**PRIVATE DEBT-MONEY IS THE CORE – ALL ELSE ARE THE SYMPTOMS**

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What Is Money?

Money is a unique power – if you do not have money, you face homelessness, disease, death.

Therefore, the power to create money is an awesome power – at times stronger than the Executive, Legislative and Judicial powers combined. It’s like having a “magic checkbook,” where any check amount can be written.

Money has value because of skilled people, resources, and infrastructure, working together in a supportive social and legal framework – and is the indispensable lubricant that lets them “run.” It is not tangible wealth in itself, but a power to obtain wealth.

Money is an abstract social power based in law; and whatever government accepts in payment of taxes will be money. Money’s value is not created by the private corporations that now control it. As Aristotle wrote: “Money exists not by nature but by law.”

Private Money Creation

Monetary reform is the critical missing element needed to move humanity back from the brink of economic destruction, nuclear disaster, and war -- toward a world of justice and beauty.

Today this money power is controlled privately to gain riches. It is determining the direction of our society by what gets funded and what does not – instead of building and repairing vital infrastructure, it goes into warfare and financial speculation.

The money issuing power should never be alienated from democratically elected government and placed ambiguously into private hands, as it is in America in the Federal Reserve System today. Indeed, most people would be surprised to learn that the bulk of our money supply is not created by our government, but by private banks when they make loans. The private Federal Reserve System creates “money” whenever a member commercial bank makes a loan into a borrower’s account. So, most of our money is issued as interest-bearing debt!

Public Money Creation

Under the Constitution, Article I, Sec. 8, our government has the sovereign power to issue money and spend it into circulation to promote the general welfare, for example, through the creation and repair of infrastructure, including human infrastructure – health and education – rather than misusing the money system for speculation as banking has historically done; periodically causing one crisis after another. Our lawmakers must now reclaim that power!

Our country has a long history of public money which supported the citizens. First, the colonies issued paper money to successfully stimulate jobs and production. Second, the Revolutionary Congress issued paper money to fund the fighting for our freedom from England and it succeeded! Third, Lincoln issued Greenback paper money which not only kept our country together as one Union but was used successfully as legal tender up to 1971.

Concentration of Wealth with Private Money Power

Unhappily, mankind’s experience with private money creation has undeniably been a long history of fraud, mismanagement and even villainy, and the present crisis could become the worst yet! Banking abuses are pervasive and self-evident. Major banks and companies focus on abusing the money system instead of production. Billions have been stolen, trillions more are being shamelessly grabbed in so called bailouts! Much of our leadership is acting like patsies, instead of protecting our people as the financiers rape America.

Private money creation through “fractional reserve” banking fosters an unprecedented concentration of wealth which destroys the democratic process and ultimately promotes military imperialism. Less than 1% of the population now claims ownership of almost 50% of the wealth, but vital infrastructure is ignored. That fact alone shows the world’s dominant money system to be a major failure crying for reform.

There is a pretense that government must either borrow or tax to get the money for productive projects. But it is well enough known that the government can directly create the money needed and spend it into circulation for such projects, without inflationary results. A reformed monetary/banking system can make this happen NOW!

Requirements for the Reform of the Money Power

Monetary reform is achieved with three elements which must be enacted together for it to work. Any one or any two of them alone won’t do it, but would further harm the reform process.

The private money powers controls our weapons systems. We must stop the now obvious slide of our middle class into slavery or some form of “Disney Fascism.”

1) incorporate the Federal Reserve System into the U.S. Treasury where all new money would be created by government as money, not interest-bearing debt; and be spent into circulation to promote the general welfare. The monetary system would be monitored to be neither inflationary nor deflationary.

2) halt the bank’s privilege to create money by changing the accounting rules in an elegant way. All the past monetized private credit would be converted into U.S. government money. Banks would then act as intermediaries accepting savings deposits and loaning them out to borrowers. They would do what people think they do now.

This Act nationalizes the money system, not the banking system. Banking is not a proper function of government, but providing the nation’s money supply is a government prerogative!

3) spend new money into circulation on 21st century eco-friendly infrastructure and energy sources, including the education and healthcare needed for a growing and improving society, starting with the $2.2 trillion that the Civil Engineers estimate is needed for infrastructure repair; creating good jobs across our nation, re-invigorating local economies and re-funding local government at all levels.

False Specter of Inflation

The false specter of inflation is usually raised against such suggestions that our government fulfill its responsibility to furnish the nation’s money supply. But that is a knee-jerk reaction – the result of decades, even centuries of propaganda against government. When one actually examines the monetary record, it becomes clear that government has a far superior record in issuing and controlling money than the private issuers have had. Inflation is avoided because real material wealth has been created in the process. Research and development of superior pollution-free technologies is facilitated.

History of Money Reform

What we’re proposing builds upon the “Chicago Plan” which came out of University of Chicago economists in the 1930s and was widely supported nationwide by the economics profession back then. It was thought to be the next immediate step in the reforms coming out of the Great Depression. However, the private debt-money system was kept in place, and used to fund wars up to the present day.

Lawmakers have often believed they could ignore the big questions on how our money system is structured. Right from the Constitutional Convention delegates ignored society’s monetary power and the excellent record of government issued money in building colonial infrastructure and giving us a nation. They left the money power up for grabs, when properly estimating it would have meant placing it in a fourth monetary branch of government. “We marvel that they saw so much, but they saw not all things” wrote Civil War General and money reformer Benjamin Franklin Butler 80 years later.

REMOVING PRIVATE MONEY CONTROL -- ABSOLUTELY NECESSARY FOR PEACE

My Friends, our Great Task is to complete that part of government left inadequately defined by the founders; to more precisely define the money power in our society and bring it securely within the proven system of checks and balances they established. History shows that the money power will act like a fourth branch whether we recognize it as such or not. It’s not safe to leave so much power and privilege in private hands! It’s counter to our system of checks and balances. The developing crisis requires us to re-evaluate and focus on it now. We must not shrink from our responsibility to begin implementing the long known solutions to this problem. We start by placing the “money power” within our government where it obviously belongs. Or would you prefer to let “Enron” continue to control it, and us? And yes – Enron was on the Dallas Fed Board!

As the late Congressman Wright Patman, Chairman of the House Committee on Banking and Currency for over 16 years, said, “I have never yet had anyone who could, through the use of logic and reason, justify the Federal Government borrowing the use of its own money….I believe the time will come when people will demand that this be changed. I believe the time will come in this country when they will actually blame you and me and everyone else connected with the Congress for sitting idly by and permitting such an idiotic system to continue.”

Friends, look around you. That time has certainly come! Awaken – get up and fight for your family and nation.