

CHANGE ONE IDEA AND CHANGE THE WORLD.

❧
**BRIEF
INQUIRY
INTO
THE
NATURE
OF
THE**
❧ **INTEREST MECHANISM** ❧
&
10 STEPS TO SOLVE IT
❧

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**THE GREATEST POLITICAL CRIME IS THE CONSPIRACY TO MISUNDERSTAND AND
MISREPRESENT THE IDEAS OF OTHERS.**



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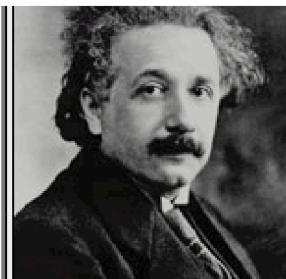
Geometric Progression, Compound Interest & Inflation

Geometric progression: a progression in which each term is multiplied by a constant (2) in order to obtain the next term. This is powerful stuff. A piece of paper folded in half 50 times would be thick enough to reach to the Sun. **Proof:**

1	1 point	Paperthin	26	6.56 miles
2	2 point		27	13.12 miles
3	4 point		28	26.24 miles
4	8 point		29	52.48 miles
5	16 point		30	105 miles
6	32 point		31	210 miles
7	64 point		32	420 miles
8	1.77 inches		33	840 miles
9	3.54 inches		34	1680 miles
10	7.08 inches		35	3360 miles
11	1.08 feet		36	6720 miles
12	2.16 feet		37	13,440 miles
13	1.44 yard		38	26,880 miles
14	2.88 yards		39	53,760 miles
15	5.76 yards		40	107,520 miles
16	11.52 yards		41	215,040 miles
17	23.04 yards		42	430,080 miles
18	46.08 yards		43	860,160 miles
19	92.16 yards		44	1.7 Million Miles
20	184.32 yards		45	3.4 Million Miles
21	368.64 yards		46	6.8 Million Miles
22	.41 miles		47	13.7 Million Miles
23	.82 miles		48	27.5 Million Miles
24	1.64 miles		49	55 Million Miles
25	3.28 miles		50	110 Million Miles

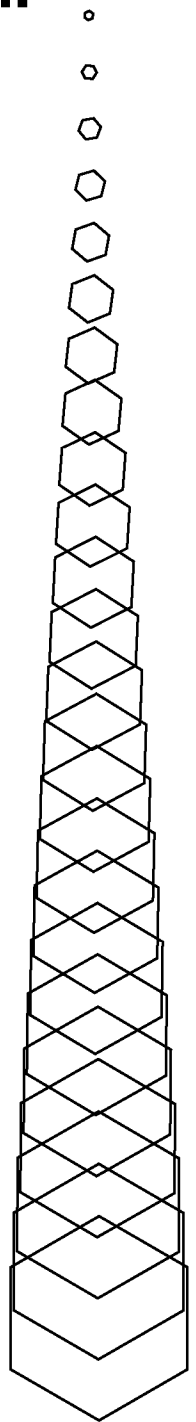
The Sun is 93 Million Miles away.

One step more, and the paper stack would reach to the Sun and back.



The same principle of geometric progression can be observed in compound interest. **Einstein is commonly credited as having said Compound Interest is the "greatest mathematical discovery of all time."** He should have described it as *the most destructive social force in nature*.

The Rule of 72 calculates the amount of time required to double the original loan/investment amount based on the interest rate. The higher the interest rate, the quicker the value doubles.



Within the context of the economy, this mathematical phenomenon needs a release, which occurs in the form of price inflation and National Debt. One man's profit becomes another man's debt. (The creditor vs debtor conflict.) Debt and inflation drive the demand for bigger profits and bigger wages. (The owner vs. worker conflict.) Productivity gains and higher selling prices are the survival responses of those who produce goods. (The Cost of Living increases with productivity gains.) Debt and increasing overhead costs drive sales and marketing at a frantic pace. Any action that creates a profit can be justified. (It takes money to make money, or slash costs - assume more debt or cut jobs.) The results become either a big success or a big failure. Moral and environmental consequences of economic activity become secondary when the choice is to survive or perish.

Those who manage to accumulate a surplus then invest (loan with compound interest) in response to inflation, thus driving the inflationary pressures they are trying to escape. The existence of surplus creates the illusion of excessive wealth. (The rich vs poor conflict.) These self-fueling cyclic events can be described as **The Interest Mechanism**.

With each step in the inflation progression, the values get bigger. Because money and time have been linked, time becomes a liability rather than an asset. The Rat Race is the process of chasing moving numbers, but nobody can outrun inflation. The numbers grow at too fast a pace, eventually resulting in political unrest. Everyone is a loser when the social fabric tears, but the big numbers mask the problem: *Inflation eats **everyone** alive*. Compound Interest is a compound mistake.

WHEN AFTERWARDS SOLON WAS ASKED WHETHER HE HAD MADE THE BEST LAWS HE COULD FOR THE ATHENIANS, HE ANSWERED:
"THE BEST THEY WERE ABLE TO RECEIVE."

10 STEPS TO PROMOTE LIBERTY & COMMONWEALTH

1.) All state fees and secondary taxes should be abolished: Inspection stickers, excise tax, fishing licenses, tolls, etc. Nickel & diming is wasteful and creates unnecessary overhead. If it is important enough for the state to regulate it, then the cost should be paid for by the general fund. The purpose of representatives is to prioritize needs.

2.) Mandatory car insurance must be abolished. If you want insurance, buy it. The state should not compel people to purchase a product sold privately. Mike Dukakis created No-Fault Auto Insurance because insurance cases clogged the courts with petty disagreements. It was well intentioned, but it doesn't work. Roads are public property and should be used at your own risk. It is not the obligation of the state to work out disagreements about who caused an accident. We should all be responsible for our own property, rather than suing somebody to repair ours. If the courts refused to accept those cases, then the problem of clogged courts goes away automatically. Yes, somebody probably did make a mistake, but of what value is this knowledge? The cure is more deadly than the disease. Most of the court cases involved the insurance companies avoiding payment and wanting another insurance company to pay instead. Accidents happen. Save your insurance payment for when that occurs. That is a true "no fault" system.

(People's licenses can be suspended for driving incompetently. Property should not be regarded as important as life. Courts need to deal with criminal activity and interpretation of law exclusively, not personal behaviors of no or limited consequence.)

3.) Ballot questions should have a preferential mechanism built-in. Yes or No doesn't express the will of the people. There should be a listing of nuanced choices, so the voters can prioritize their thinking and their choices.

4.) Privileges of all kinds must be removed. Married couples should not be taxed separately than single people. Copulation habits are not the business of the tax-collector. Exemptions for necessities (food and clothing) make the tax code automatically progressive and treat everyone equally.

5.) The government should not issue marriage licenses. Marriage is a religious ceremony, and has nothing to do with the State. If people want to create a legal contract that will outline the dissolution of their private moral contract, that is their choice.

6.) Economic activity is not the same as social activity. Stores should be closed at least one day a week to promote a day of leisure and enjoyment. This will also help level the playing field between small businesses and large businesses.

7.) Pension funds of government employees should be returned to the employee. The government should not be an investment banker for public employees at the expense of taxpayers.

8) Convert as many hospitals as possible to free health-care facilities. Hospitals like the Shriners give care for free and do an excellent job. That format of health care can be expanded. We need a system of health care, not healthcare insurance. Community volunteers and fundraising efforts should be directed at caring for people directly rather than through financial mechanisms. People pay what they can afford, not be driven into bankruptcy or blocked from care.

9.) Private and State funds should be created to administer a zero interest home loan for first-time home buyers. When selling the house, the buyer must sell the property at the purchase price. Capital is always a problem for the coming generation.

(The Crash of 1929 and Social Security has reversed the flow of capital dramatically so that the current generation is working to support the previous generation. This has created a situation where every generation is now feeding financially on their children because of inflation.)

10.) The retail practice of club and senior discounts and coupons needs to be banned. The same price must be charged to anyone who visits a store. Creating false privileges between races, ages, and mailing lists undermines the concept that all men are created equal. This would apply to airline tickets, automobiles and insurance.

ARE PEOPLE REALLY SO MISERABLE BECAUSE OF NUMBERS ON A PIECE OF PAPER? YES!

THERE IS ALWAYS A WAY TO RESIST THE EMPIRE, JUST MAKE SURE IT IS THE EMPIRE YOU ARE FIGHTING. IT IS AN IDEA, NOT A PERSON.

Commentary on Interest & Usury through history

God If one of your brethren becomes poor, and falls into poverty among you, then you shall help him, like a stranger or a sojourner, that he may live with you. Take no usury or interest from him; but fear your God, that your brother may live with you. You shall not lend him your money for usury, nor lend him your food at a profit. I am the LORD your God, who brought you out of the land of Egypt, to give you the land of Canaan and to be your God. *-Leviticus 25:35-38*

The Greeks The whole country was in the hands of a few persons, and if the tenants failed to pay their rent they were liable to be haled into slavery, and their children with them. All loans secured upon the debtor's person, a custom which prevailed until the time of Solon, who was the first to appear as the champion of the people. *-Aristotle describing the conditions before Solon authored the Athenian Constitution*

Magna Carta 10. If one who has borrowed from the Jews any sum, great or small, die before that loan be repaid, the debt shall not bear interest while the heir is under age, of whomsoever he may hold; and if the debt fall into our hands, we will not take anything except the principal sum contained in the bond.
11. And if anyone die indebted to the Jews, his wife shall have her dower and pay nothing of that debt; and if any children of the deceased are left under age, necessaries shall be provided for them in keeping with the holding of the deceased; and out of the residue the debt shall be paid, reserving, however, service due to feudal lords; in like manner let it be done touching debts due to others than Jews.

Joshua Child This makes me conclude that Moses (that wise Legislator) in his forbidding the Jews to lend money at use one to another, and permitting them to lend their money to Strangers; ordained that Law as much to a Political as a Religious intent; knowing that by the latter they should enrich their own Nation, and by the former no publick Good could insue; the consequences being onely to improvish one Jew to make another rich...
And if abatement of Interest (besides the general benefit it brings to all, except the Gripping Dronish Usurer) will adde new life and motion to those most profitable Engines of the Kingdom (as I humbly suppose)
--Brief Observations Concerning Trade and Interest of Money

Ben Franklin the Interest of Money being high is prejudicial to a Country several Ways: It makes Land bear a low Price, because few Men will lay out their Money in Land, when they can make a much greater Profit by lending it out upon Interest: And much less will Men be inclined to venture their Money at Sea, when they can, without Risque or Hazard, have a great and certain Profit by keeping it at home; thus Trade is discouraged.
-A MODEST ENQUIRY INTO THE Nature and Necessity OF A PAPER-CURRENCY. (Age 23)

Karl Marx Lastly, in the case of interest-bearing capital, the circulation M-C-M' appears abridged. We have its result without the intermediate stage, in the form M-M', "en style lapidaire" so to say, money that is worth more money, value that is greater than itself.
M-C-M' is therefore in reality the general formula of capital as it appears prima facie within the sphere of circulation. *- Das Kapital (Note: He misses the implication of interest entirely, and focuses on ownership of capital producing equipment. The correct formula is C=M+L Capital=Money+Labor)*

Osama bin Laden You are the nation that permits Usury, which has been forbidden by all the religions. Yet you build your economy and investments on Usury. *(Note: God also forbids taking the life of another. There is no exception for the frightened government or for the frightened individual.)*

Steve Interest is Slavery. Every war is a civil war, and then it spreads. It is not a political or religious struggle, it is a struggle between those with earned and unearned incomes. Everyone is both, depending upon their stage in life. A system of sharing is more desirable than a system of possession: Commonwealth. We can share misery or we can share happiness. Empire is an idea, not a fact. Money is just an intellectual agreement.

Love of money is the root of all evil, and Interest is the seed. Fear and Pride fertilize the root.

