Money makes the world go round – but why?

– A Fairconomy serves Life and is bound to be our Future –

by Wolfgang B e r g e r, Ph.D.

Translation: Samantha Gérard, gerard@business-reframing.de

Abstract

The global financial markets of the rich countries are moving towards the same developments that the people in the poor regions of the world have been fighting against for a long time already:

1. An increasing number of people are becoming impoverished and are already below the poverty line; — the globalized economy causes 26,000 people to die of starvation every day.

2. Worldwide competition for investment capital results in subsidies, free of charge infrastructures and taxfree benefits.

3. Only labor and consumer goods can effectively can be taxed, which in effect increases the unemployment rate and the cost of living.

4. Social problems, subsidies and tax evasion are leading to a redistribution from the poor to the wealthy class of the population.

5. Governments are incapable of acting because of their enormous deficits and their decisions depending upon large corporations and capital investors. Democracy is being hollowed out. The financial constraints are stronger than the will of the people.

6. Only huge economical growth can moderate these problems. Quantitative growth threatens our climate and environment – our basis of life.

7. Quantitative growth needs resources – the real reason for most wars.

These developments are not the result of politics, they are resulting inevitably out of the global money and financial system:

If you invest your money long-term, safely and skilfully you can double it because of the simple and compound interest every ten years. A larger investment sum averages a long-term interest rate of 7 %. From €100,000 you gain:

after 10 years	€ 196.720
after 25 years	€ 542.740
after 50 years	€ 2.945.700
after 75 years	€15.987.600
after 100 years	€86.771.630

These € 86,771,630 are made up of € 100,000 savings, € 700,000 interest and €85,971,630 compound interest.

Interest is necessary for capital to be available as loans. For it all to work it takes people who are willing and able to get into debt for these amounts – people who will be paying 86,7 million Euro in interest and compound interest for a loan of 100,000 Euro within ten decades.

Faster growing investment capital *must* go hand in hand with faster growing debts. If there are no more private people or companies that can or want to loan more money, the only way for the capital markets to still grow is by forcing governments to increase their debts. This is today's situation: most governments can only pay the interest on their debts by boworring even more money.

In nature and the cosmos exponential growth – meaning growth that accelarates unlimitedly – is only known where there are explosions and they lead to breakdowns. This applies to the world we humans have created as well, where ever there is exponential growth it has *to* break down.

The solution to the above mentioned problems (1. - 7.) is a "flowing money system" in which the economy is not forced to move because of interest and compound interest. Instead a monthly fee – for example of 0,75 % – is deducted from all check accounts. Paper money has a limited maturity and can then be exchanged for "fresh" money on its due date through payment of the accumulated fee.

Flowing money serves as a simple means of exchange on the same level as other products that grow old, rust, rot, expire or cost "warehousing fees" (levy).

The banking system stays pretty much the same, only the general conditions change: Since paper money and money in your check account now accumulate "warehousing fees" those people or companies having money in their bank accounts will now be interested – in order to save on the levy – into loaning their money interest-free where it is most suitable.

There are many benefits to the country that introduces flowing money:

1. Taxes can drastically be reduced. The government can gain a large amount of their household budget from the "warehousing fees". It's easier and simpler to receive these "warehousing fees" than to collect taxes.

2. Reduced taxes let this country become an attractive country for investment in goods.

3. All prices will be reduced by an average of 40 %. Currently all prices are made up of 40 % interest. A 40 % price reduction means increased exports and higher gains for companies.

4. Lower prices and reduced taxes double the buying power – the standard of living – of each individual or allow people to work less.

5. No more interest means no more benefits for short-term, environmentally detrimental investments. On the contrary: long-term investments become profitable, for example investments in the environment, the infrastructure, education, research, and health.

6. Long-term investments being now profitable cause a change from quantative to qualitative growth – growth that is innocuious and not harmful to the environment.

7. The many long-term profitable investment projects will end undesired unemployment.

The speedy success of the country that is the first to introduce a fairconomy with flowing money will cause a worldwide "domino effect". However, as with all momentous historical change, the pioneers will gain an initial advantage.

Interest – the lubricant for money

Money and the wheel have a lot in common. Both inventions stood at the beginning of the first great civilizations.

Today the wheel runs visibly on vehicles and invisibly within motors, machines and equipment. A wheel only fulfills its function when it moves, at best without loss of friction. Therefore the axle and the hub have been continually improved. Ball and roller bearings have been invented and better and better lubricants have been used. Modern hubs have longlife lubricants and need hardly any maintenaince.

Money circulates invisibly similar to the wheel within a machine and fulfills its function only when it moves smoothly. The "money hub" should have longlife lubrication as well.

For centuries there have been financial crises over and over again. The heart of the problem was always the money circulation not working – the hub was jammed. For decades we have tried to solve these problems by lubricating the hub with new credit injections. But we seem to have come to the end of our tether.

Financial experts and the international monetary fund ask politicians to put restrictions on their citizens. Countries that don't subject themselves to the global constraints are being punished with flight of capital. Humanity seems to be codemned to serve the financial system and to be enslaved by it.

Opinions are more difficult to shatter than atoms

99 % of humanity isn't aware of the money problem. Politicians don't see it, bankers don't, finanical experts and economists don't see it either. They all are entranched by their old thought patterns – their paradigm. To keep the interest up – they view the interest as rent for money which in a free economy is made up by the financial markets. After all, if you rent a house, a car or a laptop, you'll have to pay for it.

But there is subtle distinction here: A house gets run down over time, an old car has to be taken to the shop, a laptop is no longer equipped with the latest technology pretty soon. Money – if there's no inflation – doesn't expire, doesn't need repairs and doesn't grow old.

The banker Maier Amschel Rothschild pointed to this special attribute of money and the resulting mechanism of exponential growth by saying: "Compound interest is the eigth wonder of the world".

"National economy is when people wonder why they don't have any money," wrote Kurt Tucholsky in 1931, "and there are several reasons for that. The best are scientific reasons." Such opinions cannot be argued with by proving that they are wrong. Such opinions can only be overcome through the famous representatives of the old paradigm dying out.

Money itself cannot work and cannot propagate

As long as interest is the wheel hub – that which forces money to circulate – those who only have their labor to offer will have to pay and work for the interest of the ones offering capital. Money can't work on its own and can't reproduce either. Only humans and machines can work and only because of their work does money increase – as we saw in our calculation within 10 decades from €100,000 to approx. €87 million.

This amount of accumulated money – through interest and compound interest – is only there because of people laboring with their heads, hands and bodies (in crafts and trades), because of people inventing and developing machines and investment products (technicians and engineers), because of people who buy and use these things (entrepreneurs), because of people who work on them and maintain them (employees) and because of people who sell the many goods that have been produced by all of the above (sales people).

Let's say your government gets a cut of approx. 20 % off of the selling price of each product because of different taxes (in most countries and with most products it's a lot more than that). On average, 40 % of every price is composed of calculated interest and compound interest. So roughly only half of what a product is sold for goes back to the people who really work for the interest and compound interest while the other half is paid to those who earn the interest.

Therefore all people who earn less interest than what they earn through their jobs are losers in the current financial system. That's most of humanity. Only those who earn more interest than wages are part of the winning class. There are very few of them. This results in a continual redistribution of money from the bottom to the top of the pyramid – regardless of tax laws.

There's no mercy in the torture chambers of money

Money grows at an exponential rate – meaning faster and faster – but day-to-day wages on the other hand do not. The current average of only 40 % of the selling price of products being accounted for by interest cannot continue for much longer. This percentage has to increase, most likely up to 50 % within the next ten years and then faster and even faster up to 60 % and 70 %. The income of the people lending their capital is skyrocketing like a missile taking off into space.

The increase in money that is the result of an economy growing is being distributed to the people loaning the capital and not to the people who in fact produce and work for it. If the rate of growth is lower than the interest rate – and that is the case in the economies of all rich Western countries – there are other conclusions:

In the torture chambers of money more and more companies have to declare bankcruptcy because they can't pay the accumulating interest. In the torture chambers more and more people become unemployed, private bankcruptcies increase, the majority of the people become more and more impoverished. Most of us are sitting in a sinking ship.

The redistribution from the bottom to the top is not the result of politics gone wrong or politicians being deliberately mean, it is inherent within the system and it's inevitable. How large the amount of redistributed money is that's up to the financial markets. We'll take a look at a historical example to see how it works:

The graciousness of the pharaoh

Pharaoh chose Joseph, the son of Jacob, to be the governor of Egypt. The Prophet Moses describes how Joseph ran the government:

"There was no bread in the whole country, so very severe was the famine, and Egypt and Canaan were laid low by it. Joseph collected all the silver in Egypt and Canaan in return for the corn which the people bought, and deposited it in Pharaoh's treasury. When all the silver in the land had been used up, the Egyptians came to Joseph and said, "Give us bread, or we shall die before your eyes. Our silver is all spent." Joseph said, "If your silver is spent, give me your herds and I will give you bread in return." So they brought their herds to Joseph, who gave them bread in exchange for their horses, their flocks of sheep and herds of cattle, and their asses. The year came to an end, and the following year they came to him again and said, "My lord, our silver is all gone and our herds of cattle are yours. Take us and our land in payment for bread, and we and our land alike will be in bondage to Pharaoh." Joseph established this as a law in Egypt, and it is a law until this day. And Joseph died when he was a hundred and ten years old. And they embalmed him and laid him in a coffin in Egypt".

Prime ministers come and go, pharaohs stay

Most citizens of most countries in the world would embalm their head of government today too, if they only gave them bread. The majority of humankind has to make ends meet with just one Euro a day. And just as in ancient Egypt, the survivors can be "grateful" to those who finance their survival.

For every million in aid to the Third World, two million flows back to the industrialized countries in interest payments – so long as the credit framework is not rescheduled for at least part of these payments. This is leading to the recolonization of the Third World – a modern form of slavery enforced by the financial markets. The President of modern Egypt – Hosni Mubarak – estimates that debt servicing has cost the countries of Africa alone in the last decade the lives of 500 million people who have died of hunger.

"The third world war has already begun", said Luiz Ináccio Lula da Silva, today's president of Brasil, when he was labor leader, "it's most threatening weapon is the interest rate, and it's more lethal than the atom bomb."

According to "Forbes" magazine, there are 587 billionaires and in 2003 their fortune increased by 36 %. At this rate their fortune doubles in a little more than two years because of many people making the increase of money possible through their labor. But "if a society can't help the many who are poor, it can't save the few who are rich either," said John F. Kennedy and didn't survive with his opinion.

The system is unjust, brutal and destructive

In September 1992 George Soros speculated against the English pound and the Italian lira. Despite fierce resistance by all the European Central Banks he destroyed the hitherto successful European Monetary System (EMS), created by the German Chancellor Helmut Schmidt and French President Giscard d'Estaing. He forced the devaluation of the English currency and the removal of Great Britain and Italy from the EMS. In a few weeks this brought Soros profits of several billion dollars.

"As an anonymous participant in the finanical markets I never had to think about the social implications of my trading," writes the most successful speculator of all times six years later. "Competition in the financial game was strong and if I had imposed additional restrictions upon myself, I would have been a loser. I realized that my moral feelings in the real world would not have made any difference considering the conditions of competition that rule the financial markets. If I had restrained myself, someone else would have taken my place."

There are not single evil individuals who are destroying our world – it's the system that holds us all captive. Soros himself realized that a system which allows such "coups" to be successful is doomed to die. He probably has no clue that flowing money can save us.

How much for the whole world?

In the novel "Germinal" by Emile Zola there is a director of a mine who auctions off jobs. Whoever asks for the lowest wages will be employed. In a similar fashion the emperor's throne was auctioned off in ancient Rome. Julianus was one of the richest Roman citizens and he offered the most. For that he gained the crown but was murdered two months later. The Roman Empire was destroyed as money became more important than glory and as Rome was auctioned off to the highest bidder.

In 1876 the Russian czar Catherine II sold Alaska for $7.2 million to the United States. But later – after wars were lost and after internal quarrels – the ruling family Romanows was overthrown. "How much do you have to pay for Russia?" we could ask today. The question of how much for India was answered by the English-Eastindian company in the 17th century, and the answer to how much for China was given by the opium wars of the British empire in the 19th century.

Millions of dead people have recently been the answer to the question of how much for the diamond state Liberia. The small – rich in oil – equatorial Guinea has been auctioned off to an oil consortium with the highest bid. It was more complicated with Congo. The largest African country has gold, uranium, cobalt, copper and coltan resources which are used for chips in cell phones, laptops and CD players. Armed rebels – including childsoldiers – are stopping the government of Congo from controlling these resources and granting concessions.

A UN expert team lead by the Egyptian Mahmoud Kassem has identified 29 different large corporations who are supplying weapons to the rebells of Congo and who are taking away the resources illegally. This bush war – some call it the "African world war" – has cost the lives of two million people since 1998.

Conquering is good, destruction is better

The price for Irak has first been asked after the first world war when the current borders within the Osmanian territory were drawn by warlike oil-based-business. In 2003 the invaders invested approx. $100 billion for the destruction of that country.

"Whoever rules over the energy reserves of the world has a mighty power tool at his disposal to prevent other power centers to develop", says Noam Chomsky, professor at Massachusetts Institute of Technology (MIT) in Boston. World power status isn't gained by paying nothing. Chomsky thinks that conquering the world's largest crude oil reserves was the real goal of the war. That was a useful by-product. Something else was crucial:

1. By making the American people believe that they were threatened, the United States government was able to get $400 billion for their military budget.
2. This military spending was only possible by taking out a loan. This led to the fact that the deficit of the United States is now increasing five times as fast as the gross domestic product (GDP).
3. Whatever they destroyed has to be rebuilt, financed by loans.

Conclusion: Whenever houses, bridges and factories are destroyed a new cycle can begin, and keep an interest based economy alive. If the markets are saturated than the system of interest and compound interest can only be kept alive through military spending and through destruction caused by wars.

"To follow an interest-based economy means that it takes no more than 25 years for the next, more destructive war to happen", written after the First World War by Silvio Gesell, who discovered flowing money in modern times.

No world power is everlasting

If today we compare the last remaining world power with the Habsburgs of Spain, with the Netherlands in the 17th and 18th century and of course with 19th century Great Britain then we come upon an interesting question: "How much for the United States?"

Up to now, every power that once ruled the world had its downfall: Macedonia of Alexander the Great, — the Roman Empire, the Mongol Empire of Dschingis Kahn, the France of Charlemagne, the British Empire, the Sovjet Union. The story of these downfalls hasn't reached its end yet.

Interestingly enough, none of these downfalls was caused by military defeat. We all remember well the last time it happened: with the Sovjet Union. The Sovjet Union was probably militarily unconquerable at the height of its power. But why did it still collapse? The Sovjet Union and every world power before it collapsed because of their own internal contradictions.

This brings up the next question: What are the internal contradictions which will lead to the collapse of our current system dominated by the United States?

As long as we work with our current interest-based money system – static as it is – we will have only two choices: war or collapse of the system. Whoever has the power to start a war in another country will prefer that decision. As times goes on every curse will come back to its starting point as long as we live in this polarized world.

Static money defies natural laws

Mahatma Gandhi mentions three things as reprehensible:

__ Science without humaneness
__ Trade without moral implications
__ Wealth without labor

Today the largest research budgets are being spent to develop technologies that destroy the basis of life on this planet – and of humanity as well. The products and services that are being traded today exploit people and ruin nature. Most wealth is being accumulated today through interest and compound interest that the debitors work for, but not the ones who own these fortunes.

Our static money system out of which capital grows at an exponential rate is the core contradiction of our system: it contradicts the laws of nature and the cosmos. Nature is transient, God is eternal. Contrary to the wisdom of creation we have made money into something eternal – we put it in God's place. We pray to it and we make it the measure of all things.

"Then one of the twelve, the man called Judas Iscariot, went to the chief priests and said: “What will you give me to betray him to you?” They weighed him out thirty pieces of silver. From that moment he began to look out for an opportunity to betray him." – to quote the gospel of Matthew.

All religions ban interest

All religions offer us a perspective way beyond our current lifetime. All religions proclaim that all mundane things are transient. Money too. And that's why money has to be like all other products: it has to fall apart like our houses, rot like our apples, rust like our cars, go out of fashion like your coat, become out of date like your computer. Above all money should not grow by itself without a levy. And that's why all religions banned interest:

The interest ban is part of the Koran, in surah 38 it says: "And what you lend at interest in order to increase it with the work of men, it shall not be increased by Allah." And surah 39 talks about all things of creation being transient and demands that everything – money included – has to follow the laws of nature.

"Bad is what you gain by trickery from other people and their goods, without it being given to you", says Buddha who turned against the wealth of his family in order to attain enlighenment.

"You shall not take interest for your money nor usury for your food", says the prophet Moses. And Prophet Hesekiel: If you loan your money to gain interest, you probably won't stay alive; your guilt will weigh heavy on yourself". Within the Jewish communities the Jews abide by the interest ban.

Christianity, too, forbids interest: "And Jesus went into the temple and overturned the tables of the money-changers and said to them: "Does not scripture say, 'My house shall be a house of prayer'? But you have made it a robbers' cave," – (Matthew's gospel).

The ancient Christian tradition suggested all debts be taken away from the debitor each seven by seven years (every 50 years). The prophet Moses postulated it to be very seven years. Martin Luther said it most forcefully: "Interest is a dyed in the wool thief and murderer".

The list of Roman-Catholic councils that banned interest as a terrible sin is long and impressive: Elvira (305 – 306), Arles (314), Nice (325), Carthago (348), Taragona (516), Aachen (789), Paris (829), Tours (1153), Rome (1179), Lyon (1274) and Vienna (1311). There they even resolved that each ruler who did not forbid all usury within his territory would be excommunicated from the church. And the council in Rome, 1512 to 1517, confirms: "Any interest payment for money is usury". The encyclical "Vis Perventi" of Pope Benedict XIV forbids interest as the source of all evil and threathens disrespect with hell's punishment. Many popes have banned people from the church (anathema) who charged interest.

Double standards at the Vatican

1985 two Mexican Catholics, Estelle and Mario Carota, formally requested the Vatican – because of the debt crisis of Mexico – to put forth their point of view on interest. Their intention was to free the Latin American countries from their heavy interest burden. They had hoped that the Vatican would insist – with every emphasis – on their ban of interest like they enforce their other dogmas, for example the one on abortion.

The Congregation for the Doctrine of the Faith, under the leadership of Cardinal Ratzinger, answered: their teaching about interest has not been updated in any way and therefore has not changed but there is no one now in the Vatican who is competent on this subject.

Religions' economical wisdom belies experts' monetary knowledge

The most dramatic consequence of the core characteristic of static money is heavy punishment of long-term thinking.

30 years ago I was the head of the investment department of a large German company. The way we arrived at our investment decisions is also done everywhere else.

We calculate the expenditure which will arise out of an investment (for example, a new plant or a new factory), and which we would not incur if we did not invest. Naturally not just for a year, but for the whole duration of the investment. And we calculate the income that the investment would bring us and that we would not receive if we did not invest – again, for the entire period. And then for each year we work out the difference between income and expenditure.

Of course it isn't the same if I have a million more today or a million more in one year. It's like apples and pears, and if we want to compare them, we must convert the million in one year into today's value. We call this process "discounting".

Assuming an interest rate of 12 % – the usual percentage for such decision processes:

€1 Million in 10 years	are worth today €321.973
€1 Million in 25 years	are worth today € 58.823
€1 Million in 50 years	are worth today € 3.460
€1 Million in 75 years	are worth today € 204
€1 Million in 100 years	are worth today € 12

If today I invest €321,973 with an interest rate of 12 % I'll gain one milion in ten years. If I invest €12 with an interest rate of 12 % I'll gain also one million euro within one hundered years.

Long-term thinking is punished heavily

What is the consequence for our investment decisions? The answer is simple: we only need to consider the calculation for ten years, because what happens after that has hardly any impact on the result.

The answer isn't just simple, it is horrifying. However: what happens after that has no further influence on investment decisions. Static money gained from interest is mightier than the wisdom of all religions.

If at the time I had recommended an investment because it made long-term sense, I would have jeopardized my career – and thirty years ago that was something I cared about. If a manager decides on an investment which makes long-term sense, he loses his job. And if he doesn't lose it, his company will be sold off: this kind of "mistake" reduces "shareholder value", that is, the current potential selling price of the company and makes it a candidate for a take-over.

The logic of our current static money system is that it is profitable to fish until there are no more fish in the ocean, to deforest the tropical rainforests, to destroy our climate, to use up our resources, to take on uninsurable risks with gene technology and to endanger the life support systems for our plants, animals and for humanity. The consequnces are left for future generations. It makes sense to calculate that way because future damage and consequences are being discounted and are therefore not influencing today's decisions.

Permanent disposal site fees for 100,000 years

To give you one example of the brutality of such short-sightedness: many politicians are still demanding the extension of nuclear power because it is most cost-effective, they say. The residue of this form of generating energy is plutonium. Plutonium has a half-life of 24,000 years. That means: in 24,000 years it loses half of its radioactivity, in the next 24,000 years half again, and so on.

This horrible substance has to be stored safely for several 100,000 years. Safe from earthquakes. Save from tectonic movements. Save from war. Save from flooding. Safe from terrorism. Safe from blackmail. Safe from corruption. Safe from sloppiness. Safe from incapable governments. Safe from being forgotten.

Of course there has been no region found that voluntarily wants to manage these ticking time bombs.

100,000 years – do you know what that means? “Ötzi”, the man who was found in the ice in Tyrol, is a mere 5,000 years old. And it is only 8,000 years since the invention of money, as whose slaves we commit these crimes against our planet – and against our own descendants.

A thousand years of wealth with flowing money

The Sumerians invented the shekel (Israel uses the term today for its currency). “She-” means wisdom and “-kel” is a measure of 16 1/2 grams, the contents of a ladle. Coins to the value of a shekel of wheat were used to pay the fair priestesses of the temple of the fertility god Astarte. In this way men did not have to bring the wheat into the temple.

If the wheat was old and rotten, the shekels also became old and rotten. And if it was used up then the shekels were worthless, because new ones were minted for the next harvest. The shekel simplified the exchange. Storing shekels was no better and no worse than storing wheat.

It is astounding to think what Sumerian culture achieved with flowing money: The Babylonian empire was " the most beautiful and magnificient of all kingdoms" according to the prophet Isaiah. The Greek author Herodot exuberantly describes his capital city, Babylon, after visiting it in the fifth century B.C.: the city was as large as Paris is today. The city walls were as high as a fifteen-story building, 25 meters thick and on them travelled carriages drawn by teams of six horses. Babylon, with its splendid temples, extensive canals and hanging gardens, was for millennia – yes, millenia! – the finest and wealthiest city in the world.

Flowing Money at the cradle of the Western world

The rise of Greece also had a monetary cause: it was the Spartan statesman Lycurgus who gave the Spartans their reputation as Spartan. In order to save money, Lycurgus introduced coins made out of iron. The damp Mediterranean climate meant that the coins rusted. The money became old and decrepit just like the things that could be bought with it. How can you build up and pass on to your descendants a fortune in rusted material?

It is astounding to think what Greek culture achieved with this money: the architecture of the Roman Empire, and the foundations of modern philosophy, mathematics, astronomy, physics and – democracy.

Cathedrals and major churches in Europe were built with flowing money

1500 years after the fall of the Roman Empire, Europe was woken from its medieval “hibernation”. That too was the result of a monetary innovation:

The medieval German kings did not know how to finance their households. Unlike most other German rulers, they were poor but cunning. They introduced “Bracteates” – coins made of thin brass and only stamped on one side. Each year these coins were “recalled” – that is, declared invalid. For a 20 % “reduction” they could be exchanged for the new, valid coins. The Kings used this reduction to finance their households. Because it was so simple, most European rulers between the 12th and 15th centuries copied the idea.

The effects of what medieval societies created at the heights of their culture with flowing money are astounding:

- Hundreds of the beautiful medieval cities were founded and developed in the German-speaking regions, in Italy, in France and in the Netherlands.

- Almost all cathedrals and major churches in Europe were build during this period.

- The Hanseatic league transformed modest fishing ports on the Baltic coast into oases of great wealth – the Hansa cities.

- The five-day week was introduced almost everywhere – without any trade unions: as well as Sunday, Monday was a day of rest – hence the German expression “blauer Montag” (blue Monday).

- Egon Friedell describes the luxurious festivals of the ordinary people with travelling entertainers and story-tellers, musicians and troubadours. Just thinking about it takes one’s breath away. It was a time that overflowed with pleasure and delight.

Flowing money brings rescue from the world economic crisis

The great economic crisis that began in 1929 was started by the American Central Bank because of a political error concerning money. People were all millionaires who became billionaires. Unemployment spread like the plague and there was nothing in the shops to buy.

In Wörgl, Tyrol and the surrounding area 1,500 people were unemployed and 200 families were on the breadline. At the time Wörgl had a population of 4,300. The Mayor, Michael Unterguggenberger asked himself, why should people who want to work be unable to do so, simply because there is no money to pay them. In a book by Silvio Gesell he read what he could do:

He issued “work coupons”, all valued in the same amounts as the Austrian shillings. For this reason they were accepted by the people of Wörgl as equivalent in value. The coupons had to have attached to them a stamp at the end of each month as a levy on their use. The first coupons that the Mayor issued were used to pay the workers who built canals.

In order to use the coupons while they still had their maximum value, the workers quickly exchanged them for bread at the baker's shop. The baker also did not want to pay the levy, and passed the coupons quickly to the carpenter who mended his windows – who in turn took them to the butcher to buy meat, who in turn took them to the blacksmith for work on his door. In their eagerness to save, the people of the town paid their local taxes in advance. Unterguggenberger used them to resurface the roads, and that started a new round of spending.

Wörgl soon had full employment and a fine infrastructure. The experiment was so successful that other towns adopted the same system. The French Prime Minister Éduard Daladier visited the town in person.

Of course the financial experts dismissed Unterguggenberger's experiment as dangerous nonsense. The Austrian Central Bank persuaded the government to declare it illegal. Unterguggenberger went to law. He was tried before a court in Vienna, lost his case and was dismissed. By that time the coupons had circulated an average of 416 times and created wealth equivalent to 4,600,000 euro at today's prices.

After the ban Wörgl returned to the national currency, high unemployment and terrible social misery.

Flowing money can build a "Fairconomy" today

The moral of these examples is simple: money creates jobs as long as it flows and does not have to throw away interest. Why? Firstly because this suddenly makes long-term investment profitable and feasible. Secondly because it enables investments to be carried out which would otherwise have been rejected as generating profits that were too low.

There is never any lack of work – and especially not where there's a lot of hardship. What is lacking is only money to pay for it. Static money that eats interest can only be spent on things that bring short-term advantage and on very profitable investments. Not many meet these conditions.

A movement that recognizes and remedies this inherent flaw of capitalism is going to turn into *the* movement of wealth for all, full employment and peace – worldwide. A movement that will sustains our planet as a habitat for the Earth's plants, animals and for humanity. A movement that will create our future. A flowing-money economy people no longer have to bow to. Such an economy transforms out of itself into a "fairconomy" serving life and humanity as well.

Static money leaves us in the state of a voracious caterpillar who senselessly destroys its own habitat. Flowing money turns us into a butterfly who lives filled with joy and who doesn't destroy but impregnates the flowerbeds. Turning into a butterfly was the sole reason for the caterpillar's existence. That's how our beautiful little planet will again become the paradise that God created in the first place.

Whatever we are not aware of as a possibility can not happen. Earth will mirror back heaven or hell. It's up to us.