

## **THE WAY OUT**

**The primary cause of a recession is a shortage of money in the hands of the American people, the way out of recession is to put more money in their hands. Under the present monetary system this can only be done by borrowing more and going even deeper in debt. It is difficult for people to understand that we actually have no money, that, instead of money we circulate bank-created interest-bearing debt as a "substitute money." The American Monetary and Financial Security Act of 2009 takes three simple steps to correct this problem.**

**(1) It Incorporates the Federal Reserve Banks into the U. S. Treasury where all money is created by the government as real money, not interest-bearing debt, and spent into circulation to promote the general welfare; monitored to be neither inflationary nor deflationary.**

**(2) It eliminates Fractional Reserve Banking in a manner that makes the federal government the only entity with the power to create, issue and regulate our money, as Article I, Section 8, Clause 5 of the United States Constitution already mandates.**

**(3) As the "debt-money" created by the privately owned Federal Reserve and commercial banks disappears when debts are paid, it would be replaced with real money spent into circulation to rebuild our badly decayed public infrastructure, which includes roads, bridges, dams, water and sewage plants, mass transit, schools, etc. This would create millions of high paying jobs. Public infrastructure also includes universal health care and education for all. A stimulus check of at least \$5,000 should be sent out to immediately start getting out of this recession by putting money back in the hands of the American people.**

**We are constantly told that "we need to get credit flowing." We don't need to "get credit flowing," we already have \$53 trillion of debt which was created by "getting credit flowing." What we need is to get real money flowing, not even more debt.**

**All of these benefits would appear as an interest-free, debt-free, inflation-free dividend to the American people. New money is always created out of thin air, but the benefit of that creation would go to the American people, not to the big banks.**

**What the so-called "too big to fail" banks don't want you to know is**

**that all of their money was created in the form of debt, and when they can no longer create more "debt-money" it will disappear as the debts are paid or defaulted, which means we will have to replace their debt money by spending real U. S. dollars into circulation. Then we would finally get the benefits we should have received in the first place - and all these benefits come without debt, without taxes, and without inflation. The real money we need to spend into circulation to replace this "debt-money" is literally trillions and trillions of dollars. And it all would appear as a bonus or dividend for the American people.**

**To allow this recession or depression to continue when the way out is well known is inexcusable. The American Monetary and Financial Security Act IS the way out of the present recession.**

**Read H.R. 2990, The American Monetary and Financial Security Act at the link below.**

**[CLICK HERE](#)**

**HERE IS WHAT REPLACING TRILLIONS OF DOLLARS OF "DEBT-MONEY" WITH REAL U. S. MONEY OVER THE NEXT FEW YEARS CAN MEAN TO YOU AND YOUR COMMUNITY .**

**While the final decision on how to spend these trillions of dollars must be made by the Congress and the President, here are some definite possibilities. The dividend check and the program to rebuild the infrastructure are among the first programs suggested by the American Monetary and Financial Security Act.**

**A program to issue a check for \$5,000 to every person on the Social Security rolls, both those looking for work, those working and paying in, and those retired and receiving benefits. This is as much money as the entire stimulus plan passed by Congress but, instead of borrowing the money, it would be spent into circulation as a dividend for the people. \$5,000 in the hands of all American workers would go a long way towards ending the current recession.**

**A \$300 billion a year program to rebuild and improve the public infrastructure - schools, bridges, roads and streets, water and sewage plants, mass transit, etc. This would be \$300 billion a year for at least eight consecutive years. This money is spent, not borrowed, into circulation in replacement of the old bank created "debt-money" which**

would disappear as debts are paid. Direct grants would be given on a per capita basis in each of the 435 Congressional Districts.

Here's what this would mean each year for a city with a population of 27,000, a county with a population of 40,000 and a school district with an enrollment of 4,100.

- THE COUNTY:** \$7.4 million - an 8 year total of \$59.2 million.
- THE CITY:** \$13.5 million - an 8 year total of \$108.0 million
- THE SCHOOL DISTRICT:** \$8.2 million - an 8 year total of \$65.6 million

That adds up to a combined \$29.1 million a year - an 8 year total of \$232.8 million. **THESE WOULD BE DIRECT GRANTS, NOT LOANS.** Think how much the public infrastructure and the economy of that city and county would improve with these funds available at no cost to the taxpayers. The city would even be able to reduce property taxes while it increased expenditures to rebuild the public infrastructure.

You can figure how much your city and county would receive each year. The formula used to distribute the \$300 billion a year is: Your City or town would receive its population times \$505 per person. Your County would receive its population times \$175 per person. Your Schools would receive \$2,000 per student enrolled. And your State would receive its population times \$90 per person.

This program would put millions of people to work at high paying construction and manufacturing jobs. Just these first two programs alone would end the present recession and begin to return us to prosperity.

An approximately \$300 billion a year program to provide full employment for all at a living wage, including complete health care benefits. The government would become the employer of last resort. This program would be similar to the WPA (Works Progress Administration) and the CCC (Civilian Conservation Corps) of the 1930s and would make sure a job would be available for everyone.

A \$100 billion a year program to save Social Security benefits as they are and, at the same time, exempt the first \$25,000 of earned income from the 6.2% employee share of the Social Security tax - resulting in a \$1,550 pay raise for everyone earning \$25,000 or more a year. The current "cap" on earnings subject to the Social Security tax is \$102,800 per year. That cap would be removed and the Social Security tax, like the Medicare/Medicaid tax, would apply to every dollar earned

**(after exempting the first \$25,000). Finally, the very wealthy would be paying the same Social Security tax rate as those making less than \$102,800 a year.**

**Universal Health Care. We could finally actually have universal health care like almost all other industrialized countries. We presently spend 17% of GDP for health care, yet over 46 million people are not covered. Other countries cover all of their people and spend 10% of GDP or less - and they get better health care results than we do, according to the World Health Organization. We're already paying for universal health care, we're just not getting it. Legislation to do this has already been introduced. It is H. R. 676. the Conyers/Kucinich "Medicare for All" bill. Ask your members of Congress to support it.**

**A \$50 billion a year program to guarantee a college education to all who meet specified criteria, mainly that their grades indicate that they are serious students. A well educated population is critical to the future of our country.**

**An annual program of monetary grants to the states. Each year the Monetary Authority would instruct the U. S. Treasury to disperse per capita grants evenly over a 12 month period to the 50 states equal to 15% of the money created under Title V of the American Monetary Act in the preceding year. The states would use these funds in broadly designated areas of public infrastructure, health care and paying for unfunded Federal mandates.**

**Last, but certainly not least, we would pay off the privately held portion of our National Debt as it comes due. This is simply a matter of replacing interest-bearing government securities with non-interest bearing U. S. money. The portion of the current National Debt held by the government would simply be cancelled. When we create, issue and regulate our own money we cannot owe money to ourselves. Thus the entire National Debt would be paid off, saving the interest charges now paid to the holders of the national debt.**

**These are the kind of benefits we could receive when, instead of letting the privately owned banking system loan our "debt-money" into circulation as interest bearing debt, we, instead, create, issue and regulate our own money. In the process we would receive the benefits**

**we would have received in the first place if we had always issued our own money.**

**The American Monetary and Financial Security Act, is the way out of this recession and back to prosperity. The time to pass it is now.**