

Our Forgotten Money POWER"..... " (to) regulate the value thereof,...."

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## Opening Statement by Joe Bongiovanni - The Money Apprentice

One Monetary Reformer's Opinion on the Politics of Parity Economics -  
from within his perspective on our 21<sup>st</sup> Century socio-economic malaise.

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### Background

Our discussion today of 'economic-parity' begins by taking as our overall guidance the advice offered by Dr. Hyman Minsky with respect to any 'outside the box' economic theory offered by anyone advocating such theory - including Dr. Minsky himself.

*Minsky's Advice - First, tell them where you're coming from !*

### Financial Instability and the Decline(?) of Banking: Public Policy Implications

Working Paper No. 127; Levy Economics Institute April 1994

<https://www.levyinstitute.org/pubs/wp127.pdf>

### From W.P. No. 127

#### Ch. II - 'Theoretical Background

*Every economic policy argument reflects a maintained economic theory. It behooves anyone who analyzes and advocates economic policy to make "where he is coming from" clear.*

*This is especially true if the maintained theory of the analyst is significantly different from the conventional or orthodox theory of the day.*

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In applying Minsky's 'behooving' *theoretical* advice to our Parity discussion, then, what follows is this Money Apprentice's humble opinion on where Parity, as public policy, is coming from.

## INTRODUCTION

Today, there is arguably no greater socio-economic divide among America's citizenry than our disparate societal wealth and income outcomes ("You know the rich get richer - just a case of 'different values' - and the poor get the picture. They DO. They DO.") \*.

\* "Different Values" Pressure Drop Alive 2011 . Play it LOUD.

THESE societal outcomes today result - quite naturally according to Minsky - from our nation using our failed traditional institutions and systems in pursuit of a prosperous economy under 'capitalism' .

I would like to say, alternatively, two things. One is that that these 'disparate' results originate from our failure to TEACH the national monetary system as the 'basis' for understanding the American Economic System. Another is the result of our failing national system of wealth and income exchange and distribution.

Oh, wait! We have no such system, one seeking Parity as a social goal. Instead, under Laissez-Faire capitalism, the transmission medium for our national wealth and income "exchange" (our MONEY) is inexorably anchored in some other financial vehicle - that of the Federal Reserve Banking System's (FRBS) privately-issued DEBT.

As my Dad explained the monetary system to me, when "money" is founded in "finance", the monetary-economic system is upside down.

How so ?

Under traditional central banking methods (the Bankers' Money School), the private Member banks of the FRBS system *create and issue ALL our nation's money anew* in the amount of the Loan Principal borrowed by that bank's customers. That is how we count our national "money" supply.

But Par-economy researchers find this private bank DEBT - ALWAYS ISSUED FAR IN EXCESS OF THE MONEY CREATED AND ISSUED (to pay that Debt) - is too much of a wealth and income concentration vehicle for any truly free nation to endure - as the essential transmission vehicle for all of its commerce, and its social progress.

## On Using DEBT (Finance) as the Basis for the National Money System

Our research finds that it is our Debt-based money system that inflict these painful, egregious DISPARATE outcomes of free-market finance capitalism, outcomes that today endure against the well-being of our population of wealth-producing citizens.

Capitalism's Debt-saturation construct is the enemy of achieving prosperity for all.

Solving America's problem of gross 'societally-unequal outcomes' is a chore that can only stand a snowball-in-hell's chance of being achieved for posterity through novel, inter-related monetary- and fiscal-economic undertakings. These public policy initiatives must be (1.) created anew, (2.) institutionally bold and (3.) monetarily sound.

As either seeking or achieving these initiatives is nobody's job description - in either the Public or Private sectors, today just like back in the 20s and 30s, restoring lawful Raw-Materials Income Parity is once again our entire community's row to hoe. That fact alone contributes greatly to our understanding that *achieving a Parity Economy IS again 'essentially' POLITICS in nature* .

The depth of the resulting disparate tensions, and the suffering, with no relief possible from central banking's 'monetary policy', demand out loud that Institutional monetary and financial reforms are in order, as called for by Dr. Minsky in the concluding 'Proposal' of that same WP No. 127 paper.

Restoring Parity : Bold. Timely. And, Do-able.

The goal of a Parity Economy, then, is bold and indeed, today, most timely. It is bold in seeking to provide that rough-hewn 'sameness' to the incomes of our laborers and human-scale wealth-creators - those who produce the national income of our *American Economic System*, at the Raw Materials level and thus drive our national income outcomes to their natural potential.

Does all this sound kind-of 'utopian' in nature ? Perhaps. But, consider this. Maybe it is closer to the same societal freedoms sought by those revolutionary Colonists who took up arms against the world's then most superior Army of England's King George - in order to defend their sacred right to issue their own money, and who then so masterfully established a U.S. Constitution that embodied its free people the power

to not only issue all their money, but within that economy ".o regulate the value thereof " as they saw fit in our new nation's pursuit of "Life, Liberty and the Pursuit of Happiness. As my Dad again told me - " Can't Get There Without the Money."

It's Our Turn

We in America are most fortunate today that the truly heavy lifting on this "bold and sound undertaking" has already been done - so uniquely well - in the 1920's and 30's, by Middle-America's community leaders of their former Raw Materials National Council (RMNC).

*The American Economic System* is how many of those original authors (Charles Walters and Carl Wilken, notably) called their vision of a Parity-BASED economy. Their pioneering economic pursuits required its citizens as activists and advocates to educate the entire nation, really - first through their State Ag Commissioners and local Farmers Unions and then through their Congress - on the egregious societal dangers that can run amok from an economic system that continues perennially to concentrate both national wealth and income into our OWNERSHIP class. And educate they did, without benefit of keystrokes and without use of that big bunch of inter-tubes in the sky ----- you know, Al Gore's internet thing.(s)

It was home-grown kitchen-table politics back wherever 'home' was located that actually succeeded. The ZOOM of then. But with hugs.

Per Minsky's guidance on the Par Economy.

It is really this "income-Parity at the Raw Materials level" that we seek to achieve in order to be able to provide a comprehensively equitable 'balance' of incomes among the nation's wealth-producing population of commoners, and therefrom to achieve the optimal level of our national income.

Put your Universal Basic Income policies into our Parity Economy Pipe and let's work this out together.

By Regulating the Value of our Money

The actual achieving of that social balance is today itself what advocates for Parity Economy believe we all as citizens both deserve, need and can actually 'have' - as first promised and then as codified in US law - in our National political economy; a

purposeful legislated/regulated 'match' of Parity-income based Needs and Raw Materials-produced Resources are utilized across the American economic spectrum.

"to regulate the value thereof" - OUR Money Power.

Another of Parity's objectives is the reduction of our nation's private and public debt burdens" - through the displacement of any unneeded debt within the economy simply by increasing the gross income earnings of the labor providers of all produced wealth. That's the plan.

Where we're Coming From II.

Parity as National economic Policy seeks a well-founded, informed outcome - income parity across all economic sectors. It is designed to be made available purposefully for all economic commerce and progress, equally assuring Par for all basic raw materials commodity producers (with agriculture 'naturally' at the head of this producing class). These Parity-outcomes can right now lawfully be enabled without first requiring more "money-debt" in the production of Raw Materials-based Goods. It's past time to end our ubiquitous FRBS/central banking "No Debt, No Money" monetary-economic paradigm.

Parity's aim then is to reverse this relationship by ensuring that - at the Raw Materials level, the entire spectrum of raw materials producers - not just those producing our food through Agricultural endeavors, actually require the same protections. IF Parity is ever to achieve anything close to an across-the-economy 'Social Equity', it will first need to ensure that the largest Raw Materials sector of our national economy - that of Wholesale Agricultural Production (a.k.a. "farming") achieves an internal Parity-based income that is in keeping with the factory job taken by the desperate/disparate farmer "to make ends meet."

This possibility : that economically-unnecessary debt is supplanted by 'gross incomes' and will never again be required in the Agricultural sector - will be secured by the rigorous enforcement of a Parity Pricing regime for our nation's food crops. Such would be the "enforcement" of the Agricultural Adjustment Act's permanent lawful provision of Parity for crop prices enumerated therein (cite)

This fact alone - that of the already existing law on Parity - itself raises Parity to doubly the political-economic question of the day - especially for those younger folks naturally pondering today's questions of capitalism versus socialism.

So, what happened to Parity ? And therefrom, how do we get it back?

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We will soon hear from Sue Peters, former data processing systems Designer for Citibank turned Parity Economy historian about how the ideas and actual workings of this great American Economic System came to be discovered - its history.

And then we will also hear from "the keeper of the Parity key", current National Organization for Raw Materials (NORM) President Randy Cook. I think unlike any other person alive could possibly do, Randy's first-hand knowledge provides us with the storied outline of how that Parity Economy solution eventually succeeded in actually coming to be, and still remains, the law of this land we all live in.

END

May I take any questions for the time being ? Thanks.

15 minutes

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