

31. Economy, Banking and Finance

In 2024, an English economist named Giles Cavendish wrote a book called *The Real Wealth of Humanity*, a title reminiscent of Adam Schmidt's *The Wealthy Notions*. Cavendish posited that the real wealth of human beings, societies, living systems and communities is not something we've traditionally measured, so we have no reliable record of whether or when anybody has ever had real wealth, including now.

We've measured things like how much money people have, what happens in stock markets, inflation, shipping and trade volumes, taxes paid, currency exchange rates, profitability, gross domestic product, and production per worker, but we don't have any real idea how those are related to real wealth.

Real wealth is indicated by things like: how secure we feel about having the basic necessities of life; how comfortable we are our loved ones are healthy, fit, whole and thriving; how good we feel about our romantic, friend, community and colleague relationships; are we free from violence and harms; do we mostly feel distrustful, afraid, anxious, resentful, angry, unworthy or other lower, negative energies, or do we mostly feel happy, encouraged, upbeat, worthy, trustful, love or other higher, positive energies; are our lives meaningful and do we feel fulfilled by what we do with our time; do we take time to sleep, be with friends and family, take vacations, be in nature, be spiritual and present, have fun and laugh.

Real wealth isn't about money. Money's not real. It's just a means to ease trade. Plenty of people with plenty of money aren't happy or fulfilled. They're poor in terms of real wealth. Billionaires may be unhappy, unable to relax and feel good if they're always worried about losing money, how to get more, how they're judged against their competitors, or if their personal relationships are real or about others trying to get their money. One can have lots of money and yet be impoverished in terms of real wealth.

Real wealth is in things like: knowing we've integrated good values and qualities into our personal and collective characters and are being true to them, with integrity, respect and honor; creating and sharing abundance, for our benefits but also to serve others; feeling empowered to proactively create and live, fully engaged, the experiences and existences we imagine and desire for ourselves and with others; knowing and personally experiencing beauty in ourselves, others and our surroundings, very regularly; raising our children and youth well, together with others; feeling we resonate and are in harmony with our environments, communities, families and friends; honoring and serving our kids, youth and elders; and feeling, deeply and personally, new experiences and energies that help us to grow and evolve.

Real wealth is knowing there is no such thing as us versus them; there is only us, and we are truly OK. Real wealth is knowing the life support systems of Earth and its living beings are balanced, healthy and in harmony, and we're doing them no harm and can rely on them; feeling a deep, personal connection with nature and other beings; being free from fear and not fearing death, because we're OK, engaged, living well and fully now. Real wealth is being fair and knowing all are treated fairly; being able to be courageous and true to the integrity of our character and values, even in the face of fear; being honest about everything with everyone always and being able to trust that others are too. Real wealth is not needing to lock the doors. When we feel real love in ourselves and others, that's real wealth.

Additionally, Cavendish argued, we need to count the real costs of impacts of our activities and actions, not only direct money costs for production and selling. Real costs include harms to natural life support systems, human and other beings, and negative impacts on social systems, health and well-being.

We've traditionally not attributed to businesses the full negative costs of their activities, and that has led us to justify and continue activities which result in ongoing net real wealth losses and real harms.

One of the greatest areas of these uncounted costs is in harm caused to health, environments, natural life support systems and other life forms. We've let businesses profit and prosper, because we do not require them to bear the costs of their negative impacts on nature and health. We have let businesses release all kinds of pollution into the environment, which causes real harm and costs to natural systems, human and other beings, without economic consequences to them. That is simply false economics.

Businesses must bear full costs of assuring their activities have no harmful environmental or health costs or consequences and bear the full costs of mitigating harms or consequences from their activities.

Businesses must not be allowed to do what they do if what they do causes harm to others, and businesses must bear full costs to fix any problems they create for others. Like, we can't let a factory pollute a water system, causing wildlife to die and others to suffer who rely on it. If it does it should bear full costs of restoring it to its natural state, and feeding those who no longer have fish or get sick. Let it fail if doesn't, seize and sell the assets and past profits from owners, and use them to make it right.

A nuclear power plant should bear the full costs of assuring the removal and complete safety of its radioactive pollutants for as long as they're dangerous to anyone or anything, many thousands of years. It won't be able to cost justify its business if it does, which is appropriate and good for society and Earth.

A factory or refinery shouldn't produce pollution with negative health or environmental consequences. If it does, even if the consequences were unanticipated, it should bear the full costs of healthcare and relieving harms for anyone or -thing negatively impacted by that pollution and for all activities needed to restore the environment and affected life or property to its pristine state.

If it cannot, let it fail, seize its assets and past profits, and use those to make it right. If anything produces net negative real wealth or negative real costs across the entire consequences of its existence and activities, it should not exist and its activities should cease, because its harms outweigh its benefits.

If a business's revenues do not cover its full costs, including fair wages allowing its employees to achieve and maintain decent and fulfilling lives, it's not viable and shouldn't exist. Inadequate pay or conditions for workers is a business not bearing its full real costs, causing harm to the well-being of workers, families and society, thwarting, eroding or destroying real wealth. Big wage differences cause harm.

Cavendish argued, as humans on the brink of social and environmental disaster, we need belief and economic systems that focus on and incent the creation and maintenance of real wealth for all and count the full costs to all. Our current economic and belief systems focused on and incentivizing the acquisition of artificial money in the form of profits for owners, while ignoring many harms to others, are not working to meet our needs. In fact, they've sped us to the precipice of catastrophic collapse, where we either come up with something new and better fast, or we go over the edge, into suffering. They've caused us to destroy real wealth in favor of artificial money wealth, hoarded by the few.

His recipe for redemption included: 1) go to work immediately raising the consciousness of humanity, by getting us to start trying to live by common Earth Citizen Principles and Values, so we make decisions, are, do and behave as enlightened beings who understand and value real wealth; 2) develop, collect and track measurements of real wealth and real costs; 3) through enlightened actions of "visible hands," provide real resources, supports and trust to the most conscious and enlightened individuals,

organizations, communities and efforts with the greatest prospects for producing the most real wealth for the most beings with the least real costs; 4) evaluate their performance, laud their successes, and shift resources from those performing poorly to those with better prospects, after a fair amount of time.

Cavendish was very charismatic, with a beautifully sophisticated English accent, sincere bearing and body language, and plainspoken genuineness. He appealed to academics with his logic and data, but also to common people, because what he said made common sense and felt right in hearts and guts. His work was widely influential. People liked him and his messages, and talked about them openly.

Zara Noorlala, a Persian expatriate in Sud Arabia, wrote a book called *Ethical Islamic Financial Systems*, which dealt largely with ethical banking and finance in accordance with Islam, which prohibits charging interest as a usurious practice, corrupt in the eyes of Allah. Islam does not prohibit profit, however, so Islamic banking systems have elaborate profit-sharing schemes in lieu of charging interest on loans.

Noorlala argued, it was manipulation, exploitation and profit, and the ways they generate corrupting greed, wealth, power and meanness, that divert our attention from Allah, dampen spirits and create unfairness and suffering, that Islam meant to discourage by barring interest in the One True Faith. Muslims are to pray five times a day and be generous with each other in spirit to cultivate and maintain higher consciousness and become ever closer to Allah. That's our purpose on Earth, the yoga of Islam. Seeking worldly profit removes us from that, separating Man and Allah, which creates suffering for Man.

It's fair and just for one loaning money to request repayment of that money, plus associated loan costs, including loss of that money's value from inflation. That generous sharing is encouraged by Islam, because it spreads to the less fortunate the gifts Allah has bestowed on the fortunate, without loss, harm or bad feeling to the fortunate, freeing all to foster higher consciousness, being closer to Allah. That is how we would naturally behave toward our family members, who we loved and wanted to help, if we did not just give them the money outright. We are all loving family in the spirit and eyes of Allah. We should behave no differently to anyone than we would to our beloved children and other family.

If a family is blessed by Allah with an abundant herd of goats, which more than provide for the needs of the family, and a child moves away to start his or her own family, it would not hesitate to give the new couple enough goats to start their own herd and build their lives and happiness. At most it would ask them to return, when their herd was abundant, the same or slightly more goats than they started with. Then, all are provided for and able to live and grow closer to God. We should behave that way with all, as long as it doesn't harm our family. Then, all are provided for, able to live and grow closer to Allah.

Banks are where we store abundance now, instead of in herds of goats. If we have more than enough, we put extra money in the bank for safe keeping. Then, the bank is in the position to share abundance. A bank should behave no differently than a man of God. It's the bank's role to behave as a man of God and generously share abundance, help us establish lives and live well, and be free to be closer to Allah.

It's fair for a bank to request an amount loaned be returned when it's no longer needed, so it can be shared with another. It's also fair to request the person borrowing money to contribute a fair share of costs to operate the bank for that purpose, including costs of the loss of value of that money to inflation, costs to support its facilities and fairly compensated staff. That lets the bank continue to exist and do what it does for the greater good of all and the greater glory of Allah.

It is not fair or desired for the bank to demand and receive more money than that, for the benefit of its owners, because that corrupts them, diminishes their spirits and moves them further away from Allah. If the person or people receiving the money loan are able to create excess abundance with it, Inshallah, they also deposit that excess abundance in a bank, where it can be available to be shared with others. As we all do that, we create and share abundance with all, and we all grow closer to Allah. All benefit!

Tengi Semangat, a charming Singalongean woman, wrote *The Purpose of Banking and Financial Systems*. It argued that a banking and financial system has three true purposes:

- 1) to facilitate trading by creating and maintaining a stable and fair, common monetary system, that we choose to believe in and support because it serves as an efficient medium of exchange;
- 2) to give people safe ways to store and share excess abundance in the form of money; and
- 3) to show confidence and trust in people by giving them use of the real resources they need now to create abundance in the future.

We choose to believe in a fake money system, because it lets us share what we have an abundance of, efficiently exchange that for money, and efficiently use the money to address our needs and desires. We choose to believe in banking and financial systems because of the personal and shared benefits of having safe places to store our abundance as money, so we do not suffer setbacks from losses we might realize if it were stored in other forms, like abundant stores of grain rotting. We choose to believe in systems for trusting and loaning to or sharing with people money they need to acquire resources they need to produce abundance for themselves, and to share with others, because doing so allows all of us to produce more abundance faster than we could if we did not trust each other and share resources.

With these and other ideas “in the air,” President Sioux called for a group to proactively determine what the people wanted in an economic, banking and financial system and an optimal plan for creating that.

That group had economists and academics, bank, business and financial institution representatives, and diverse representatives of communities, government, socioeconomic groups, immigrants, non-profits, women’s groups, and economies abroad. That group studied the issue for 3 years, conducting enormous public opinion polls, accepting a tremendous volume of input from incredibly diverse sources, with a wide variety of means. It studied other systems abroad. In the end, it determined we wanted:

1. A shared monetary system we all believe in, to facilitate efficient trade between all.
 2. Allowance of community monetary systems, to incent money staying in local economies and local economic multiplier effects, and make it harder for businesses to exploit local markets and extract money and real wealth from local economies.
 3. For the U.S. government to take over the Federal Reserve Bank, restoring the right to coin and control money to the government, and providing to the U.S. people complete transparency and accountability of the U.S. money and banking systems, including privately held institutions.
 4. A fair redistribution of financial income and wealth across the U.S. population.
 5. An economic system that endeavors to count the complete current and future costs to all, including to natural systems and other life, of any action by any, attributing to any individual or enterprise responsible for creating them full costs and responsibilities for correcting problems.
- We want to prevent activities that create harm and protect health and environments.

6. An economic system that endeavors to count the complete current and future real wealth realized across all of us likely to be created or maintained by any individual or enterprise effort and measures and honors success to the extent that it creates real wealth in excess of real costs.
7. Shared banking and financial systems that let us safely store accumulated abundance as money, without fear of loss, which trusts and provides use of that excess abundance as money to enlightened and credible people, so they have the resources they need to execute feasible plans to create real wealth in excess of real costs. The system should provide mentoring and coaching to help those efforts succeed, evaluate performance, praise successes, and shift resources from those performing poorly to those with better prospects, after a fair amount of time.
8. The elimination of monetary profit motives for any banking or financial institution.
9. Breaking up banks, financial institutions and corporations called “too big to fail,” as just too big, so the failure of any institution other than the Federal Government or Federal Banking System would not be a significant risk to the economy or banking and financial systems as a whole.
10. A simple and fair system of taxation, so there are no loopholes to anyone; anyone operating in the U.S. pays a fair share of taxes; tax returns are simple to prepare and understand; and those with little pay low taxes and those with much pay high taxes, so income distributions are fair.
11. To provide fair markets for securities, or ownership of corporations and other enterprises, but to strongly disincent speculation in those markets, which does not produce real wealth.
12. A system of low-cost electronic payments that do not inflate costs as invisible taxes to all and profits to financial institutions, like credit card systems do, with 3% fees on all transactions.
13. Fair living incomes that assure a good quality of life for all, including meeting all basics needs, eliminating large income and wealth differentials that create bad feelings and social problems.

After decades of effort to implement these changes, revise plans, adjust activities and make it work, now in 2060, the economy, banking and financial systems, real wealth, natural systems, living beings and people are thriving. The primary measure of our health as a nation is the evolving *Real Wealth Index*, aggregating a complex system of real wealth measurements using powerful computing systems and AI, which take into account the health of natural systems and beings, real benefits and abundance created real costs incurred and anticipated, and how people feel about our lives.

When government took over money from the Fed, it traded 1 new dollar for each 10 of the old dollars. The Federal Government determines how much new money our monetary system creates every year, part of its annual budget process. New money is distributed through community banks for community investment in efforts to produce real wealth. All banks and financial institutions are not-for-profit. Their roles are to provide safe havens for money, to facilitate trade, and to trust and provide use of that money to make needed resources available to enlightened and credible efforts to produce real wealth.

Government revokes the charters and seizes assets and past profits of corporations producing real costs in excess of real wealth and uses them to mitigate harms via decisions made in open and fair courts. Activities of all banks, financial institutions and corporations are now fully transparent to the public, including board and management meetings, which are recorded and reviewed by public oversight agencies and watchdogs, and supplemented by whistleblower information. All are non-profits.

Interest rates to bank depositors are fixed at inflation plus 3%, no matter who it is. Interest rates to borrowers are managed to cover the regulated costs of financial and banking institutions. Simple. Basically, the banking and finance industries are managed like non-profit AAAA auto insurance was.

In the early years, inflation was relatively high, because we were creating more money than usual to provide resources for badly needed efforts to invest in and create real wealth. Those loans were easier to pay off, because loan amounts were fixed and there was an increasing amount of less valuable money available in the economy for loan payments. In other words, loan payment amounts stayed the same, while dollars received as revenues and salaries increased, even if only the same amounts of goods and services were sold, because salaries and prices of goods and services increased by amounts of inflation.

Depositors were stable, because they got a safe, real rate of return of 3%, no matter what inflation was. The value of the money paying back loans was lower than the value of the money that was borrowed. That helped new efforts get on their feet quickly. As real wealth investments have started steadily “paying off” with steady long-term yields of real wealth benefits, there is now less need for new money to make new investments, so money creation and inflation are now at lower levels.

Especially in the 2030s and 40s, non-profit communities developed and used local currencies as internal means of exchange. A member contributed efforts to create real wealth in a community in exchange for local currency, work or contribution credits, in a wide variety of systems created and experimented with.

All members pitched in, in their ways, and the local currencies helped communities manage fairness of contributions, without the drag of associated tax burdens, because non-profit community local currency exchanges aren't taxed; only national currency exchanges are taxable. All for-profit corporate entity activities must be conducted in the national currency and are taxable. Exchanges exist for converting local currencies to the national currency, valuing local currencies 20% higher than the national currency. Currency passed around in local economies incents and facilitates local activities and trades, igniting local multiplier effects, and making it more difficult for outside entities to extract money and wealth.

These incent activity within communities. One member gets community currency to grow vegetables, another to build facilities, another to prepare meals... Each passes currency to others for their efforts, doing what each does well to produce real wealth for the community, motivated by passing fake money. Guest workers are compensated for expertise and contributions to a community with benefits shared by the community, like food and accommodation. Barterers are negotiated between communities for contributions between communities, like members of one community vacationing as guests of another, in exchange for helping it create something like theirs, each learning from and helping the other.

Systems for measuring real wealth and real costs are complex and ever-evolving, counting things like the health of natural systems; production of harmful wastes; cleanliness of air, water, land and habitations; wildlife numbers; people meaningfully engaged and supported; clean energy produced; health; utility of enabling tools and technologies; information, knowledge, experience and wisdom shared; social benefits created and shared; entertainment provided; people helped; problems solved; satisfaction, fulfillment, security and happiness created; and all kinds of subjective feedback on how we feel about things.

“Walled Streets” isn't such a big influence now. Its non-profit institutions don't control money or its uses as much. Major banks, financial institutions and corporations were disaggregated, so none have disproportionate power, control or influence. If any fail, that doesn't harm the system as a whole much.

Markets exist to trade business ownership, but speculation to profit on those trades has been deterred in various ways. For example, short-term capital gains are taxed at higher rates than individual income.

Electronic payment systems charge a flat rate, currently averaging \$0.03 per transaction in 2020 values, representing the real costs to financial institutions for executing money transfers, rather than secretly gouging all transactions for profit with things like 3% credit card fees. That provides real benefits of trade to our shared economy, without the drag of extracted profits slowing economic activity for all.

Our economies are strong, because people are actively engaged with life, applying ourselves to improve ourselves and produce real wealth and abundance for ourselves and others; we have and are investing for the long-term in communities, infrastructure and shared systems that provide for our needs and produce real wealth benefits, while reducing real costs; our efforts produce results that address and benefit all, not ignoring anything or leaving anyone out; and we are satisfied, happy and fulfilled, feeling our contributions matter and we are making our worlds better, for ourselves and future generations.

We understand and accept that economics is an artificial science, designed to incent behaviors that create real wealth and abundance and reduce real costs. We now have measurements that better track and motivate how we do that. We're no longer stuck in a system obsessively focused on fake money, gross and excessive consumption and endless greedy acquisition as what is valuable.

The great shift in humanity has been accompanied by a shift in our values and economic systems, like:

Comparison of Some Elements Of	
20th Century Neo-Liberal Economic Thinking	21st Century Earth Citizen Economic Thinking
Economics is a hard science we should trust and apply, like physics, because it uses mathematical models.	Economics is something invented by humans to manage human behaviors, and it is vulnerable to human failings.
All are individuals competing with each other for scarce resources and consumption.	All are part of communities cooperating to create abundance meeting real needs of all, in harmony with all.
Provide as little oversight as possible and greedy, self-interested behaviors will magically solve all problems through free markets. Try to get yours, at all costs, and everybody will be able to get theirs, somehow.	We must raise consciousness as humans, so our greedy, self-interested behaviors will not cause us to continue doing harm and will help us to make the many decisions and take the many actions needed to proactively solve problems and meet shared needs
Me, me, me	We, we, we
We can keep on taking and consuming as much as we want forever, and there are no limits to that, somehow. We must keep growing eternally or it all collapses. More is always better.	We responsibly choose to use well no more than we truly need, because systems must be in balance and harmony to survive and thrive, and imbalance creates harms. Enough is plenty.
Financial returns and profits are the only real measure of success. Money is the most important thing there is.	Money is not real, but it's useful as a means of exchange. Measure success with real wealth net of all real costs.
Happiness comes from acquiring money and using it for self-interested consumption.	Happiness comes with higher consciousness and real wealth and health for all.
We must compete with each other.	We must collaborate with each other.
Unfairness and inequality are OK, because some are naturally better than others.	Everyone deserves a decent life and fair treatment, honoring our natural diversity.
Private banking systems and money controlled by some for unfair advantages meet our needs as society.	The people must own and control their financial, banking and currency systems, accountably and transparently.
Financial and banking businesses run to maximize owners' profit, putting them in competition with their customers' and public interests, meet society's needs.	Financial and banking operations must focus on public service missions, fairly compensating their workers.
Belief in and efforts within capitalism are more important than belief and efforts within shared government of society.	Belief in and efforts to produce fair shared governance for all is more important than failing capitalist systems.
Corporations are more important than people, deserving benefits without responsibilities of citizens.	Real people, nature and living systems are more important than artificial corporations.
Self-interested games to allow some to cheat are OK.	Nobody cheats. Everything is fair to everyone.
We give money and resources to whoever is good at getting money from others, with low money costs, without counting other costs.	We give money and resources to who use them to create shared real wealth and abundance, net of all real costs.
Nature is for humans to compete against and exploit.	We are parts of nature, which is more important than us.
Speculating in abstract financial games produces legitimate wealth.	Speculating in financial games produces no real wealth and is a distraction.