Reforming Money-Creation Policy

• Coining a nation’s money i.e. currency-issuance a traditional function of governments (U.S. Constitution; Prof. J. Huber “Sovereign Money” (2019).

• Money is not wealth, but a form of information, the metric used to track & keep score of human budget priorities, transactions and use of national resources.

• Prices are extrapolated from past and a function of human ignorance.

• Cryptocurrencies now challenging traditional government-issued money (fiat currencies) and central bank’s power & monetary tools, policies. (e.g. Facebook’s “libra”).

• Government policies & central banks ceded money-creation to private banks (e.g. Federal Reserve Act, 1913) and shadow banking evolved.

• Monetary policies of central banks failing—even QE and neg. interest rates.

• Fiscal policies stalled by debt overhangings and “austerity”.

• Loss of purchasing power, diminishing money-supplied consumer aggregate demand.

• Rising inequality, poverty in rich countries, productivity gains flow back to capital more than wages of employees.

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Public & Private Investments in Green Infrastructure

• Dealing effectively at scale with the climate crisis and preventing global recession requires a system-wide transition from fossil-fueled energy to renewable infrastructure.

• The Green New Deal “moonshot” approaches in the USA and Europe are the next evolutionary technology-led human development paths (typified by the UN SDGs).

• Global finance is lagging in science-denial still mis-investing in 19th & 20th century incumbent sectors and technologies (stranded assets in fossil reserves, livestock-raised meats, risky pharmaceuticals, mining of unnecessary gems).

• The global green transition requires re-directed R&D, public investments and procurement, redepolying and training displaced workforces to avoid recession and maintain purchasing power, aggregate demand.

• Multi-partisan consensus is possible investing in green infrastructure (private already booming), public via new monetary and fiscal policies:

  • Direct issue of no-interest green infrastructure bonds to local governments and via Treasury Direct.
  • Central banks green QE and negative interest rates.
  • Procuring green infrastructure with proceeds certified as green by ratings agencies e.g. SASB