yes: Kim Meudt - New Jersey
No: Stephen Verchinski - New Mexico
No: Dani Liebling - New York
No: Gloria Mattera - New York
No: Michael O'Neil - New York
No: Gil Obler - New York
No: Craig Seeman - New York
No: Anya Szykitka - New York
No: Jan Martell - North Carolina
No: Michael Trudeau - North Carolina
No: T.  Oliver - Oregon
No: Christian Banchs - Pennsylvania
Yes: Stuart Chen-Hayes - Pennsylvania
Yes: Kristin Combs - Pennsylvania
Yes: Beth Scroggin - Pennsylvania
Abstain: Justin Lee Rossi - Rhode Island
Yes: Nick Schmader - Rhode Island
Yes: Bill Kreml - South Carolina
Yes: Jessica Lazenby - South Carolina
Yes: David Whiteman - South Carolina
No: Elizabeth Dachowski - Tennessee
No: Howard Switzer - Tennessee
Yes: Adrian Boutureira - Texas
No: Wesson Gaige - Texas
Abstain: Janis Richards - Texas
No: Brendan Phillips - Utah
Abstain: Dee Taylor - Utah
Yes: Montigue Magruder - Virginia
Yes: Tina Rockett - Virginia
No: Jody Grage - Washington
No: Kathryn Lewandowsky - Washington
No: Frank Young - West Virginia
No: Ann Link - Women's Caucus
Abstain: Jennifer Sullivan - Women's Caucus
Abstain: Natalia Schuurman - Youth Caucus

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     Platform Amendment - Fair Taxation (voting@gpus.org)

Message: 3
Date: Fri, 20 Jul 2018 00:05:00 -0400 (EDT)
From: voting@gpus.org
To: natlcomvotes@green.gpus.org
Subject: [usgp-nc] Voting Ends in 2 Days on GP-US Proposal: ID 918 -
2018 Platform Amendment - Fair Taxation

Voting ends in 2 days for the following proposal:

Proposal ID: 918
Proposal: 2018 Platform Amendment - Fair Taxation
Floor Manager: Andrea Merida, andreamerida@gmail.com
Voting ends at Midnight Pacific Time

  3. Re: Voting Has Begun on GP-US Proposal: ID 918 - 2018
     Platform Amendment - Fair Taxation (Jenefer Ellingston)

Message: 3
Date: Mon, 16 Jul 2018 10:02:43 -0400
From: Jenefer Ellingston <jellygreen3@gmail.com>
To: "The natlcomvotes (aka National Committee Votes) listserv is for
decision-making and management of GP-US affairs."
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] Voting Has Begun on GP-US Proposal: ID 918 -
2018 Platform Amendment - Fair Taxation

Dear 'whoever',
As usual ...  I tried to 'vote'  on #3, 8 and 9
and my 'log in and password' were rejected.
You had sent my (corrected?) Log in and Password ... for the umpteenth time
  but when I tried to use them for my vote ... they were rejected (as
usual)
What can I do... except, ask you again to confirm my (usual) log
in/password.
(H. Hart ... had written to me ... to 'reconfirm' my vote ... but,  it
failed)
Thank you ... for 'affirming or correcting...
Jenefer Ellingston   DCSGP

  4. Re: [Fwd: Discussion Has Begun on GP-US Proposal: ID 918
     ??????? - 2018 Platform Amendment - Fair Taxation] (Joe Firestone)

Message: 4
Date: Sun, 15 Jul 2018 15:08:18 -0400 (EDT)
From: Joe Firestone <eisai@comcast.net>
To: National Committee Votes and GP-US Work
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] [Fwd: Discussion Has Begun on GP-US Proposal:
ID 918 ??????? - 2018 Platform Amendment - Fair Taxation]

Delegates and Adviser Bongiovanni,

" We really do have to thank the GPNE and the MMT movement over the last decade for their spirited, if misguided, advancements of national public policy potential - a potential that can readily come to pass in the presence of a non-debt based source of public policy funding. But the missing truth from the theory of modern money is that , just like Lincoln HAD TO DO when he needed that public money power to finance the Civil war with Greenbacks, we NEED to pass our own modern legislation to legally make that happen. ..... again"

I must ask Adviser Bongiovanni, what this e-mail has to do the GPUS platform plank on Fair Taxation -- the subject line of this e-mail. I will now quote the proposed plank including the GP NE proposed amendment, so delegates can ask themselves what Adviser Bongiovanni's declaration in the e-mail from which this quote is drawn has to do with the the GP NE proposed plank.

"GPUS Platform Chapter IV. Section E ? Fair Taxation (with proposed changes)

Now, the debate thus far makes it clear that there is no opposition to what most of this proposed plank says, but that there is opposition to this paragraph just prior to the solutions section:

"The Green Party knows that at the federal level, taxes do not fund spending. Congress, through its appropriations and the rules it sets for the Federal Reserve and the Treasury, does that. But, taxes drive the value of the currency. They can also help create price stability, equity, justice, health and sustainability, so the Green tax policies below are designed to achieve these goals."

I think the hot spots for disagreement in this paragraph are the first two sentences and especially the first. So, let me propose a revision.

"Congress, through its appropriations and the rules it sets for the Federal Reserve and the Treasury, sets the ground rules for taxing and spending. Federal taxes drive the value of the currency. They can also help create price stability, equity, justice, health and sustainability, so the Green tax policies below are designed to achieve these goals."

I propose this revision because the debate here indicates that there is disagreement within the Green Party about whether it is the truth that taxes fund spending or not. The GP NE has adopted language saying that taxes do not fund spending. I believe there are also GP candidates for Congress who believe that as well, and people in a number of other State parties who do as well. On the other hand, there's plenty of opposition here insisting on the idea that "taxes do fund spending."

As far as I can tell the other proposals for change from the GP NE don't depend on whether or not "taxes do not fund spending" is consistent with current law. So, I'd advise a compromise like the above revised paragraph that is silent on the matter here as long as other planks in the platform did not make reference to "taxpayers money" being spent on this or that.

Please comment on this proposal.

Best Regards,
Joseph M. Firestone, Ph.D.
Adviser, National Platform Committee

  3. Re: [Fwd: Discussion Has Begun on GP-US Proposal: ID 918
     ??????? - 2018 Platform Amendment - Fair Taxation] (Joe Bongiovanni)

Message: 3
Date: Fri, 13 Jul 2018 23:20:15 -0400
From: Joe Bongiovanni <joebhed@verizon.net>
To: natlcomvotes@green.gpus.org
Subject: Re: [usgp-nc] [Fwd: Discussion Has Begun on GP-US Proposal:
ID 918 ??????? - 2018 Platform Amendment - Fair Taxation]

GPUS natcom Delegates, and Joe Firestone.

In what will undoubtedly become the foundation for a new progressive national policy debate about the U.S. money system, we have here, already, crossed a threshold. The struggle of reformers for a hundred years in this country to actually be able to use our sovereign money system to finance the payments for achieving a greater balancing of national wealth distributions and the benefits of a more intelligent stewardship of our planet's natural resources,..... that persistent, historic struggle for reform to money is once again entering the global geo-political limelight, waiting to explode.????????? Having the GPUS Greening the Dollar initiative in the Platform puts us in a unique position to guide and focus the narrative around the fundamental issue with the future of all money, in all nations. And that fundamental issue has to do with its form of ownership --- shared, or competitive. In resolving that 'fundamental issue' we make a decision on whether we proceed to a (Greening the Do
llar) public money system, or stick with the private model of modern financial capitalism - where the main purpose of private money seems to be to increase the amount of capital assets held by the private sector ... i.e. to increase private wealth. ? ? So, to make more money. Really.? ? ? ? ? ? ? ? ? ? ? ? ? ? ? ? ?? That's the choice for this revolution.??????? We really do have to thank the GPNE and the MMT movement over the last decade for their spirited, if misguided, advancements of national public policy potential - a potential that can readily come to pass in the presence of a non-debt based source of public policy funding. But the missing truth from the theory of modern money is that , just like Lincoln HAD TO DO when he needed that public money power to finance the Civil war with Greenbacks, we NEED to pass our own modern legislation to legally make that happen. ..... again????????????????????????????????
???? It doesn't happen now, by keystroking, or otherwise.???? Everything that MMT calls for can possibly happen with the issuance of a public money that is not itself based on the existence of a debt-contract.????????? Indeed. Everything can happen.????????? And, Bankers can go back to banking.?????????????????????????????????????????????? Finally, we (GPUS) have Greening the Dollar, but we need a larger effort to more broadly inform ourselves on its potential and its beauty. Leaders and foot-soldiers alike must come to understand the potential role of the money system to bring about the sane world we all seek to live in.?? I am truly honored to have a chance to contribute to this revolution.
joe bongiovanni -? GPVA., Advisor to the GPUS natcom on Money and Banking Policy.

  1. Re: [Fwd: Discussion Has Begun on GP-US Proposal: ID 918

     ??????? - 2018 Platform Amendment - Fair Taxation] (Joe Firestone)
  2. Re: Why Greening of the Dollar is Important (Joe Firestone)

Message: 1
Date: Fri, 13 Jul 2018 20:22:15 -0400 (EDT)
From: Joe Firestone <eisai@comcast.net>
To: National Committee Votes and GP-US Work
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] [Fwd: Discussion Has Begun on GP-US Proposal:
ID 918 ??????? - 2018 Platform Amendment - Fair Taxation]

Please see my earlier reply about other methods the Treasury can use to get the Fed to create new reserves in the spending account. My favorite currently legal method is high value platinum coin seigniorage. See my e-book: http://amzn.to/Z7kG5q

Best Regards,

Joseph M. Firestone, Ph.D.
Adviser, GPUS National Platform Committee

Message: 2
Date: Fri, 13 Jul 2018 20:46:45 -0400 (EDT)
From: Joe Firestone <eisai@comcast.net>
To: National Committee Votes and GP-US Work
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] Why Greening of the Dollar is Important

Delegate Switzer,

I have two questions.

(1) If our intention is to create democracy, then why not end all private banking? Why doesn't the NEED Act provide for that?

and

(2) My reading of the NEED Act is that it provides for a Monetary Authority of appointed technocrats who would not accountable to the people? Am I right to think that? If not then how does the NEED Act provide for accountability of the MA?

Best Regards,
Joseph M. Firestone, Ph.D.
Adviser, GPUS National Platform Committee

  2. Re: [Fwd: Discussion Has Begun on GP-US Proposal: ID 918
     ??????? - 2018 Platform Amendment - Fair Taxation] (Joe Firestone)

Message: 2
Date: Fri, 13 Jul 2018 02:14:21 -0400 (EDT)
From: Joe Firestone <eisai@comcast.net>
To: National Committee Votes and GP-US Work
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] [Fwd: Discussion Has Begun on GP-US Proposal:
ID 918 ??????? - 2018 Platform Amendment - Fair Taxation]

Delegates,

Sue Peters and I don't differ on the bookkeeping as I've made clear in my reply to her. What we differ on is whether the reserves that end up in the Treasury account after settlement of tax payments are the same as the bank money reserves checks are drawn upon or the reserves in the Fed banks marked down by the Fed in the process of crediting the Treasury spending account with additional reserves?

The proper answer to this question is Professor Kelton's answer, as I've explained in my reply to Sue Peters. The reserves credited to the Treasury spending during the settlement process are high-powered money (hpm) newly created by the Fed using the authority granted to it and to it alone by Congress.

That is the truth of the matter, and not the older framing reflected in the positions represented by Howard Switzer, Sue Peters, and Joe Bongiovanni. That framing doesn't recognize the hierarchy of money, or the greater acceptability of reserves created and issued by the Fed than other money in the dollar-denominated hierarchy.

Best Regards,
Joseph M. Firestone
Adviser, GPUS National Platform Committee

  3. Re: [Fwd: Discussion Has Begun on GP-US Proposal: ID 918
     ??????? - 2018 Platform Amendment - Fair Taxation] (Howard Switzer)

 10. Re: [Fwd: Discussion Has Begun on GP-US Proposal: ID 918
     ??????? - 2018 Platform Amendment - Fair Taxation] (Jared Laiti)

Message: 3
Date: Fri, 13 Jul 2018 09:42:31 -0500
From: Howard Switzer <hmsarchitecture@gmail.com>
To: National Committee Votes and GP-US Work
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] [Fwd: Discussion Has Begun on GP-US Proposal:
ID 918 ??????? - 2018 Platform Amendment - Fair Taxation]

Delegates,

Mr Firestone has basically admitted to Sue Peters in his 5:28PM post, that
MMT's story is a crock - that it is NOT what happens now.

The only way it can work is if the U.S. Government sells the National
Parks, Smithsonian Museums, etc., to the Fed (member banks, e.g., JP
Morgan)! - How Green/progressive is that?!   Would any Green or
progressive, or even conservative or libertarian, go for that?

Either that, or mint a Big Coin, or go begging to the Supreme Court to try
to make MMT real?!  LOL

Neither 1), 2), or 3) happen now, or are likely to happen, so he fails.

So then, please: "Congress change the law ... to remove the constraints
upon fiscal policy we've been living with" (Hello! - Greening of the Dollar
anyone? - this is what some of us have been trying to tell MMT for years!)

So we ARE living with fiscal constraints, it's not just a case of the silly
people at the Fed and Treasury and Congress not understanding how the
system really works.
Even then, the Fed cannot have unbalanced books; it cannot be forced to put
additional reserve liabilities on its balance sheet with no balancing
assets, that would put the Fed (and its stockholding member banks) into
negative equity.   It can only be done with non-debt money like coins, in
order to maintain positive equity.

Then vaguely: "I also think there are many mechanisms Treasury can use
under current law to "trigger" the Fed to create reserves in the Treasury
account" - What are these triggering mechanisms that he thinks can be used
(but aren't)?

Then defeat: "the authority the Fed is using to create the HPM reserves
Treasury needs to later spend into the economy" - yeah, later, after tax
collection and bond sales!

Then retreat: "the authority the Fed is using ... is the authority it
received from the Congress to create Federal money, rather than the
authority that other banks have to create bank credits " - the Fed has no
authority to fund the Treasury; and what authority does he think banks have
to create new bank deposits? - show me a specific clause in a federal law.

Then betrayal of MMT: "banks ... always having access to the HPM reserves
they are required to have by law to continue making loans and creating new
bank deposits "out of thin air." - but MMT says money is endogenous, and
fractional reserves are a myth!

Wow! - this is a complete capitulation, and a complete repudiation of MMT.

Thank you Mr. Firestone!  Can we count on your support of Greening of the
Dollar going forward?

?Howard Switzer
GPTN alt.?

Message: 10
Date: Fri, 13 Jul 2018 08:21:26 -0700
From: Jared Laiti <jared.laiti@gmail.com>
To: National Committee Votes and GP-US Work
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] [Fwd: Discussion Has Begun on GP-US Proposal:
ID 918 ??????? - 2018 Platform Amendment - Fair Taxation]

Joe said:

""Upon passage of this appropriations bill, the Federal Reserve is directed
to fill the Treasury?s spending account at the New York Federal Reserve
with the addition to its Reserve Balance necessary to spend this
appropriation. In addition, the Federal Reserve is directed to fill the
Treasury spending account with the additions to the Treasury Reserve
balances necessary to repay all outstanding debt instruments including
principal and interest as they fall due for the fiscal year of this
appropriation.""

"Concluding, I do think that the Treasury can get the Fed to add reserves
to it spending account under current law, and I do want people to believe
that. I've also written a kindle book about that and its implications for
progressive/Green policy agendas."

Isn't an appropriations bill "law"? If so, what is the point of
distinguishing between such laws and other laws? Until such an
appropriations bill is passed, how does "current law" allow what is stated?

Thanks,
Jared Laiti
GPCA

1. Re: Discussion Has Begun on GP-US Proposal: ID 918 - 2018
     Platform Amendment - Fair Taxation (Howard Switzer)

  6. Re: [Fwd: Discussion Has Begun on GP-US Proposal: ID 918
     ??????? - 2018 Platform Amendment - Fair Taxation] (Joe Firestone)

----------------------------------------------------------------------

Message: 1
Date: Fri, 13 Jul 2018 14:41:53 -0500
From: Howard Switzer <hmsarchitecture@gmail.com>
To: National Committee Votes and GP-US Work
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
- 2018 Platform Amendment - Fair Taxation

Thank you Joe B and Joe F
Please allow me to restate this for my own understanding;

MMT says that taxes do not fund spending and also says that paying taxes is
what gives money its value ...but then its destroyed and doesn't fund
anything, right?

I guess that is why Joe F. says tax money is "destroyed" instead of
'deposited,' and "created" instead of 'withdrawn' or paid out, in order to
say "taxes don't fund spending"
Its got to be different money, so its "destroyed" and then "created" as
high powered money, ALL of this is done with keystrokes.  "...a deeper
mystery seems only decent."  J. K. Galbraith.

I think most Greens may be just speechless in the face of such circular
logic.

I am amazed that anyone pays any attention to MMT at all, but the fact that
so many do should be a concern to all of us.
Getting people to embrace an obvious falsehood, like some do with the
religion or Trump, can be dangerous.

At the same time, the clever academics promoting MMT must know that it is
not true too, so why are they pushing it?
Perhaps they think that sowing mass confusion about money will evoke a mass
yearning for learning the truth about the money?

Is this a teaching method?  Or a mind-numbing demonstration of 'knowledge
management'?

Howard Switzer
GPTN alt.

Message: 6
Date: Fri, 13 Jul 2018 18:51:11 -0400 (EDT)
From: Joe Firestone <eisai@comcast.net>
To: National Committee Votes and GP-US Work
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] [Fwd: Discussion Has Begun on GP-US Proposal:
ID 918 ??????? - 2018 Platform Amendment - Fair Taxation]

Delegates,

I hope you're not moved by this empty declaration of victory by Delegate Switzer. I outlined a few categories of methods other than taxes and selling debt instruments that could be used to trigger the Fed's authority to create new reserves in the Treasury spending account.

The listing of these shows that Sue Peters's claim that only taxing and borrowing can produce new reserves in the Treasury spending account is false. However, I did not say which other methods I prefer or recommend.

Since Delegate Switzer is well aware of my book on platinum coin seigniorage and the very large number of blogs I wrote on the subject, some of which Delegate Switzer commented upon, he also must know very well that the method which doesn't require any changes in law I prefer is High Value Platinum Coin Seigniorage (HVPCS). I certainly don't prefer any of the other methods I outlined, especially since it would take minting only a single 1 oz. platinum coin with a face value of $100 T to fill the Treasury Spending Account for 15 - 25 years while enabling the repayment of all outstanding debt instruments as they fall due.

Delegate Switzer says that none of my 1), 2), or 3) happen now or are likely to happen and so he claims that I fail. But, I never argued that the present troglodytes in Congress and the Executive Branch were likely to use any of these methods. I only pointed out that: since they could be used, Sue Peters's claim about taxes and borrowing being the only methods for augmenting the Treasury spending account available to the Treasury is false.

Of course, none of the proposals of the GP NE, or for that matter the current GPUS platform will be implemented until the occupants of the Congress and the Presidency are changed. So, how is my lack of political power a failure for my pointing out that methods other than taxing or borrowing are available if only Treasury wanted to use them, and how does lack of political power to implement changes, distinguish the proposals currently in the platform from the GP NE amendments? Of course, it doesn't.

Delegate Switzer then goes on to mock my proposal to make simple changes to appropriations bills to ensure that reserves to spend appropriations and to repay outstanding debt instruments are available upon passage of money bills by the Congress saying: "

". . . So then, please: "Congress change the law ... to remove the constraints upon fiscal policy we've been living with" (Hello! - Greening of the Dollar anyone? - this is what some of us have been trying to tell MMT for years!)"

MMT has never claimed that there are no political or legal constraints upon fiscal policy that we've been living with. Indeed, MMT writers constantly rail against those constraints and the austerity they produce; and we also rail against current legal constraints like the debt ceiling law, which periodically create government shutdown crises.

In fact, I have myself written 4 kindle e-books about such constraints and how we ought to fight them. And my Overt Congressional Financing (OCF), is a relatively new proposal for getting rid of the legal constraints in current law handcuffing fiscal policy.

So I am all about removing constraints on fiscal policy that exist now, and I am also all, about the Government creating the money, but I am not for the Greening the Dollar proposal, because, as I understand it, it apparently proposes to creates an extremely powerful monetary authority staffed by technocrats who would still be be unaccountable to democratic politics much as today's Fed system is.

Delegate Switzer also says: "Even then, the Fed cannot have unbalanced books; it cannot be forced to put additional reserve liabilities on its balance sheet with no balancing assets, that would put the Fed (and its stockholding member banks) into negative equity.   It can only be done with non-debt money like coins, in order to maintain positive equity."

But this comment just isn't relevant to the GP NE proposed amendments because among them is a proposal to nationalize the Fed including the regional Fed Reserve banks, and place it within the Treasury Department.

On July 13, 2018 at 10:42 AM Howard Switzer via Natlcomvotes <natlcomvotes@green.gpus.org> wrote:

    Delegates,

    Mr Firestone has basically admitted to Sue Peters in his 5:28PM post, that MMT's story is a crock - that it is NOT what happens now.  . . . .
 Also, when I said there were many mechanisms Treasury can use to "trigger" the Fed to create reserves, I was referring to the methods in the three categories. There are "many" of these because the sale of property is a catch-all in which a number of different kinds of property sales could be specified.

Delegate Switzer next claims that "the authority the Fed is using to create the HPM reserves Treasury needs to later spend into the economy" only occurs after tax collection and bond sales, so that I am defeated in my claims. But here he is hoping that the uncritical will miss his glossing over of the three categories of methods that when used can create triggers allowing for the Fed to exercise its authority to create HPM reserves in the Treasury account.

Then Delegate Switzer claims: "the Fed has no authority to fund the Treasury; and what authority does he think banks have to create new bank deposits? - show me a specific clause in a federal law." But, to the contrary:

-- Of course, the Fed has the authority to credit the Treasury spending account with new HPM reserves when tax and bond payments are settled in the banking system.

-- Of course, the Fed has the authority to credit the Treasury spending account with new HPM reserves when Treasury deposits the payments from the sale of property into the Treasury Spending Account

-- Of course, the Fed has the authority to create new HPM reserves in the US Mint's Public Enterprise Fund (PEF) account when the Mint deposits a High Value Platinum Coin in that account, and

-- Of course, the Fed has the authority to credit the Treasury Spending account with newly created HPM reserves when the Secretary sends an order to the Fed to sweep the coin seigniorage present in the PEF and to mark down that account accordingly.

And Delegate Switzer adds:

"and what authority does he think banks have to create new bank deposits? - show me a specific clause in a federal law.

Then betrayal of MMT: "banks ... always having access to the HPM reserves they are required to have by law to continue making loans and creating new bank deposits "out of thin air." - but MMT says money is endogenous, and fractional reserves are a myth!"

Do GPUS delegates really doubt that US commercial banks have the authority to create new deposits of bank created "debt-based" money in return for promissory notes from borrowers providing for repayments of those loans?

Don't all of us agree that this is just common commercial bank practice?

Does Delegate Switzer really think the commercial banks don't work this way.

Isn't stopping this practice one of the biggest reasons for his railing against debt-based money and his advocating for "greening the dollar"?

And as far as fractional reserve requirements are concerned, the banks do have access to the reserves they need, but they're not required to have the reserves BEFORE they conclude loans. So they make the loans first, and only after the fact seek the reserves they need to meet their requirements.

The fractional reserve system today provides no prior constraint on lending, as it used to do before the 1930s and the New Deal reforms. Instead, the reserve requirements are fulfilled only after the fact when the banks that violating the requirement acquire the necessary reserves in the interbank market or at the Fed discount window.

Finally, Delegate Switzer's claim that somehow my views betray MMT are of no consequence to this debate over the GP NE proposals. So, I won't take up further space discussing them.

Best Regards,
Joseph M. Firestone, Ph.D.

  1. Re: Discussion Has Begun on GP-US Proposal: ID 918 - 2018

     Platform Amendment - Fair Taxation (Joe Firestone)

  6. Re: Discussion Has Begun on GP-US Proposal: ID 918 - 2018
     Platform Amendment - Fair Taxation (Joe Bongiovanni)

  7. Re: Discussion Has Begun on GP-US Proposal: ID 918 - 2018
     Platform Amendment - Fair Taxation (Rita Jacobs)

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Message: 1
Date: Fri, 13 Jul 2018 14:10:10 -0400 (EDT)
From: Joe Firestone <eisai@comcast.net>
To: National Committee Votes and GP-US Work
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
- 2018 Platform Amendment - Fair Taxation

Adviser Bongiovanni and Delegates,

Joe B. Professor Kelton define HPM in WP 244 in footnote 1 on p. 1

"Government money will be used to refer to high-powered money (HPM), defined as member bank deposit balances at the Federal Reserve plus total currency outstanding. When necessary, changes in the ?money supply? (Ml, M2, etc.) will be distinguished from changes in HPM."

I cited Professor Kelton's paper on "The Hierarchy of Money" WP 231, because it develops the conceptual basis for the notion of HPM she defined in WP 244. In the concluding paragraph of WP 231 on p. 9, she says:

"Many economists have noted the existence of a 'hierarchy of money' or a 'debt pyramid' in all modern societies (Minsky, 1986; Foley, 1987; Wray, 1990). An understanding of the structure/composition of the hierarchy can be gained by an application of the Chartalist theory. Specifically, the unit in which the State chooses to denominate nominal tax liabilities determines the unit in which all money in the hierarchy is denominated. For example, if the State declares that taxes are due in dollars, the dollar will be the 'title' or 'description' to which all
relevant money must answer. The most relevant or 'decisive' money in the hierarchy is that which is accepted at State pay-offices. In the US, the 'decisive' money of the system is State-issued currency (fiat money) and bank money (demand deposits). Both are, by virtue of their acceptance in payment of taxes, situated high among the
monies of the hierarchy. But the State's liabilities reign supreme as the only promises in the hierarchy which cannot be refused (by the State's pay offices or by taxpayers wishing to avoid punishment)."

So, the HPM Fed-created reserves that are debited from the Federal Reserve accounts of the banks of taxpayer's are supreme State liabilities offered to Treasury in payment of tax debts. Those liabilities (the HPM reserves) are extinguished when the Fed marks down the reserve balances in the FR accounts of the taxpayer banks, as Kelton says in WP 244. That is why it is correct to view the act of the Fed in marking up the reserve balances in the Treasury spending account as an act of creating entirely new reserves, rather than as "a transfer" of the old government HPM liabilities to the Treasury, as Sue Peters thinks.

In fact, these entirely new reserves created by the Fed are not yet new liabilities of the government because they do not become so until the Treasury spends them into the economy.

You asked: "> Joe, why don?t you just tell us ? since you have independently, repeatedly used the HPM term in support of the proposed Amendments   ?.. what makes reserves (cash or CB issued reserves) more powerful than anything else that serves as money (like bank-credit) ?"

Sure Joe, the answer is in the last two sentences of the quoted conclusion of the WP 231 article. Specifically:

"In the US, the 'decisive' money of the system is State-issued currency (fiat money) and bank money (demand deposits). Both are, by virtue of their acceptance in payment of taxes, situated high among the monies of the hierarchy. But the State's liabilities reign supreme as the only promises in the hierarchy which cannot be refused (by the State's pay offices or by taxpayers wishing to avoid punishment)."

That is, when the Fed debits the Federal Reserve accounts of the taxpayer banks to settle the tax payments the Treasury is constrained to accept that debiting as an  extinction of the taxpayer liabilities in return for the extinction of its own HPM liabilities in the private sector.

On your remarks about Treasury staffers and Frank Newman. To begin with you and others replied to me previously by citing the Treasury officials and their likely opinions about the details of what happens in the process of bank settlements of tax payments mediated by the Federal Reserve and their view that taxes do fund spending. So, I cited the opinion of a once no. 2 man at Treasury to the contrary. You then moved to discredit his opinion as not relevant because he was also a banker for part of his career. So, you ask for a Treasury staffer's opinion; I cite one such opinion but that's not good enough for you because you think he is the wrong Treasury person to listen to.

My reply to that is that Treasury staffers are not the people to listen to at all, because it is not they who are processing bank settlements by the Fed. What Treasury staffers do is to make deposits of tax payments. What Federal staffers do using Fed hardware and software, on the other hand, is to debit and credit the private and Treasury accounts involved in the settlement transactions, so it is they whose opinions are more relevant.

Further, as I recall at least two Chairs of the Fed BOG have given testimony to Congress saying that Fed payments made in the process of QE do not involve any taxpayer money, but that the QE reserves traded by the Fed for swaps of financial assets with banks are created through the Fed using computers to mark up accounts at the Fed. So why should it be any different when the Fed credits the Treasury spending account in return for the Fed's destruction of the HPM reserves in the Fed accounts of the taxpayer banks?

The answer is that it is not different. When tax payments are settled, the Fed marks down the reserve balances in the accounts of banks at the Fed and marks up the reserve balance in the Treasury spending account. Why should Treasury staffers know more about this process and how to interpret it than the Federal Reserve personnel that run these processes, or the MMT students who have been studying what goes on at the Fed when it settles tax payments and talking to its staffers for the past 25 years?

Joseph M. Firestone, Ph.D.
Adviser, GPUS National Platform Committee

Message: 6
Date: Fri, 13 Jul 2018 14:51:45 -0400
From: Joe Bongiovanni <joebhed@verizon.net>
To: natlcomvotes@green.gpus.org
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
- 2018 Platform Amendment - Fair Taxation

Just a quick reply to Joe Firestone.

Thanks Joe for acknowledging that my HPM word-search actually worked and that there's nothing in w.p. 231 on high-powered-money,? and that the entire HPM claim resides in a footnote to w.p,. 244.

More later.? Gawd.

However, in reading that footnote, the definition used does not either answer my question or satisfy the extensive 'tax-money' dialogue on these pages about HPM, the answer never mentions that central bank reserves are "high powered money(HPM)"? But that's not the real big problem here.

"In the US, the 'decisive' money of the system is State-issued currency (fiat money) and bank money (demand deposits). Both are, by virtue of their acceptance in payment of taxes, situated high among the monies of the hierarchy. But the State's liabilities reign supreme as the only promises in the hierarchy which cannot be refused (by the State's pay offices or by taxpayers wishing to avoid punishment)."

To the untrained MMT meme-logic aficionado, it seems you want to say that ALL MONEY used to pay taxes are high-powered-money.
Why not say that high-powered money is bank-credit money, and private-bank issued FR notes ?
Is it because there would be nothing left as 'low-powered money - being things that are claimed to BE money - but that you can't pay taxes with.?
According to the U.S. Money Statutes, I don't know what that would be.

But, OTOH, please imagine that in the MMT 'hierarchy' of money - the so-called here 'decisive money' of the entire monetary system - must be the coins .... being the only fiat money issued into circulation by the government. While dissembling is obvious between the use of "state-issued" and 'state liabilities', that distinction evaporates when it comes to what is used to pay taxes. I ask every GPUS-natcom delegate who pays his or her taxes in anything except bank-credit money to please support the proposed Amendment, and those who pay with money, vote against.

Finally, am I the only one struck by this particular MMT conundrum -? there is a claim that taxes do not fund spending and yet that what makes money super-decisive and high-powered is THAT it is used to to pay those same taxes that don't fund anything ?.
Thanks.

joe bongiovanni? GPVA
Advisor to the natcom on Money and Banking Policy

Message: 7
Date: Fri, 13 Jul 2018 19:23:17 +0000
From: Rita Jacobs <rjacobs@arq.net>
To: National Committee Votes and GP-US Work
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
- 2018 Platform Amendment - Fair Taxation

I think George Orwell wrote about this. He called it double-speak.

Rita Jacobs
Alternate Del. GPMI

2. Re: [Fwd: Discussion Has Begun on GP-US Proposal: ID 918
     ??????? - 2018 Platform Amendment - Fair Taxation] (Joe Firestone)

Message: 2
Date: Thu, 12 Jul 2018 18:28:44 -0400 (EDT)
From: Joe Firestone <eisai@comcast.net>
To: National Committee Votes and GP-US Work
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] [Fwd: Discussion Has Begun on GP-US Proposal:
ID 918 ??????? - 2018 Platform Amendment - Fair Taxation]

Adviser Peters,

Thank you for your reply.

I don't believe you and I disagree on the basics of the bookkeeping, but we certainly disagree on the terminology that ought to be used and its meaning. You said:

"You insist on using the terms ?destroying? bank reserves, and ?creating? Treasury reserves. I believe you want to use the word ?creating?
because you want to believe the NY Fed Bank can create reserves for the Treasury account. BY LAW, the NY Fed Bank is NOT ALLOWED to create reserves for the Treasury
account.

The Treasury must get reserves either from taxes or borrowing."

I do insist on using the terms "destroying" and "creating" because that's what marking down and marking up balances in bank accounts does to reserves in accounts. And I also believe that you are wrong that the Treasury must get reserves in its spending account only from either from taxing or borrowing. Here's why:

While I agree that BY LAW the NY Fed bank is not allowed to create reserves for the Treasury spending as an act of extending credit to the Treasury, I also know that there are other ways for Treasury to get reserves other than by depositing tax payments and securities sales proceeds in its account. Here is a list of ways.

(1) The Treasury can sell government assets to the Fed or the public or options on those assets and deposit the proceeds in its account. There are many different asset classes that may be sold including a variety of material and cultural assets of the Federal government.

(2) The Treasury can mint coins and deposit those coins into its accounts getting reserves in return. The proposal to mint 1 oz. platinum coins worth $1 Trillion or more dollars that came into public view in 2011 as a possible solution to debt ceiling crisis was based on this idea and the authority provided to Treasury by a 1996 coin law.

(3) The US Supreme Court can order the Fed to place reserves in the Treasury spending account to resolve a debt ceiling crisis after an appeal to the 14th amendment Section Four by the President.

In addition, to the above, which can be done under current law there is also an easy way for Congress change the law to produce reserves necessary for Treasury to easily spend its appropriations and repay all the principal and interest on Federal debt instruments within any time period. Here is some quasi-legislative language a progressive/Green Congress can add to its appropriations, CR, and other funding bills to make this happen:

"Upon passage of this appropriations bill, the Federal Reserve is directed to fill the Treasury?s spending account at the New York Federal Reserve with the addition to its Reserve Balance necessary to spend this appropriation. In addition, the Federal Reserve is directed to fill the Treasury spending account with the additions to the Treasury Reserve balances necessary to repay all outstanding debt instruments including principal and interest as they fall due for the fiscal year of this appropriation."

Concluding, I do think that the Treasury can get the Fed to add reserves to it spending account under current law, and I do want people to believe that. I've also written a kindle book about that and its implications for progressive/Green policy agendas. <http://amzn.to/Z7kG5q>

In addition, I think that the easy change to current Congressional appropriations practices mentioned above can also transcend taxing and borrowing and allow us to remove the constraints upon fiscal policy we've been living with; and yes, I've been emphasizing "taxes don't fund spending" because the narrative that phrase evokes is one that emphasizes Congress's role in facilitating spending and the Fed's role in actually enabling the Treasury to implement it.

I also think there are many mechanisms Treasury can use under current law to "trigger" the Fed to create reserves in the Treasury account, and that the authority the Fed is using to create the HPM reserves Treasury needs to later spend into the economy is the authority it received from the Congress to create Federal money, rather than the authority that other banks have to create bank credits which they derive from being part of the Fed system itself and always having access to the HPM reserves they are required to have by law to continue making loans and creating new bank deposits "out of thin air."

Thanks again for your reply.

Best Regards,

Joe Firestone, Ph.D.
Adviser, GPUS National Platform Committee

  2. Re: [Fwd: Discussion Has Begun on GP-US Proposal: ID 918

     ??????? - 2018 Platform Amendment - Fair Taxation] (Howard Switzer)

Message: 2
Date: Thu, 12 Jul 2018 18:40:41 -0500
From: Howard Switzer <hmsarchitecture@gmail.com>
To: National Committee Votes and GP-US Work
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] [Fwd: Discussion Has Begun on GP-US Proposal:
ID 918 ??????? - 2018 Platform Amendment - Fair Taxation]

Delegates,

I expect we are all aware that the words we choose to describe the world,
our policies and the framing of the issues etc. are very important and can
make a difference.
And that we do indeed need to get much better at that.
However I think Greens believe that they must also be accurate and truthful
so as not to be seen as being overtly manipulative or perveying falsehoods.

Mr. Firestone has his beliefs and what he "thinks," -thank you for
sharing-, and Sue Peters has a concise and accurate description of the
facts based on her expert experience.

Howard Switzer
GPTN alt.

1. [Fwd: Discussion Has Begun on GP-US Proposal: ID 918 ???????
     - 2018 Platform Amendment - Fair Taxation] (Sue)

  6. Re: Discussion Has Begun on GP-US Proposal: ID 918 - 2018
     Platform Amendment - Fair Taxation (Joe Bongiovanni)

Message: 1
Date: Thu, 12 Jul 2018 02:59:26 -0400
From: "Sue" <peters.s@startmail.com>
To: natlcomvotes@green.gpus.org
Subject: [usgp-nc] [Fwd: Discussion Has Begun on GP-US Proposal: ID
918 ??????? - 2018 Platform Amendment - Fair Taxation]

Mr. Firestone,
Again, I say that you do not know how bookkeeping works.

For my career, I designed business data processing systems for Wall
Street firms. Most of my experience involved the accounting of the
institutions. My last 15 years was spent in the corporate checking accounts of a Wall
Street bank.

MOVING MONEY BETWEEN ACCOUNTS: When money is moved from one account to
another, two transactions are created, at the same time. The first
takes money out of the sending account (known as debiting the account); the other
puts money into the receiving account (known as crediting the account). This
is basic bookkeeping operations. Both transactions are required to be
created at the same time and processed together.

At the beginning of banking, it was done by hand. Today it is done by
computers.

Let's look at the accounts at the New York Fed.

PAYING MY TAXES: When I pay my taxes, IRS deposits my check into the
Treasury account. As a result, my bank's reserves are marked down; the Treasury
reserves are marked up. The reserves are moved. This is done by
creating two transactions. The first removes the reserves from the bank?s account.
The second adds the reserves to the Treasury?s account.

This is basic bookkeeping operations. It is called moving money between
accounts.

You insist on using the terms 'destroying' bank reserves, and
'creating' Treasury reserves. I believe you want to use the word 'creating'
because you want to believe the NY Fed Bank can create reserves for the Treasury account.
BY LAW, the NY Fed Bank is NOT ALLOWED to create reserves for the Treasury
account. The Treasury must get reserves either from taxes or borrowing.

The bankers wrote the 1913 Federal Reserve Law. They designed this
system to keep our government in debt and to enrich their banks and the
corporations that have grown up around them. Greening the Dollar in the current
platform removes this system and gives back to Congress the power to issue
debt-free money. Our colonial legislatures created colonial script; Lincoln's
Congress created Greenbacks; and we can create debt-free U.S. Money.

Please study the website GreensForMonetaryReform.org. Come to my panel
at Salt Lake City on Greening the Dollar and funding the Green New
Deal. Our federal government will no longer have to borrow and the debt
can be paid off.

Sue Peters
Member, NY County GP
Member, NYS GP State Committee
Advisor for money reform, National Committee
GreensForMonetaryReform.org
212 864 0229

Message: 6
Date: Thu, 12 Jul 2018 09:13:12 -0400
From: Joe Bongiovanni <joebhed@verizon.net>
To: natlcomvotes@green.gpus.org
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
- 2018 Platform Amendment - Fair Taxation

Dear Joe Firestone? and persevering natcom delegates

Thanks for the reply.????? I have previously read Dr. Kelton?s paper on The Hierarchy of Money. Having done so, I did not recall the HPM issue being part of that discussion.? To my recollection, Dr. Kelton doesn?t talk AT ALL about ?reserves? ?. The real discussion here is about the two monetary platforms of ?metallism? and ?chartalism? for the most part, and the superiority of Knapp?s State Money theory ? the chartalist theory -? over the gold and commodity basis of ?metal? money.??????? Great. But, so what???? I thought you were making some point about the validity of continuing to count 'reserves' as HPM or ?high-powered-money?.????????

Having no recollection of that HPM discussion in this paper I tried a word-search to start, and perhaps due to my being techno-challenged, nothing turned up under either ?HPM? or ?high-powered money?.????? So, I respectfully request that you point us all in the direction of a connection between my point about HPM being ?history?,? and a contrary understanding being advanced by Dr. Kelton to justify its continued use ? especially relating to central-bank ?reserves?.???????

Joe, why don?t you just tell us ? since you have independently, repeatedly used the HPM term in support of the proposed Amendments?? ?.. what makes reserves (cash or CB issued reserves) more powerful than anything else that serves as money (like bank-credit) ????? I also hope you can be more clear in your effort at parsing the fact that Treasury says that taxes and Bonds DO fund (finance) public spending, despite Dr. Kelton?s analysis and contrary conclusion through the accounting of reserves at the central bank.? They can?t both be right.? And, why should we not respect the sworn testimony of our Treasury staffers who deal with this reality every day, and every year.???????

Joe, PLEASE. Don?t trot out Frank Newman as a Treasury guy. He?s a banker? who did a two-year political stint as deputy-Sec at the department. He had a 35 year history as an international banker CEO.? Like you mentioned.?????? May I quote Newman?s Treasury-system understandings from that NEP post.??? ??? I recall from my time at the Treasury Department that the assumption was always that there was money in the fed account to start with. Nobody seemed to know where it came from originally or when; perhaps it was established in biblical times. ??

So, when you follow that Newman gem with your statement : "" he (Newman) agrees with the MMT account of how Federal funding and spending occur. ?? ?? ..... ?? I'm not sure you've gained anything.? Why should anyone believe his postulation ??? Also, does this sound like a Treasury guy to anyone???? ??? But as a matter of practice, if the treasury wanted to disburse $20bn a given day, it started with at least that much in its fed account. Then later would issue new treasuries and rebuild its account at the fed.??(I do not recall ever using an overdraft.) ????? Huh?

?Thanks.
?joe bongiovanni? -? GPVA
advisor to the GPUS natcom on Money and Banking policy

     Platform Amendment - Fair Taxation (Joe Firestone)

Message: 2
Date: Wed, 11 Jul 2018 22:18:30 -0400 (EDT)
From: Joe Firestone <eisai@comcast.net>
To: National Committee Votes and GP-US Work
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
- 2018 Platform Amendment - Fair Taxation

Delegate Switzer,

I afraid I disagree. I believe Galbraith was talking about reserves, because he was very knowledgeable about banking processes and the simplicity of the process of creating reserves (additions to bank balances).

On this:

Money creation and banking needs to be seperated.
Government need not get into the banking business as long as it does not
allow the banks to continue in the governing business.

The GP NE proposals, if implemented would prevent the banks from continuing in the governing business. But, the GP NE proposals do imply that Government would be more deeply involved in the banking business with state banks, postal banks, and tight regulation of commercial and community banks.

That is a good thing because banking activity and functioning is an activity so highly-related to the public purpose that it is debatable whether it is a good idea to have any private banking at all, and I confess I find it hard to think of any public purpose that is served by continuing to allow private banks to operate.

But that goes beyond the GP NE proposals and is a topic for another day.

Best Regards,

Joseph M. Firestone, Ph.D.
Adviser, GP US National Platform Committee

  3. Re: Discussion Has Begun on GP-US Proposal: ID 918 - 2018

     Platform Amendment - Fair Taxation (Joe Firestone)

  5. Re: Discussion Has Begun on GP-US Proposal: ID 918 - 2018
     Platform Amendment - Fair Taxation (Howard Switzer)

  7. Re: Discussion Has Begun on GP-US Proposal: ID 918 - 2018
     Platform Amendment - Fair Taxation (Howard Switzer)

  9. Re: Discussion Has Begun on GP-US Proposal: ID 918 - 2018
     Platform Amendment - Fair Taxation (Joe Bongiovanni)

 13. Re: Discussion Has Begun on GP-US Proposal: ID 918 - 2018
     Platform Amendment - Fair Taxation (Joe Firestone)

Message: 3
Date: Wed, 11 Jul 2018 17:59:52 -0400 (EDT)
From: Joe Firestone <eisai@comcast.net>
To: National Committee Votes and GP-US Work
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
- 2018 Platform Amendment - Fair Taxation

Adviser Bongiovanni,

Well, Joe. I think at this point, we've both stated our case. Yours saying that Stephanie Kelton never said that Taxes do not fund spending, and my own claiming that she certainly did say that in WP 244. So, I think at this point the delegates seeing our exchanges can decide whose view of what she said is closest to the truth.

But I do want to leave the delegates and yourself with another quote from the Summary and Conclusion section of WP 244 (p. 24) to help us all decide what she was saying.

"An analysis of reserve accounting reveals that all government spending is financed by the direct creation of HPM; bond sales and taxation are merely alternative means by which to drain reserves/destroy HPM. . . . "

So, if "all government spending is financed by the direct creation of HPM" then I think she implies in the sense of strict logical implication that neither tax nor bond revenues "finance" and federal spending. Assuming now that "financing" and "Funding" are synonyms it also follows that she was saying that "taxes do not fund spending."

Best Regards,

Joseph M. Firestone, Ph.D.
Adviser, GPUS National Platform Committee

Message: 5
Date: Wed, 11 Jul 2018 17:27:55 -0500
From: Howard Switzer <hmsarchitecture@gmail.com>
To: National Committee Votes and GP-US Work
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
- 2018 Platform Amendment - Fair Taxation

Delegates,

What I think has been made clear in this discussion is that MMT, whether it
is Kelton or Wray or Firestone, peddles confusury; economic double-speak in
defense of usury, in defense of banks issuing all the money as debt for
profit.
They claim that we do not need to change the system, that the system is
fine, all it needs is some regulatory tweaks.  I think most of us know
better than that.
If government were creating money there would be no national debt.
MMT, just like most economists, ignore history becasue the history tells
the story and that contradicts their postulations.

?The problem of the modern economy is not a failure of a knowledge of
economics; it's a failure of a knowledge of history.  Do not be alarmed by
simplification, complexity is often a device for claiming sophistication,
or for evading simple truths. There can be few fields of human endeavor in
which history counts for so little as in the world of finance. Past
experience, to the extent that it is part of memory at all, is dismissed as
the primitive refuge of those who do not have insight to appreciate the
incredible wonders of the present. Faced with the choice between changing
one's mind and proving that there is no need to do so, economists get busy
on the proof. Their conventional view serves to protect us from the painful
job of thinking.?  ~ J. K. Galbraith

Peace.

Howard Switzer
GPTN alt.

MESSAGE 7
Date: Wed, 11 Jul 2018 17:43:18 -0500
From: Howard Switzer <hmsarchitecture@gmail.com>
To: National Committee Votes and GP-US Work
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
- 2018 Platform Amendment - Fair Taxation

You are Welcome, Joe,
However, I believe Mr Galbraith was talking about 'money' and reserves are
not money but merely place holders for money, so...not included.
Money creation and banking needs to be seperated.
Government need not get into the banking business as long as it does not
allow the banks to continue in the governing business.
That is what Greening of the Dollar is all about, the governing business.

Cheers,

Howard Switzer
GPTN alt.

Message: 9
Date: Wed, 11 Jul 2018 19:44:40 -0400
From: Joe Bongiovanni <joebhed@verizon.net>
To: natlcomvotes@green.gpus.org
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
- 2018 Platform Amendment - Fair Taxation

To Adviser Joe Firestone,
With all due, considerable, respect, backatcha, your comment here leaves me wondering, both regards its form and content.????????? Regards form, to state 'we're done here, let the natcom decide', and then, Colombo-style, postulate one more new conclusion based on new information presented??? ....?? so as to inform the natcom delegates thereof? .... that seems like a genius move, but I'm perhaps too simple to accept it.
This conversation - about whether taxes fund public spending, or not? - has now, after long effort, been joined. We both know it is far from over.

Then to the content of your 'logical' postulation.
First, HPM again. There is no such thing as HPM and there has not been since gold was backing, or providing reserves behind, the currency.? So, by your guess, over 25 years before Stephanie wrote that.??? There's the rather impotent monetary base still alive.
Then, it's not what she wrote that is important to the question of 'what' funds government spending, but what, in fact, DOES fund, or finance,(same meaning ), government spending.

The folks at Treasury say - not me and not Howard and not Sue or others? -?? but Treasury's Chief Financial Officer signatory to their Annual Fiscal Report,?? being the career public servants responsible, ? and the auditors they hire for determining and SAYING what funds government spending ( not by examining the reserve accounts at the central bank - but by examining the $US accounts that the Treasury department's rules prescribe ) ? .... they all state clearly that what funds government spending is departmental revenues received from taxation and bonding. They say exactly how many $US is derived from each revenue source. They make the same report with the same conclusion every year.

Indeed Stephanie implies otherwise. But, like I said earlier. Why did she not just run over to Treasury and ask the question -? 'how do ya get around this accounting glitch'.?
That's what I would do, and recommend to anyone interested.? Like yourself, Joe.
How bout we go over and ask them ?

Best regards,
joe bongiovanni, GPVA
Adviser to the GPUS natcom on Money and Banking Policy issues.

Message: 13
Date: Wed, 11 Jul 2018 21:51:25 -0400 (EDT)
From: Joe Firestone <eisai@comcast.net>
To: National Committee Votes and GP-US Work
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
- 2018 Platform Amendment - Fair Taxation

Delegates,

In this note, Delegate Switzer has drawn a number of conclusions about MMT, Stephanie Kelton, Randy Wray, and I. Of course, I think these conclusions are both false and unwarranted. But more importantly they are not conclusions about the amendments offered by the GP NE based on criticisms of these proposed amendments by ad hominem attacks on MMT writers and exercises in pejorative labeling directed at the MMT approach to economics.

I believe our purpose in these exchanges has been to discuss the GP NE proposals not MMT in general or particular MMT writers, their motives or any other personal characteristics they may have.

Delegate Switzer says that MMT ". . . peddles confusury; economic double-speak in

defense of usury, in defense of banks issuing all the money as debt for
profit." I deny that, of course, but more importantly, that is not what is at issue here. instead, the issue is whether any of the GP NE proposals suffer from these defects. Unfortunately Delegate Switzer does not address that question.

Delegate Switzwer goes on: " . . . > They claim that we do not need to change the system, that the system is fine, all it needs is some regulatory tweaks.  I think most of us know better than that."

The GP NE proposals advocate for major reforms and changes in the current system, not just "some regulatory tweaks." All one has to do to see that is to read the platform items with the GP NE proposals. We are not nibbling around the edges here, but are proposing a substantial reconstruction of the structure and composition of the banking system including nationalization of the Fed, removing the need for the Treasury to issue any further public debt, and creating a new network of community banks, public and state banks (including postal banks), with a much reduced component of commercial banks, and an end to the giant mega commercial banks that exist today.

Delegate Switzer continues:

"> If government were creating money there would be no national debt.

MMT, just like most economists, ignore history becasue the history tells
the story and that contradicts their postulations.

This statement has nothing to do with the GP NE proposals. One of these provide for the Secretary of the Treasury to require the newly nationalized Federal Reserve Banks to provide funds for appropriated Federal spending on request. If nationalization of the Fed along with this proposal were implemented then there will be no new national debt going forward and also complete repayment of all the outstanding previous debt as it falls due. In other words, the GP NE proposals provide for the direct creation of HPM by the Federal Reserve now under the Treasury, and also for ending the public debt by paying off the current debt as it falls due.

Delegate Switzer finishes his summation with this quote from John Kenneth Galbraith:

?The problem of the modern economy is not a failure of a knowledge of
economics; it's a failure of a knowledge of history.  Do not be alarmed by
simplification, complexity is often a device for claiming sophistication,
or for evading simple truths. There can be few fields of human endeavor in
which history counts for so little as in the world of finance. Past
experience, to the extent that it is part of memory at all, is dismissed as
the primitive refuge of those who do not have insight to appreciate the
incredible wonders of the present. Faced with the choice between changing
one's mind and proving that there is no need to do so, economists get busy
on the proof. Their conventional view serves to protect us from the painful
job of thinking.?  ~ J. K. Galbraith

I couldn't agree more with this quote, but it is not relevant to the GP NE proposals.  Readers of those proposals will see that they are stated in reasonably simple language and provide for substantial change.

Readers will also notice that the Monetary Authority proposed by the GP NE is different from the MA proposed in the original platform. The original MA tries to determine the money supply in the economy, and is designed to function as an independent entity even though it is within the Government.

In the GP NE proposals the MA is a powerful supervisor and regulator of the nationalized Federal Reserve System. Its purpose is to ensure that the reconstituted banking system retains its distributed network character and does not again become concentrated into a very few private commercial megabanks. The MA is not independent, but is accountable to the Secretary and the Treasury.

This last is a major contrast with the present platform. The GP NE created the contrast because the MA in the original platform exemplifies a technocratic institution removed from democratic influences. We think we've had enough of this anti-democracy in the 20th century and more recent years. Technocrats are not objective and over time they tend to decide things in favor of Wall Street and conservative interests.

The GP NE amendments, however, embody the desire to make the monetary and banking system more democratic and accountable by subjecting the MA to the presidency and the political dynamics surrounding it. And that is one very big reason why we believe that the GP NE design of the MA is to be preferred over the previous platform's design.

Best Regards,

Joseph M. Firestone, Ph.D.
Adviser, GPUS National Platform Committee

 10. Re: Discussion Has Begun on GP-US Proposal: ID 918 - 2018
     Platform Amendment - Fair Taxation (Joe Firestone)

Message: 10
Date: Wed, 11 Jul 2018 17:12:15 -0400 (EDT)
From: Joe Firestone <eisai@comcast.net>
To: National Committee Votes and GP-US Work
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
- 2018 Platform Amendment - Fair Taxation

Delegates,

Thanks for refreshing my memory on the JKG quote. Please note however, that the quote does not exclude the Federal Reserve banks which create and issue reserves. Also, please remember (1) that whether the Federal Reserve system of institutions is public or private is still a matter of dispute and (2) that if the GP NE proposals are all accepted then the Fed banks would be unambiguously public.

Finally, please note that I just pointed out that Jamie Galbraith has recently accepted the JG as good policy and does not now, as Howard mistakenly said, consider the Federal Job Guarantee an absurd policy. In addition, since he was a socialist, it is very likely that the elder Galbraith would be right where his son is today, a strong supporter and ally of the MMT movement.

Best Regards,

Joseph M. Firestone, Ph.D.
Adviser, GPUS National Platform Committee

   2. Re: Discussion Has Begun on GP-US Proposal: ID 918 - 2018
     Platform Amendment - Fair Taxation (Joe Firestone)

  8. Re: Discussion Has Begun on GP-US Proposal: ID 918 - 2018
     Platform Amendment - Fair Taxation (Howard Switzer)

 10. Re: Discussion Has Begun on GP-US Proposal: ID 918 - 2018
     Platform Amendment - Fair Taxation (Joe Bongiovanni)

Message: 2
Date: Wed, 11 Jul 2018 12:24:13 -0400 (EDT)
From: Joe Firestone <eisai@comcast.net>
To: National Committee Votes and GP-US Work
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
- 2018 Platform Amendment - Fair Taxation

Delegates,

James K. Galbraith, John Kenneth Galbraith's son is one of the MMT economists. Last fall, he gave the keynote speech at the 1st MMT International Conference held in Kansas City last September. He's been supportive of MMT for years, and in the last few years he changed his position on the Job Guarantee, which was the last point of difference between Jamie and the mainstream of MMT writing.

Delegate Switzer's appeal to simplicity is also misleading since John Kenneth Galbraith once said that the simplicity of the actual reality of the process of creating Federal money is so simple that the mind rebels against it. What he was referring to was the Government's creation of money by merely marking up accounts. Incidentally, MMT's commitment to economics for the public purpose is derived from the elder Galbraith's work.

Best Regards,

Joseph M. Firestone, Ph.D.
Adviser, GPUS National Platform Committee

Message: 8
Date: Wed, 11 Jul 2018 12:16:20 -0500
From: Howard Switzer <hmsarchitecture@gmail.com>
To: National Committee Votes and GP-US Work
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
- 2018 Platform Amendment - Fair Taxation

Mr Firestone gives us more MMT confusury and yes, I know James has been
sucked in to MMT, his father is probably rolling over in his grave.

However J K Galbraith's comment was NOT referring to the government
creating money, this is more "knowledge management" misdirection, he was
referring to the banks who create all the money. (except the coins)

"The study of money, above all other fields in economics, is one in which
complexity is used to disguise truth or to evade truth, not to reveal it.
The process by which banks create money is so simple the mind is repelled."
~ John Kenneth Galbraith

I think the mind is repelled by the fact that it is so unconstitutional and
corrupt as well.   Glad to hear James sees the absurdity of the 'job
guarantee.'

Howard Switzer
GPTN alt.

Message: 10
Date: Wed, 11 Jul 2018 13:34:42 -0400
From: Joe Bongiovanni <joebhed@verizon.net>
To: natlcomvotes@green.gpus.org
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
- 2018 Platform Amendment - Fair Taxation

Delegates,
Apologies for the confusion,???? and length???????? I am responding here below to Joe F ? ..... ?? who sent a reply ( included ) to my original comment. My original comment went into moderation when I sent it?? -? for including Joe's CC'd email ( I think) . I asked the 'moderator (?) to delete my original comment?? -? but I am now re-creating it all here below - for the sake of clarity??? My reply to Joe F today ......BEGINS?? Dear Joe F.????? How could I possibly be more clear in what I was saying ???????? It is that Dr. Kelton NEVER SAID that "taxes don't fund spending" .... as you claimed to prove. and as is widely repeated by the entire CADRE of MMT scribes and devotees, including more than a half-dozen times in this discussion..

Taxes and Bonds do finance spending - this we know by Treasury's own words.??????? I gave my rationale for concluding that she never said that in? 244 .- nor has she explained Treasury's 'affirmative' reporting position.??????????????? Obviously, the Treasury says Taxes and Bonds do finance spending.???? and Dr. Kelton never said in her paper that you linked to as proof, that they DO NOT.??????? This is a foundational issue for MMT to deal with, IMO.?? No feigned science even exists here to support the MMT notion that Taxes and Bonds do not fund public spending?? Your claim of this fact being a matter of semantics is rather appalling.

Let's start here.? Have you read the Treasury's Annual Fiscal Report for any of the last 20 years??? Do not ALL of those reports say that taxes and Bonds provide the revenues to finance public spending?? They do.??? And then, they're audited.?? To confirm the numbers of each.??????????????? Joe, I look forward to the day when you and I and Dr. Kelton are among the Treasury's accountants and we can figure out who has provided the wrong conclusion here.? Hope that can happen soon. ? ? In the meantime, from my perspective,? MMT is pants-less out there in making its sales pitch on this matter.? My advice .... Stop repeating it.? It's not true.??? Or, prove it.?? Thanks, Joe.

joe bongiovanni - GPVA
Advisor to the GPUS natcom on money and banking issues.

  1. Re: Discussion Has Begun on GP-US Proposal: ID 918 - 2018
     Platform Amendment - Fair Taxation (Joe Firestone)
  2. Re: Discussion Has Begun on GP-US Proposal: ID 918 - 2018
     Platform Amendment - Fair Taxation (Janet Martell)

  5. Re:  Discussion Has Begun on GP-US Proposal: ID 918 ??????? -
     2018 Platform Amendment - Fair Taxation (Rita Jacobs)

  9. Re: Discussion Has Begun on GP-US Proposal: ID 918 ??????? -
     2018 Platform Amendment - Fair Taxation (Howard Switzer)

 11. Re: Discussion Has Begun on GP-US Proposal: ID 918 - 2018
     Platform Amendment - Fair Taxation (Howard Switzer)

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Message: 1
Date: Wed, 11 Jul 2018 02:07:26 -0400 (EDT)
From: Joe Firestone <eisai@comcast.net>
To: National Committee Votes and GP-US Work
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
- 2018 Platform Amendment - Fair Taxation

Thanks, Jared.

I appreciate your reply. But I must try to be serious about the semantics. When people ask "How you gonna pay for it?" The correct answer is not that taxes will pay for it or selling bonds will pay for it. It is that Congress will pay for it by appropriating spending and with the assistance of the Federal Reserve's delegated powers to mark up the Treasury's spending account. That is the direct line of funding.

Taxing and borrowing are facilitating processes that precede actual immediate funding of spending; just as previous Federal spending facilitates taxing and borrowing by providing the stock of money that is taxed and borrowed. That is, federal spending is part of a larger process involving many preceding events and activities. Those who want to claim that taxing and borrowing fund federal spending break into the larger process at an arbitrary point to justify their claim. But why stop there? Why not go back to beginning where logic dictates that Federal spending had to come first before taxing or borrowing could occur.

Joe

Message: 2
Date: Wed, 11 Jul 2018 07:48:16 -0400
From: Janet Martell <ninth.st@frontier.com>
To: National Committee Votes and GP-US Work
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
- 2018 Platform Amendment - Fair Taxation

I agree with Jared here. The MMT argument is difficult to follow and is just another convoluted way of saying that spending priorities are political, and the government has the power to rearrange its priorities. I think our current platform language is quite clear on that message, and in is more radical and democratic -- and easier to understand -- than the MMT reasoning. We don't need to "fix" our platform this way.

Jan Martell
Alt, NC

Message: 5
Date: Wed, 11 Jul 2018 13:20:49 +0000
From: Rita Jacobs <rjacobs@arq.net>
To: Natcom votes <natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc]  Discussion Has Begun on GP-US Proposal: ID 918
??????? - 2018 Platform Amendment - Fair Taxation

I'm posting my latest response from Joe Firestone, as he does not post his answers to my questions on the listserv.

Rita Jacobs

Alternate Delegate

GPMI

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
From: Joe Firestone <eisai@comcast.net>
Sent: Wednesday, July 11, 2018 1:52 AM
To: Rita Jacobs
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918         - 2018 Platform Amendment - Fair Taxation

Delegate Jacobs,

If you've been following my replies to others, you've seen me saying that the conclusion that "taxes  don't fund spending" arises not so much from differences over facts as from the interpretation of those facts.

You said: "It stands to reason that if money in my checking account is transferred to the Treasury General Fund when I write a check to pay my taxes, that the M1 is decreased because that money is no longer in my checking account."

First, I don't accept that money in your checking account is "transferred to the Treasury General fund" when you write that check to pay your taxes. That is your interpretation of what is happening. But my construal of the underlying facts is different

What happens is that when Treasury deposits your check, and balances are settled throughout the system, your checking account is marked down, and your bank's reserve account at the Fed is marked down. The mark downs destroy bank-generated money in your account and central bank reserves in your bank's reserve account at the Fed. Then, the Fed marks up the Treasury's General Fund with an equivalent dollar amount of newly-created reserves by the Fed.

You say that nothing is destroyed in this process, and nothing is created. But consider, part of your account balance is gone from your bank, and part of your bank's balance at the Fed is also gone. How is that a transfer of your money by the Fed? How is "transfer" a reasonable construal of what is going on? On the contrary that is money (M1) in the private sector that has been destroyed by the Fed in the course of the settlement process..

Further, when the Fed marks up the Treasury account with new high-powered reserves, it is not transferring money either from your private account or your bank's reserve account. It can'be transferring your money because what is in in your account isn't even central bank reserves but only bank-created money, and the central bank reserves in your bank's Fed account certainly hasn't been created by the money you "transferred" to the Treasury. Those reserves were previously created by the Fed when either Fed or Treasury Reserves were spent into the private economy.

So, instead of the Fed transferring your money to the Treasury through the settlement process, it is creating, by law, entirely new reserves in the Treasury General Fund. These reserves are not in M1. They are not part of the money supply at all, since the Treasury General Fund is wholly in the Government sector and so is not part of the M1 money supply in the economy.

You also said:

"MI money is simply a calculation or estimate of the amount of money in the economy that is used as a medium of exchange. It is not something that can be destroyed, but is something that can be transferred."

It is that, but M1 is partly composed of account balances in checking accounts, and those can't be transferred to the Treasury since all reserves in the Treasury account must, by law, be reserves that were created by the Fed.

Finally you also said:

"I'm referencing things that are real and happening. You are discussing the transfer of money as an event that destroys money, with which I do not agree. At least we can agree that checks written to the IRS are transferred to the Treasury General Fund. Can we then also agree that taxes \*do\* fund government spending?"

I'm sorry, but that is exactly the point on which we seriously disagree. Checks written to the IRS certainly arrive there and are then deposited at the Fed, but the amounts recorded in the checks are not "transferred" to the General Fund except through the process I outlined which I don't believe is reasonably construed as a "transfer" and bespeaks a commitment on your part to a principle of conservation of money through various Fed operations that are very real and are only made possible by Congress's delegation of its constitutional authority in Article I, Section 8, to create and destroy money to the Federal Reserve.

So no, I don't agree that taxes "fund" spending. I agree only that tax or bond payments can trigger completion by the Federal Reserve of the funding process begun by Congress, but I also think there are many other "triggers" that can be used, as I indicated in my previous reply to Sue Peters. And that is what is important. To liberate us all from the neoliberals, we need to liberate ourselves from the dogma that taxes and bonds fund federal spending and recognize instead that taxes and bonds have other primary functions and are only two of many "triggers" that can be used to require the Federal Reserve to complete the process of "funding" Treasury spending.

Best Regards,

Joseph M. Firestone, Ph.D.
Adviser, GPUS National Platform Committee

On July 10, 2018 at 10:18 PM Rita Jacobs <rjacobs@arq.net> wrote:

Mr. Firestone,

I understand that M1 is primarily cash in circulation plus money in checking accounts. It stands to reason that if money in my checking account is transferred to the Treasury General Fund when I write a check to pay my taxes, that the M1 is decreased because that money is no longer in my checking account. There is no new money created, the money is simply removed from circulation in the public economy because it is returned to the Federal government. This has nothing to do with anyone creating new money. I feel like this discussion is going around in circles because you refer to this as destroying money. Nothing is destroyed and nothing is created. There is no way this can be rationally be construed to draw a conclusion that taxes do not fund spending.

I would appreciate it if you would also direct your answers to the discussion list so others can see the answers to the questions I have posted on this list.

MI money is simply a calculation or estimate of the amount of money in the economy that is used as a medium of exchange. It is not something that can be destroyed, but is something that can be transferred.

You asked "Does your reference from the CRS contradict that narrative, or is it simply not directly relevant to it?" I'm referencing things that are real and happening. You are discussing the transfer of money as an event that destroys money, with which I do not agree. At least we can agree that checks written to the IRS are transferred to the Treasury General Fund. Can we then also agree that taxes \*do\* fund government spending?

Rita Jacobs
Alternate delegate
GPMI

Message: 9
Date: Wed, 11 Jul 2018 08:59:54 -0500
From: Howard Switzer <hmsarchitecture@gmail.com>
To: National Committee Votes and GP-US Work
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
??????? - 2018 Platform Amendment - Fair Taxation

Mr Firestone writes " Federal Reserve destroys those revenues in the
process of crediting the Treasury spending account with new high-powered
reserves.?

However, when you go to a bank to transfer money from one account to
another, do you say the teller ?destroys? the money in one account and
?creates? money in the other?!
He just admitted that the tax revenues are transferred to the spending
account and wants to claim the Fed, a glorified bank teller, is creating
money.  Why?

An important "trigger" is 1oz platinum coins? And you say this system isn't
related to the archaic notion of money backed by gold?

He writes; "a simple addition to all Federal money bills by Congress..."
Why wouldn't Congress just change the law, as Greening of  the Dollar
proposes, and avoid this convolution?
If they could add something to each bill that guarantees debt-free public
money is directly created and issued then why not change the law?

Fed creation of reserves?  Now here we go again with unnecessary
complications.  We propose money be created and issued for public purpose
directly, we don't need in involvement of banks or "reserves" to do that.
Banks should stick to the banking business and get out of the government
business of creating money.

Howard Switzer
GPTN alt.

Message: 11
Date: Wed, 11 Jul 2018 09:47:01 -0500
From: Howard Switzer <hmsarchitecture@gmail.com>
To: National Committee Votes and GP-US Work
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
- 2018 Platform Amendment - Fair Taxation

Delegates,

I trust you can all see that the convoluted machinations of MMT are
designed to confuse.  Just as John Kenneth Galbraith said, "The study of
money, above all other fields in economics, is one in which complexity is
used to disguise truth or to evade truth, not to reveal it."

Does anyone think MMT brings clarity to this issue?  Whose interest do you
suppose does such confusion serves?   I would say the owners of the current
system.

No, on all the NE proposals.

Howard Switzer
GPTN alt.

  1. Re:  Discussion Has Begun on GP-US Proposal: ID 918 ??????? -
     2018 Platform Amendment - Fair Taxation (Rita Jacobs)

  3. Re: Discussion Has Begun on GP-US Proposal: ID 918 ??????? -
     2018 Platform Amendment - Fair Taxation (Joe Firestone)

  4. Re: Discussion Has Begun on GP-US Proposal: ID 918 - 2018
     Platform Amendment - Fair Taxation (Joe Firestone)

  5. Re: Discussion Has Begun on GP-US Proposal: ID 918 - 2018
     Platform Amendment - Fair Taxation (Jared Laiti)

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Message: 1
Date: Wed, 11 Jul 2018 02:18:22 +0000
From: Rita Jacobs <rjacobs@arq.net>
To: Joe Firestone <eisai@comcast.net>, Natcom votes
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc]  Discussion Has Begun on GP-US Proposal: ID 918
??????? - 2018 Platform Amendment - Fair Taxation

Mr. Firestone,

I understand that M1 is primarily cash in circulation plus money in checking accounts. It stands to reason that if money in my checking account is transferred to the Treasury General Fund when I write a check to pay my taxes, that the M1 is decreased because that money is no longer in my checking account. There is no new money created, the money is simply removed from circulation in the public economy because it is returned to the Federal government. This has nothing to do with anyone creating new money. I feel like this discussion is going around in circles because you refer to this as destroying money. Nothing is destroyed and nothing is created. There is no way this can be rationally be construed to draw a conclusion that taxes do not fund spending.

I would appreciate it if you would also direct your answers to the discussion list so others can see the answers to the questions I have posted on this list.

MI money is simply a calculation or estimate of the amount of money in the economy that is used as a medium of exchange. It is not something that can be destroyed, but is something that can be transferred.

You asked "Does your reference from the CRS contradict that narrative, or is it simply not directly relevant to it?" I'm referencing things that are real and happening. You are discussing the transfer of money as an event that destroys money, with which I do not agree. At least we can agree that checks written to the IRS are transferred to the Treasury General Fund. Can we then also agree that taxes \*do\* fund government spending?

Rita Jacobs
Alternate delegate
GPMI

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
From: Joe Firestone <eisai@comcast.net>
Sent: Tuesday, July 10, 2018 7:28 PM
To: Rita Jacobs
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918         - 2018 Platform Amendment - Fair Taxation

Alternate Delegate Jacobs,

Thank you for the reference.

I'm not questioning the fact that the Treasury deposits its receipts in the General Fund. I'm quite sure it does. The issue raised is what happens after that in the Fed's banking process. What Professor Kelton, now a Senior Fellow of the Sanders Institute, is saying is that in crediting the receipts to the General Fund the Fed first destroys the M1 in the reserve accounts of the tax payer banks and then what is credited to the General Fund is new high-powered created by the Fed using it delegated power from Congress. Does your reference from the CRS contradict that narrative, or is it simply not directly relevant to it?

Best Regards,

Joseph M. Firestone, Ph.D.
Adviser, GPUS National Platform Committee

Message: 3
Date: Tue, 10 Jul 2018 23:28:51 -0400 (EDT)
From: Joe Firestone <eisai@comcast.net>
To: National Committee Votes and GP-US Work
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
??????? - 2018 Platform Amendment - Fair Taxation

Delegate Peters,

You may be surprised about how closely MMT economists agree with you about what happens when taxes are paid by you, and what happens when the Treasury sends you a refund.

Where they and you disagree is about the interpretation of the facts you're expressing. Let's look at your rule #1:

Rule #1. When the IRS DEPOSITS my tax payment check into the Treasury
account, my bank MUST SEND its own reserves, in the exact amount of my
check, to the Treasury account. Of course, my bank reduces my checking
account balance by the exact amount of my check! Darn.

From the MMT point of view, when the IRS deposits your check into its account the check must be cleared and the transaction settled before the Treasury spending account is credited. The settlement requires the Fed to mark down the amount of the central bank reserves in M1, as well as the member bank-issued reserves (the account balance) in your private account. When the Fed marks down the central banks reserves it is destroying reserves in the private sector account of your bank at the Fed. Those reserves were part of M1, but when the mark down occurs they are no more. So they can't be transferred or sent or received into the Treasury spending account.

Professor Kelton is arguing that to credit the Treasury spending account, the Fed must then create entirely new high-powered reserves, which as you say, only the central bank can create, using the authority it has received from the Congress. So, the argument proceeds. How can the tax money "fund" the Treasury spending account when neither the private bank reserves in your account, nor the Central Bank reserves in your banks' account at the Fed, make it into the Treasury spending account?

The implication is that what actually "funds" the spending is first the Congressional appropriation providing for the spending and the Fed using its delegated authority to augment (mark-up) the Treasury spending account with  entirely new reserves.

Why is this important? Because the neoliberal austerity mongers insist that Federal spending requires either taxing or borrowing to implement and it is that "fact" they use to create all the doomsday projections they use to justify deficit reduction, entitlement  cutting and elimination scenarios, and their refusal even to consider the massive programs we need to implement to meet the climate crisis. It is that "fact" that underlies the whole deficit terrorism scenario in Washington that gets every one in the progressive caucus playing the deficit reduction game along with them.

So, to go further, the most important thing about the "taxes do not fund spending meme" is to turn one's attention to the question "What does fund spending?" As I've said, the answer is Congressional appropriations coupled with triggers requiring the Fed to use its delegated authority to create reserves in Treasury accounts. The tax and bond revenue collections are such triggers for the Fed.

But there are other triggers that are currently legal. I have a list of these in my kindle e-book here: [https://www.amazon.com/Fixing-without-Breaking-America-ebook/dp/B00BNWB5HQ/ref=sr\_1\_1?s=digital-text&ie=UTF8&qid=1362316113&sr=1-1&keywords=Joseph+M.+Firestone](https://www.amazon.com/Fixing-without-Breaking-America-ebook/dp/B00BNWB5HQ/ref%3Dsr_1_1?s=digital-text&ie=UTF8&qid=1362316113&sr=1-1&keywords=Joseph+M.+Firestone) which is primarily about potentially the most important one, deposits of high value 1 oz. platinum coins in the US Mint's Public Enterprise Fund (PEF) account.

Apart from these triggers however, a simple addition to all Federal money bills by Congress would institutionalize orders to the Fed to fill the Treasury account with appropriations upon passage of appropriations and other money bills. The method for doing this is briefly outlined in this short post: <http://www.josephmfirestone.com/2018/05/28/how-will-you-pay-for-it/> The method is called Overt Congressional Financing (OCF). I proposed it first in this longer post: <http://www.josephmfirestone.com/2018/01/02/the-national-debt-is-congresss-fault-revisited/>

Adoption of the method would make it transparent that Federal funding of Treasury spending is provided by Congressional Appropriations supplemented by Fed creation of reserves in response to triggers.

Best Regards,

Joseph M. Firestone, Ph.D.
Adviser, GPUS National Platform Committee

On July 10, 2018 at 12:34 PM Sue via Natlcomvotes <natlcomvotes@green.gpus.org> wrote:

Dear Jared,

I would like to respond to your questions.

First, I support voting NO to the NB proposal #918 to change FAIR
TAXATION.

Second, I support the current platform on money reform for many
reasons. The current platform represents public control of debt-free
money issuance. It represents the removal of the bank-run system
(called Fractional Reserve Banking). As long as the private banks have
the legal power to create what we all use as money, our government will
be under the banks’ influence.

Third, this morning I was thinking about your questions (taxes vanish
or are destroyed when they are received? all money spent by Congress is
created as it is spent?), and I had a moment of clarity about the MMT
descriptions.

My thoughts:

MMT is attempting to describe, in layman’s terms, the bookkeeping of
the Treasury’s account at the central bank (NY Federal Reserve Bank). I
believe, however, that MMT does not understand this bookkeeping, and
that is why MMT says taxes disappear and money is created when spent.
These statements, of course, don’t make sense.

To understand this bookkeeping you could listen to Professor Joseph
Huber, who is extremely knowledgeable about how the current bank system
operates. <https://www.youtube.com/watch?v=AsN3ZTZA7yY&t=1703s>. However,
I will try to simplify Professor Huber. This might be difficult since
the system was designed by central bankers in 1910 and meant to confuse
the public. And they have succeeded!  But, believe me, the bankers at
the top know how to manipulate this system to put all of us into debt!

Here I go.

First, the Treasury’s account at the NY Fed can ONLY contain reserves.
Think of ‘reserves’ as central bank money. Only central bank money is
found in accounts at the 12 Federal Reserve banks.

Second, the money you and I use is called bankmoney, and can NEVER be
found in the accounts of the central bank. Our bankmoney can only be
found in accounts in banks’ checking, saving, etc.

Are you still with me?

Given this separation of the two kinds of money, how can I pay my taxes
in April with a check from my bank to the IRS which DEPOSITS it into
the Treasury account? Given this separation of the two kinds of money,
how can the IRS WITHDRAW money from the Treasury account and pay me my
tax refund by doing a direct deposit into my bank? Simply. It goes on
all the time between the banks and the central bank.

Rule #1. When the IRS DEPOSITS my tax payment check into the Treasury
account, my bank MUST SEND its own reserves, in the exact amount of my
check, to the Treasury account. Of course, my bank reduces my checking
account balance by the exact amount of my check! Darn.

Rule #2. When the IRS withdraws my tax refund from the Treasury account
and deposits it into my bank account, my bank MUST RECEIVE reserves, in
the exact amount of the refund check, from the Treasury account. Of
course, my bank must increase my checking account balance by the exact
amount of my check! Yay.

So there is nothing vanishing, when I pay my taxes. There is nothing
created, when I receive my tax refund. My bankmoney is represented by
reserves being moved between my bank and the Treasury account at the
central bank.

Rule #3. The central bank is the only institution that can create
central bank money (reserves). And BY LAW, the central bank is
prohibited from creating reserves and putting these reserves into the
Treasury’s account. The bankers put that into the law, because they
always want the Treasury to BORROW money from them.

 MMT just does not understand the bookkeeping between the banks and the
central bank. I hope this is not too confusing, but the top bankers
want it to be.

Sue Peters
Member, NY County GP
Member, NYS GP State Committee
Advisor for money reform, National Committee
GreensForMonetaryReform.org
212 864 0229

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Message: 4
Date: Tue, 10 Jul 2018 23:40:36 -0400 (EDT)
From: Joe Firestone <eisai@comcast.net>
To: National Committee Votes and GP-US Work
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
- 2018 Platform Amendment - Fair Taxation

Hi Jared,

A very good and constructive point. But remember, the Fair Taxation proposed amendment is only one of the amendments proposed by the NE GP. I believe if you check the other amendments sponsored by the NE GP, you'll see why the Fair Taxation proposal fits in with the rest of the NE proposals.

Best,

Joe Firestone

Message: 5
Date: Tue, 10 Jul 2018 20:54:29 -0700
From: Jared Laiti <jared.laiti@gmail.com>
To: National Committee Votes and GP-US Work
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
- 2018 Platform Amendment - Fair Taxation

Hi Joe,

You are proposing to put this into our platform: "The Green Party knows
that at the federal level, taxes do not fund spending." Yet, you just
admitted on another thread that money is credited to government accounts in
response to taxes as "triggers." So, bottom line, this is just a rhetorical
device to make a point about federal spending power. I don't think any
Green here is arguing that the government can't create new money, if there
is political will for it - anyone paying attention realizes this is more or
less what kept the capitalist economy afloat for years through
"quantitative easing." I'm fine with making well-reasoned statements about
what our money creation policy should be in our platform, just not
simplistic yet inadequately articulated reductions of economic realities
into phrases that the average person is going to reject. From what I'm
seeing in these proposals, these MMT ideas may be interesting in a
theoretical discussion, but I don't see them accomplishing much in our
public-facing platform.

Thanks,
Jared Laiti
GPCA

  9. Re: Question for Joseph Firestone (Joe Firestone)
 10. Re: Question for Joseph Firestone (Jody Grage)

 12. Re: Question for Joseph Firestone (Joe Firestone)

Message: 9
Date: Tue, 10 Jul 2018 20:55:17 -0400 (EDT)
From: Joe Firestone <eisai@comcast.net>
To: National Committee Votes and GP-US Work
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] Question for Joseph Firestone

Delegate McCorquodale,

I'll let the GP NE State Party Chair reply to this one.

Best Regards,

Joseph M. Firestone, Ph.D.
Adviser, GPUS National Platform Committee

On July 10, 2018 at 11:00 AM David McCorquodale via Natlcomvotes <natlcomvotes@green.gpus.org> wrote:

Thank you for your response.

Since you started signed your posts at Adviser, GPUS Platform Committee, I am wondering whether you are also a delegate or an alternate.  I was not aware that non-delegates had posting privileges on this list.

David McCorquodale
Delegate, GPDE

Message: 10
Date: Tue, 10 Jul 2018 17:59:06 -0700
From: Jody Grage <jodytgrage@gmail.com>
To: natlcomvotes@green.gpus.org
Subject: Re: [usgp-nc] Question for Joseph Firestone

Once again:

Four advisors were added to the NC votes list until the last of the
platform amendments dealing with
economic issues are through the voting phase on 5 August - two as
requested by Nebraska and
two as requested by Tennessee.? The SC voted on this on two calls and
the discussions and votes
are available in the minutes of 8 and 22 April - available at
<https://gpus.org/committees/steering/minutes/>

Additional information from <https://gpus.org/rules-procedures/#09>:

Advisors. Advisors are professionals in their field serving the Green
Party in their professional capacity (e.g. legal advisors, fundraising
advisors, technology consultants, etc.) Advisors can either be
recommended to and approved by the Steering Committee and announced to
the National Committee, or approved by the National Committee by a
simple majority vote. The National Committee may remove an advisor by a
simple majority vote.

Jody Grage, GPUS Secretary, WA Delegate

Message: 12
Date: Tue, 10 Jul 2018 21:17:45 -0400 (EDT)
From: Joe Firestone <eisai@comcast.net>
To: National Committee Votes and GP-US Work
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] Question for Joseph Firestone

Delegate Yarden.

My ideological commitment is not to MMT, but to Public Purpose and its various dimensions. For me MMT is an approach to economics that helps me to formulate progressive policy agendas that feature Green New Deal ideas. Sustainability, in all its aspects is one of the major emphases in my thinking.

Even though, I'm an economic adviser to the GPUS National Platform Committee because I collaborated with the Nebraska Green Party on its proposed platform changes to the economic and monetary reform side of the platform because I know MMT. I am not an economist, but a political scientist.

Most of what I do is explore the political implications of MMT for public purpose and public policy.

You can learn more about me from my web site here: <http://www.josephmfirestone.com/>

Best Regards,

Joseph M. Firestone, Ph.D.
Adviser, GPUS National Platform Committee

  7. Re: Discussion Has Begun on GP-US Proposal: ID 918 - 2018
     Platform Amendment - Fair Taxation (Joe Firestone)

  8. Re: Discussion Has Begun on GP-US Proposal: ID 918 - 2018
     Platform Amendment - Fair Taxation (Jared Laiti)

Message: 7
Date: Tue, 10 Jul 2018 20:36:08 -0400 (EDT)
From: Joe Firestone <eisai@comcast.net>
To: National Committee Votes and GP-US Work
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
- 2018 Platform Amendment - Fair Taxation

Thank you for your question Jared.

The condition we call the budget deficit is defined by other as tax revenue  minus federal spending. If we had the choice we would not call that a Government deficit, but would re-label it as a non-government surplus, which is what it is from the viewpoint of the Sector Financial Balances model. But, it is very hard to fight common usage so we content ourselves with saying that the budget deficit is far too small given savings and import desires of the private sector.

Best Regards,

Joseph M. Firestone, Ph.D.
Adviser, GPUS Platform Committee

Message: 8
Date: Tue, 10 Jul 2018 17:47:01 -0700
From: Jared Laiti <jared.laiti@gmail.com>
To: National Committee Votes and GP-US Work
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
- 2018 Platform Amendment - Fair Taxation

Joe,

Yet, you have no problem saying "taxes don't fund spending," which is also
against common usage/understanding. But I think (without much help..) I'm
starting to understand where you are coming from - instead of the common
usage of money creation being inflationary, instead you refer to taxes as
deflationary. Sure, in theory, maybe this makes as much sense as saying
government money creation is inflationary, but it is not how people are
used to thinking about it. So, instead of just inserting these statements
like "taxes don't fund spending" into our platform, without adequate
explanation that common readers are going to understand what you're saying,
why not just say how we do want the monetary/taxation system to work?
Surely, underlying your rhetorical posturing re how the current system
works, there is some concrete policy changes that the rhetorical posturing
is supposed to (somehow) be promoting - why not focus on those..?

Thanks,
Jared Laiti
GPCA

 13. Re: Discussion Has Begun on GP-US Proposal: ID 918 - 2018
     Platform Amendment - Fair Taxation (Joe Firestone)

Message: 13
Date: Tue, 10 Jul 2018 17:47:37 -0400 (EDT)
From: Joe Firestone <eisai@comcast.net>
To: National Committee Votes and GP-US Work
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
- 2018 Platform Amendment - Fair Taxation

Delegate Switzer,

You're still not directly answering the question raised by Kelton's argument.

Again, How can the tax payments collected by Treasury "fund" the spending the Treasury does out of its spending account, when the tax money sent to the Treasury and submitted to the Fed for crediting to the Treasury is destroyed by the Fed in the process of the Fed's very process of crediting of the Treasury's spending account?

The questions you raise below don't address that question. Nevertheless, I will address them. You said:

Perhaps we should start off legally, because the implications here affect
the various illogical notions being advanced under MMT's faulty methods.

Since 1791, at least, with the laws establishing the Department of
Treasury, and enabling its stewardship of the public purse, the only legal
purpose for both taxation of U.S. citizens (and others),  and for borrowing
on the full faith and credit of the nation, is in support of governmental
spending. . . .

Quote the law to that effect please, and please note that if the law establishing Treasury says that taxing and borrowing must be "in support of governmental spending", then that still doesn't mean that revenues collected through taxing or borrowing "fund" or as Kelton says "finance" federal spending.

In addition, please note that Article I, Section 8 of the Constitution contains no such verbiage. So, it is constitutional to tax and borrow for other purposes than funding federal spending.

You continue:

"Being legally established in Statute, this raises some logical

questions. If taxes are received by the Treasury, and yet do not, as
claimed by GPNE, finance government operations, then what does Treasury do
with the tax money they receive?   This is an important consideration,
because, under the GAAP accounting standards, such an annual windfall would
show up as excess revenues on the government's accounts. We shall see that
they do not.  So, where do they go ?  An open question."

Tax payments are received by the Treasury and are then submitted by it to the Fed for crediting. So, that's what Treasury does with the deposits. But according to Kelton's argument, Treasury never receives the tax money because the M1 involved is deleted during the Fed's crediting process and in its place entirely new reserves created by the Fed using its authority from Congress, are placed in Treasury's spending account.

So, your assumption, that Treasury gets "tax money" is incorrect. Treasury receives payments denominated in dollars, but it does not receive actual money until the Fed credits its account with new high-powered reserves. After the Treasury account is credited with the new reserves necessary to allow it to continue spending then Treasury spends into the economy. So, the question is what does "the funding"; the M1 that is deleted from the private sector by the Fed, or the new high-powered reserves created by the Fed that fill the Treasury account just prior to spending?

You go on to say:

"> The law says that taxes and bond proceeds MUST finance government spending.

Another law guides the Treasury departments financial administration,
including the use of its Governmental System of Accounts under GAAP, again
to steward the receipts and expenses of government. These accounts are
recorded faithfully (according to GAAP)  by lifetime Treasury public
servants and reported annually, after a required independent audit, these
days in the Treasury's Annual Fiscal Report.(below)

I agree with everything just above except the first sentence: "The law says that taxes and bond proceeds MUST finance government spending." Actually, the link to Cornell Law you gave says:

"The Secretary of the Treasury may borrow on the credit of the United States Government amounts necessary for expenditures authorized by law . . . "

That doesn't say that the M1 "bond proceeds MUST Finance government spending." It says something slightly different which doesn't preclude the Fed deleting the reserves from payee accounts in the process of crediting the Treasury spending account with new reserves it then spends into the economy.

Best Regards,

Joseph M. Firestone, Ph.D.
Adviser, GPUS National Platform Committee

Message: 11
Date: Tue, 10 Jul 2018 12:34:46 -0400
From: "Sue" <peters.s@startmail.com>
To: natlcomvotes@green.gpus.org, "Sue Peters" <peters.s@startmail.com>
Subject: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
??????? - 2018 Platform Amendment - Fair Taxation

Dear Jared,

I would like to respond to your questions.

First, I support voting NO to the NB proposal #918 to change FAIR
TAXATION.

Second, I support the current platform on money reform for many
reasons. The current platform represents public control of debt-free
money issuance. It represents the removal of the bank-run system
(called Fractional Reserve Banking). As long as the private banks have
the legal power to create what we all use as money, our government will
be under the banks? influence.

Third, this morning I was thinking about your questions (taxes vanish
or are destroyed when they are received? all money spent by Congress is
created as it is spent?), and I had a moment of clarity about the MMT
descriptions.?

My thoughts:

MMT is attempting to describe, in layman?s terms, the bookkeeping of
the Treasury?s account at the central bank (NY Federal Reserve Bank). I
believe, however, that MMT does not understand this bookkeeping, and
that is why MMT says taxes disappear and money is created when spent.
These statements, of course, don?t make sense.

To understand this bookkeeping you could listen to Professor Joseph
Huber, who is extremely knowledgeable about how the current bank system
operates. <https://www.youtube.com/watch?v=AsN3ZTZA7yY&t=1703s>. However,
I will try to simplify Professor Huber. This might be difficult since
the system was designed by central bankers in 1910 and meant to confuse
the public. And they have succeeded!? But, believe me, the bankers at
the top know how to manipulate this system to put all of us into debt!

Here I go.?

First, the Treasury?s account at the NY Fed can ONLY contain reserves.
Think of ?reserves? as central bank money. Only central bank money is
found in accounts at the 12 Federal Reserve banks.

Second, the money you and I use is called bankmoney, and can NEVER be
found in the accounts of the central bank. Our bankmoney can only be
found in accounts in banks ? checking, saving, etc.

Are you still with me?

Given this separation of the two kinds of money, how can I pay my taxes
in April with a check from my bank to the IRS which DEPOSITS it into
the Treasury account? Given this separation of the two kinds of money,
how can the IRS WITHDRAW money from the Treasury account and pay me my
tax refund by doing a direct deposit into my bank? Simply. It goes on
all the time between the banks and the central bank.?

Rule #1. When the IRS DEPOSITS my tax payment check into the Treasury
account, my bank MUST SEND its own reserves, in the exact amount of my
check, to the Treasury account. Of course, my bank reduces my checking
account balance by the exact amount of my check! Darn.

Rule #2. When the IRS withdraws my tax refund from the Treasury account
and deposits it into my bank account, my bank MUST RECEIVE reserves, in
the exact amount of the refund check, from the Treasury account. Of
course, my bank must increase my checking account balance by the exact
amount of my check! Yay.

So there is nothing vanishing, when I pay my taxes. There is nothing
created, when I receive my tax refund. My bankmoney is represented by
reserves being moved between my bank and the Treasury account at the
central bank.

Rule #3. The central bank is the only institution that can create
central bank money (reserves). And BY LAW, the central bank is
prohibited from creating reserves and putting these reserves into the
Treasury?s account. The bankers put that into the law, because they
always want the Treasury to BORROW money from them.?

?MMT just does not understand the bookkeeping between the banks and the
central bank. I hope this is not too confusing, but the top bankers
want it to be.

Sue Peters
Member, NY County GP
Member, NYS GP State Committee
Advisor for money reform, National Committee
GreensForMonetaryReform.org
212 864 0229

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Message: 13
Date: Mon, 9 Jul 2018 21:17:09 -0700
From: Jared Laiti <jared.laiti@gmail.com>
To: National Committee Votes and GP-US Work
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
- 2018 Platform Amendment - Fair Taxation

I don't even know where to start with this. I agree with Jan that all
these
proposals to insert these ideas in our platform are likely to be easily
defeated.

But for the sake of engaging in the process, Joe, can you please
explain
what you mean by a "deficit," if taxes vanish or are destroyed when
they
are received? If all money spent by Congress is created as it is spent,
as
you suggest, how can there be a "deficit?" What is the point of
insisting
taxes don't fund anything, and then talking about a deficit, apparently
two
contradictory ideas?

Jared Laiti
GPCA

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Message: 12
Date: Tue, 10 Jul 2018 12:43:29 -0400 (EDT)
From: Joe Firestone <eisai@comcast.net>
To: National Committee Votes and GP-US Work
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
- 2018 Platform Amendment - Fair Taxation

Delegates and Delegate Switzer,

I've already addressed the first portion of Delegate Switzer's reply to my earlier note providing him with one reason why the NE GP proposal recognizes that taxes do not fund spending. Now I want to reply to his presentation of the case for saying that the Fed is a private bank.

Delegate Switzer said:

"Why MMT insists that the Fed is part of their 'consolidated government'
escapes those who logically and legally confront the nature of the
structure."

Discussing the reasons why MMT writers and economists often view the Fed as part of a "consolidated government" are interesting; but they are not relevant to the present debate. That's because the NE GP proposal on monetary reform includes proposing nationalization of all the Fed institutions and their placement within Treasury. If implemented it would then be unambiguously a fact that the Fed was an agency of the Government.

I have to wonder why Delegate Switzer insists on distracting from the issue of whether taxes fund spending to raise all sorts of other issues that aren't relevant to the amendment on Fair Taxation the NE GP has proposed.

Those interested in how most MMT writers view the matter may want to see this post by Randy Wray: <http://neweconomicperspectives.org/2014/01/greatest-myth-propagated-fed-central-bank-independence-part-3.html> That said, Delegate Switzer chose to say this in the context of a debate over the Fair Taxation Plank:

Importantly, here at the GPUS, in an almost 'White Man Speaks With Forked
Tongue' fashion, MMT claims, as it has throughout its writings for many
years, that today the FED IS part of the government, and yet right here in
its next breath proposes in amending the National Platform that a law be
written TO BRING the Fed under the government at some time in the future.
Amazing gymnastics are required when lies are promoted while truth is so
much easier.

This is another uncivil attack by Delegate Switzer on someone he is debating with. Nevertheless, I will reply. First, I am not "MMT", I am a writer who practices MMT economics but nevertheless who has his own policy positions on our monetary institutions.

Second, while I think that the part of the Federal Reserve System comprised of the Fed Institutions and the regional Fed Banks are "part of the government," I also believe, along with most MMT writers that the system is much too subservient to Wall Street and unaccountable to the public, and that it would be far less so if these institutions were within the Treasury Department.

Third, I also believe that in creating the Fed, Congress violated the Constitution. The Fed is clearly an executive agency, implementing powers given by the Constitution to Congress.

Fourth, the Constitution specifies only three branches of Government and only one Executive Branch which is supposed to be under the supervision of and accountable to the President.

So, fifth the existence of the Federal Reserve since 1913 has been and is Unconstitutional because it violates the separation of powers. And that is the most important reason why I want the Fed nationalized and placed under the supervision of the Secretary of the Treasury and the President, and why I advised the NE GP to include nationalization as part of its monetary reform.

I hope that clearly answers Delegate Switzer's implied question.

Best Regards,

Joseph M. Firestone, Ph.D.
Adviser, GPUS National Platform Committee

Message: 13
Date: Tue, 10 Jul 2018 11:52:37 -0500
From: rubies200 <rubies1111@gmail.com>
To: National Committee Votes and GP-US Work
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
??????? - 2018 Platform Amendment - Fair Taxation
Content-Type: text/plain; charset="UTF-8"

Thank you, Sue for your clear explanation of how the Federal Reserve
operates vis-a-vis the Treasury. And thanks for the link!

Nekita Gandy
Delegate GPMS

1. Question for Joseph Firestone (David McCorquodale)

  4. Re: Question for Joseph Firestone (Jody Grage)

 10. Re: Question for Joseph Firestone (elie yarden)

Message: 3
Date: Tue, 10 Jul 2018 11:00:13 -0400
From: David McCorquodale <mccorq@comcast.net>
To: USGP CC List List <natlcomvotes@green.gpus.org>
Subject: [usgp-nc] Question for Joseph Firestone
Message-ID: <1A516652-7B97-4E5D-B401-3F9D186E3541@comcast.net>
Content-Type: text/plain; charset=us-ascii

Thank you for your response.

Since you started signed your posts at Adviser, GPUS Platform Committee, I am wondering whether you are also a delegate or an alternate.  I was not aware that non-delegates had posting privileges on this list.

David McCorquodale
Delegate, GPDE

Message: 4
Date: Tue, 10 Jul 2018 08:05:48 -0700
From: Jody Grage <jodytgrage@gmail.com>
To: natlcomvotes@green.gpus.org
Subject: Re: [usgp-nc] Question for Joseph Firestone
Message-ID: <0016937c-ffdd-fe78-6f0f-088dd761bb95@gp.org>
Content-Type: text/plain; charset=utf-8; format=flowed

Four advisors were added to the NC votes list until the last of the
platform amendments dealing with
economic issues are through the voting phase on 5 August - two as
requested by Nebraska and
two as requested by Tennessee.? The SC voted on this on two calls and
the discussions and votes
are available in the minutes of 8 and 22 April - available at
<https://gpus.org/committees/steering/minutes/>

Jody Grage, GPUS Secretary, WA Delegate

Message: 10
Date: Tue, 10 Jul 2018 12:01:54 -0400
From: elie yarden <yen.yarden@verizon.net>
To: "natlcomvotes@green.gpus.org" <natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] Question for Joseph Firestone
Message-ID: <E902EC68-5AF1-48F0-8E78-94E634180FB4@verizon.net>
Content-Type: text/plain; charset=us-ascii

Thank you, Jody Grace,

This is enlightening, and may or may not exolain the early submissions of the Nebraska amendments.

While the ideological commitments of advisor Firestone, Modern Monetary Theory have received some airing, the NC has yet to hear from the other three.  Presumably the choices were made by the delegations, Nebraska, and Tennessee.  We have no way of knowing whether these experts have an understanding of, or are otherwise familiar with the political goals of the  GPUS, or an interest in the development of a steady-state economy.  The amendments in question have concern subjects that go far beyond the sphere of monetary theory, and are very much about the specific subjects addressed.  Unfortunately, MMT has little to say abouy the purposes of taxation as a mode dealing with the problems caused by climate change, and is regressive with regard to the problems of poverty and predatory production of goods.  The ecological is completely missing.  Should this be supplied?

Elie Yarden,
alternate MA G-RP
2. 2. Re: Discussion Has Begun on GP-US Proposal: ID 918 - 2018
     Platform Amendment - Fair Taxation (Howard Switzer)

  3. Re: Discussion Has Begun on GP-US Proposal: ID 918 - 2018
     Platform Amendment - Fair Taxation (Andrea Merida)

 11. Re:  Discussion Has Begun on GP-US Proposal: ID 918 ??????? -
     2018 Platform Amendment - Fair Taxation (Rita Jacobs)

 13. Re: Discussion Has Begun on GP-US Proposal: ID 918 - 2018
     Platform Amendment - Fair Taxation (Jared Laiti)

 14. Re: Discussion Has Begun on GP-US Proposal: ID 918 - 2018
     Platform Amendment - Fair Taxation (Joe Firestone)

Message: 2
Date: Mon, 9 Jul 2018 18:22:24 -0500
From: Howard Switzer <hmsarchitecture@gmail.com>
To: National Committee Votes and GP-US Work
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
- 2018 Platform Amendment - Fair Taxation

Thank you Andrea,

I offer a friendly amendment to remove the following paragraph.
This, before I could give the numbered points due consideration, some of
which I like.
Will the proposer's consider removing this paragraph?

"The Green Party knows that at the federal level, taxes do not fund
spending. Congress, through its appropriations and the rules it sets for
the Federal Reserve and the Treasury, does that. But, taxes drive the value
of the currency. They can also help create price stability, equity,
justice, health and sustainability, so the Green tax policies below are
designed to achieve these goals.?

Howard Switzer
GPTN alt.

Message: 3
Date: Mon, 9 Jul 2018 17:37:50 -0600
From: Andrea Merida <andreamerida@gmail.com>
To: National Committee Votes and GP-US Work
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
- 2018 Platform Amendment - Fair Taxation

I'm going to assume that you are authorized to make your friendly amendment
on behalf of your state party, according to their protocols, since GPUS
bylaws are silent on whether proof of such is necessary.
3. From the Rules and Procedures: <https://gpus.org/rules-procedures/#06>
4. \*Section 6-7 Amendments by the Sponsor(s)\*

\*6-7.1 \*During the online discussion period, sponsors may amend their
proposal and resubmit the amended version to the National Committee if at
least 48 hours before the commencement of the voting period, they make
their submission to the Secretary and notify the Floor Manager. The
sponsors shall also post the text of such amended proposals to the National
Committee votes list to help ensure that the National Committee has the
greatest opportunity to discuss the amended proposal.
CHARLES OSTDIEK: On behalf of NEGP, would you like to take the below
proposed amendment to your state party and amend according to your state
protocols?

Andrea Merida Cuellar, SC
Colorado
Floor Manager for Proposal 918

Message: 11
Date: Tue, 10 Jul 2018 03:16:50 +0000
From: Rita Jacobs <rjacobs@arq.net>
To: Joe Firestone <eisai@comcast.net>, National Committee Votes and
GP-US Work <natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc]  Discussion Has Begun on GP-US Proposal: ID 918
??????? - 2018 Platform Amendment - Fair Taxation

To Joe Firestone:

I refer you to a publication of the Congressional Research Service, titled "Overview of Funding Mechanisms in the Federal Budget Process, and Selected Examples." <https://fas.org/sgp/crs/misc/R44582.pdf>

The information in this Report seems to contradict your statement that "taxes do not actually fund spending in the end, but rather drain demand from the private sector by destroying M1 . . . "

Specifically, the information on Funding Sources starting on page 19, describes the funding sources. The General Fund (GF) of the Treasury Department is the default source for funding budget items. See specific details in footnotes 76-78.  In particular, Footnote 77 on page 20:

31 U.S.C. 3302(b) requires, ?(b) Except as provided in section 3718(b) [1] of this title, an official or agent of the Government receiving money for the Government from any source shall deposit the money in the Treasury as soon as practicable without deduction for any charge or claim.?

Unless you can find a statute that exempts Internal Revenue Service from depositing money in the Treasury, it is clear that taxes are used to fund spending.  Do you have citations to any authority that exempts IRS from depositing funds in the Treasury?

Rita Jacobs, JD

Alternate Delegate,

GPMI

Message: 13
Date: Mon, 9 Jul 2018 21:17:09 -0700
From: Jared Laiti <jared.laiti@gmail.com>
To: National Committee Votes and GP-US Work
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
- 2018 Platform Amendment - Fair Taxation

I don't even know where to start with this. I agree with Jan that all these
proposals to insert these ideas in our platform are likely to be easily
defeated.

But for the sake of engaging in the process, Joe, can you please explain
what you mean by a "deficit," if taxes vanish or are destroyed when they
are received? If all money spent by Congress is created as it is spent, as
you suggest, how can there be a "deficit?" What is the point of insisting
taxes don't fund anything, and then talking about a deficit, apparently two
contradictory ideas?

Jared Laiti
GPCA

Message: 14
Date: Tue, 10 Jul 2018 01:21:52 -0400 (EDT)
From: Joe Firestone <eisai@comcast.net>
To: National Committee Votes and GP-US Work
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
- 2018 Platform Amendment - Fair Taxation

Delegate Switzer,

I did not ask you to refute my claim. I asked you to refute her argument which I quoted. The issue is whether you can refute that?

Regarding your current attempt to distract attention from the main issue, you ask whether I am saying we should not tax the rich because to do so would destroy M1 in the private economy? The answer is a flat no I am not saying that. I am saying that we do not need to tax the rich or anyone else in order to spend for specific public purposes in a political context and that we have much more space for deficit spending than we use now.

I also say that there are many good reasons to tax the rich, but that taxing them for revenue to fund programs that benefit people is not among them.

I am also saying that tax revenues are definitely not recycled back into the economy since the Federal Reserve destroys those revenues in the process of crediting the Treasury spending account with new high-powered reserves.

And to answer your last question, taxing drives the value of the currency because people and other entities need high-powered bank reserves denominated in dollars as tax payments to the government.

Best Regards,

Joseph M. Firestone, Ph.D.
Adviser, GPUS National Platform Committee
5. 2. Re: Discussion Has Begun on GP-US Proposal: ID 918 - 2018
     Platform Amendment - Fair Taxation (Joe Firestone)
6.
7. 3. Re: Discussion Has Begun on GP-US Proposal: ID 918 - 2018
     Platform Amendment - Fair Taxation (stephen verchinski)
8.
9. 4. Re:  Discussion Has Begun on GP-US Proposal: ID 918 ??????? -
     2018 Platform Amendment - Fair Taxation (Joe Firestone)
10.
11. 5. Re: Discussion Has Begun on GP-US Proposal: ID 918 - 2018
     Platform Amendment - Fair Taxation (Howard Switzer)
12.
13. 8. Re: Discussion Has Begun on GP-US Proposal: ID 918 - 2018
     Platform Amendment - Fair Taxation (GPUS Forum Managers)

 10. Re: Discussion Has Begun on GP-US Proposal: ID 918 - 2018
     Platform Amendment - Fair Taxation (Rita Jacobs)
14. 13. Re: Discussion Has Begun on GP-US Proposal: ID 918 - 2018
15. Platform Amendment - Fair Taxation (GPUS Forum Managers)

 16. Re: Discussion Has Begun on GP-US Proposal: ID 918 - 2018
     Platform Amendment - Fair Taxation (Howard Switzer)
16.
17. 17. Re: Discussion Has Begun on GP-US Proposal: ID 918 - 2018
     Platform Amendment - Fair Taxation (Andrea Merida)

Message: 2
Date: Mon, 9 Jul 2018 13:17:12 -0400 (EDT)
From: Joe Firestone <eisai@comcast.net>
To: National Committee Votes and GP-US Work
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
- 2018 Platform Amendment - Fair Taxation

Delegate Switzer,

I asked you to refute Kelton's argument showing that taxes do not fund spending. You did not do that in your reply dealing with TT & L accounts. These are irrelevant to the crux of the Kelton passage I quoted earlier since the focus of that argument is the destruction of the reserves in the private in the process of the Fed crediting the Treasury spending account with new HPM reserves. The question she raises is how can the tax revenue and/or the bond revenue fund federal spending when it never gets into the Treasury spending account? Again your narrative about TT & L accounts doesn't address that question.

As a matter of fact, Treasury no longer uses T T & L accounts. At the time of Kelton's paper it did, and that's why she discusses them.

The reason why Treasury used these accounts was to help the Fed to stabilize the level of M1 reserves in the banking system, which in turn, helped the Fed to meet its overnight interest rate targets at greater than zero levels. However after the recession hit the Fed and Treasury wanted near zero overnight rates, so Treasury saw no more need to maintain the TT & L M1 reserves in the private sector, so it got rid of the TT & L accounts.

Best Regards,

Joseph M. Firestone, Ph.D.
Adviser, GPUS National Platform Committee
18. On July 9, 2018 at 1:37 AM Howard Switzer via Natlcomvotes <natlcomvotes@green.gpus.org> wrote:

Joe,

Why would anyone even want to believe such nonsense as our tax money is not
spent?  And why would TT&L accounts be needed if banks have nothing to do
with it all?
19. ------------------------------

Message: 3
Date: Mon, 9 Jul 2018 04:44:19 +0000 (UTC)
From: stephen verchinski <sverchinski@yahoo.com>
To: Joe Firestone <eisai@comcast.net>,  National Committee Votes and
GP-US Work <natlcomvotes@green.gpus.org>,  National Committee Votes
and GP-US Work <natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
- 2018 Platform Amendment - Fair Taxation

How do the Danes do it? They are greening their economy and seem to do it by consensus.???Stephen Verchinski GP NM
Grabbing a Green life by the paddles, trekking poles and handlebars.

Message: 4
Date: Mon, 9 Jul 2018 13:50:45 -0400 (EDT)
From: Joe Firestone <eisai@comcast.net>
To: Tim Willard <dravidic@yahoo.com>, National Committee Votes and
GP-US Work <natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc]  Discussion Has Begun on GP-US Proposal: ID 918
??????? - 2018 Platform Amendment - Fair Taxation

Delegate Willard,

Yes, Tim! Taxes are for draining demand from the economy, to prevent demand-pull inflation. So, if the same Congress that repeals FICA taxes believes it needs increased taxes of another sort to contain potential inflation then let it enact such a hopefully more progressive tax plan. Or alternatively, if it wants to fund using a method that is transparent. Then it can use the method described here: <http://www.josephmfirestone.com/2018/05/28/how-will-you-pay-for-it/>

OTOH, Federal deficits are far too small right now given likely savings desires and import desires of the private sector. It is likely that Federal deficits of 12 % of GDP are now necessary to maintain a full employment economy using its full productive capacity. Provided the deficit spending is done on the right things, which is not the case now, we should be running Federal deficits of 2.4 T per year routinely.

Best Regards,

Joseph M. Firestone, Ph.D.
Adviser, GPUS National Platform Committee

Message: 5
Date: Mon, 9 Jul 2018 13:02:52 -0500
From: Howard Switzer <hmsarchitecture@gmail.com>
To: National Committee Votes and GP-US Work
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
- 2018 Platform Amendment - Fair Taxation

Advisor Firestone,

I am happy to refute your claim that the paper by Stephanie Kelton, then
Bell, from 1998 proved that taxes do not fund spending.

But first, are you saying we should not tax the rich becasue it removes M1
money from the economy?  That taxes are not recycled back into public
spending?  If that is the case how can you say "taxes drive the value of
the currency?" LOL

Delegates,

The body of Mr. Firestone's main comment is too long to be covered in one
response as the knots of confusion it contains requires quite a bit of
un-tying in order to see the actual logic, or lack thereof, of the thread.

I feel the major points that need response are  :
1. The private nature of the debt-money-issuing Fed (Federal Reserve
Banking System)
2. The proof that both logically and legally taxes (and bonds) do indeed
fund federal spending.
3. The fallacy that the quoted paper by Stephanie Kelton from 1998 proves
in any way that 'taxes do not fund public spending'. It does not prove
that. And it does not claim to do so. That air-quoted claim  - often
repeated here and elsewhere - is merely a loose-lipped interpretation of
MMT's own self-serving design.  Including by Dr. Kelton herself.

1 - ON THE NATURE OF THE FEDERAL RESERVE BANKING SYSTEM -  It's All Private.
Let's start at the bottom. There are presently about Three Thousand Member
Banks of the FRBS. Each of them is a private bank-corporation that owns
shares in its Regional Fed Bank and receives lawful dividends (that we pay)
on their stock holdings, and also receive interest payments (that we pay)
on their holdings of central bank reserves.  Importantly, it is these
private institutions that create all of what serves as money in our
national economy (coins excepted - c.e.), and therefrom produces all of the
profit that is gained from their money-issuance powers - minmally in the
Hundreds of Billions of Dollars every year.  Most importantly, through that
lending of our money into existence, these banks  determine, and
implement,  the economic development priorities of the nation. So, the
bottom layer of several thousand institutions are all private corporations
that own stock in their Reserve Banks and that have voting power over the
Directors and policies of the Regional Fed Bank system institutions.

2. The Regional Federal Reserve Bank System -
There are 12 Regional Fed Banks, with sub-offices, spread around the
nation. EACH of these 12 Banks and their sub-banks is a private
bank-corporation, and their stated task is to make the system work for the
other Three Thousand private banks.  In limited ways, these Fed banks
supervise the activities of their Member Banks. More could be said.

3. The National Federal Reserve Institutions (which are no more Federal
that FedX)
With minor exception, these institutions are the Federal Reserve Board of
Governors (BoGs), The Federal Open Market Committee(FOMC) and its FOM
Account, and the Fiscal Agents of the FR Banks - who represent the BoGs in
its 'currency-issuing' role.
Here it is important to understand that NONE of those institutions are
associated in any way with any part of any department of the United States
Government. By this we mean, their funding support comes not from any
departmental budget. They are under absolutely ZERO public oversight or
control of Congress (except in Congress' ability to amend the Statute - as
reformers demand), and all of these institutions operate within the
political sphere of 'independene from government' coupled with an
operational framework of carrying out strictly 'open-market' transactions.

None of the Members of the BoGs and NONE of the Members of the FOMC or
Fiscal Agents are paid by any department of the government. None of them
are federal employees. The same is true of all of the emloyees of the
Regional Banks and their institutions.
The only thing 'governmental' about the entire multi-tiered Federal Reserve
Banking System is their power to implement what Lincoln is quoted as
describing as  - 'the supreme prerogative of the government' - being the
issuing of what serves as the nation's money.
Why MMT insists that the Fed is part of their 'consolidated government'
escapes those who logically and legally confront the nature of the
structure.
Importantly, here at the GPUS, in an almost 'White Man Speaks With Forked
Tongue' fashion, MMT claims, as it has throughout its writings for many
years, that today the FED IS part of the government, and yet right here in
its next breath proposes in amending the National Platform that a law be
written TO BRING the Fed under the government at some time in the future.
Amazing gymnastics are required when lies are promoted while truth is so
much easier.

In conclusion, the Federal Reserve Banking System is PRIVATE in every
respect but one, it implements our national monetary policy by determining
the capital development priorities of the country. It does so privately,
and independently with no public oversight.

Howard Switzer
GPTN alt.

Message: 8
Date: Mon, 9 Jul 2018 14:37:56 -0400
From: "GPUS Forum Managers" <forummanagers@gp.org>
To: "'National Committee Votes and GP-US Work'"
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
- 2018 Platform Amendment - Fair Taxation

The Forum Managers observe that this thread, which started as being about
"Endorsement of Rodolfo Cortes Barragan for SC" has turned into a
discussion- not about Mr. Barragan's qualifications to serve on the Steering
Committee- but yet another unrelated discussion of monetary policy in
general.

And the focused interaction between mostly two people has essentially become
a one-on-one discussion in violation of the following: B. Relevance. Posts
unrelated to formal party business should not be sent to the Natlcomvotes
list. Instead it should be taken to the National Committee affairs discusion
list at natlcomaffairs@green.gpus.org, and discussions unrelated to the
Green Party or general public issues should not be sent to either list.

Accordingly, the Forum Managers are suggesting that, to avoid the issuance
of punitive Advisories, that this discussion be conducted other than on the
NC votes list. Take it to the affairs list, or to a one-on-one private
discussion.

The Forum Managers suggest that we keep in mind the business nature of the
forum list serves, and especially of the votes list, and to conduct dialogue
there complicit with the list serve protocols at
<http://gpus.org/rules-procedures/#09>.

Thank you for your attention to this matter.

GPUS Forum Managers
Holly Hart
Charles Sherrouse
Sid Smith
Frank Young (alternate)

Message: 10
Date: Mon, 9 Jul 2018 18:53:48 +0000
From: Rita Jacobs <rjacobs@arq.net>
To: National Committee Votes and GP-US Work
<natlcomvotes@green.gpus.org>
Cc: GPUS Forum Managers <forummanagers@gp.org>
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
- 2018 Platform Amendment - Fair Taxation

I disagree that the discussion about monetary policy should be removed from this thread. It is very important to the understanding of several of the proposals submitted by Nebraska GP. It is important that others who must vote on these proposals understand that there are certain fallacies underlying the assumptions upon which the proposals are drawn. I agree with delegate Switzer.

It has been about 10 years since I did an in-depth study of our monetary system. But I remember enough about it to know that what delegate Switzer is saying is correct.

Why do the forum managers find it necessary to stifle discussion on this topic, but allowed 100's of comments on proposal 912? These proposals that involve monetary policies are just as much, if not more, important in bringing relevant facts and information to the members of the National Committee.

Rita Jacobs

Alternate Delegate

GPMI

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Message: 13
Date: Mon, 9 Jul 2018 15:08:28 -0400
From: "GPUS Forum Managers" <forummanagers@gp.org>
To: "'National Committee Votes and GP-US Work'"
<natlcomvotes@green.gpus.org>
Cc: "'GPUS Forum Managers'" <forummanagers@gp.org>
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
- 2018 Platform Amendment - Fair Taxation
Message-ID: <020b01d417b8$38922470$a9b66d50$@org>
Content-Type: text/plain; charset="us-ascii"

The Forum Managers acknowledge the error of attributing our general advisory
to the Proposal 918 discussion.  It was intended for a different list serve
subject, and has been re-issued accordingly.

Thank you for your observation.

GPUS Forum Managers

Message: 14
Date: Mon, 9 Jul 2018 13:29:23 -0600
From: Andrea Merida <andreamerida@gmail.com>
To: "The natlcomvotes (aka National Committee Votes) listserv is for
decision-making and management of GP-US affairs."
<natlcomvotes@green.gpus.org>
Subject: [usgp-nc] DEADLINE FOR FRIENDLY AMENDMENTS APPROACHES

\*\*\*SPEAKING AS FLOOR MANAGER\*\*\*

Colleagues, though there has been much robust discussion, the end of the
discussion period for a couple proposals on the floor is approaching, and
to date, no formal friendly amendments have been offered.

In order to preserve the democratic nature of this listserv, as well as to
propel us toward solutions and away from discord, I am calling for any
friendly amendments to be presented formally, either to myself or to the
sponsors listed on each proposal, before the end of this week.

The proposals in question are:

917 - 2018 Platform Amendment - Insurance Reform
918 - 2018 Platform Amendment - Fair Taxation

DISCUSSION ON THESE TWO PROPOSALS ENDS ON JULY 15.

Thank you for your participation.

Andrea Merida Cuellar, SC
Colorado

Message: 16
Date: Mon, 9 Jul 2018 16:57:12 -0500
From: Howard Switzer <hmsarchitecture@gmail.com>
To: National Committee Votes and GP-US Work
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
- 2018 Platform Amendment - Fair Taxation

Mr. Firestone,

This is to further address my point No 2 from my previous posting:

""2.  The proof that both logically and legally taxes (and bonds) do indeed
fund federal spending,""

Perhaps we should start off legally, because the implications here affect
the various illogical notions being advanced under MMT's faulty methods.

Since 1791, at least, with the laws establishing the Department of
Treasury, and enabling its stewardship of the public purse, the only legal
purpose for both taxation of U.S. citizens (and others),  and for borrowing
on the full faith and credit of the nation, is in support of governmental
spending. Being legally established in Statute, this raises some logical
questions. If taxes are received by the Treasury, and yet do not, as
claimed by GPNE, finance government operations, then what does Treasury do
with the tax money they receive?   This is an important consideration,
because, under the GAAP accounting standards, such an annual windfall would
show up as excess revenues on the government's accounts. We shall see that
they do not.  So, where do they go ?  An open question.

Is there an actual claim made, or doubt raised, about whether the
government in fact receives as revenue the taxes that are paid when due?
Hearing none, then, the Treasury receives each and every dollar that is
paid in all form of federal taxes.
Of course, the same is true regarding the revenues received from the
increased public debt that is authorized annually, as needed under the
present system, to support government spending - and ONLY to support
government spending.
Perhaps read Title 31 Sub-Title II, Chapter 31, SS 3104.
<https://www.law.cornell.edu/uscode/text/31/3104>
There, the only legal authorization for Treasury borrowing is to support
already authorized government spending.

Later we will see that MMT relies upon something they call "The Nuance of
Reserve Accounting" in support of this most often heard notion, as
according to many MMT faithful .... "Taxes don't fund spending!".
However at this point we can avoid the nuanced argument.
The law says that taxes and bond proceeds MUST finance government spending.
Another law guides the Treasury departments financial administration,
including the use of its Governmental System of Accounts under GAAP, again
to steward the receipts and expenses of government. These accounts are
recorded faithfully (according to GAAP)  by lifetime Treasury public
servants and reported annually, after a required independent audit, these
days in the Treasury's Annual Fiscal Report.(below)
<https://www.fiscal.treasury.gov/fsreports/rpt/finrep/fr/>
17frusg/FinancialStatements\_2017.pdf

A read of this most recent report will show exactly how much revenue was
received in 2017 (all of it that was paid) and how much was spent (all of
it that was received except a carry-forward 'net income' sliver).
My point being that our government servants as stewards of our purse say
that taxes do fund spending. They have said, and proven by audit, the same
thing every year, including in 1998 when Dr. Kelton was somehow coming to
an apparently contrary conclusion.
Every gpus-nc member-delegate who has any doubt about these statements can
have a read of the Treasury's Annual Fiscal Report - notably the sections
on Revenues and Expenses, and come to their own conclusion.
20. From the perspective of monetary reformers worldwide, taxes do indeed fund
21. spending. As do government bond issuances.  I can think of no logical
reason to think otherwise.

Howard Switzer
GPTN alt.

Message: 17
Date: Mon, 9 Jul 2018 16:39:00 -0600
From: Andrea Merida <andreamerida@gmail.com>
To: "The natlcomvotes (aka National Committee Votes) listserv is for
decision-making and management of GP-US affairs."
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
- 2018 Platform Amendment - Fair Taxation

Is there a friendly amendment forthcoming from GPTN?

Andrea M?rida Cu?llar, SC
Colorado

  2. Re: Discussion Has Begun on GP-US Proposal: ID 918 - 2018
     Platform Amendment - Fair Taxation (Howard Switzer)

  4. Re: Discussion Has Begun on GP-US Proposal: ID 918 - 2018
     Platform Amendment - Fair Taxation (Andrea Merida)

  7. Re:  Discussion Has Begun on GP-US Proposal: ID 918 ??????? -
     2018 Platform Amendment - Fair Taxation (Tim Willard)
----------------------------------------------------------------------

Message: 2
Date: Mon, 9 Jul 2018 00:37:30 -0500
From: Howard Switzer <hmsarchitecture@gmail.com>
To: National Committee Votes and GP-US Work
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
- 2018 Platform Amendment - Fair Taxation

Joe,

Why would anyone even want to believe such nonsense as our tax money is not
spent?  And why would TT&L accounts be needed if banks have nothing to do
with it all?

Treasury Tax and Loan Service, or TT&L, is a service offered by the 12
privately owned Federal Reserve Banks "of the United States" that keeps tax
receipts in the banking sector by depositing them into select banks that
meet certain criteria.

TT&L accounts are Treasury accounts created at commercial banks to accept
electronic tax payments and to disburse Treasury funds. This is an
alternative to the direct deposit of tax payments into Treasury accounts
with Federal Reserve banks.[1]

There are two types of TT&L accounts: 80% of TT&L accounts clear tax
payments overnight, the remainder (note option) accounts receive Treasury
funds for longer periods of time.[1] TT&L accounts provide stability to the
supply of banking reserves within the banking system.[1]

Banking reserves are the interbank "currency" used to settle payments
between banks and the government. Management of the supply of reserves
within the system is critical to ensuring that interbank payments clear on
a daily basis. Because tax payments to the government reduce the amount of
reserves in the banking system, the TT&L program provides a buffer for
system reserve management, preventing reserve shortfalls on heavy tax
payment days which would threaten the ability of banks to settle their
payment obligations (ATM transaction and cheque clearing).

Note option banks, which retain TT&L funds for longer periods, are free to
use those funds in any way allowed for deposits, which includes investing
them. Note option banks are required to pay interest to the Treasury on
deposited funds.[1]
<https://en.wikipedia.org/wiki/Treasury_Tax_and_Loan>

Sounds like they spend tax money to me and there are many other places it
shows up too.  So MMT seems to be selling false premises.  But like I said,
Joe, the jig is up.  Can you confuse faster that the word on money is
spreading?  I don't think so.

The current system has to change becasue it is driving way too much
destruction and inequity and the world is waking up to that fact.
<https://www.glocalities.com/news/articles/press-release-global-population-does-not-want-commercial-banks-to-stay-responsible-for-creating-most-of-the-money>

NO to 918

May you find your way back, friend,

Howard Switzer
GPTN alt.

Message: 4
Date: Mon, 9 Jul 2018 00:39:51 -0600
From: Andrea Merida <andreamerida@gmail.com>
To: "The natlcomvotes (aka National Committee Votes) listserv is for
decision-making and management of GP-US affairs."
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
- 2018 Platform Amendment - Fair Taxation

\*\*\*PUTTING ON FLOOR MANAGER HAT\*\*\*

There has been a lot of back-and forth on this proposal.  Are there any
friendly amendments the sponsors should consider?  Discussion ends in about
a week.

Andrea M?rida Cu?llar. SC
Colorado

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Message: 7
Date: Mon, 9 Jul 2018 11:45:46 +0000 (UTC)
From: Tim Willard <dravidic@yahoo.com>
To: National Committee Votes and GP-US Work
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc]  Discussion Has Begun on GP-US Proposal: ID 918
??????? - 2018 Platform Amendment - Fair Taxation

Joe,
Am I clear in understanding that the proposal calls for repealing FICA taxes and not replacing them with anything?

Tim Willard, MD Del
Green Party Candidate for Montgomery County Council At Large [http://www.timforcouncil.org/https://www.facebook.com/timformoco/twitter](http://www.timforcouncil.org/https%3A/www.facebook.com/timformoco/twitter):? @TimWillard4MoCoinstagram: tim.willard

7. Re: Discussion Has Begun on GP-US Proposal: ID 918 - 2018
     Platform Amendment - Fair Taxation (Joe Firestone)

  9. Re: Discussion Has Begun on GP-US Proposal: ID 918 - 2018
     Platform Amendment - Fair Taxation (Joe Firestone)

 10. Re: Discussion Has Begun on GP-US Proposal: ID 918 - 2018
     Platform Amendment - Fair Taxation (Joe Firestone)

Message: 7
Date: Mon, 9 Jul 2018 00:02:11 -0400 (EDT)
From: Joe Firestone <eisai@comcast.net>
To: National Committee Votes and GP-US Work
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
- 2018 Platform Amendment - Fair Taxation
Message-ID: <1068759680.516934.1531108931963@connect.xfinity.com>
Content-Type: text/plain; charset=UTF-8

Delegate Switzer,

You said:

We do want to promote the general welfare but the notion that taxes aren't
or can't be spent by government is simply not true.
I can only surmise why MMT would insist this is the case it only confuses
the issue and perhaps that is the point.

To answer your implied question and relieve you of the need to "surmise":

The MMT view that taxes are not and can't be spent by Government is based on Stephanie Kelton, nee Bell's paper published in 1998 here: <http://www.levyinstitute.org/pubs/wp244.pdf> There are two arguments used by Kelton in this paper. But the one she considers to be the strongest is below

I'll quote the critical passage (pp. 20-22):

". . . . The argument is a technical one and requires an understanding that Federal Reserve notes (and reserves) are booked as liabilities on the Fed?s balance sheet and that these liabilities are extinguished/discharged when they are offered in payment to the State. It must also be recognized that when currency or reserves return to the State, the liabilities of the State are reduced and high-powered money is destroyed.

"The destruction of these promises is no different from the private destruction of a promise once it has been fulfilled. In other words, when an individual takes out a loan, she issues a promise to a bank. Once she ?makes good? on that promise (i.e. repays the loan), she may ?destroy? that loan debt (liability) by eliminating it from her balance sheet. Likewise, the State, once it fulfills its promise to accept its own money (HPM) at State pay-offices, can eliminate an equivalent number of these liabilities from its balance sheet.

"Thus, while bank money (Ml) is destroyed when demand deposits are used to pay taxes,
the government?s money, HPM, is destroyed as the funds are placed into the Treasury?s account at the Fed. Viewed this way, it can be convincingly argued that the money collected from taxation and bond sales cannot possibly finance the government?s spending. This is because in order to ?get its hands on? the proceeds from taxation and bond sales, the government must destroy the money it has collected. Clearly, government spending cannot be financed by money that is destroyed when received in payment to the State!

"How, if not by using the money received in payment of taxes and bond sales, does the
government finance its spending? Notice that the government writes checks on an account that does not comprise part of the money supply or HPM but that as it does, the funds become part of the money supply (Ml if deposited into checking accounts, M2 if savings accounts, etc.) and part of HPM. It is therefore apparent that while the payment of taxes destroys an equivalent amount of money (Ml immediately and HPM as the proceeds go into the Treasury?s account at the Fed), spending from this account creates an equivalent amount of new money - both bank money and HPM. Modern governments, then, finance all of their spending through the direct creation of new
(high-powered) money."

So, there it is, the strongest reason why MMT insists that "taxes do not fund spending." In short, the destruction of both tax and bond revenues before new money goes into the Treasury spending account is part of the accounting paradigm that informs MMT and that ought also to inform GP views unless the GP plans to invent a new accounting paradigm entirely.

Best Regards,

Joe Firestone
Adviser

Message: 9
Date: Mon, 9 Jul 2018 00:33:56 -0400 (EDT)
From: Joe Firestone <eisai@comcast.net>
To: National Committee Votes and GP-US Work
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
- 2018 Platform Amendment - Fair Taxation
Message-ID: <1127420018.517111.1531110836893@connect.xfinity.com>
Content-Type: text/plain; charset=UTF-8

Delegate Switzer,

I replied to your implied question about why MMT economists say that "taxes do not fund spending" earlier this evening. So, hopefully, if everyone reads that e-mail and provided you cannot reply successfully, then, hopefully the GP will know that at the federal level, taxes do not fund spending.

You said that the above is an axiom of MMT. Let me correct you. The axioms involved in Kelton's argument are accounting assumptions and definitions of M1 and other types of money, but "taxes do not fund spending" is one conclusion of her argument. It is not an axiom. To say that it is one is a distortion of the truth and masks the fact that her accounting and definitional assumptions are much harder to challenge than her conclusion unsupported by those assumptions.

You accuse MMT of confusing people. But Kelton's argument is an honest one. Your distortion of her argument and labeling of her conclusion of as an "axiom" is misleading to say the least and suggests that you've never read her paper, but still feel comfortable terming "taxes do not fund spending" as "confusury" which you then subject to ad hominem attack by suggesting that the conclusion she draws is part of a campaign to confuse funded by "the largest lobby in Congress".

What evidence do you have that this is a valid charge? And if none, then how is it an example of civil discourse to accuse MMT economists and writers of being part of such a campaign?

Best Regards,

Joe Firestone
Adviser

Message: 10
Date: Mon, 9 Jul 2018 00:45:29 -0400 (EDT)
From: Joe Firestone <eisai@comcast.net>
To: National Committee Votes and GP-US Work
<natlcomvotes@green.gpus.org>
Cc: Rita Jacobs <rjacobs@arq.net>
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
- 2018 Platform Amendment - Fair Taxation
Message-ID: <912342849.517118.1531111529483@connect.xfinity.com>
Content-Type: text/plain; charset=UTF-8

Alternate Delegate Jacobs,

Of course when the NE GP offered such language it assumed that it could persuade the GPUS that "taxes do not fund spending" is true, and that if it was successful then in the end the statement would be perfectly justified.

Joe Firestone
Adviser

1. Re:  Discussion Has Begun on GP-US Proposal: ID 918 ??????? -
     2018 Platform Amendment - Fair Taxation (Joe Firestone)

----------------------------------------------------------------------

Message: 1
Date: Mon, 9 Jul 2018 01:20:30 -0400 (EDT)
From: Joe Firestone <eisai@comcast.net>
To: National Committee Votes and GP-US Work
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc]  Discussion Has Begun on GP-US Proposal: ID 918
??????? - 2018 Platform Amendment - Fair Taxation

Alternate Delegate Jacobs,

I was unavailable to answer earlier as also were Delegate Shane Fry and Adviser Fadhel Kaboub who, apparently, still are unavailable now. In any event, I will reply to you now.

The NE GP proposed:

Replace: 8. Apply the Federal Insurance Contributions Act (Social Security and Medicare) taxes to investment income and to all levels of income, not merely the first $106,800 earned

8. Repeal Federal Insurance Contributions Act (Social Security and Medicare) taxes.

The NE GP proposed this because FICA taxes are punishing and regressive taxes not worthy of progressive support. Even the cap were lifted and left everyone paying a flat percentage of earnings FICA would still not a progressive tax compared to Federal Income taxes.

In addition, since as I've explained in previous replies to comments and questions, taxes do not actually fund spending in the end, but rather drain demand from the private sector by destroying M1, we see no legitimate financial purpose in using FICA taxes and telling citizens the story that they fund spending. Instead, we can just as easily rely on other less regressive taxes to drain funds from the economy and fund SS and Medicare spending through Congressional appropriations (as is actually done at present) including mandates from Congress to add the necessary reserves to pay for such spending to the Treasury spending account.

This process, not yet used by Congress, is called Overt Congressional Financing (OCF). Even if it is not used however, If Congress simply appropriates SS and Medicare spending, Treasury can use its traditional methods to get the reserves it needs to spend into the private sector, just as it does with military spending or any other kind of Federal spending. There is no need to have a special earmarked process for SS funding.

Best Regards,

Joe Firestone
Adviser

Below is Firestone's response on NC listserve to removing FICA taxes funding SS and Medicare.

1.  What is our response to MMT's Overt Congressional Financing (OCF)?  Where is MMT pulling this from?
2.  What is the 'traditional method to get reserves' by the Treasury?  Deficit spending?

Thanks.

Sue

Date: Mon, 9 Jul 2018 01:20:30 -0400 (EDT)
From: Joe Firestone <eisai@comcast.net>
To: National Committee Votes and GP-US Work
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc]  Discussion Has Begun on GP-US Proposal: ID 918
??????? - 2018 Platform Amendment - Fair Taxation

Alternate Delegate Jacobs,

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This process, not yet used by Congress, is called Overt Congressional Financing (OCF). Even if it is not used however, If Congress simply appropriates SS and Medicare spending, Treasury can use its traditional methods to get the reserves it needs to spend into the private sector, just as it does with military spending or any other kind of Federal spending. There is no need to have a special earmarked process for SS funding.

Best Regards,

Joe Firestone
Adviser

6. Re: Discussion Has Begun on GP-US Proposal: ID 918 - 2018
     Platform Amendment - Fair Taxation (Janet Martell)

Message: 6
Date: Mon, 02 Jul 2018 17:42:34 -0400
From: Janet Martell <ninth.st@frontier.com>
To: National Committee Votes and GP-US Work
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
- 2018 Platform Amendment - Fair Taxation

I have now cruised through all of the Nebraska amendments, and I recommend rejecting them all without much debate. They are full of unsupported, sweeping statements and simply remove longstanding policies that have wide support in this party without much explanation. The changes appear to be based on some ideas coming out of Modern Monetary Theory which is a cult that the Green Party has not signed on to. Changing our platform to fit its precepts would be premature, to say the least. To introduce and gain acceptance for these ideas would take a long, patient campaign of education and persuasion, something the authors of these amendments have not bothered to undertake. They thought the best way to introduce their ideas was just to pop them straight into the platform. Well, I don't think so.

Jan Martell
Alt, NC

8. Re: Discussion Has Begun on GP-US Proposal: ID 918 - 2018
     Platform Amendment - Fair Taxation (iconofcharles Ostdiek)

  9. Re: Discussion Has Begun on GP-US Proposal: ID 918 - 2018
     Platform Amendment - Fair Taxation (Rita Jacobs)

Message: 8
Date: Wed, 4 Jul 2018 07:34:43 -0500
From: iconofcharles Ostdiek <iconofcharles@gmail.com>
To: National Committee Votes and GP-US Work
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
- 2018 Platform Amendment - Fair Taxation

rita,
 in re-reading your comments posted to the nc yet again, i see no
question, only statements.
 for the nc, may i post your private message, addressed to myself and
ngp's former cochair (david long resigned from our state party earlier this
year), which does append both a question and an additional
suggestion/comment?
 thank you,
--charles ostdiek
delegate, nebraska

Message: 9
Date: Wed, 4 Jul 2018 14:15:19 +0000
From: Rita Jacobs <rjacobs@arq.net>
To: National Committee Votes and GP-US Work
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
- 2018 Platform Amendment - Fair Taxation

Yes, I intended for you to do that.

Rita Jacobs

Alt Del. GPMI

2. Re: Discussion Has Begun on GP-US Proposal: ID 918 - 2018

     Platform Amendment - Fair Taxation (Howard Switzer)

  6. Re: Discussion Has Begun on GP-US Proposal: ID 918 - 2018
     Platform Amendment - Fair Taxation (Janet Martell)

Message: 2
Date: Mon, 2 Jul 2018 15:55:41 -0500
From: Howard Switzer <hmsarchitecture@gmail.com>
To: National Committee Votes and GP-US Work
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
- 2018 Platform Amendment - Fair Taxation

Hello delegates Willard and Hunt.  I am not a sponsor but I think/hope I
can help you understand this proposal.  Feel free to ask any questions to
clarify.

As far as the numbered changes go they seem to be reasonable updates,
grammar corrections and improvements, as far as I can tell, which I have no
problem with.

However in the re-write of "Our Position" there is some false information
inserted in the last paragraph that is contradictory to Greening of the
Dollar, the same fallacy inserted in 918, which has severe implications
regarding the understanding of the money system and monetary policy. It is
the insertion of that fallacy into the platform which I believe was the
entire intention of this proposal. That paragraph states: (my comments in
parentheses ...sorry it is so difficult to make distinctions in this system)

"The Green Party knows that at the federal level, taxes do not fund
spending." (How would anyone "know" this? It is not true. Taxes are revenue
that go to the Treasury to be spent, period.  If still in question perhaps
we can get an appointment at Treasury so I and a GPNE member can ask
Treasury if they spend tax money or destroy it, as MMT contends.)

"Congress, through its appropriations and the rules it sets for the Federal
Reserve and the Treasury, does that." (Yes, Congress appropriates and
Treasury spends ...out of revenue collected in taxes or from 'bond sales'
through the Fed, which is another way to say the government borrows money
from the banks)

"But, taxes drive the value of the currency." (Taxes do not drive the value
of currency, the quantity issued does. This is why in Greening of the
Dollar we propose a Monetary Authority whose only job is to scientifically
determine the amount of new money that can be spent into the economy
without creating inflation or deflation, and Treasury creates (instead of
borrowing) and spends as authorized by Congressional appropriations.)

"They can also help create price stability, equity, justice, health and
sustainability, so the Green tax policies below are designed to achieve
these goals." (Taxes are not a powerful enough tool to do any of this, but
giving the government the money power, as Greening the Dollar does, is a
powerful enough tool to do these things. Of course, we still have to make
it OUR government and not THEIR government, thus our political project.)

That said then the statement we currently have at the end of "our position"
is not accurate, i.e. " A principal instrument for achieving economic
democracy is our tax system."  (Again, taxing is not a powerful enough tool
for achieving economic democracy.)

I want to thank the Nebraska Greens for providing this opportunity for
Greens to deepen their understanding of the money system and why Greening
the Dollar is so very revolutionary. This, despite my opposition to their
proposals.

Howard Switzer
GPTN alt.

-
Message: 6
Date: Mon, 02 Jul 2018 17:42:34 -0400
From: Janet Martell <ninth.st@frontier.com>
To: National Committee Votes and GP-US Work
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
- 2018 Platform Amendment - Fair Taxation

I have now cruised through all of the Nebraska amendments, and I recommend rejecting them all without much debate. They are full of unsupported, sweeping statements and simply remove longstanding policies that have wide support in this party without much explanation. The changes appear to be based on some ideas coming out of Modern Monetary Theory which is a cult that the Green Party has not signed on to. Changing our platform to fit its precepts would be premature, to say the least. To introduce and gain acceptance for these ideas would take a long, patient campaign of education and persuasion, something the authors of these amendments have not bothered to undertake. They thought the best way to introduce their ideas was just to pop them straight into the platform. Well, I don't think so.

Jan Martell
Alt, NC

5. Taxation Platform (stephen verchinski)

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Message: 5
Date: Tue, 26 Jun 2018 04:55:36 +0000 (UTC)
From: stephen verchinski <sverchinski@yahoo.com>
To: "natlcomvotes@green.gpus.org" <natlcomvotes@green.gpus.org>
Subject: [usgp-nc] Taxation Platform
Message-ID: <405545239.2620239.1529988936731@mail.yahoo.com>
Content-Type: text/plain; charset=UTF-8

Please consider as a friendly amendment to remove the word "progressive" as it is not defined.
Suggest that we speak to tax equity and what exactly is a system that funds our governance.
Current budgets for example fund with taxes illegal unconstitutional wars and as a result taxes fail to be used for societal needs that are basic human rights.?
Those rights to life are basic like clean drinking water, unpolluted water and air, uncontaminated food, health and education needs. Justice demands taxes not be used for unconstitutional purposes.?
Perhaps here we also should speak to the illegally gathered war tax surcharge on our telephone bills and the need to encourage in this platform war tax resistance.?
Stephen Verchinski
GP-NM National Representative(From drought stricken New Mexico and Albuquerque)

Support We the People.
<http://www.MovetoAmend.org>

Sent from Yahoo Mail on Android

2. Re:  Discussion Has Begun on GP-US Proposal: ID 918 ??????? -

     2018 Platform Amendment - Fair Taxation (Joanna Herlihy)

  7. Re: Discussion Has Begun on GP-US Proposal: ID 918 - 2018
     Platform Amendment - Fair Taxation (iconofcharles Ostdiek)

  11. Re: Discussion Has Begun on GP-US Proposal: ID 918 - 2018
     Platform Amendment - Fair Taxation (rubies200)

 14. Re: Discussion Has Begun on GP-US Proposal: ID 918 - 2018
     Platform Amendment - Fair Taxation (Tim Willard)

15. Re: Discussion Has Begun on GP-US Proposal: ID 918 - 2018
     Platform Amendment - Fair Taxation (Hunt Hobbs)

----------------------------------------------------------------------

Message: 2
Date: Mon, 2 Jul 2018 17:33:01 +0000 (UTC)
From: Joanna Herlihy <joanna\_herlihy@yahoo.com>
To: Natcom votes <natlcomvotes@green.gpus.org>
Cc: Rita Jacobs <rjacobs@arq.net>
Subject: Re: [usgp-nc]  Discussion Has Begun on GP-US Proposal: ID 918
??????? - 2018 Platform Amendment - Fair Taxation
Message-ID: <245639107.1550277.1530552781232@mail.yahoo.com>
Content-Type: text/plain; charset=UTF-8

Rita Jacobs' question is very important for consideration of 918.?? The only prior comments on this I am aware of are in the limited discussion of Fair Taxation? on the site for proposals under discussion:? <https://gpus.org/other/platform-2017/proposals/>

How can we be sure that all National Council members are aware and use this site? The Fair Taxation proposal, 918, is only one of several submitted by Nebraska this year and be should be considered in the context of all of them. (Three more have been submitted to NC fsince I began this response.) Most discussion is appended to the? Monetary and Banking Reform proposal, including dialog between Howard Switzer and Joe Firestone (one of authors) and an extensive bibliography offered by Joe Bongiovanni. In one item, Ben Kjelhuus and Dee Berry explain how monetary policy sections of the GP platform were adopted via multiple proposals.? The NE challenge is thus embodied in multiple proposals too.

Some perspective on Modern Monetary Theory is on the American Monetary Institute home page <http://www.monetary.org>
The article by Huber is especially clear: <http://www.paecon.net/PAEReview/issue66/Huber66.pdf>
I hope these proposals get as much attention as 912 did. We might determine that the economic portion of the Green Party platform could benefit from some future changes, if not the currently proposed ones.

Joanna Herlihy
MA delegate

  On Sunday, July 1, 2018, 1:07:41 PM EDT, Rita Jacobs via Natlcomvotes <natlcomvotes@green.gpus.org> wrote:

I asked a question about proposal 918 A few days ago, and did not receive a response. This proposal is important. I have since found out that this proposal was made by the Green Party of Nebraska. Does anyone from that state party wish to answer my question? I'm repeating it for you:

Re:

Replace: 8. Apply the Federal Insurance Contributions Act (Social Security and Medicare) taxes to investment income and to all levels of income, not merely the first $106,800 earned
To read: 8. Repeal Federal Insurance Contributions Act (Social Security and Medicare) taxes.

In reading the rest of the platform, I do not find a reference to how Social Security and Medicare are to be funded. I realize that there are general references to several areas of taxation, but I think that the separate funding of Social Security is still somewhat vital to to the public understanding of what benefits they are entitled to as a result of their work history.

Rita Jacobs
Alternate Delegate
GPMI

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Message: 7
Date: Mon, 2 Jul 2018 12:50:59 -0500
From: iconofcharles Ostdiek <iconofcharles@gmail.com>
To: National Committee Votes and GP-US Work
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
- 2018 Platform Amendment - Fair Taxation
Message-ID:
<CAB+7RPb69tC5bsdL-TH1rRJS606N9AY=1PhLYAuqCVwGyZJZZg@mail.gmail.com>
Content-Type: text/plain; charset="UTF-8"

thanks, rita,
 i'm working on getting an answer for you. (i'm not one of the authors and
haven't done nearly as much research as them on these proposals.)
--charles ostdiek
delegate, nebraska
cochair, ngp

Message: 11
Date: Mon, 2 Jul 2018 13:24:01 -0500
From: rubies200 <rubies1111@gmail.com>
To: Joanna Herlihy <joanna\_herlihy@yahoo.com>,  "The natlcomvotes (aka
National Committee Votes) listserv is for decision-making and
management of GP-US affairs." <natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
- 2018 Platform Amendment - Fair Taxation
Message-ID:
<CABTknOFtMOwAM=AHYSwLvqR7vq=FGnySAAA9z\_SCWvtkVEpP8Q@mail.gmail.com>
Content-Type: text/plain; charset="UTF-8"

Before the GPUS votes on any altering of financial language in the
Platform, may I suggest that it gets its own financial house in order?

It would look pretty odd of the GPUS to tell the populace how to run its
finances, while simultaneously being dead broke.

Nekita Gandy
Delegate GPMS

On Mon, Jul 2, 2018, 12:33 PM Joanna Herlihy via Natlcomvotes <
natlcomvotes@green.gpus.org> wrote:

 Rita Jacobs' question is very important for consideration of 918.   The
only prior comments on this I am aware of are in the limited discussion of
Fair Taxation  on the site for proposals under discussion:
<https://gpus.org/other/platform-2017/proposals/>

Message: 14
Date: Mon, 2 Jul 2018 19:04:41 +0000 (UTC)
From: Tim Willard <dravidic@yahoo.com>
To: rubies200 via Natlcomvotes <natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
- 2018 Platform Amendment - Fair Taxation
Message-ID: <1788162743.1616081.1530558281918@mail.yahoo.com>
Content-Type: text/plain; charset=UTF-8

Could somebody explain the proposal and what it's replacing to me as if I were a sixth grader?? It's a little hard to figure out the essential points being made.

Tim WillardGreen Party Candidate for Montgomery County Council At Large [http://www.timforcouncil.org/https://www.facebook.com/timformoco/twitter](http://www.timforcouncil.org/https%3A/www.facebook.com/timformoco/twitter):? @TimWillard4MoCoinstagram: tim.willard

 ?

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Message: 15
Date: Mon, 2 Jul 2018 15:07:00 -0400
From: Hunt Hobbs <s.h.hobbs5@gmail.com>
To: Tim A Willard <dravidic@yahoo.com>,  National Committee Votes and
GP-US Work <natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
- 2018 Platform Amendment - Fair Taxation
Message-ID:
<CAL+eMNvHZ3Jxthm2VKRefiw8a1OxnUxeKhQbdSWDZJjZ7cYpdg@mail.gmail.com>
Content-Type: text/plain; charset="UTF-8"

I gave to agree with my colleague Tim. I read over the language and I'm
having trouble discerning the substantive distinction and what the intent
is supposed to be.

Hunt Hobbs, Co-Chair Maryland Green Party

  8. Discussion Has Begun on GP-US Proposal: ID 918 ??????? - 2018
     Platform Amendment - Fair Taxation (Rita Jacobs)

 11. Re:  Discussion Has Begun on GP-US Proposal: ID 918 ??????? -
     2018 Platform Amendment - Fair Taxation (Jody Grage)

 13. Re:  Discussion Has Begun on GP-US Proposal: ID 918 ??????? -
     2018 Platform Amendment - Fair Taxation (Rita Jacobs)

Message: 8
Date: Sun, 1 Jul 2018 17:07:24 +0000
From: Rita Jacobs <rjacobs@arq.net>
To: Natcom votes <natlcomvotes@green.gpus.org>
Subject: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
??????? - 2018 Platform Amendment - Fair Taxation
Message-ID:
<DM5PR1301MB20422AD594F2A76518193E81AD4C0@DM5PR1301MB2042.namprd13.prod.outlook.com>

Content-Type: text/plain; charset="iso-8859-1"

I asked a question about proposal 918 A few days ago, and did not receive a response. This proposal is important. I have since found out that this proposal was made by the Green Party of Nebraska. Does anyone from that state party wish to answer my question? I'm repeating it for you:

Re:

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Rita Jacobs
Alternate Delegate
GPMI

Message: 11
Date: Sun, 1 Jul 2018 10:12:12 -0700
From: Jody Grage <jodytgrage@gmail.com>
To: natlcomvotes@green.gpus.org
Subject: Re: [usgp-nc]  Discussion Has Begun on GP-US Proposal: ID 918
??????? - 2018 Platform Amendment - Fair Taxation
Message-ID: <01ad1f9b-71ae-9bfc-5404-3a91b113d305@gmail.com>
Content-Type: text/plain; charset=utf-8; format=flowed

As usual, contact information is included under "Resources" in this
proposal.

Jody Grage, GPUS Secretary

Message: 13
Date: Sun, 1 Jul 2018 17:35:00 +0000
From: Rita Jacobs <rjacobs@arq.net>
To: National Committee Votes and GP-US Work
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc]  Discussion Has Begun on GP-US Proposal: ID 918
??????? - 2018 Platform Amendment - Fair Taxation
Message-ID:
<DM5PR1301MB2042C528480ECE6083FB5525AD4C0@DM5PR1301MB2042.namprd13.prod.outlook.com>

Content-Type: text/plain; charset="iso-8859-1"

Thank you for your response. Are you suggesting that I contact someone directly to answer my question? I think the NC would benefit in this discussion by receiving the answer to my question.

Rita Jacobs

Alternate Delegate,

GPMI

11. Re: Discussion Has Begun on GP-US Proposal: ID 918 - 2018
     Platform Amendment - Fair Taxation (Howard Switzer)

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Message: 11
Date: Sat, 23 Jun 2018 00:20:45 -0500
From: Howard Switzer <hmsarchitecture@gmail.com>
To: "The natlcomvotes (aka National Committee Votes) listserv is for
decision-making and management of GP-US affairs."
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
- 2018 Platform Amendment - Fair Taxation
Message-ID:
<CAOUEhLzEk\_x\_tQvOjYBNDnwp9hNS\_hk1mk54-eXZ12K0sUOieQ@mail.gmail.com>
Content-Type: text/plain; charset="UTF-8"

SO, ...ON TAXES:

Greening the Dollar changes the tax picture considerably. In a Sovereign
Money System, such as Greening  the Dollar, taxes are needed only as a
temporary mechanism to take "excess" money out of circulation to control
inflation, that is, when the money supply exceeds demand.   Greening the
Dollar, a Sovereign Money System, is about publicly creating a means, the
tool we call money, by which citizens themselves can create, distribute and
consume their own production. It is paying into circulation the means by
which the citizens themselves can create earned wealth and with the
autonomy to do it their way.

Being at the end of the fossil fuel era I think public investment in
building food producing local economies able to recycle the nutrients and
close the waste loops will improve health for all.  I think people would
prefer not to have to depend on their food being shipped in everyday and to
not have to spend hours commuting to work every day. This economic
decentralization would be a major reduction in emissions and allow for more
community and family time.

Howard Switzer
GPTN delegate

1. Re: Discussion Has Begun on GP-US Proposal: ID 918 - 2018
     Platform Amendment - Fair Taxation (Jared Laiti)
  2. Re: Discussion Has Begun on GP-US Proposal: ID 918 - 2018
     Platform Amendment - Fair Taxation (Joe Bongiovanni)

  4. Re: Discussion Has Begun on GP-US Proposal: ID 918 - 2018
     Platform Amendment - Fair Taxation (Jody Grage)
  5. Re: Discussion Has Begun on GP-US Proposal: ID 918 - 2018
     Platform Amendment - Fair Taxation (Howard Switzer)

----------------------------------------------------------------------

Message: 1
Date: Fri, 22 Jun 2018 23:18:35 -0700
From: Jared Laiti <jared.laiti@gmail.com>
To: national comm votes <natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
- 2018 Platform Amendment - Fair Taxation
Message-ID:
<CAODRF9ZtB5BQDQh6gN9BQWBsZOOfpgpP981fCgWz0277VVG=vw@mail.gmail.com>
Content-Type: text/plain; charset="UTF-8"

NC,

If we're amending this, I've never liked the language "corporate welfare."
It relies on an assumption/assertion that welfare is bad, when it is
something we support for people. I think "corporate subsidies" is
sufficiently clear, and if not, we can find other language that doesn't
rely on negative views of welfare.

Thanks,
Jared Laiti
GPCA

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Message: 2
Date: Sat, 23 Jun 2018 05:27:53 -0400
From: Joe Bongiovanni <joebhed@verizon.net>
To: natlcomvotes@green.gpus.org
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
- 2018 Platform Amendment - Fair Taxation
Message-ID: <1642bf8a7f0-c8e-16159@webjas-vab177.srv.aolmail.net>
Content-Type: text/plain; charset=utf-8

Howard,
Not sure I completely understand and agree with this concept on taxation.
Where is the GTD section dealing with it and what is anyone p0roposing ?.

I will search it out in the meantime but if I haven't found it by 8, please send me a link.
I'll be back around 2..
Let's talk on this sometime - with Sue as well I think. - not this morning.
joe

-----Original Message-----
From: Howard Switzer via Natlcomvotes <natlcomvotes@green.gpus.org>
To: The natlcomvotes (aka National Committee Votes) listserv is for decision-making and management of GP-US affairs. <natlcomvotes@green.gpus.org>
Cc: Howard Switzer <hmsarchitecture@gmail.com>
Sent: Sat, Jun 23, 2018 1:21 am
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918 - 2018 Platform Amendment - Fair Taxation

SO, ...ON TAXES:

Greening the Dollar changes the tax picture considerably. In a Sovereign
Money System, such as Greening the Dollar, taxes are needed only as a
temporary mechanism to take "excess" money out of circulation to control
inflation, that is, when the money supply exceeds demand. Greening the
Dollar, a Sovereign Money System, is about publicly creating a means, the
tool we call money, by which citizens themselves can create, distribute and
consume their own production. It is paying into circulation the means by
which the citizens themselves can create earned wealth and with the
autonomy to do it their way.

Being at the end of the fossil fuel era I think public investment in
building food producing local economies able to recycle the nutrients and
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prefer not to have to depend on their food being shipped in everyday and to
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Howard Switzer
GPTN delegate
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Message: 4
Date: Sat, 23 Jun 2018 07:18:15 -0700
From: Jody Grage <jodytgrage@gmail.com>
To: natlcomvotes@green.gpus.org
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
- 2018 Platform Amendment - Fair Taxation
Message-ID: <fce8c2b7-d39d-1b9d-8c02-511823afb7de@gmail.com>
Content-Type: text/plain; charset=utf-8; format=flowed

Once again: Posts are to be signed with full name, state/caucus, and
delegate status.

Jody Grage
WA Delegate

------------------------------

Message: 5
Date: Sat, 23 Jun 2018 09:37:58 -0500
From: Howard Switzer <hmsarchitecture@gmail.com>
To: National Committee Votes and GP-US Work
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
- 2018 Platform Amendment - Fair Taxation
Message-ID:
<CAOUEhLwzZ7w+uRc28skWznvggQsQbuV1+a8Cc3BTQFz9x321mA@mail.gmail.com>
Content-Type: text/plain; charset="UTF-8"

I agree Jared, "subsidies" would be more accurate but this proposal has a
bigger problem.
We do want to promote the general welfare but the notion that taxes aren't
or can't be spent by government is simply not true.
I can only surmise why MMT would insist this is the case it only confuses
the issue and perhaps that is the point.

Howard Switzer
GPTN delegate

9. Discussion Has Begun on GP-US Proposal: ID 918 - 2018
     Platform Amendment - Fair Taxation (Rita Jacobs)

 10. Re: Discussion Has Begun on GP-US Proposal: ID 918 - 2018
     Platform Amendment - Fair Taxation (Wesson Gaige)

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Message: 9
Date: Mon, 25 Jun 2018 22:00:17 +0000
From: Rita Jacobs <rjacobs@arq.net>
To: Natcom votes <natlcomvotes@green.gpus.org>
Subject: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918 -
2018 Platform Amendment - Fair Taxation
Message-ID:
<DM5PR1301MB2042EC80166B4EBC6BD1E630AD4A0@DM5PR1301MB2042.namprd13.prod.outlook.com>

Content-Type: text/plain; charset="iso-8859-1"

I have a question about the proposed amendment #8:

**Amend #8:
Replace: 8. Apply the Federal Insurance Contributions Act (Social Security and Medicare) taxes to investment income and to all levels of income, not merely the first $106,800 earned
To read: 8. Repeal Federal Insurance Contributions Act (Social Security and Medicare) taxes.**

In reading the rest of the platform, I do not find a reference to how Social Security and Medicare are to be funded. I realize that there are general references to several areas of taxation, but I think that the separate funding of Social Security is still somewhat vital to to the public understanding of what benefits they are entitled to as a result of their work history.

Also a question for Howard Switzer:

You stated: We do want to promote the general welfare but the notion that taxes aren't
or can't be spent by government is simply not true.
I can only surmise why MMT would insist this is the case it only confuses
the issue and perhaps that is the point.

I don't know what you mean by this. Does this have something to do with the current platform and its proposed amendments? Please explain. Thank  you.

Rita Jacobs

Alternate Rep GPMI

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Message: 10
Date: Mon, 25 Jun 2018 17:11:33 -0500
From: Wesson Gaige <wesgaige@mac.com>
To: National Committee Votes and GP-US Work
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
- 2018 Platform Amendment - Fair Taxation
Message-ID: <6DE444EE-AEB8-4645-9805-48E9CDB932B8@mac.com>
Content-Type: text/plain; charset=utf-8

To the proposers,

Rita?s observation in spot on.  Please explain why we would want to replace #8.  Please explain why we would want to replace it with your new wording.

Thanks

Wesson Gaige
GPTX Co-chair
GPTX delegate
GPAX
He/Him/His

Healthcare not Warfare

"Whatever the problem, community is the answer.  There is no power greater than a community discovering what it cares about."  Margaret Wheatley

1. Re: Discussion Has Begun on GP-US Proposal: ID 918 - 2018
     Platform Amendment - Fair Taxation (Howard Switzer)

  7. Re: Discussion Has Begun on GP-US Proposal: ID 918 - 2018
     Platform Amendment - Fair Taxation (Rita Jacobs)

----------------------------------------------------------------------

Message: 1
Date: Tue, 26 Jun 2018 00:44:52 -0500
From: Howard Switzer <hmsarchitecture@gmail.com>
To: National Committee Votes and GP-US Work
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
- 2018 Platform Amendment - Fair Taxation
Message-ID:
<CAOUEhLwjNt5QKDc0rzjDtXJ=mq=xPtsRmW+mfeJdJNEK7xOAzA@mail.gmail.com>
Content-Type: text/plain; charset="UTF-8"

Hello to Rita Jacobs,
I will try to explain my comment.

My comment refers to a line inserted in "our position" in the proposal that
reads "The Green Party knows that at the federal level, taxes do not fund
spending."
I guess my question is how on earth could the Green Party have come to know
this?  Its not true.
Federal taxes are one of the sources of revenue that government spends, it
borrows the rest which is why we see the debt climbing.

This is one of the MMT axioms " federal level, taxes do not fund
spending."  Why they say this I can only surmise, it seems like
intentionally trying to confuse people about how the system works.
MMT then goes on to claim "government creates sovereign money when it
spends", another MMT axiom which is not true but it is what we propose in
Greening the Dollar.  More confusion.
Who can afford to fund campaigns to confuse?  Who is the largest lobby in
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The current system was intentionally designed to be convoluted and
mysterious which is why John Kenneth Galbraith said:
"The study of money, above all other fields in economics, is one in which
complexity is used to disguise truth or to evade truth, not to reveal it."
He went on the say "the way banks create money is so simple it repels the
mind." Thus complexity is used to hide a simple reality, that banks create
our money with keystrokes when they make loans.
This is how wealth is systematically concentrated,

Good question about #8 too.

Howard Switzer
GPTN delegate

You stated: We do want to promote the general welfare but the notion that
taxes aren't
or can't be spent by government is simply not true.
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Rita Jacobs

Alternate Rep GPMI

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Message: 7
Date: Tue, 26 Jun 2018 12:29:03 +0000
From: Rita Jacobs <rjacobs@arq.net>
To: National Committee Votes and GP-US Work
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
- 2018 Platform Amendment - Fair Taxation
Message-ID:
<DM5PR1301MB2042136EF351A4267CBC67FAAD490@DM5PR1301MB2042.namprd13.prod.outlook.com>

Content-Type: text/plain; charset="iso-8859-1"

Thank you for your response, Howard. I agree with you that the statement that "The Green Party knows that at the federal level, taxes do not fund spending" should not be part of any proposal. Because it is not true. I must have missed that statement somewhere.

Rita Jacobs

Alternate Delegate

GPMI

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
From: Natlcomvotes <natlcomvotes-bounces@green.gpus.org> on behalf of Howard Switzer via Natlcomvotes <natlcomvotes@green.gpus.org>
Sent: Tuesday, June 26, 2018 1:44 AM
To: National Committee Votes and GP-US Work
Cc: Howard Switzer
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918 - 2018 Platform Amendment - Fair Taxation

Hello to Rita Jacobs,
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8. Discussion Has Begun on GP-US Proposal: ID 918 ??????? - 2018
     Platform Amendment - Fair Taxation (Rita Jacobs)

 11. Re:  Discussion Has Begun on GP-US Proposal: ID 918 ??????? -
     2018 Platform Amendment - Fair Taxation (Jody Grage)

 13. Re:  Discussion Has Begun on GP-US Proposal: ID 918 ??????? -
     2018 Platform Amendment - Fair Taxation (Rita Jacobs)

Message: 8
Date: Sun, 1 Jul 2018 17:07:24 +0000
From: Rita Jacobs <rjacobs@arq.net>
To: Natcom votes <natlcomvotes@green.gpus.org>
Subject: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
??????? - 2018 Platform Amendment - Fair Taxation
Message-ID:
<DM5PR1301MB20422AD594F2A76518193E81AD4C0@DM5PR1301MB2042.namprd13.prod.outlook.com>

Content-Type: text/plain; charset="iso-8859-1"

I asked a question about proposal 918 A few days ago, and did not receive a response. This proposal is important. I have since found out that this proposal was made by the Green Party of Nebraska. Does anyone from that state party wish to answer my question? I'm repeating it for you:

Re:

Replace: 8. Apply the Federal Insurance Contributions Act (Social Security and Medicare) taxes to investment income and to all levels of income, not merely the first $106,800 earned
To read: 8. Repeal Federal Insurance Contributions Act (Social Security and Medicare) taxes.

In reading the rest of the platform, I do not find a reference to how Social Security and Medicare are to be funded. I realize that there are general references to several areas of taxation, but I think that the separate funding of Social Security is still somewhat vital to to the public understanding of what benefits they are entitled to as a result of their work history.

Rita Jacobs
Alternate Delegate
GPMI

Message: 11
Date: Sun, 1 Jul 2018 10:12:12 -0700
From: Jody Grage <jodytgrage@gmail.com>
To: natlcomvotes@green.gpus.org
Subject: Re: [usgp-nc]  Discussion Has Begun on GP-US Proposal: ID 918
??????? - 2018 Platform Amendment - Fair Taxation
Message-ID: <01ad1f9b-71ae-9bfc-5404-3a91b113d305@gmail.com>
Content-Type: text/plain; charset=utf-8; format=flowed

As usual, contact information is included under "Resources" in this
proposal.

Jody Grage, GPUS Secretary

Message: 13
Date: Sun, 1 Jul 2018 17:35:00 +0000
From: Rita Jacobs <rjacobs@arq.net>
To: National Committee Votes and GP-US Work
<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc]  Discussion Has Begun on GP-US Proposal: ID 918
??????? - 2018 Platform Amendment - Fair Taxation
Message-ID:
<DM5PR1301MB2042C528480ECE6083FB5525AD4C0@DM5PR1301MB2042.namprd13.prod.outlook.com>

Content-Type: text/plain; charset="iso-8859-1"

Thank you for your response. Are you suggesting that I contact someone directly to answer my question? I think the NC would benefit in this discussion by receiving the answer to my question.

Rita Jacobs

Alternate Delegate,

GPMI

1. Re: Discussion Has Begun on GP-US Proposal: ID 918 - 2018
     Platform Amendment - Fair Taxation (Howard Switzer)

  7. Re: Discussion Has Begun on GP-US Proposal: ID 918 - 2018
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Date: Tue, 26 Jun 2018 00:44:52 -0500
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Message-ID:
<CAOUEhLwjNt5QKDc0rzjDtXJ=mq=xPtsRmW+mfeJdJNEK7xOAzA@mail.gmail.com>
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Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
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<DM5PR1301MB2042136EF351A4267CBC67FAAD490@DM5PR1301MB2042.namprd13.prod.outlook.com>

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GPMI

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Sent: Tuesday, June 26, 2018 1:44 AM
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5. Taxation Platform (stephen verchinski)
  6. words again on insurance (stephen verchinski)

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Message: 5
Date: Tue, 26 Jun 2018 04:55:36 +0000 (UTC)
From: stephen verchinski <sverchinski@yahoo.com>
To: "natlcomvotes@green.gpus.org" <natlcomvotes@green.gpus.org>
Subject: [usgp-nc] Taxation Platform
Message-ID: <405545239.2620239.1529988936731@mail.yahoo.com>
Content-Type: text/plain; charset=UTF-8

Please consider as a friendly amendment to remove the word "progressive" as it is not defined.
Suggest that we speak to tax equity and what exactly is a system that funds our governance.
Current budgets for example fund with taxes illegal unconstitutional wars and as a result taxes fail to be used for societal needs that are basic human rights.?
Those rights to life are basic like clean drinking water, unpolluted water and air, uncontaminated food, health and education needs. Justice demands taxes not be used for unconstitutional purposes.?
Perhaps here we also should speak to the illegally gathered war tax surcharge on our telephone bills and the need to encourage in this platform war tax resistance.?
Stephen Verchinski
GP-NM National Representative(From drought stricken New Mexico and Albuquerque)

Support We the People.
<http://www.MovetoAmend.org>

Sent from Yahoo Mail on Android

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Message: 6
Date: Tue, 26 Jun 2018 05:08:42 +0000 (UTC)
From: stephen verchinski <sverchinski@yahoo.com>
To: "natlcomvotes@green.gpus.org" <natlcomvotes@green.gpus.org>
Subject: [usgp-nc] words again on insurance
Message-ID: <2013778149.2633684.1529989722911@mail.yahoo.com>
Content-Type: text/plain; charset=UTF-8

The range of business enterprises doing the insurance policies on employees may be Corporations, including Subchapter S, and Companies, ?including LLC's.?
What about large worker cooperatives such as the Mondragon Cooperative in Spain that has thousands of employees??
Is there a difference that is not by number of employees that this proposal is getting at??
Is the difference here the profit making and the recipient or something else?
Does the GP have an expert that can be consulted as the best word the desired outcome?

Stephen Verchinski
GP-NM National Representative
GP-US International Committee
GP-US Eco Action Committee
2700 Espanola St NE
Albuquerque, NM 87110
sverchinski@yahoo.com
505 238 2398

  1. Re: Discussion Has Begun on GP-US Proposal: ID 918 - 2018
     Platform Amendment - Fair Taxation (Jared Laiti)
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GPTN delegate

 11. Re: Discussion Has Begun on GP-US Proposal: ID 918 - 2018

     Platform Amendment - Fair Taxation (Howard Switzer)

Message: 11
Date: Sat, 23 Jun 2018 00:20:45 -0500
From: Howard Switzer <hmsarchitecture@gmail.com>
To: "The natlcomvotes (aka National Committee Votes) listserv is for
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<natlcomvotes@green.gpus.org>
Subject: Re: [usgp-nc] Discussion Has Begun on GP-US Proposal: ID 918
- 2018 Platform Amendment - Fair Taxation

SO, ...ON TAXES:

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inflation, that is, when the money supply exceeds demand.   Greening the
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which the citizens themselves can create earned wealth and with the
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Being at the end of the fossil fuel era I think public investment in
building food producing local economies able to recycle the nutrients and
close the waste loops will improve health for all.  I think people would
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