

TOPIC

THE CURRENT MONETARY SYSTEM:

**PRIVATELY ISSUED** MONEY

THE CURRENT MONETARY SYSTEM  
is PRIVATE



**PRIVATE** commercial banks  
create bank credit.....

which functions as money  
but is DEBT.



# PRIVATE COMMERCIAL BANKS –

Do not lend your deposits to borrowers



**DEPOSITS**

**NO**



**LOANS**

IT IS THE EXACT OPPOSITE !!!

A borrower signs a loan contract,  
and the **BANK CREATES A DEPOSIT**  
in the borrower's account



**LOANS**

**CREATE**



**DEPOSITS**

OUR MONEY IS CREATED

WHEN WE GO INTO DEBT...  
TO PRIVATE BANKS....

TOPIC

THE **PRIVATE** FEDERAL RESERVE SYSTEM

AND

THE **BOOM AND BUST** CYCLE



# THE FEDERAL RESERVE BANKING BILL

- PASSED BY CONGRESS IN 1913

-SECRETLY WRITTEN BY BANKERS IN 1910

**PRIVATE** Federal Reserve Bank:



NEW YORK FEDERAL RESERVE BANK

**PRIVATE** member commercial banks:



GOLDMAN  
SACHS



BANK OF  
AMERICA



CITIGROUP



J.P.MORGAN  
CHASE



DEUTSCHE  
BANK



HSBC



UBS



ETC.

# #1

Commercial banks create our **MONEY SUPPLY** from **LOANS**

BANK  
GETS

CUSTOMER  
GETS

LOAN  
CONTRACT  
for \$20,000

+ \$20,000  
DEPOSIT

**BORROWER**  
will find  
**\$20,000**  
added to his  
**account .....**



Applying is quick and easy.

# #2 INTEREST ?

BANK'S  
ASSET

---

CUSTOMER'S  
ACCOUNT

---

LOAN  
CONTRACT  
for \$20,000

+ \$20,000  
DEPOSIT



Applying is quick and easy.

# INTEREST -- COMES FROM EXISTING MONEY SUPPLY...

**DEBTS**

**Principal + Interest**

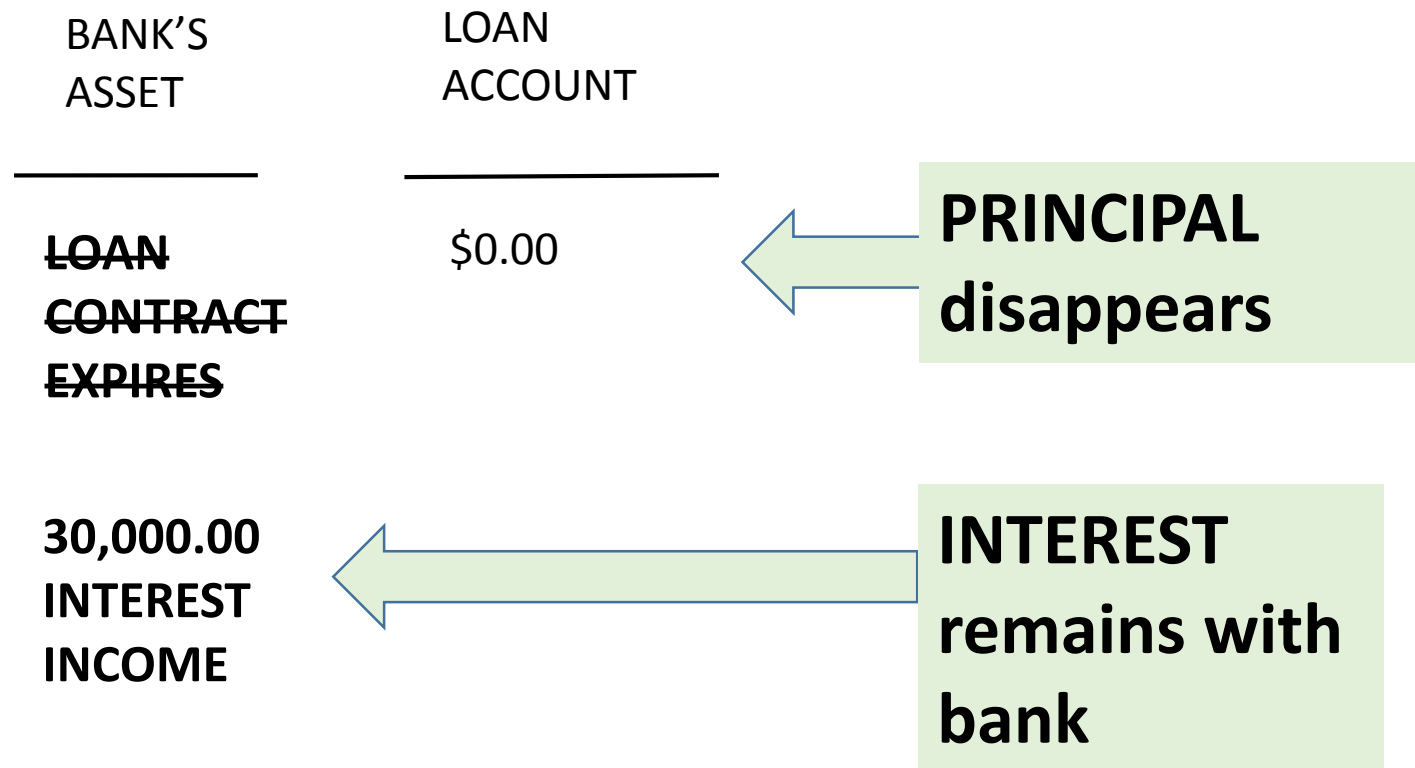
DEMAND

**MONEY SUPPLY**

**Principal**

SUPPLY

# #3 WHEN A LOAN IS PAID OFF.....



# #4 WHEN A BORROWER DEFAULTS.....

BANK'S  
ASSET

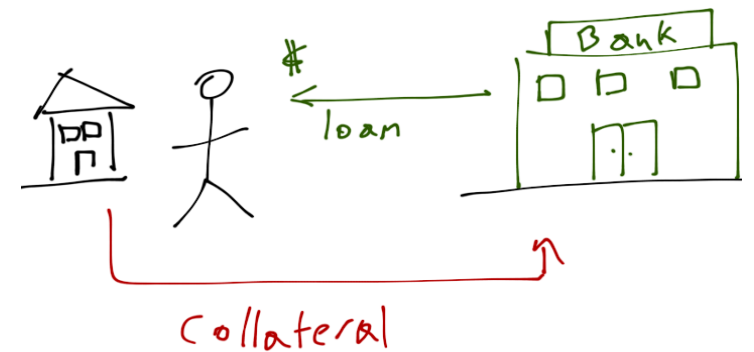
LOAN  
ACCOUNT

**LOAN  
CONTRACT  
EXPIRES**

\$0.00

**PRINCIPAL  
disappears**

**Bank gets  
COLLATERAL  
to sell**



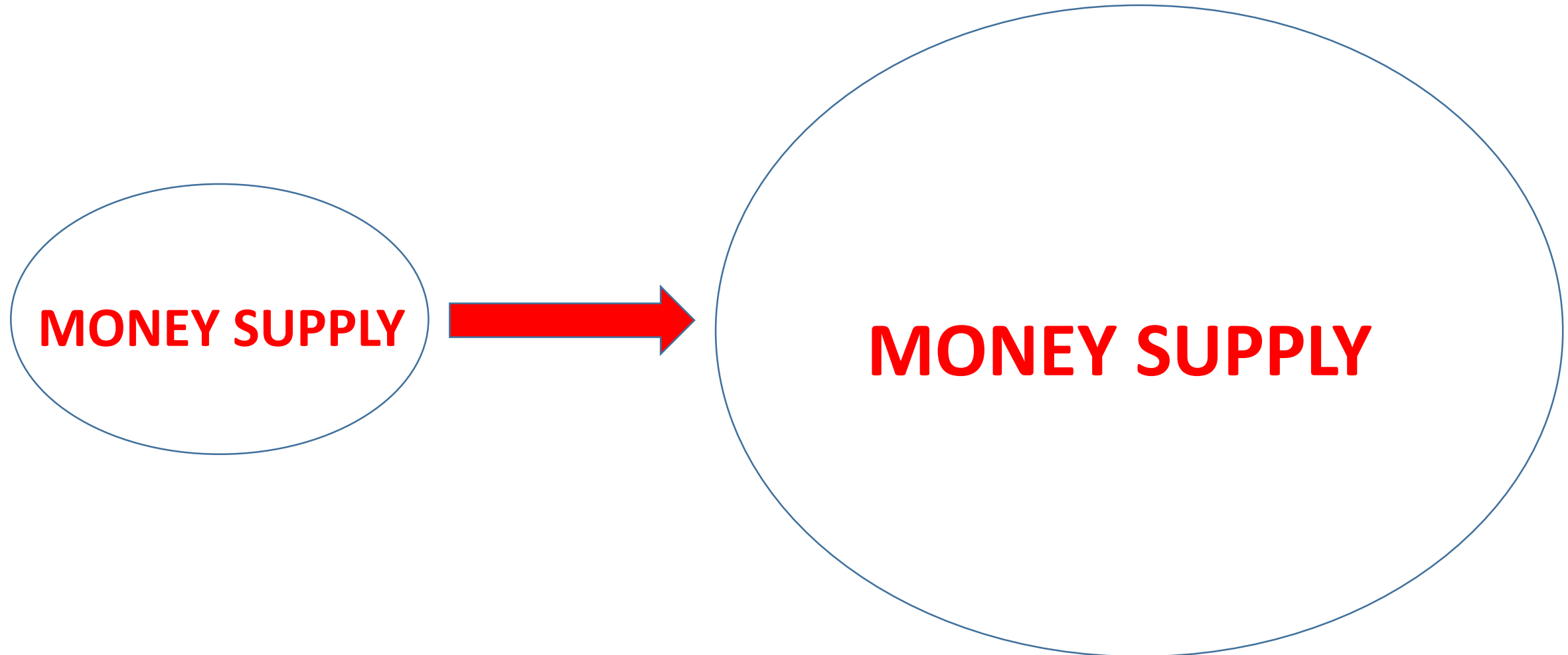
**MONEY SUPPLY SHRINKS....  
WHEN LOANS ARE PAID OFF OR DEFAULT**



**MONEY SUPPLY**

**MONEY SUPPLY**

**MONEY SUPPLY BALLOONS....  
WHEN BANK LOANS (DEBT) INCREASES**





# THE BOOM AND BUST MONETARY CYCLE

**EXPANDING MONEY SUPPLY**

**COLLAPSING MONEY SUPPLY**



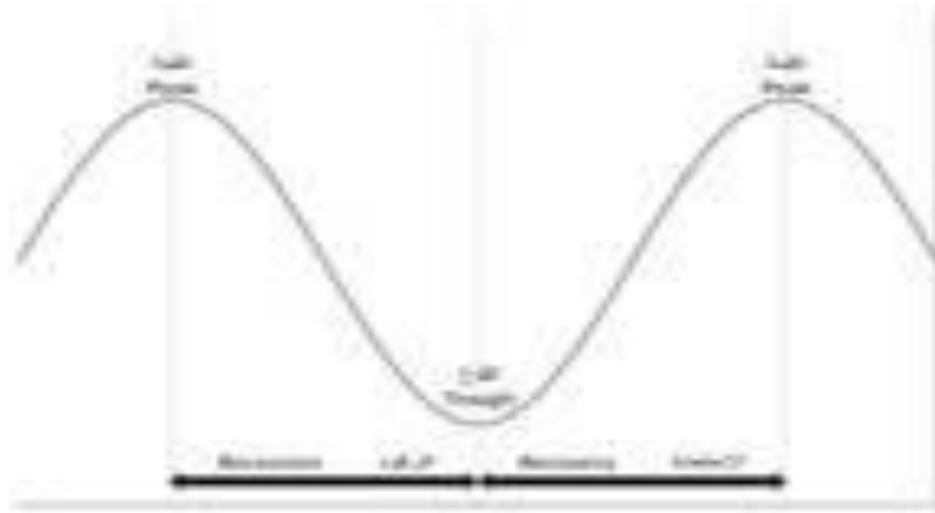
**BUY, BUY, BUY**  
**Prices UP**

**SELL, SELL, SELL.....**  
**Prices FALLING**

THE 'BUSINESS CYCLE' .....

IS A **BANK CREDIT CREATION** CYCLE,

- ✓ creating instability for all citizens
- ✓ benefiting the few



# OUR COUNTRY DOES NOT HAVE A STABLE MONEY SUPPLY

WE ARE AT THE MERCY OF PRIVATE BANKS



TOPIC

**INJUSTICE:**  
PRIVATELY ISSUED  
CREDIT MONEY

*“whoever controls the money system, over time will control the nation”*

# CONCENTRATION OF WEALTH

## 1. GOVERNMENT DEBT

**\$16.7 TRILLION DEBT**



## 2. BOOM AND BUST



## 3. INTEREST



## 4. WHO GETS LOANS

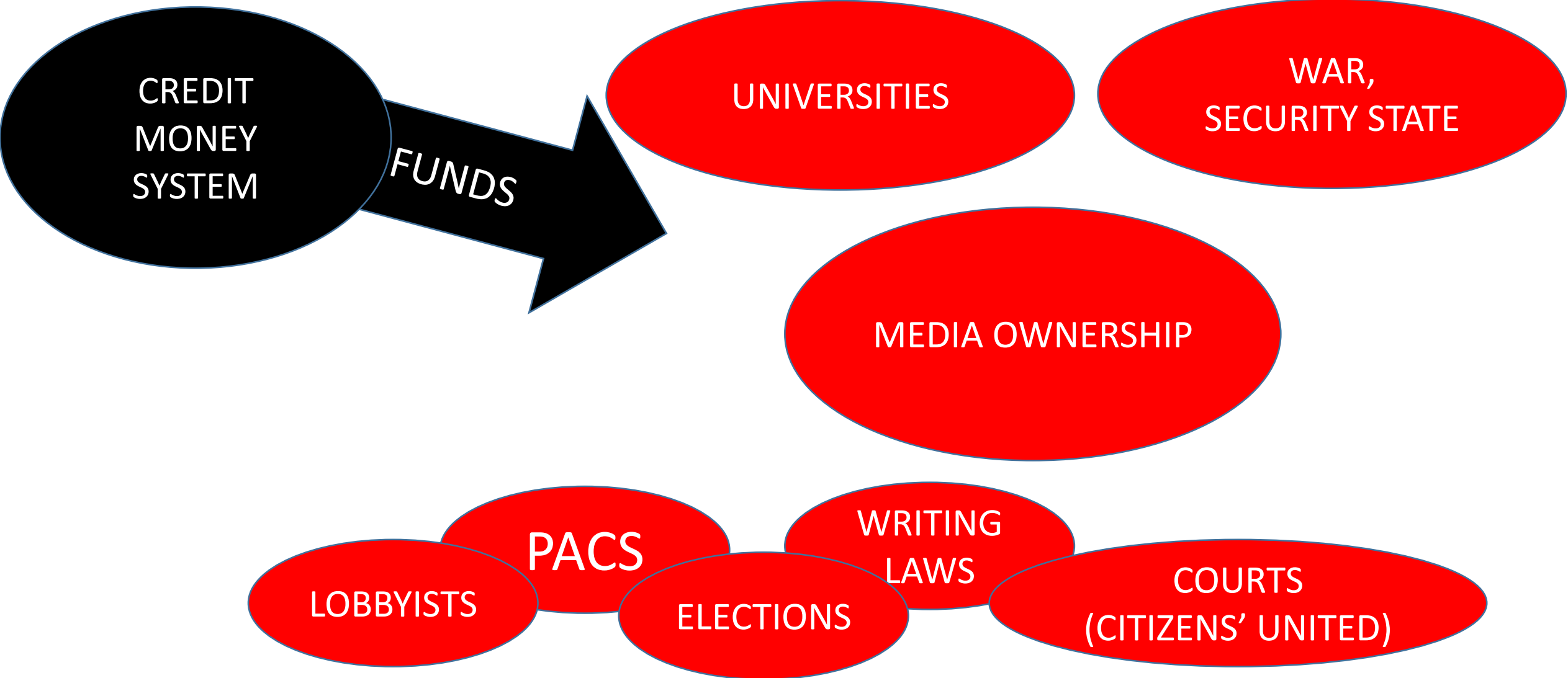
FINANCIAL ECONOMY OVER REAL ECONOMY



## 5. WHO GETS FUNDED?



# CONCENTRATION OF POWER



# PRIVATELY-ISSUED MONEY **KEEPS EVERYONE IN DEBT**



STUDENT DEBT	\$ 1.0 TRILLION
CREDIT CARD DEBT	\$ .8 TRILLION
MORTGAGE DEBT	\$ 13.0 TRILLION
CORPORATE DEBT	\$ 8.7 TRILLION
STATE, LOCAL GOVT DEBT	\$ 3.0 TRILLION
FEDERAL GOVT DEBT	\$ 16.4 TRILLION
<b>TOTAL PRIVATE, CORP, GOVERNMENT DEBT</b>	<b>\$ 42.9 TRILLION</b>

# TOPIC: SOLUTION

GOVERNMENT-ISSUED, INTEREST-FREE MONEY

*“Credit will collapse during a crisis.  
Money does not collapse.”*



**SOLUTION: Government-issued money**

**The solution  
has 3 parts.**

**SOLUTION: Government-issued money**

**#1**

**US Government buys all shares of  
FEDERAL RESERVE BANKS**

**SOLUTION: Government-issued money**

**#2**

**POWER TO ISSUE MONEY  
taken away from PRIVATE BANKS**

**(going forward, banks lend from existing deposits only)**

**SOLUTION: Government-issued money**

**#3**

**U.S. MONEY SPENT FOR  
THE BENEFIT OF ALL CITIZENS**

**Infrastructure Education Health Care**

**SOLUTION: Government-issued money**

**INDESTRUCTIBLE MONEY**

**NO MORE BOOM AND BUST**

**SOLUTION: Government-issued money**

**JOB CREATION**

# SOLUTION: Government-issued money

American Monetary Institute, USA,

[www.monetary.org](http://www.monetary.org),

drafted HR2990 with Congressman Kucinich



THE END