Think about this: We all need money. Our central bank, the Federal Reserve, controls money. Money shapes the world. Whoever controls money, determines who will own capital (income-producing wealth) in the future. And whoever owns capital will have power over the economy and the political system.

Did you know ....

- in the U.S. the top one-half of one percent own more than the bottom 90% of Americans combined?
- the richest 67 people in the world, according to Forbes Magazine, own and control more income-producing property than the bottom 3.5 billion citizens of the world combined?
- the wealth-and-income gap continues to widen, so that by 2016 the top 1% will own more than everyone else in the world put together?

Meanwhile ....

- the bottom 99% of Americans – if we are lucky enough to be among the “shrinking middle class” — are daily beset by economic insecurity, fear of losing our jobs, rising consumer and student debt, and disappearing retirement incomes.
- over 44 million Americans live in poverty, suffering from unemployment, homelessness, hunger, poor quality education and healthcare, and no clear way out of their poverty.
- personal and household debt in the U.S. is over $16.8 trillion, roughly $52,000 per citizen.
- U.S. federal, state and local government debt has grown to $21.3 trillion — and that’s not counting a projected $95.7 trillion in unfunded liabilities we the taxpayers will owe for “entitlements” such as Social Security and Medicare. (Added together that liability comes to over $364,000 for you, me and every other citizen.)

Think about what all that debt means for each of us as taxpayers, and for our children and grandchildren who will shoulder that ever-increasing debt. Think about what will happen if we don’t, or can’t, pay what we owe as a nation.

Simply demanding more jobs, raising the minimum wage, cranking the Central Bank’s printing presses to bail out the government or “too large to fail” banks, or redistributing property incomes of the 1%, won’t solve the problem.

It’s time ....
• to lift our people and our nation out of unsustainable debt.

• to start financing sustainable growth, new jobs and green technology.

• to stop pouring money into Wall Street and their Big Government cronies.

• to start delivering economic justice through capital ownership for every citizen.

SO, WHAT IS THE SOLUTION?

Change the system. Restructure our money system, our credit system, and our tax system by applying free market-based principles of economic justice.

We can start by delivering monetary justice — putting money power into the hands of every citizen and every family.

Section 13, paragraph 2 of the Federal Reserve Act of 1913 provides the critical monetary key to opening the door to economic justice for all. This overlooked (or misused) piece of existing law could help finance healthy private sector growth and more equal capital ownership opportunities for every member of society. It could do this without using taxpayer money, or violating property rights of current owners of existing productive capital assets.

THE CAPITAL HOMESTEAD ACT – A SYSTEM CHANGER

The proposed Capital Homestead Act is a comprehensive economic reform agenda that would make our monetary and tax systems more simple and just, and would systematically spread real economic power through capital ownership to every person and family.

This Act would eliminate monetary and tax barriers to equal economic opportunity and full economic participation. Whether under “Wall Street” capitalism, all forms of State and collective ownership, or Keynesian “mixed economy” and “Welfare State” models, these exclusionary and monopolistic barriers exist in every country in the world.

These barriers have brought about bankruptcy of citizens and nations, stagnant or shrinking economies, regional conflicts over resources, and social conditions breeding terrorism and war.

Under proposed Capital Homesteading reforms, every American citizen would gain as a fundamental right of citizenship, equal access to the economic equivalent of the political ballot.

This newly recognized right is equal access to “social tools” such as money and credit within a properly managed system. Every citizen and family would be empowered with the means to purchase shares in feasible private sector projects for non-inflationary growth of the agricultural, industrial, and commercial sectors of the productive economy.

Full rights and powers of ownership and the full stream of income from their capital would then
flow directly to each citizen and family. Think how that would change our economic and political system!

**CREATING A MORE JUST MONEY-AND-CREDIT SYSTEM**

Each of the twelve Federal Reserve regional banks *already* has the power under existing law to supply new, insured, interest-free credit and asset-backed money, issued by local commercial banks, in order to finance non-inflationary, private-sector growth of agriculture, industry and commerce.

Instead of being used to pay for the government’s deficits and debt, or to bail out irresponsible, “too-big-to-fail” banks, the Federal Reserve’s money-creation powers would be used *strictly* for financing sustainable, non-inflationary private-sector growth.

And instead of simply channeling this new money and credit to the top 1%, the twelve regional Feds would irrigate the whole economy by making ownership-expanding *capital loans* to every child, woman and man in the region, each and every year.

The money for these citizen ownership loans would be *asset-backed* — not backed by government debt or by bad mortgage securities. The loans, which would be insured against the risk of default, would be used *strictly* for purchasing new shares of profitable companies seeking to grow.

The loans would be repaid with the full, untaxed stream of future profits (“future savings”) of the enterprises issuing the shares. Thereafter, those company profits would flow to the citizen-shareholders as their independent source of income, over and above their wages or welfare.

Democratizing future ownership opportunities would reduce corruption and make the American market system more just, more free and more competitive in global trade.

By enabling all private, public, and non-profit sector workers, as well as welfare recipients, to gain *ever-increasing earned incomes from the bottom-line profits* of productive enterprises, the costs of production and prices for American-produced goods and services *could remain stable or even decrease*.

This strategy would also enable the U.S. economy to grow faster. It would create millions of new productive jobs and growing dividend incomes for every citizen and family, so they can meet their consumption needs, thus providing businesses with more “customers with money.”

**… AND A MORE JUST TAX SYSTEM**

Under the Capital Homestead Act, the tax system (which reinforces the money and credit system) would also be replaced with a more just and simplified system designed to:

1. remove artificial tax barriers and “tax expenditures” (tax subsidies) that perpetuate concentrated ownership of productive capital and fuel ever-increasing government deficits;
(2) tax incomes from *all* sources (labor, capital, gambling, etc.) that are above a uniform personal exemption to cover basic living costs, *at a single rate* calculated to eliminate all budget deficits and begin to pay off old government debt;

(3) exempt from taxation any income being used to pay off citizen- or worker-ownership loans;

(4) encourage enterprises to pay out fully tax-deductible dividends, and finance all future capital with the issuance of new, full-dividend-payout, voting shares; and

(5) encourage the spreading out of now-concentrated economic power as widely as possible from one generation to the next, by shifting from estate and gift taxes on the accumulated wealth of super-rich persons to taxing recipients at a single personal tax on all gifts and inheritances they receive that exceed the recipient’s holdings over $1 million dollars.

What if we do nothing to change the system? Then — no matter whether it’s a private elite, the State, or a powerful alliance of the two — those who own will control those who don’t own. They will have power over the stomachs, the freedoms, and the futures of those who own no productive wealth.

The choice comes down to this: “**Own or be owned.**”

If you would rather *own* than be owned, let’s join together to deliver a new and unifying message to the American people and the people of the world:

**“EVERY CITIZEN AN OWNER. WE CAN’T WAIT!”**

* * *

*If what we say makes sense to you, please forward this by email, Facebook and Twitter to your friends, students, activists and organizations dedicated to working for a more just future for America and the world.*

*We invite you to join us and make a statement at the “Rally for Monetary Justice,” on Friday, April 17, 2015, from 10:00 a.m. to 1:00 p.m., at the southeast quadrant of Lafayette Park, across from the Pennsylvania Avenue entrance of the White House.*

*For more information, visit [www.cesj.org](http://www.cesj.org), email thirdway@cesj.org, or call 703-243-5155.*