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Dedicated to the independent study of monetary history, theory, and reform
"Over time, whoever controls the money system controls the society."
Stephen Zarlenga, Director

Sequesters, Shutdowns, and Defaults

Never in 225 years has the full faith and credit of the United States been held to ransom. But never also in 225 years, has a solution been ready that can resolve this problem: the monetary reform bill HR2990 introduced into the 112th Congress by Dennis Kucinich.

For the 95th time in the last 67 years, Congress and the President are confronted with passing legislation to raise the "debt ceiling".

What citizens should know is that our country **can** pay off its debt as it comes due; **can** put millions of people back to work rebuilding our crumbling infrastructure; **can** provide debt-free federal support for cash-strapped State governments, and end the so called great recession by putting cash in the hands of all our citizens through a citizens dividend. This gives small businesses what they need most - customers with cash to spend on their goods and services. All these things are made possible by the HR 2990 bill introduced by Dennis Kucinich and co-sponsored by John Conyers.

The bill accomplishes this by adjusting our money system from one of "debt money created by banks" when they make loans, to one of "money by law" created as money, not as debt, by our government. That power is already vested in Congress by the Constitution; "The Congress shall have the Power To... coin Money, regulate the Value thereof..." (Article 1, Section 8)

Congressmen should re-introduce and pass H.R. 2990, The National Emergency Employment Defense Act (NEED) that Congressmen Kucinich and Conyers sponsored in the last Congress.

The banking class and their economists have spread confusion over the nature of money. The confusion is largely responsible for the present misdirection of our leaders. So they allow the destruction of the American middle class, and of our democracy, our privacy and civil liberties. Even the planet is now threatened by degradation of Earth's environment.

Throughout our history, great leaders such as Benjamin Franklin, John Adams, Thomas Jefferson, Andrew Jackson, Martin Van Buren, Wright Patman, Henry Gonzalez and Dennis Kucinich have confronted banks over the main question in our nations past: **Who should have the power to create money - the banks for the**

enrichment of their “elite” owners, or the people through their elected representatives, to promote the general welfare and benefit our entire society.

Congress squabbles but the present system just can’t relieve or solve the problem – ***because the debt money system itself*** is the problem!

How The NEED Act Solves the Problem in 3 major steps:
1) The Federal Reserve is incorporated into our government, where people think it is now. A new Monetary Authority is established to avoid both inflation and deflation.
2) Simple accounting rule changes will prohibit banks from creating what we use for money by decisively ending fractional reserve lending. Banks would lend real money they have or receive from savers. This is what people think happens now.

3) Government creates and spends new money into circulation for infrastructure, education and health care; starting with the $2.2 trillion the engineers say we need to make our infrastructure safe, over the next 5 years. This alone will create over 7 million good jobs quickly.

Additionally: The national debt gets paid off as it comes due. If we continued with a "debt-money" system, we could never pay off the debt. The NEED Act provides a tax free Dividend to get money into the hands of all our citizens; and has a provision where 25% of new money created each year is granted on a per capita basis to the states for their pressing needs.

The NEED Act begins to heal a great injustice that has been perpetrated on the world’s peoples. All the world's great religions have struggled to reconcile monetary policy with the problem of usury. Concepts for the NEED Act originate in Stephen Zarlenga's highly acclaimed *The Lost Science of Money* book which studies 3,000 years of monetary history, incorporating the perspective of social justice and fairness. Learning from Aristotle, Aquinas, the Scholastic Scholars of the Middle Ages, Alexander Del Mar and some modern thinkers, the problem of “usury" is properly defined as "the taking of something for nothing through the structural misuse of the monetary mechanism." That’s what is happening now on a worldwide scale.

What has our "debt-money created by banks" system done for us? We have suffered austerity, sequestration, government shutdowns, and economic depression with a real unemployment rate over 20%. Millions more who are working are not being paid enough for life's basic necessities, and 8 million families have been thrown out of their homes! **We have even been attacked from within by threats to default on the full faith and credit of the United States.** ***All this is utterly unacceptable. The monetary system must be changed.***

Under a money by law NEED Act we would get repayment of the national debt. We’d have no deficits, millions of good jobs rebuilding our infrastructure, education and health care systems and funding for State and local governments. We’d get an economic shot in the arm Citizen's Dividend for all Americans that will be an immediate boost to every small business in the country. Congressmen Dennis Kucinich and John Conyers have pointed the way! Will you help?

Visit and join the American Monetary Institute to learn about social justice through monetary reform at http://www.monetary.org.

Several AMI Researchers deserve credit for this article: Nick Egnatz is a Vietnam vet, named "Citizen of the Year" for Northwest Indiana in 2006 for his peace activism. Contact: occupynick@yahoo.com. Jamie Walton was integral to making the NEED Act a reality in the last Congress. Contact: eurojamie@gmail.com
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