**Background and Reason for the proposed amendment**:

In our country’s history, a Parity Economy was proved to work for all workers and citizens, and was then implemented into Congressional law.  Americans do not know about this history because the people who control our information keep this history out of our schools and media.

This Background to the Parity Economy Plank will explain the following

**1.      How the Parity Economy Plank relates to the current platform.**

**2.      The history and nature of a Parity Economy.**

**1.       How the Parity Economy Plank relates to the current platform.**

By implementing a Parity Economy, the Green Party will be supporting the following platform positions:

ART. 2:  Social Justice

·        “All workers … must be paid a living wage.”

ART. 3:  Ecological Sustainability

Land Use

·        “providing for human needs in a responsible and sustainable way”

·        “promote livable rural communities to minimize urban migration”

·        “favor policies that promote small-scale farmers and ranchers over large-scale corporate agriculture and ranching”

Agriculture

·        “building soil”

·        “producing more food of a higher quality”

·        “put a stop to unethical confined animal operations”

·        “regionalizing our food system and decentralizing agriculture lands, production, and distribution”

ART. IV:  Economic Justice and Sustainability

·        “The drive to accumulate power and wealth is a pernicious characteristic of a civilization headed in a pathological direction.  Greens advocate that economic relations become more direct, more cooperative, and more egalitarian.”

·        “Our perspective is antithetical to both Big Business and Big Government.”

·        “…worker and community empowerment will ensure that decisions that greatly affect our lives are made in the interests of our communities.”

·        “Greens view the economy as a part of the ecosystem.”

·        “…reduce the economic and political power of large corporations.”

·        “A clear living wage standard should serve as a foundation for trade between nations, and a ‘floor’ of guaranteed wage protections and workers’ rights should be negotiated in future trade agreements.”

**2.      The history and nature of a Parity Economy.**

1)     Since the beginning of our country and throughout the 19th century, the analysis of economic phenomena became part of the conversation of citizens.  There were trial and error attempts to work out the economic system.  In the last half of the 19th century, farmers started to organize for public money (not bank-created money) and for economic treatment of their labor that would give them a chance to get out from under the bank debt.  They organized the Greenback Party, the Greenback-Labor Party (which included support for the industrial workers), and the Farmer’s Alliance which became the Populist Party.

2)     In the 1920’s the farm organizations moved the fight for a parity economy into the Congress.   Twice during this decade, Congress passed a parity law, but both times it was vetoed by president Calvin Coolidge.

3)     During the Great Depression of the 1930’s, a group of farmers, businessmen, engineers, and a federal statistician joined together and called themselves the “Raw Materials National Council”.  They analyzed why a bushel of wheat could be sold by a farmer in 1929 for $1.88, but in 1933 the same raw material could be sold by that same farmer for $.33.  Their analysis, working together over 3 years, proved that the basis of any parity  economy is the production of raw materials.  All industries need raw materials to start their production line.

4)     The Raw Materials National Council proved a natural law of economics.  The researchers did a factual analysis of the economic record of the United States, using government statistics kept by federal bureaus, such as the USDA Agricultural Yearbook, U.S. Bureau of Mines, and U.S. Department of Commerce. In these records, they found evidence that raw materials production is the foundation of the national economy. This raw materials production had to be priced fairly (parity pricing) or the national income (which includes all sectors of the economy) would be crippled.

5)     The Raw Materials National Council educated all the State Commissioners of Agriculture about how our NATIONAL INCOME (our economy) is based on the production of raw materials.  They explained:  when raw materials enter trade channels at prices in balance with the prices of labor and capital in the rest of the economy, THE ENTIRE COUNTRY can operate on an earned-income basis with no buildup of public and private debt.  They proved that, in a parity economy, $1 of farm income results in $1 of labor wages plus $7 of total national income.  This is a picture of prosperity for all laborers.

6)     When the U.S. entered World War 2, the State Commissioners of Agriculture as well as the Raw Materials National Council went into Congress to educate the Congress.  And they did.  So, in April 1942, a parity bill was passed by Congress.  With this in place until 1952, the entire economy could function without debt.

7)     After 1952, however, control of federal farm policy was controlled by international traders and corporations, aligned with the banking power.  These forces slowly reduced the prices in place for our major raw material producer - the farmer.  Between 1950 and 2020, the average loss of farms per week was 920 farms!  This is a total loss of farms  being 3,363,162 farms.  2,019,000 remain.  Both the Great Depression of the 1930s and the period after World War II contributed to pushing farmers off the land and into the cities.  Rural communities were impoverished.

8)     However, what grew and replaced these family-run farms, was the corporate agribusiness farms, with their GMO seeds and concentrated animal feeding operations (CAFOs).

9)     Parity policy is not strictly for agriculture.  It is for the ENTIRE ECONOMY -- an economy where farmers can keep their farms without losing them to debt, where industrial businesses can pay solid wages and run a profitable business, where retailers can have customers that have money in their pockets to buy what they need.

Today, with the control of federal economic policy in the hands of the financial sector, money flows to financial elites.  They understand that a parity economy feeds the real economy of goods and services where citizens live, and that the same parity economy would eliminate their hidden advantage.  They serve only their own interests, and not those of our country.

This proposal is from the Banking Committee because it is an analysis of our ENTIRE ECONOMY that allows all citizens to stay out of debt to the private commercial banks, earn enough money to get their needs met, and support the local communities in our nation.

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**The proposed plank:**

**O.  A Parity Economy**

Since it is the duty of our government, at all levels, to encourage opportunities for the profitable employment of citizens, the Green Party proposes the following:

1. **Creation of a parity economy, without debt to the citizens.**

Sovereign money is money issued by the government and is debt-free permanently circulating money. Sovereign US money will be issued by Congress and, under the direction of the Monetary Authority (*as described in Paragraph N above*), used to ensure that parity prices are received by the producers of our raw materials.  A parity price is the price received by raw material producers, at their first point of sale into the economy, which gives producers purchasing power equivalent to that in a base period. A base period is those years in which each sector of the economy exchanges its output with the other sectors, with no buildup of debt and with no unearned income. Each sector earns money to pay all its costs and have profit. Base periods have been identified as the years 1910-14 and 1925-29, when economic conditions created equitable exchanges. In addition, a base period has been identified as the years 1947-49, when government policy (national law) created a parity economy. Since 1949, the base period formula has been changed, which has resulted in driving farmers off the land.

It has been proven, by the study of prosperous periods in US economic history, that a parity price for raw material producers will support prosperity in all the other sectors of the economy, such as manufacturing, distribution, services, etc.  See [normeconomics.com](http://normeconomics.com/), which maintains the history of US raw materials economics.   This prosperity includes both labor and business owners.  Laborers are paid wages that are sufficient for all the costs of living.  Business owners sell their products, and are able to pay all costs and have profit too.

There is no need in the economy to go into debt to the commercial banks.  Parity is a prosperous economy, taking care of the citizens, workers, business owners.

1. **A government program to ensure parity prices for US farm production.**

Since the production of US farms, by volume, is the majority of all US raw materials produced each year (70%) by the nation, parity prices of farm production must be guaranteed by the government, thus ensuring a prosperous parity economy.

Here are the steps taken to ensure the farmers receive a parity price for their production:

1. When ready to sell a crop into commerce, the farmer has a choice.  If the market price is below 90% parity, the farmer can take a 90% parity loan from the government, with the crop as sole collateral, putting the crop into government storage (provisional sale).
2. If the market price goes up between 90% - 100% parity, the farmer can decide to sell the crop into commerce, and pay back the 90% parity loan to the government.  (When the market price hits 100% of parity price, the farmer must repay the 90% loan to the government.)
3. The parity price for each crop is determined by statistics kept by the Department of Agriculture and is revised monthly.
4. If the farmer cannot get 100% of parity price from the marketplace (after 1 year from the loan's begin-date), the government takes final possession of the crop and cancels the loan to the farmer.  The government can then sell the crop into the marketplace, using a "floor" price of 90% parity and a "ceiling" price of 110% parity. The crop will trade in commercial channels between the "floor" and the "ceiling" price, a 20% spread.

The farm production included in parity pricing should include the basic storable non-GMO farm commodities: wheat, corn, soybeans, cotton.

1. **A Parity Tariff on Imports**

The parity price structure must not be undercut by allowing cheap imports to enter our domestic market. This would rupture our internal prosperity and cause workers and business owners to depend on borrowing from private banks.

A parity tariff is a *monetary measure*. A parity tariff protects the value of the money in the home country, so the standard of living is not reduced by cheap imports.

A parity tariff is structured to not only protect the standard of living of our US producers and laborers, but also to encourage importers in foreign countries to sell in our market profitably. This parity tariff structuring will make it possible to maintain our prosperity, while allowing imports.

Public money will be directed to a parity economy, in order to accomplish all of the following:

* Direct the government’s sovereign money to the real economy of goods and services.
* Direct the government’s sovereign money away from speculation, toxic financial instruments, and loans that create unearned profits for the corporate few. This will slowly reduce unearned income. Nobody should live off the labor of their fellow citizens.
* Support the earned income of producers, manufacturers, distributors, and retailers.
* Operate the economy on an earned-income basis, with no buildup of public and private debt.
* Utilize the newly created sovereign money at the local and state levels, meeting the real needs of the public.
* Make the citizens aware that an economy always begins with the generation of raw materials: there is no physical good created that does not require raw materials. (Look around you to prove this fact.)
* Make the citizens aware that, since every human has to eat daily, there is no more important raw material than food grown by farmers.

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