STATEMENT TO LOUISVILLE METRO COUNCIL MEETING

WHY THE NO-GROWTH ECONOMY – BAILING-OUT STATE PENSION FUNDS; – HOW TO INCREASE SCHOOL FUNDING & RAISES FOR TEACHERS WITHOUT TAX HIKES

I would like to update my findings to the Metro Council's 2014 forum on raising the minimum wage in Louisville. I argued that we are making economic decisions through the prism of three bad monetary policies.

The three policies are: **1.** Low interest rates. **2.** Private investors receiving their capital directly from the Federal Reserve. And **3.** Without the Glass-Steagall Act, citizens and foreigners **cannot** safely deposit their money in U.S. banks. – **These** relative **policies are detailed on Page 2**.

Some of you know of the recent studies on Seattle's 2014 minimum wage-hike to $15. Seattle workers are losing approx. $125 per month, at $1,500, annually. – More broadly, in both 2014 and 2015, the after-tax private wealth in the U.S. increased by **$5-1/2 trillion**. That's $11 trillion for both years. With today's stronger U.S. financial climate, we can safely assume 2016 and 2017 will yield at least these same amounts. **That's $22 trillion within these 4 years**. – How, then, are we accumulating this immense wealth **while not** able to pay down our national debt, now at over $19 trillion**?** – This means your taxes paid to service the debt goes into a black sinkhole, **HAVING NO EFFECT, AT ALL**. – These numbers **do not** lie.

I explained this oxymoron in 2014. These policies improperly channel currency from the Feds (bonded by U.S. Treasury) into the U.S. financial sector where the superrich are, and **AWAY FROM THE COMMERCIAL SECTOR WHERE YOU AND I ARE**. This violates anti-trust laws and the Federal Reserve Act of 1913. And requires reinstating the ***Glass-Steagall Act of 1933.***

This lopsided $22 trillion would bailout: All the States' troubled pension funds; Social Security; bad student loans. It would properly fund our public schools, provide raises for schoolteachers, Pres. Trump's $53 billion for the military, Etc. **And with trillions leftover for corporate profits.**

Wherefore, please copy and mail this packet to your local, state, and federal elected officials. It demands that these three policies be reversed to rebound our economy. **Or remove them from office**. Send to the troubled Mayors and Governors that you know of. Help get this info to social media.

Thank You!

1. **Increase U.S. prime interest rate to competitive level** (w/ China, UK, Etc). The Fed's low prime interest rate, currently at 1%, discourages the purchases of U.S. treasury bonds (and commercial banks not lending to small businesses). Historically, we have used treasury bonds to service the U.S. debt and budget. But since these bond sales are down, we must borrow more money from the Feds to service the debt. – **Most people incorrectly believe** today's bloated debt is due to Gov'mt spending.

2. **Stop giving virtually free money to investors.** On May 2, 2008, **private investors were allowed** to begin borrowing wholesale dollars directly from the Feds (at .25%). They no longer have to borrow from commercial banks or private lenders. **This is removing $$trillions** from U.S. commercial competition / circulation. – They then buy-up property with these wholesale dollars (stocks, bonds, companies, real estate, etc.). For example, it explains why the stock market is booming in our no-growth economy. (*To fully monetize the dollar, it must be routed through the commercial sector for establishing its value through the activity of competition. Its increased value then attracts more investments*.)

3. ***Glass-Steagall*** was passed during the 1933 Great Depression **to separate** private investments from the bank accounts of consumers. When repealed in 1999, it took only 8 short years before the banks again collapsed the economy in 2008. Reinstating *Glass-Steagall* would allow consumers (including foreigners) to safely return their money to U.S. banks. This, in-turn, generates economic growth.

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TO: ~~**President Barack Obama**~~ **President Donald Trump** ~~September 11, 2011~~

The White House **July 27, 2017**

1600 Pennsylvania Ave., NW

Washington, DC 20500

RE: Proven No-Cost Measures for Jobs

- **Creating Jobs w/ Bill Clinton's Monetary Policy;**
- **High or Low Dollar, a False Choice for Americans**

Dear President ~~Obama~~ Trump,

1. **Why have you not adopted Pres. Bill Clinton's monetary policy** from the economy of the roaring '90s? His distinct policy was competitive prime interest rates set by the Federal Reserve (Feds / Central Bank) for attracting first-tier investments into Our economy. This is a proven no-cost measure. Why is the mainstream media avoiding this fundamental discussion on "Economics 101?" -- **Clinton demonstrated for us that competitive prime rates** (the rate that banks pay to borrow from the Feds) attract first-tier investments into our financial institutions. (First-tier investments are money-market funds, pension funds, saving accounts, certificates-of-deposits, annuities, trust funds, etc.) First-tier investments are then loaned-out to businesses that create jobs, as well as for consumer loans for homes and durable goods (cars, appliances, etc.) as second-tier investments.

A competitive prime rate is raised to be comparable to the prime rate of other powerful foreign economies, such as China, France and Great Britain. The countries with comparably higher rates are those economies experiencing growth, because money flows to their higher interest rates. For example, China's prime rate is currently 6.56%, which helps to account for its 9.7% economic growth in the first quarter of 2011. By contrast, the U.S. prime rate has remained near 0% for some time, now. When Clinton left office the U.S. prime rate was 5.46%.

In other words, a nation's competitive prime rate creates the value for its currency. This is also called a "high currency" (or high dollar in the U.S). Wherefore, **it is a false choice to ask Americans** to choose between a high or low dollar. The low dollar must chase first-tier investments away from Our economy in search of higher overseas interest rates. Clearly, this accounts for the ongoing decrease in economic activity, by contrast to China. Higher rates may increase the cost of goods, but it also creates jobs, the money to pay for those goods, as well as increased tax revenues. -- So, why are we not following Clinton's / China's successful monetary policy? – And, Mr. President, **isn't this also a *National Security* issue**, for protecting Our economy, Our nation?

2. **Yet, another bad policy** that's creating low demand for the dollar is that investment bankers are allowed to receive investment dollars directly from the Feds. Prior to May 2, 2008, investment bankers (Merrill Lynch, Goldman Sachs, etc.) were required to compete with other Americans by getting their dollars from commercial banks. This created demand for the dollar, and was the original 1913-purpose of the Federal Reserve for monetizing the dollar. This demand attracts investments into our economy. But by contrast, the May 2008 policy now allows high-rollers to get their money virtually free from the Feds, bankrolled by American taxpayers, and again, reducing demand for the dollar. – This also helps to explain the growing gap between the rich & middle class. **For example**, Warren Buffett purchased CSX Railroad and GEICO Insurance at interest free. Buffett is "picked" as a winner, but We lose.

3. And yet, another thing you can do to help the economy is to pressure the Feds to take some responsibility for the 2008 economic collapse. **The Feds can free-up credit** by forgiving much of the debt that it wrongfully sanctioned during the housing bubble. It was the Feds that allowed banks and investment institutions to borrow beyond their means without requiring timely repayment. – However, if the Feds forgive these institutions, then those institutions should be required to forgive the same amount of debt to ***their*** borrowers/customers. In turn, this would restore / reduce across-the-board ratios of assets-to-liabilities, allowing property values to rebound (and reviving the lost tax revenues of states). **This sophisticated measure would help to "reset" Our economy.**

President Obama, **we**, the undersigned, **are asking other citizens to also copy, sign & mail this letter to you**. Please consider the above successful, no-cost measures of Pres. Clinton and China, proving that massive gov'mt spending (and more debt) **is not** needed to pump-start Our economy. -- ***Thank you, Mr. President.***

Daniel Cobble

Daniel Cobble

Charles Michael Zoeller

Charles Zoeller

Your Signature ______________________
Print Name:

Friends Signature ______________________
Print Name:

Copies to: U.S. Rep. Maxine Waters • George Clooney (Actor) • Sen. Rand Paul • Tea Party USA • Public Distribution

MAIL TO: **President Donald Trump**
~~President Barack Obama~~
The White House
1600 Pennsylvania Ave., N.W.
Washington, DC 20500

Today's Date ____________________

RE: A NO-BRAINER >> Re-instate 1933 Glass-Steagall Act to Separate Commercial Banking from Investment Trading

Dear President ~~Obama~~ Trump,

To protect property (bank accounts, mortgages, pension plans, retirement accounts, small businesses, ETC.) and the U.S. economy at-large, **please lead Congress to bring back** the 1933 Glass-Steagall Act. Re-instatement would again separate commercial banking (consumer & business loans) from investment trading (hedge funds, stocks & bonds-trading, derivatives, securities, ETC). **This is a conflict-of-interest** that's still damaging our economy today, such as the 2012 **$billions loss by Chase Bank** and **$trillions** placed in jeopardy by **Barclays Bank**. {Glass-Steagall was revoked / repealed in 1999 under Pres. Clinton, leading to the 2008 economic melt-down.}

Many experts (such as Nomi Prins, ex-Sen. Bill Bradley, Sen. Tom Coburn, Economist Charles Ferguson, Robert Reich, ETC.) agree **Glass-Steagall should be re-instated to protect consumers, property owners, innocent investors**; Our U.S. economy **as Nat'l Security**.

Wherefore, Pres. Obama, please work with Congress to return Glass-Steagall, to again separate commercial banks from investment trading. – *Thank you!*

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Your Signature

P.S. • Letter source: www.prose-litigants.org.

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• **Spread this message**; copy & pass this unsigned letter to others.