

A Solution to the Crisis – Just Money Now!

How can we the 99% stay healthy, pay our rent and mortgages, put food on our table, and protect our wealth through these days of trauma? This video explains how we can quickly provide a basic income and medical care for all Americans to put a floor back under our economy. We can ease through this pandemic and economic crisis with a sampling of Just Money – public, asset money. Just Money will establish an economy that is just, sustainable, and democratic, and provide the funds that we desperately need to pay for a better world.

Would you like to know how we can fund your dreams and fund our dreams for a better America and a better world? Give me 20 minutes and I'll explain, the problem, what we're doing about it, what we can do differently, and how changing the money system can pay for it.

We are in a severe crisis

Over 120,000 people have died of a new virus. We're still at risk and more people are dying every day. Over 40 million Americans are out of jobs. Some small businesses are closing their doors forever. The real economy is likely to collapse further. And, if we do not take action on climate change immediately, we risk the end of life as we know it on planet earth.

People are hungry. Anger, fear, protest, agitation, and violence are rising. Hundreds of thousands of people are in the streets demanding an end to systemic racism, injustice, and inequality. At the same time, the stock market is surging in bewildering contrast to the desperation on Main Street. Too many people have no money for basic living expenses, while the rich get richer.

Money is a foundation of society and we are here, in this mess, because our existing money system makes us vulnerable to any shock. And, this year, we're in a perfect storm of shocks. People are traumatized by disease, deaths, and anti-black injustice. Business is traumatized by a debt bubble, a downturn, and a lockdown. The planet is traumatized by extreme weather - storms, flooding, melting ice caps.

We are afraid for the future, angry with the dysfunctional status quo and hungry for hope. Let's change the money. It is a practical path to a positive future. Change the money FROM private bank-created debt money TO sovereign, public, asset money – Just Money – and we can establish an economy that is just, sustainable, and democratic. And, we can avoid deep crises in the future.

In the meantime, while we work to change our money system, we can take interim action to ease our way through this crisis with a sampling of Just Money.

What can we do NOW?

We can quickly provide a basic income and medical care for all Americans to tide us through these days of trauma. It will cost about **\$9 trillion**, and crazy as that may sound, we can afford to spend that, and it will not create inflation. And, curiously, **\$9 trillion** is about what the Fed

and Congress have spent to save the banks, financial sector, and big global corporations in the past six months from mid-September 2019 to mid-March 2020. At that rate, by the time you're watching this, they will have spent far more!

And, if we DO NOT spend this money into the Main Street economy at the people level, we are in serious danger of deflation due to the lack of money in the economy. Without paying customers, prices will fall leading to recession or depression.

Here's what's happened so far...

In Spring 2019, the markets were overextended with debt. Too many IOUs and not enough cash on hand. There were signs that the markets were unstable and vulnerable to another downturn. In early Summer, big, global funds began telling investors that they couldn't get their money out of their accounts. Big Banks and Wall Street firms began slashing tens of thousands of jobs in June and July. By late August the sales of government bonds were hot – that meant investors were looking for safety. These sales included an all-time peak of bonds with a *negative* yield (that means bond-buyers were paying interest to own one ---the bond was not paying the owner interest!). These were signs of battening down the hatches and fleeing to safety from a coming financial storm.

In September of 2019, the Fed began pouring money into the banks and financial sector to support stability. Using several different financing strategies, the Fed began loaning big financial players billions of dollars at the unprecedentedly low interest rate of 1/10th of 1% – at the same time private student loans are running as high as 12% and credit cards even higher.

By mid-March, the Fed had pumped \$9 Trillion into Wall Street over the previous six months. In the 2008 financial crisis, according to recent Levy Institute research, the Fed pumped over \$29 trillion into corporations and banks for “financial assistance.” This year, continuing with this level of infusions might have been enough to keep the market steady for a time. But that \$29 trillion was over 3 years from 2007 to 2009, and the \$9 in 2019-2020 was in SIX months! This meltdown is at a new level of magnitude.

And by March 2020, the coronavirus had established a foothold in the US and was spreading. The President officially declared an emergency on March 13. And, on March 16th the market took its biggest one-day plunge in history. Within 10 days, by March 27, a \$2 Trillion stimulus bill, the 335-page CARES Act, was written, passed, and signed into law. This was a feast for the banks and financial sector and big business, with some crumbs for ordinary people and small business.

One quarter of the money, \$500 billion went to the Fed to use as a guarantee to create up to \$5 trillion in additional loans to the banks, to the already-in-trouble financial sector, and to the Big Businesses that owed the banks money. Another \$500 billion would be loaned by Treasury to businesses under the direction of Wall Street. These bailouts would be with Wall Street's best

interests at heart, and Secretary of the Treasury, Steve Mnuchin, told Congress it was none of its business who Wall Street decided to give the loans to – he said that’s “proprietary.”

Most citizens got a one-time payment of up to \$1200, and a short-term increase in unemployment benefits, because that’s all Congress said we could afford. A one-time \$1200 payment to cover months and months of an economic downturn barely helps the people who lost jobs, or the small business owners who have had to fold. Yet Congress is fighting to prevent the average person from getting enough to buy groceries and pay their rent. If there is NOT enough money to really help citizens,

...where did those trillions of dollars come from to loan to the banks and businesses - nearly interest free?

The banking system made accounting entries that brought all that money into being with a few keystrokes. It came into being as someone’s debt. Someone will have to pay it back – with interest.

Some of that money was made with keystrokes that loaned money to our government. It’s important to note that our existing money system REQUIRES government to borrow when it needs more money than it collects in taxes. AND the system REQUIRES government debt to anchor the riskier debt of the private sector; government IOUs are counted safe as cash on their balance sheets. The interest payments on government debt are part of the systemic transfer of wealth from the many to the few who can afford to hold this debt.*

Most of that money, though, was made with keystrokes that loaned money to the big financial players who are paying considerably less in interest- near ZERO. They benefit hugely from being able to borrow monstrous sums. They remain solvent; they have cash on hand; and they can leverage their borrowed money and buy up distressed properties and other assets.

For example, they can give each other credit lines of billions of dollars and buy up all the houses in neighborhoods, turn them into rentals, and run up the rents. In the wake of the 2008 meltdown Wall Street bought up \$60 billion worth of homes, turning whole neighborhoods from owner occupied to rentals.

OR, Big financial players can loan each other money and buy up all the small businesses who compete with each other and keep prices down. Every recession and depression consolidates business into monopolies that control their market sectors. A similar massive transfer of wealth is beginning again.

This money creation is possible because in our existing 106-year-old money system the private banks have the privilege and power to create 95% our money supply. The banks create money when they make a loan; they do NOT use existing money. Our government does not create

money, except for the coins in use, which are a tiny percent of the money. It borrows money from the existing supply already created by the bankers.

Our money is created as debt, so when we need more money, even in a good economy, there has to be more debt. Then there has to be more money to pay back the previous debt with interest. And more debt money has to be created. It's a never-ending growing spiral of debt and debt-money.

Paying back increasing debt demands a business model that exploits people and resources and accepts and even promotes environmental destruction. So, this money system institutionalizes oppression, inequality, sexism, and racism. Our nation was built on land we stole and the exploitation of indentured and slave labor. We still see that plantation system alive and practiced in the capital-labor relations of corporate America today, ...in the police protection of capital over the protection of human life..., and in the systemic anti-black racism that festers in America.

This exploitation and degradation have come to be seen as 'the way the world works.' It's not. It is only how our existing money system makes us work. We can say enough is enough, before it's too late. And we can change it.

When we are in the meltdown phase of this money system's repeating and inevitable cycle, the supply of money shrinks.

There are few qualified borrowers. Banks stop lending to shore up weak balance sheets. Fewer loans mean less money in a debt-money system. So, there is NOT enough money. This is the recession, heading toward depression, that we are in now.

The rich benefit most in the upturn, and they benefit most in the downturn. The financial sector has the privilege and power to protect its wealth. For the rest of us, there doesn't seem enough to go around. And, there isn't.

In this artificial, system-created, scarcity-crisis, Congress and the Fed have been taking care of the banks and big financial players, by pouring \$9 trillion and counting into their coffers.... It's hard to keep up!

The stock market has rebounded – though it may have totally crashed by the time you watch this video. We don't know how long the Fed can keep up its unprecedented bailout flow.

And, another huge transfer of wealth is underway. The vulture capitalists are poised. They have cash and credit lines and legal looting on an enormous scale is happening now!

Desperate people will sell assets to those with wealth, at rock bottom prices. The fortunes and wealth of the 1% will increase at accelerated rates – as will the gap between the rich and the middle class and poor – while the lines at food banks lengthen and homelessness increases among the formerly middle class.

So, what about We the People?

How can WE stay healthy, pay our rent and mortgages, put food on our table, and protect OUR wealth?

We must apply bandages to give ourselves time to make the thoughtful and profound systemic changes that will prevent us from sliding into the dystopian future that our debt-money makes inevitable.

Thankfully, these bandages AND the permanent changes are easy! First, adjust our THINKING: FROM we can NOT afford it, TO we CAN pay for a better world with Just Money.

Then, bandaging our economy as soon as possible is as simple as it was for the Fed and Congress to sluice \$9 trillion and counting into the banks, financial sector, and big business over six months...and curiously, it will take roughly the same amount – \$9 trillion.

The fastest and broadest means of promoting the general welfare and bringing our economy back to its feet, would be to give every single adult American a basic income of \$2,000 each month for the next year and \$1,000 for children.

People could pay their rents, buy groceries, make their loan payments, and afford to go to college. Businesses would have customers and could pay their bills and make their profits. Banks would be getting paid their interest on the people's debt and could pay their employees and still make their profits, and payback their stimulus loans.

And, if you make enough and you don't need that money, give it away to nonprofits or community agencies serving those who have the greatest needs.

Money circulates and really can trickle up!

The difference between supporting the big players and expecting the benefits to trickle down and putting the money in the hands of the people and letting it trickle up, is that people will be able to hold onto their property and maintain the quality of their lives. The bankers and financiers won't be able to gobble up the assets of the 99% at rock bottom prices, but they can get on with basic business and financing real development. That's good for America!

And, it's Constitutional!

Our US Constitution requires that government "promote the general welfare" – not just the well-being of the business sector, or the wealth of those with capital as we've been doing for too long. Here's how it can be done.

Congress can order the creation of NINE, one trillion-dollar COINS and deposit them in the government's bank account. This will be a form of sovereign, public asset money. It will be just money – no debt involved. And it will be Just Money – fair to all.

Congress could do this tomorrow under existing law. Article 1, Section 8 of the Constitution gives Congress the power to "coin Money and regulate the Value thereof." When the Constitution was written, "to coin" meant to create money. Congress has this power but has repeatedly subcontracted it to the private bankers– most recently in 1913 with the Federal Reserve Act. Time to take back this power.

Then, we spend this new, debt-free money into circulation by providing a basic income and medical care for everyone. Think of this as a citizen share of America's circulating wealth – a foundation of support and caring to launch greater prosperity. We'd help all citizens get through this year's trauma and establish a level solid ground to rebuild our nation. The American family will prosper.

This would not cause inflation because it would all be used and circulate in the productive, real, economy. Businesses would have their customers back --- perhaps even more customers! Businesses would NOT need to raise wages and consequently prices because their employees would already have survival funds. And, businesses would have better employees because they'd have healthcare.

All employees would be relieved of the fear of destitution. Free of stress people will be more productive and more likely to stay healthy in mind, body, and spirit. Maybe more families could afford to have someone stay at home as a fulltime homemaker, parent, counselor, coach, chef, gardener, chauffeur, accountant, nurse, recreational director, and we could genuinely support healthy families! And we would at long last be compensating work done in the caring sector.

That's the quick fix for the next year or two. And, let's keep it simple and free of any means testing. That just adds paperwork, costs, and indignities for everyone. Let's consider this an experiment, and experiments do best with the fewest variables. So, let's give two thousand dollars to every citizen over 18, and \$1,000 to every child. And, let's provide health care for all to reduce the harm of this pandemic and general stress.

Let's measure our well-being and measure the changes and improvements. We may find we want to make this universal basic income and healthcare permanent. We may not. We may want to adjust it a bit. Let's find out!

AND, THEN...This is important...

When we have applied the bandage of Just Money coins to pay for basic income and healthcare to stabilize our economy over the next year, we must change the whole money system. Given the digital revolution over the past few decades, this change is both more possible and more necessary than ever before.

To preserve a healthy future TWO changes are equally important. We must return the power of all money creation to the people, AND take that power away from the private, self-serving banks. Banks can still run a business on a level playing field with all other businesses. They can keep our money safe, transfer our money on our instructions, and serve as intermediaries between investor-savers and borrowers. That's what most people believe they do now anyway.

If we leave the power and privilege of some money creation with the bankers, who will create it as debt, we leave in place the unstable system that is an ongoing transfer of wealth from the many to the few, and that demands exploitation, degradation, and infinite growth on a finite earth. That would be a mistake.

WHEN we have made both these changes,

IF we have the skills, the people, and the renewable resources to accomplish something, we can create the money for it. We can clean up the messes we've made. We can clean up the environment, move away from fossil fuels, and rebuild our aging infrastructure.

We can assure that everyone has enough to put healthy food on their table, a roof over their head, and lifetime health care. We can assure that everyone gets all the education that they want to fulfill their potential. We can nurture and support small businesses. We can nurture innovation, entrepreneurship, and infrastructure. We can nurture our soil, our family farms, and provide fresh, organic, healthy food for everyone. We can have more time for family, for recreation, for arts, music, sports, and literature.

Yes, life will always have painful surprises, but we can stop creating false scarcity and unnecessary misery. We can prepare for natural disasters, pandemics, and other unavoidable catastrophes and minimize their impacts.

**Changing the money won't fix all our problems,
but it will make fixing them possible.**

While these two key changes in our money can be done with accounting entries, it will be a profound change and we will need to take the time to plan some careful transition strategies.

Let's take the next year to reimagine the America we want for our children and grandchildren, knowing that a scarcity of money is an unreal artifact of our old money system. Let's create a national dialogue about How We Can Pay for A Better World with Just Money NOW, and what we would want that world to value, to be and to do. Let's do this as part of a National People's Money Convention to reimagine money for our future.

For the coming year, basic income and healthcare would put a floor under our feet for that discussion. Join us, please.

Let's reaffirm our founding goals: We the People of the United States, honor our Constitution and pledge our loyalty to it, "...in Order to form a more perfect Union, establish Justice, insure domestic Tranquility, provide for the common defense, promote the general Welfare, and secure the Blessings of Liberty to ourselves and our Posterity." And, let's change our money system so that it can support these goals-

We can also affirm a commitment to work with nature and not against it. Nature's story is mostly about cooperation, collaboration, and regeneration. We are part of nature as the coronavirus and climate change are telling us, and it's about time we start acting accordingly by reforming our money system.

The great 20th century thinker, architect, and futurist Buckminster Fuller once said,

When I am working on a problem, I never think about beauty. I think only how to solve the problem. But when I have finished, if the solution is not beautiful, I know it is wrong.
Buckminster Fuller (1895-1983)

Our current money system is ugly, unsustainable, and wrong. It stays afloat on increasing government overdrafts and debt—both public and private.

With Just Money, our money is a tool that makes prosperity for all possible. Now THAT is beautiful! We can do this!

Thanks for listening and watching all the way through!

If you have questions about how Just Money can work, its history, or suggestions, and thoughts, ...please visit the blogs at HowWePay.US, USMoney.US, or at MonetaryAlliance.org.

If you think our videos and discussions are useful, and/or would like to participate in an organized and facilitated national dialogue about how we can pay for a better world, please support us so we can move forward. Every little bit helps! Please sign up and donate @ HowWePay.US or @[MonetaryAlliance.org](https://www.monetaryalliance.org).

NOTES & CREDITS

How did we figure \$9 TRILLION?

The US population is 328 million

Adults

254 million x \$24,000/year = \$6.1 trillion

Children under 18, 22.3%

73 million x \$12,000/year = \$0.9 trillion

Basic Income Total: \$7 trillion

Healthcare for all Americans @ \$8,000/per person* \$2.6 trillion

Less what we are paying for Medicare and Medicaid (2018) (\$1.3 trillion)

Healthcare for all total \$1.3 trillion

The US currently averages about \$11,000, but the next highest country is Switzerland and they spend \$8,000, and have better outcomes than we do. Then the rest of the developed world is in the \$5-6,000 range, and they also mostly have better outcomes. So, surely the US can do as well as Switzerland, right?

TOTAL \$9 trillion !

(Rounded up by about 700 billion...lot's more needs doing, and it's always good to budget high for contingencies, such as the additional cost of the pandemic, and for the cost of implementation.)

Spread the word! Just give us credit for our work, please.

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