Chapter Ten

Redefining Wealth and Money

This last chapter is a summary of the main themes in this book. It repeats some of the essential ideas already developed and adds the judgment of Modern Mathematical Logic on the absurdities arising from considering Money as a Commodity. The writer contends that all the ecological, economic and social problems plaguing the world today can be removed by simply redefining the terms ***commodity*** and ***money***.

Money, it is claimed by money mongers, is a commodity and like any other commodity its actual value can be enhanced by supply and demand and deceitful manipulation. What constitutes a commodity? A commodity is generally accepted, without further clarification, as anything that can be bought or sold. This prompts further questioning. What is the community's present accepted means for buying and selling? The answer is, *money* as a token of purchasing power. A commodity therefore is any marketable entity to which a money price can be attached and which can then be bought or sold with money. If money itself is a commodity, then money is a thing that can be bought or sold with money. If the set of things that money can buy includes money itself, then we have here the makings of an extraordinary set as discussed in *Achieving the Impossible* where the teasing seeming contradictions or paradoxes in the foundations of Mathematical Logic are removed. The above reasoning not only involves a vicious circular logic of explaining and defining something in terms of itself, but also paves the way for an ascending infinite inflationary spiral.

Before proceeding further with this theme, it will be useful to examine more closely the nature of money itself. It is because most people only think of money in terms of the hard cash in their pockets, i.e. coins and bank notes, that they are unable to grasp credit-debt creation. They only think of **deposits** as the cash in the bag that shopkeepers take to the bank at the end of the day's trading. They do not understand that banks create imaginary or contrived fictional deposits when, with their computers, they key in numbers in the loan and overdraft accounts of their clients. It may make the situation easier to explain if we abandon, when confusion may arise, the use of the word ***money*** and replace it with ***purchasing power***. The possession of money confers upon its possessors the power to purchase whatever they want, be it goods or services, or to acquire simple economic or political power over their fellow human beings. Governments have been seduced and duped into privatising the creation and distribution of financial purchasing power. Banks do not create the minuscule amount of circulating legal tender hard cash currency. They do invent, with the stroke of a pen or the touch of a computer key, the credit and debit entries by which today's business accounting operates and to which the total purchasing power of the community is now enslaved. The purchasing-power money, once created and credited into a borrower's account, is then called a ***bank deposit***. Once a client's loan application has been approved, a bank opens an account in that name and calls the created amount a ***deposit***. Banks invent and lend their clients new money that then becomes their deposits. Such deposits have no physical or material reality. They are psychical constructs of negative wealth called **DEBT.**

Debts, as psychical imagined negative quantities, do not exist materially in the real positive natural physical world. A negative quantity is an arithmetical abstraction resulting as when we subtract two apples from one apple and call the result a negative quantity, *minus one apple* : [2 – 1 = 1]: [1 – 2 = – 1] As long as money is a commodity, it has to creatively buy itself into existence as a negative quantity called DEBT. From the point of view of modern Mathematical Logic, this self-creation is self-contradictory and invalidates all subsequent reasoning and theorizing in Orthodox Economics.

Returning to pricing, buying and selling commodities, the logical absurdities of modern financial practice soon become apparent. If money is treated as a commodity, then not only can it be bought or sold for money like any other commodity, but money must first purchase its own purchasing power existence. As insisted above, money as a token of purchasing power, has to buy itself into its own purchasing power intermediary existence before it can act as an intermediary agent in the sale and purchasing of other commodities. It does this by becoming a hypothetical imaginary negative physical quantity or non-entity called DEBT. Banks are debtmongers. Banks own and trade in the commodity of debts. Banks buy and sell debts. The activity of Banks epitomizes the absurd notion that the shadow owns the substance. Banks effect the exchange of their imaginary negative debt-wealth for the real physical positive wealth of tangible earthly assets.

Money as a commodity is a form of incestuous economic cancer. The definition of a *commodity* needs to be modified if it is to be consistent and to avoid all circular logic. An economic commodity is any marketable goods or service which has an intrinsic value in itself and whose value can be relatively assessed using an extrinsic suitable stable non-commodity money standard and hence bought and sold. In other words, an economic commodity is any marketable good, ***other than money***, which money itself can buy. Modern money either as bits of plastic or paper, or as numbers in ledgers and computer memories, has no intrinsic value in itself. Its only value is its *otherness*. It does perform a valuable service in the marketplace by measuring the value of **other** goods and services.

The model of money as a bartering device cannot be used as a model for its use as a commodity. Their purposes and functions are diametrically opposite. The former exists as a stable extrinsic measure of worth for a community as a whole to use: the latter as an unstable intrinsic measure of marketplace purchasing power for individuals to abuse in their exploitation of the whole global community for their own personal aggrandisement and exercise of usurped power.

In any measuring operation, the standard used must be extrinsic in its functioning to the assigned operation. *It would be considered absurd if an engineer's ruler were made of elastic concertina material which contracted or expanded according to the whim of its user.* If money is to serve as the efficient means of exchange and distribution of all commodities in the marketplace, it is essential that money itself be not an element of the set of all commodities. As a means to an end, money must not be allowed to become a real end in itself. As a stand-in value-token or intermediary bartering ticket, its sole reason for existence lies in its essential otherness as a measure of relative worths. Its own worth must remain independent of and aloof to the transactions and reactions it catalyses in the chemistry of commerce.

As long as money is treated as a commodity, periodic chaotic crises of bankruptcy and insolvency must result. It is not a question of throwing the baby out with the bathwater. It is simply a challenge to devise a system whereby the rich well fed *haves* can keep their fat share of humanity's commonwealth cake and at the same time let the poor hungry *have-nots* eat a just and reasonable thin slice of it as well. Money as a commodity only exists for the personal profit and increasing wealth and power of the *haves* - some of the rich get richer, all the poor get poorer. In an economic system where money is self-self functioning as a commodity, the treatment meted out to the *have-nots* who constitute the vast majority of the community becomes more and more inhumane.

There can be no adequate understanding of the suicide or survival alternative facing humanity, without a proper perception of the financial reality that it is the abuse of the role of money which is the root cause of all economic evil, and hence of most of the social disorders threatening the future of society. In a sense money must be priceless. It is the priceless lifeblood and catalytic reactor of the economic body. It is the priceless measurer of prices which the community uses to value its own real wealth of natural resources and talent. It reflects the priceless credit and faith which the community has in its own ability to produce goods and services.

It is a flagrant violation of the community's common good, if individuals are legally permitted to pervert the community's own most priceless possession, its financial lifeblood, by monopolizing the creation and supplying of all money, and also by manipulating its planned scarcity for their own base personal profit and power. Once a nation loses control of its currency and credit to selfish private interests, it matters little what political party is in power or who makes its laws. Usurious banking, by its intrinsically evil and antisocial nature, will wreck any nation once it usurps power and will ultimately destroy itself, as will any finite self-centred positive feedback evolutionary system. Until governments of countries resume control of the issue of their currency and credit and understand that the creation of the lifeblood of the economic body is its most godlike activity and responsibility, all talk about real democracy is just hypocrisy and deceit.

Two fundamental questions arising from marketplace situations have been discussed on Pages 128 and 129. The text is repeated here as being apposite to this summary.

The first has been stated as The Great Social Question. Who is the rightful owner of the financial credit or monetized estimate of the real wealth of a community or nation? Does it not belong in justice to the people by whose toil of mind and body, sweat and tears, the real wealth was produced? Have they not an intrinsic title to its ownership? Or does it belong to the banking system by whose virtually costless signature the money or make-believe ticket entitlement to real wealth is created out of nothing and put into circulation as their very own debt commodity and their monopoly in the exchange and distribution of the substance of all real positive wealth through the medium of their shadowy negative wealth called DEBT?

Sociologists and ethicists have devoted much time and argument to establishing plausible rights and limits for individuals' ownership of private property. These two disciplines have yet to address themselves to the social question of the public ownership of the creative source and sink of all financial credit, without which private ownership of property or goods is mere lip-service and useless. If the world economy continues to evolve, as at present, all property must fall progressively into the hands of the banks or be under their control. Ultimately Capitalism will be seen to be no different from Communism, for the banks will own everything in both systems.

The second fundamental question relates to the attitude and way the banking system itself operates in the market place. The banks have usurped the business function of monetizing and demonetizing the real wealth of the community. In claiming that the negative wealth, called debt money, they create out of nothing is their own and must be repaid to them, they are perpetrating a fraud which differs in no respect from treason’s counterfeiting. In demanding repayment, they are holding both industry and the community to ransom. In taking possession of the real wealth goods of others in default of the payment of debt-money loaned and created out of nothing, banks become legalized robbers. Bank loans are only created on the strength of the community's capacity to produce and deliver consumable goods and to consume them. Not only do the same banks thwart the consumption of these goods by maintaining a fictional scarcity of created purchasing power money, but with avaricious stand-over tactics, they charge the community interest for the community's use of its own real basic wealth and turn the true credit of the nation into a catastrophic suicidal debt for all, except their international selves who profit handsomely by this dishonest, fraudulent and usurious trick.

The modern monetary system is a most convenient method of transferring and utilizing purchasing power. Because of its strategic role in bestowing purchasing power upon those who in some way, possess or manipulate it, it is necessary that such money itself be put into its own very special category of economic entity as a commercial and industrial catalyst of marketplace activity. In Chemistry, catalysts are substances that increase or modify the rate of a reaction without themselves being consumed. Enzymes are naturally occurring catalysts responsible for most biochemical reactions.

Money, as catalyst capital, could be a very great blessing for the commercial benefit of Earth dwellers. Public and private financial institutions should exist, as stakeholders, for the provision of catalyst capital for domestic and industrial needs and public works. They would justly exact a reasonable service fee and an equitable share in the profits of trading. Bringing money into existence as a price inflated debt commodity on which never ending compound interest has to be paid is at the root of all economic disorder. As in the Chemistry of life, money should be a priceless catalyst. There is nothing in Nature analogous to the man-made interest burdened debt which infects the business world’s money life with terminal self-destructive cancer. To exploit the real needs of Earth dwellers, as a whole, for individual greed is unjust, unnatural and a malicious crime of plundering against humanity.

****