Why does government borrow money from banks at interest
when it can create its own money without interest?
The Money Plan

Create thousands of jobs
Expand the money supply without price inflation
Build and maintain great roads and bridges

1. Minnesota law regulates banks. Not national banks like Wells Fargo but local state-chartered banks. However, the Money Plan can be implemented natonally as well.
2.

The Money Plan modifies "POWERS OF MINNESOTA STATE CHARTERED BANKS" to require state-chartered-banks to create money (just like they do now when making loans) to pay for construction and maintenance of all road and bridge projects.

3.

These payments are not loans and do not have to be paid back. They are full and final payments for a public purpose and the banks will do it because it will be the law.

4.

The banks will be exempt from reserve requirements on this aspect of their business.

5.

Fuel and axle taxes will no longer be needed and a billion dollars could be left in the pockets of individuals and businesses.

6.

Building and maintaining state-of-the-art roads and bridges will create many jobs, bring wealth-money into circulation, and expand the economy.

7.

This new money will turn over 4-8 times and be taxed at many turns, thus increasing state revenue that could be used to balance the budget and lower property taxes.

8.

The Money Plan provides safer roads, lower insurance costs, lower business costs, reduced vehicle emissions, reduced travel time, and less stress.

How money is created.

"When a bank makes a loan, it simply adds to the borrower's deposit account in the bank by the amount of the loan. the money is not taken from anyone else's deposit; it was not previously paid in to the bank by anyone. It's new money, created by the bank for the use of the borrower."

Robert B. Anderson, Treasury Secretary under Eisenhower, in an interview reported in the August 31, 1959 issue of U.S. News and World Report

The actual creation of money always involves the extension of credit by private commercial banks."

Russell L. Munk, Assistant General Counsel International Affairs, US Treasury

"A private commercial bank...simply makes book entries for its loan customers saying, 'You have a deposit with us.'"

Russell L. Munk, Assistant General Counsel International Affairs, US Treasury

"Money is created when loans are issued and debts incurred. Money is extinguished when loans are repaid. A loan from a bank creates a deposit which the borrower may draw upon for the payment of obligations. Some existing money in circulation must be acquired by the borrower to repay the capital of the loan. When that is returned to the bank it is withdrawn from circulation."

John B. Henderson, Sr. Specialist Price Economics, Congressional Research Service.

"Money that one borrower uses to pay interest on a loan has been created somewhere else in the economy by another loan."

John M. Yetter, attorney, US Treasury

Call for a "Money Plan" seminar - 612-529-5253