



Forum for Stable Currencies

Advocating Economic Democracy through Freedom from Debt

Convenor: Lord Sudeley FSA; **Host:** Lord Ahmed; **Organiser:** Sabine McNeill;
Chairman: Donald A. Martin, Company Director; **Vice-Chairman:** Austin Mitchell MP
Minute Secretary: Canon Peter Challen, Chairman, *Christian Council for Monetary Justice*

NEWS RELEASE

21 July 2005

PUBLICLY-CREATED MONEY

A Mechanism for Making Poverty History – At Home and Abroad

Early Day Motion 390 entitled “Publicly-Created Money” was tabled by Austin Mitchell MP on June 22nd, 2005. It urges the Treasury and Treasury Select Committee to commission independent reviews on how to increase the proportion of publicly-created money in the economy and on the benefits of doing so.

Publicly-created money is created by the State free of interest, whereas privately-created money is supplied by banks as interest-bearing debt.

The EDM draws attention to the fact that the dwindling proportion of publicly-created money in the money supply is among the causes for increasing personal and corporate indebtedness and the continuously rising gap between rich and poor. See EDMs 2 and 3 entitled *Gap between Rich and Poor* and *Gap between High and Low Earners*.

Besides taxation and borrowing, publicly-created money is the third income stream for the State. But tax evasion has become commonplace among companies which the *Tax Justice Network* draws attention to. Richard Murphy, Director of *Tax Research Ltd*, says: “It is estimated that there are more than 2 million offshore companies and more than 350,000 offshore trusts that hold between US\$3 billion and \$US8 billion. This is an evasion of the social and corporate responsibility towards the State.”

The dangers of public borrowing are signalled by the need to cancel debts in developing countries and the enormity of the US national debt.

James Gibb Stuart, author of *The Money Bomb* in 1983, predicted that the ‘Public Sector Borrowing Requirement’ would reach £25 billion – just to pay the interest on the national debt - which is close to reality today. In *Fantopia – Invoking the Public Credit for a Balanced Economy and Social Justice*, he quotes Reginald McKenna, the Chairman of the Midland Bank in 1924: “I am afraid the ordinary citizen will not like to be told that the banks can and do create money. And they who control the credit of a nation direct the policy of Governments and hold in the hollow of their hand the destiny of the people.” He had been Chancellor of the Exchequer in 1915-16.

Donald Martin, Chairman of the *Forum for Stable Currencies* says: “I hope that more and more MPs begin to understand the mechanisms of money creation and welcome constructive proposals for redressing the balance between state-created money and bank-created credit.”

Lord Ahmed, the Host of the *Forum for Stable Currencies*, says: “I only hope people wake up to the detriment of usury in its financial capitalism. In Islam it is a deadly sin to take interest for money.”

This EDM is the fifth of its kind during four Parliamentary years. Taken together, these EDMs have been signed by a total of 54 MPs.

For further information, please contact the Organiser of the *Forum for Stable Currencies* Sabine McNeill on 020 7328 3701 or via sabine@globalnet.co.uk.

*A Voluntary Initiative of Parliamentarians and Concerned Citizens
across the full political spectrum and from all religious persuasions*

Organiser: Sabine McNeill • 21a Goldhurst Terrace • London NW6 3HB • 020 7328 3701

www.monies.cc - sabine@globalnet.co.uk