

# A POSSIBLE OUTCOME OF THE Global 24 Initiative'S STRUCTURED CONVERSATIONS

## Appendix A. to "Global FED" article

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The Global 24 Initiative is part of the work that Dr. Verhagen has been engaged in as a sustainability sociologist of international development resulting in the Verhagen 2012 *The Tierra Solution: Resolving the Climate Crisis through Monetary Transformation* book, the foreword of which can be found [here](#). It is being updated in *Ample Money: What, why not, how and whither?*, where he argues for reformist measures and transformational policies in the three subsystems of the global economic system. Its earliest source of influence and inspiration is his work in Ghana as a missionary priest during the sixties and his studies in the seventies at Columbia University in international affairs with a concentration on African Studies that resulted in a PhD in the sociology of sustainable international development. His views on the limits of growth were expressed in an encyclopedia article in 2010<sup>i</sup> and his views on social and ecological peace was expressed in 2014 article.<sup>ii</sup> More background information can be found at [www.timun.net](http://www.timun.net) and [www.globalepe.org](http://www.globalepe.org).

The following list of 4 reformist measures and 4 transformational policies in each of the three subsystems of the world economy are from an original draft article of October 20, 2020. They are presented as an example of what the schematic outcome of the Global 24 Initiative highly participatory conversations may look like. The schema is used as an appendix to his presentation on the structure and process of a Federated Global Sovereign Monetary Authority (Central Bank) during the Alliance's Coffee House on February 22, 2021.

## FINANCIAL IMPERATIVES/DEMANDS

### Introduction

Particularly since the 1930 reformist and systemic financial changes have been advocated and some of them such as public banking has been adopted. With emergence of the Modern Monetary Theory the focus has become one that proposes a clear separation between money-creation as a public utility and money lending as a commercial business. One venue which could incrementally lead to this separation is the establishment of a digital variation of cash. Once people get accustomed to digital cash, *Ons Geld* reasons, it will be easier to end the bank privilege of money-creation.<sup>iii</sup>

### Reformist financial measures

- A) Financial democracy

➤ Development of **financial reform measures**

1. Banking systems, both privately-owned and also publicly ones, are to operate on 100% reserves which means that they are not to be in the business of creating money via the fractional reserve system
2. Public banking with 100% reserves is to be pursued by political jurisdictions such as states and local governments until the international financial transformations are in place.
3. Banking via Post Office would be banking without money creation and can be done domestically as it does not operate internationally.
4. Supplemental currencies can be instituted by local citizens and businesses with or without participation of public authorities.

### Transformational financial policies

➤ Development of **transformational financial policies**

5. Monetizing sovereign (governmental) debt can be done as a reformist measure or as transformational policy of a new global financial system under the MMT (Modern Monetary Theory) umbrella.
6. The US dominated International Monetary Fund and its Chinese counterpart will establish the world's finance facility and jointly manage and finance governmental policies in cooperation with the proposed Federated Global Central Bank (FGCBK) and the appropriate UN agencies engaged in the 17 SDGs(Sustainable Development Goals) of the UN 2030 Agenda.
7. The Global North dominated World Bank and its Chinese counterpart will establish the world's development organization, and jointly manage government sponsored projects in cooperation with the above-mentioned Central Bank and the appropriate UN agencies.
8. Both the new global financial facility and development organization are to establish a powerful Research and Development Program drawing on world-wide resources in business and academics.

## FISCAL IMPERATIVES/DEMANDS

### Introduction

Tax fraud and tax havens and under-invoicing of precious metals and other resources are easily identifiable issues that can be counteracted by reforming the complicated global fiscal and

accounting laws. A major way of counteracting them is to use the taxation system not for economic projects because under the Modern Monetary Theory ample money would be created for that purpose, but for social reasons such as reducing inequality of pay between executives and employees.<sup>iv</sup>

- B) Fiscal democracy

- Development of **fiscal reform measures**

9. Tax havens are to be identified and procedures to be developed to close them down
10. Fiscal policies can be subjected to participatory decision-making by having them listed with values underlying them clearly spelled out.
11. Universal Basic Income (UBI) is to become a standard component of fiscal policy.  
<https://www.nytimes.com/2020/11/06/world/europe/bohmeyer-berlin-basic-income.html>
12. Personal bankruptcy laws such as those regulating student debts are to be designed with a view on personal assistance rather than the wellbeing of lending organizations. Cf.  
<https://www.nytimes.com/2020/11/07/your-money/student-loans-bankruptcy.htm>

### Transformational fiscal policies

- Development of **transformational fiscal policies**

13. Taxation is to be greatly reduced because governments will create most financial resources under the financial laws originating from the various versions of the Modern Monetary Theory.
14. These reduced taxation schedules have to be coordinated regionally and internationally.
15. These reduced taxation policies have always to include incentives for decarbonization.
16. These reduced taxation policies have always to include incentives for maximum employment in jobs with a high sustainability levels on local and international levels.

## MONETARY IMPERATIVES/DEMANDS

### Introduction

Reformist measures such as the third monetary mandate for monetary authorities, SDRs and others can lead to the more challenging systemic transformation of the unjust, unsustainable, and therefore, unstable international monetary system by the introduction of the decarbonization monetary standard and its associated global and national monetary architectures.

- C) Monetary democracy

- Development of monetary **reform measures**

17. Add decarbonization/optimal solarization as a **third monetary mandate** besides the existing dual mandate of the Federal Reserve System of price stability and maximum employment.
18. Have IMF member states issue \$500 billion of Special Drawing Rights (SDRs) the greater part of which is to be directed towards countries in the Global South.
19. Have representatives of the Global North, both government and private capital, engage in resolving the proposed **African Debt Repayment Strike (ADRS)** by concluding a Timbuktu Treaty of financial, fiscal and monetary reformist measures.
20. Develop other leverage points to put into motion financial, fiscal and monetary reformist measures that could lead to transformation of the present unjust, unsustainable, and therefore, unstable international monetary system.

### Transformational policies

- Development of **transformational monetary policies**

21. Make decarbonization the **monetary standard** of the present unjust, unsustainable, and therefore, unstable international monetary system as proposed in Verhagen 2012 "The Tierra Solution: Resolving the Climate Crisis through Monetary Transformation" and its 2021 sequel on "The Tierra Monetary Pathway towards a Just, Sustainable Global Governance System for the 21st Century".
22. Have the world's **balance of payments** reflect the above decarbonization-based international monetary system by accounting for both financial and ecological (climate) debts and credits.
23. Have the world's **federated central bank** issue coin and determine the value of a nation's currency based on its decarbonization level and consider a digital world currency in the near future.
24. Have the proposed **world's monetary court** adjudicate any conflict between national and regional monetary authorities.

i [Humankind and Consumption of Renewable and Non-Renewable Resources: Limits of Growth as a Challenge or Unlimited Growth as a Solution?](#) POLICY AND GLOBAL SECURITY–Volume I, 2010 - [books.google.com](#)

ii Sustainable communities: a lens for envisioning and achieving a community-based culture of social and ecological peace in <https://doi.org/10.1080/17400201.2014.954361>

iii <https://www.monetaryalliance.org/dutch-report-on-money-and-debt-and-its-reception-by-ons-geld/>

iv <https://www.nytimes.com/2020/11/19/nyregion/trump-fraud-investigations-taxes.html> ***Trump Tax Write-Offs Are Ensnared in 2 New York Fraud Investigations*** Inquiries into the president and his businesses, one criminal and one civil, are now looking at tax deductions taken on consulting fees. Some of the payments appear to have gone to Ivanka Trump. An innovative way of taxing overpaid executives was adopted recently in San Francisco.