

# **An Open Letter to President Trump:**

## **Drain the Monetary Swamp**

Dear President Donald Trump,

End the deficit, pay off the national debt as it comes due, get rid of Obama Care by giving us real national healthcare, pay for education: it is all possible by draining the monetary swamp of the fraudulent debt money system. Guess what it also does? It unifies our country by addressing the very real concerns of all Americans.

The U.S. monetary system is so corrupt that almost nobody understands it. But it is really quite simple.

- Almost all of what we use for money is created out of thin air by banks when they make loans.
- This debt money exists only as debt, as the debts are repaid the money is extinguished from the bank's bookkeeping.
- We must therefore be in debt, individually and through our government, or there would be no money and society would grind to a halt.
- It gets worse, there is no money created with the loans for the significant interest that we must pay. This makes it even more impossible to reduce the level of indebtedness and insures that it must perpetually increase.
- The Federal Reserve is no more federal than Federal Express. All 12 Federal Reserve Banks are owned entirely by the private banks in their districts.

- Even our currency, which accounts for only about a tenth of the total money supply, is printed by the government and then given to the Federal Reserve for the cost of printing to be distributed to the banks. Our government is paid a nickel for a \$1 bill and 14.3 cents for a \$100 bill.

The only real money in this system are the coins in our pockets and piggy banks. Our government is paid face value by the Fed for every coin minted. Our government gets 30 cents for a quarter and a nickel and it only gets 28.6 cents for two \$100 bills. This is not a misprint, the debt money banking system pays us more for a nickel and a quarter than they do for two \$100 bills. I used the word fraudulent to describe this system, because the monetary economists at the Fed, the politicians and the bankers have not told us that this is how the system works. Most of them probably don't ever know how it works, because the textbooks that they have learned from also misrepresent what the system is. For those that do know and haven't told us, shame on them. Our economists, politicians and bankers are either ignorant or supporters of fraud.

The Bank of England, the UK's central bank and the model for the Federal Reserve, unequivocally stated:

*"In the modern economy, most money takes the form of bank deposits. But how those bank deposits are created is often misunderstood: the principal way is through commercial banks making loans. **Whenever a bank makes a loan, it simultaneously creates a matching deposit in the borrower's bank account, thereby creating new money.** The reality of how money is created today differs from the description found in some economics textbooks: • Rather than banks receiving deposits when households save and then lending them out, bank lending creates deposits."*

(Emphasis BoE), Money Creation in the Modern Economy, 2014

Some on the far left have said nationalize the banks. Wrong, nationalizing banks does nothing, we need to nationalize money creation. The Constitution says money creation belongs with our government. "*The Congress shall have Power To... coin Money, regulate the Value thereof...*" (Article I, Section 8) The phrase "coin Money" refers to the creation of money and was used because coins at the time were considered the real money.

Simple, straightforward, non partisan, monetary reform legislation was put into Congress in 2011 by Congressmen Dennis Kucinich and John Conyers: NEED Act (National Emergency Employment Defense Act). Its reforms are intuitively what one thinks the system already is.

- The Federal Reserve System, currently owned by the private banks, would be put into the federal government.
- Banks would no longer create our money and would only loan money that already exists.
- Money would be created, debt-free, in non inflation/deflationary amounts and spent into existence for the needs of the nation: jobs, infrastructure, healthcare, education, etc. The federal debt will be repaid as it comes due, an absolute impossibility under the present system and there will be no more deficits and debt circuses in Washington.

The NEED Act transforms our society from austerity to a productive, bountiful and sustainable democracy. More information is available at the American Monetary Institute ([monetary.org](http://monetary.org)).

President Trump, unite our country and drain the monetary swamp by proposing the NEED Act on Day One.

Sincerely,

Nick Egnatz Munster, IN [occupynick@yahoo.com](mailto:occupynick@yahoo.com)

## References

Jamie Walton's 2 page paper explains how immediate, seamless and non-disruptive the overnight transition to a government money system would be, "How the N.E.E.D. Act gives an Immediate, Seamless and Non-Disruptive Overnight Transition from a Crisis-Prone Bank Debt System to a Stable Government Money System" <http://www.monetary.org/seamlesstransition/>

NEED Act

<http://www.monetary.org/wp-content/uploads/2013/01/HR-2990.pdf>

"Money Creation in the Modern Economy", Bank of England

<http://www.bankofengland.co.uk/publications/Documents/quarterlybulletin/2014/qb14q1prereleasemoneycreation.pdf>

The following gentlemen are at your service to bring about monetary reform.

Stephen Zarlenga  
Director American Monetary Institute

Jamie Walton  
Senior Researcher American Monetary Institute

Dennis Kucinich  
Former Congressman and sponsor of the NEED Act