

## **A Draft Manifesto of Monetary and Financial Rights and Liberties** March 19, 2004

Compiled by Thomas H. Greco, Jr., based on material supplied by John Zube, with assistance from Mike Aldana

This document is being circulated in the hope that the participants in this conference might move toward some consensus with regard to basic rights, obligations, and desired conditions relating to money, banking and finance, with particular attention to currency issuance, circulation, and redemption.

*Zohn Zube's conference benediction:*

*I wish you at least all the usual and all too temporary success with your conference.*

*However, I believe that it and all other such conferences will only have a lasting influence if you should come to agree on a few basic points,*

*a) on full monetary and financial freedom or monetary and financial tolerance for all who want to try alternative monetary or financial liberties among like-minded volunteers, however advanced or backwards or odd their views in these fields may be,*

*b) on the permanent and cheap publication of all papers submitted to this conference at least on alternative media, now at the disposal of almost everybody,*

*c) on the publication of all other such writings, to the extent that they are or become accessible to those who attend, also on affordable alternative media, if they cannot afford others,*

*d) to try attempt to **draft all monetary and financial rights and liberties**, as far as possible better than it has ever been done before.*

We advocate for the broadest degree of liberty or tolerance in the sphere of exchange media, credits, clearing, value standards, capital securities, and banking.

### **Enumeration of Monetary and Financial Rights and Liberties**

Such a declaration to include at least the basic right:

- to issue alternative exchange media (as well as capital securities),
- to offer them in payment or in exchange,
- to refuse all such media that one does not know, distrusts or has good reasons not to want to accept, unless one has issued them oneself,
- to discount them freely, unless one has issued them oneself.
- to freely choose value standards to be applied not only to their exchange media but also especially to the financial securities issued,
- to clear all ones due debts and assets quite freely,
- to combine for such purposes in suitable organizations.

### **Conditions**

All such attempts to be open and transparent to all concerned parties.

All issuers must accept their own issue at par (face value), but all others should be free to refuse or discount it.

Only fraudulent or coercive attempts of this kind shall be punishable under existing laws.

### **Elaboration**

Everyone, especially the unemployed, refugees, and all kinds of poor and disadvantaged people should be free to associate and organize themselves for such issues and acceptances and value standard

arrangements.

Anyone who customarily offers anything that is valued into the market – labor, skills, services and products of all kinds, could and should base their own issues of exchange media upon such value and offer it in payment for purchases.

Anyone who is organizing or reorganizing their productive capacity shall be free to issue financial securities (financial industrial or agricultural obligations, bonds, mortgages, etc.) in anticipation of their future ability to provide wanted goods and services. Such securities would commit only themselves to supply, when they become due, their goods and services for them, in regular repayment instalments. Only if they are unable or unwilling to do so should they be obliged to redeem them in the kinds of local currency cash or clearing certificates produced by others.

- Generally speaking, no one should be forced into bankruptcy or liquidation unless the very last clearing possibilities have been fully exhausted.
- No one should be obliged to pay his debts in any form of cash that is in short supply and that he can acquire in sufficient quantity only by good luck or chance.
- Also full freedom to make any interest, rent, dividend, profit-sharing arrangements that they do believe in, avoiding others which they do believe that they could and should avoid among themselves.

If even the barest agreement can be reached, published and applied in practice it could provide a solid foundation for further agreements and application.

## **Further elaboration**

### **Clearing**

Every rational being has the right to settle its debts with its due assets, by clearing ,and to select the best technical form for this purpose.

It has the right to try to pay off his debts with any kind of exchange media. It may not be forced to discharge them with one particular means of payment only. Nobody may be declared bankrupt before every possibility for clearing is exhausted.

### **Issue of Money**

Every rational being has the right to issue, and to offer as means of payment, private money tokens, purchasing and clearing certificates, banknotes, etc., typified and in pieces like money, provided they are not legal tender but guarantee a certain value instead, e.g., the value of a certain weight of -gold on a free market.

**In other words, every rational being has the right to issue private exchange media which entitle the bearer to exchange them at their stated value into goods and services of the issuer.**

Every rational being is furthermore entitled to issue freely transferable short, medium and long-term promissory notes, bonds and other securities, provided that no detail of and relating to their issue is kept secret.

Comment: This right would introduce free competition in the field of the supply of exchange media and would thereby abolish currency and credit shortages. It would establish for the first time a real free

market and would put an end to unemployment, sales difficulties, and depressions. Even people unemployed because of technological advances would then easily get a loan for retraining and another job.

Once a perfect clearing system were established, even individuals could get their paper accepted. Until then associations of shopkeepers, large public utility companies and note issuing banks discounting bills of exchange would have the least difficulties in achieving at least a local circulation for their currency.

### **Rejection of Deteriorated Money**

Every human being has the right to refuse acceptance of exchange media, either completely or at their nominal value, unless it has issued them itself or has obliged itself to accept them.

This right finds its limit in the obligation to accept the local currency at its nominal value as long as it is not deteriorated and nothing to the contrary has been agreed upon.

Comment: This right requires the repeal of all legal tender laws and privileges and monopolies for the issue of means of payment. It would make inflations impossible.

### **Standard of Value**

Every rational being has the right to invest its capital safely, that is to use in all business contracts, including, e.g., employment, rent, building, and insurance contracts, declarations and offers, a standard of value or a value protecting clause of its choice, e.g., a gold clause.

It has furthermore the right to base its own private money tokens on an optional standard of value.

Comment: A freely agreed upon standard for measuring values may not be interfered with by any law. Lastly, the most reliable standard would be almost universally and voluntarily accepted.

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