

NON-MONETARY CIVILIZATION

How We Can Evolve the Obsolescence of Money

by James Jaeger

Virtually anyTHING can be "traded" as money, but the exact point about money resides in the very idea of TRADE or exchange itself.

The essence of trade or exchange -- two words always associated with MONEY -- "always" connote scarcity. I have to TRADE with you -- take some thing FROM you when I GIVE you some THING of mine -- we do this because we LACK abundance of those THINGS that we EXCHANGE with each other. These THINGS are "scarce." We have to keep it even. Quid pro quo.

So "money" is a substitute for THINGS that must be TRADED, because THINGS are "scarce." Quid pro quo is thus the hallmark of stagnant, depraved civilization that must keep score with "money" in order to exist (if stranded on a tiny, hostile planet, embedded in an ignorant, meat-body, quarantined from the vastness of space is your idea of existence).

Given these conditions -- the "HUMAN CONDITION" -- I offer the idea of a civilization that has created such abundance that TRADE would never come to mind, let alone be necessary. In such a civilization, I simply GIVE to you whatever you ask for and you simply GIVE to me whatever I ask for (like we do with bits and bytes). We do this because we CAN do this and because there is no scarcity. And a by-product is we don't complicate our lives with keeping score. Money is how societies -- dying from scarcity and non-production -- are forced to keep score in order to "survive." They are forced to keep score because if they don't, they could lose their "means of production," i.e., capital.

Ironically, Murray N. Rothbard, although a monetary apologist, has given us a clue on how a non-monetary civilization could be developed. Granted, the idea of a non-monetary civilization sounds counter-intuitive -- if not communist, socialist or just wacky -- but hear me out, as it MAY be possible. Here's how it could happen.

The Origin of Money:

A commodity money is established. The commodity could be anything authorized and accepted by the human participants in an economy. All non-human entities -- such as corporations and governments -- would not qualify as participants, because to include them would be to double-account.

Once a medium of exchange is established (gold is usually chosen), as Rothbard says, any amount of money will suffice. The vital point is this: once the economy has been set into motion, NO new money can be entered or removed. This means fiat currency is out. It also means that adding additional gold, through mining, is probably out but additional gold entering the system from hoarders should be fine because the market will automatically equilibrate the surplus and reflect the new price of gold in the new cost of products and services. Of course this same thing would happen if more gold was mined, but what we are trying to arrive at is an economy with a totally static money supply and this will happen once all hoarded gold has been flushed out, there is no more gold to be mined.

In such an economy -- again, one with a stable and unchanging monetary base -- people will still continue to produce products because that is what humans have been doing for 100,000 years -- with or without money -- and even before money was invented.

As they produce products, the supply of products will rise exponentially but the amount of money in circulation (representing such products) will stay the same (or only rise arithmetically as hoards are liquidated). Under this condition prices of products will decrease. They will decrease because there will be fewer monetary units chasing more products, thus the purchasing power of the monetary unit will rise. Detractors will label this as "a deflationary economy," as if deflation is a bad thing, or as if "prices should remain stable." Ever hear the Open Market Committee from the Federal Reserve System use this language. "We promote "price stability." Yes, folks "price stability" is one of the most vicious memes to ever hit human civilization. It's vicious because it's a recipe for STAGNATION. When prices stay the same, or rise, what you actually have is a stagnating civilization, as Robert Zubrin might say in his book ENTERING SPACE.

Deflation vs. Inflation:

But we endlessly hear that "deflation" is a really bad thing. And surprise, I agree, it IS, that is UNLESS one takes one thing into account, a thing that I don't see Rothbard acknowledging . . . or even Adam Smith. That thing is the fact that LABOR is different than PRODUCTS. To lump them together, as modern and ancient economists do, is a fallacy. The two are orders of magnitude different. What a human being is capable of DOING, is orders of magnitude DIFFERENT from that THING that a human being produces. Further, what a human-machine combination is capable of DOING, is even greater orders of magnitude DIFFERENT from that THING that a human-machine being produces. And here's why.

Labor vs. Products:

In a deflationary economy, you will have a demoralizing effect upon human workers unless the difference between LABOR and PRODUCTS is recognized. A deflationary economy is ONLY healthy if the price of PRODUCTS goes DOWN and the price of LABOR goes UP or stays constant: if people get paid more every year, yet their cost of living decreases. Isn't this the ideal scene? You get paid more every year -- because you are more learned and experienced as a human being -- yet the STUFF you want to buy costs LESS. So this is the ideal economy, I think most would agree.

And here is the key to this ideal economy, an economy of, as we shall see, infinite abundance.

The amount by which LABOR costs increase should be off-set by the amount PRODUCT costs decrease. This sets up a desirable equilibrium in a deflationary economy. People keep getting paid more for their services, but the products they buy keep getting cheaper. They keep getting cheaper because they are constantly becoming more abundant and/or of higher quality, i.e., they work better and last longer. If they work better and last longer, society has less waste and fewer errors and omissions. Again, why are products getting more abundant and/or of higher quality/durability? Because the labor force is getting more practiced in producing and if machines and computers are augmenting their production in greater numbers, we have a multiplier effect. Thus if humanity TEAMS with machines, it need not be REPLACED by them.

As this happens -- supply of products increasing AND the quality of labor increasing -- the cost of products will decrease AND labor will be able to garner to itself an increase, such increase extracted from the decrease in the cost of manufacturing of products.

Thus, what is in effect happening in an economy with a stable money supply is the purchasing power of the monetary unit will rise -- and if left alone from governmental intervention and fraud from the banking community -- the purchasing power will increase towards infinity. It will thus will require fewer and fewer monetary units to purchase -- or "exchange" for -- products. In other words, the increasing abundance of products will eventually make it UNNECESSARY that "I have to TRADE with you -- take some thing FROM you when I GIVE you something of mine -- because I lack abundance of that which I EXCHANGE with you."

The Obsolescence of Money:

If you do the calculus of such a "deflationary" economy, MONEY eventually evolves its own obsolescence. It does this because its purchasing power rises towards infinity. This will probably happen geometrically or exponentially. First it takes 1,000 monetary units (dollars) to buy a desktop computer, then 500, then 250, then 125, then 63, then 31, then 16, then 8, then 4, then 2, then, .9, then, .5, then .2, then .12, then .06, then .03, then .02, then a desktop computer is FREE. At this point, you have arrived at a non-monetary civilization, a civilization where a premium is placed on human-machine ability, and the products created by such nexus. In an economy that emphasizes production rather than consumption -- the stage is set for products to become so abundant, using "money" to keep score of their existence costs more than their production.

This scenario is possible. All doubters need do is look around at the apparent infinities presented in the knowable Universe and ask themselves one simple question: what is the greater challenge humans will ultimately face: 1) exchanging bits of matter with each other and keeping a tit-for-tat score with an archaic device known as "money," or 2) solving the mysteries of existence, exploring and colonizing endless other worlds each repeat with unlimited resources?

Keynesian Fallacies:

Critics, especially critics indoctrinated by Keynesian economics, will say that production is stimulated by demand and demand is stimulated by people having money to spend --thus the "justification" for governments to borrow and spend money into the economy in order to "stimulate" demand. This approach is hogwash, economic double-talk. It's not "money" that stimulates demand, it's the desire to HAVE THINGS that stimulates demand. Compared to actual PRODUCTS, money is a junior player in the game of life. That money is indispensable should serve the purpose of illuminating to humanity just HOW powerful dangerous memes can be. Money is ONLY important to the class that creates money, i.e., the banking and legal class. Money, in the long run, will be seen to be a transient technology a race of creatures once used to bridge their society from a type Zero Civilization to a Kardashevian Type II Civilization. The desire to HAVE things that enhance and improve survival in a wilderness universe is what stimulates demand. I demand to have a hammer, NOT because I have pieces of representation ("money") in my hand generated and enforced by government fiat. I demand the hammer because I desire to build a nice house that I, my wife and children, can live in and thus keep the wilderness Universe off our backs. Money is the junior player in the game.

Again, you will NEVER hear this from people and central banks that make and profit off the CREATION and CONTROL money, OR their apologists. These broad-picture-challenged Beings will ALWAYS swear by the technology of money -- and it's ugly sister, debt -- and endlessly promote it as the CAUSE of human desire. Hence, we have evolved the dumbed-down "consumer" society rather than the Who-is-John-Galt "consumer" society. Remember, as discussed above, the more a society produces, the LESS money that society needs because the purchasing power of every monetary unit increases toward the calculus limit of infinity. If you are a creator of money this is the LAST thing you want happening: a situation whereby the demand for MORE of YOUR "product" is static or decreasing. And THIS is why the memes of "money creates demand" and "money is a store of value" are promoted even MORE viciously than the memes of "government is indispensable" and "government is there to protect liberty."

A banker does not "earn" money unless he is able to "rent" money. Rent on money is called "interest." A banker's "fee" is thus known as "interest." Unlike the builder who must build apartment complexes in order to collect rents, a banker doesn't have to build anything. He can simply create money out of thin air using a process known as "fractional reserve banking" or "the mandrake mechanism." That banker can then collect additional interest on the money created out of thin air. When one can create residual income with ZERO marginal costs of "production", they are effectively generating money at an infinite interest rate. This makes it possible for the banking class to generate almost infinite profits and thus use this unjust enrichment to perpetuate the meme of money. So of course our "modern" world places money and consumption at the very center of the economic equation. This is an illusion. PRODUCTION is the center of the economic equation, not monetary-driven consumption.

Production does not even require money to happen. Bartered services produced products for thousands of years before money was even invented. When money was invented -- and it was honest money, not fiat currency -- it DID facilitate the development of civilization. BUT when abused, money is the destroyer of civilization, as we are now witnessing.

Again, production can happen under conditions that don't include money. This is difficult to accept, for the universe appears to be a

catch-22 -- an interdependent, self-referencing system whereby event A does not happen until event B happens, and event B does not happen until event A happens. In other words, I cannot produce unless I have money, and I can not have money unless I produce. But this is an illusion and the banking mentality has used this illusion, this catch-22, to bolster the importance of money meme and thus entrap vast swaths of humanity into serfdom.

Summary:

These views on the indispensability of money, central banking and exchange will inevitably be attacked by monetary apologists (inflationists and statists) because their very existence depends on scarcity and endlessly inflating the world's money supply. They do this, consciously or unconsciously, so they are able to siphon off the productivity of human invention and labor for special interests and unjust enrichment. As stated above, when products get cheaper -- due to super-abundance caused by (nano)technology and the coming human-AI-machine nexus -- wages are in a position to rise if they are extracted from a diminishing technological cost of production, AND the money supply remains static.

Unfortunately, every time this happens in "our interdependent global economy" -- an economy based on fiat money and "inflationary" monetary theory -- it is the banking/political elites that get the fringe benefits, NOT the general populations, i.e., WE THE PEOPLE or WE THE 99%. In other words, every time YOU create a better computer program or a better computer (product) that makes more and better products, the corporate fascists in the government-sanctioned central banking cartel PRINT UP MORE MONEY (IN THE NAME OF PRICE STABILITY) to neutralize your productivity. In other words, they are using the technology of "money" to convert your productivity, YOUR energy, into THEIR energy, i.e., THEIR MONETARY energy. This is how they steal from you. This is how they siphon off your productivity. This is why the world always stays the same -- for the 99%, while 1% get unimaginably wealthy. THIS IS WHY YOU ARE A SLAVE TO A TECHNOLOGY KNOWN AS "MONEY." This embezzlement and fraud is a result of forever INCREASING the money supply, NOT holding it STATIC as Rothbard suggests would be the optimum. The banking elite steals the extra purchasing power from you through a hidden tax known as inflation -- rising prices, decreasing product quantity, quality and viability.

So this is the world you live in today. A world quickly bleeding its resources into the coffers of monetary scientists hell-bent on global totalitarian government where they alone are the masters and you are the slaves, slaves imprisoned by a obsolete invention known as "money."⁽¹⁾

(1) See my movie, [FIAT EMPIRE](#), if you don't know what I mean. Also see CORPORATE FASCISM if you still don't know what I mean after watching FIAT EMPIRE. These movies, and other movies, are at www.MoviePubs.net/singles or on YouTube for free if you can't afford a DVD because your beloved MONETARY system has so raped and pillaged you.

Originated: 28 September 2011
Revised & Supplemented: 14 January 2012

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