

VIDEO: The Solution to the Economic Crisis. Credit as a Public Utility:

By [Richard C. Cook](#)

Global Research, March 28, 2009

28 March 2009

Region: [USA](#)

Theme: [Global Economy](#)

A Video in Six Parts

Written and Produced by Richard C. Cook

March 24, 2009

©2009 by Richard C. Cook. All Rights Reserved.

Part One of Six Parts: *Credit As A Public Utility: The Solution to the Economic Crisis*

“Our Early Political Leaders Warned Us Against the Banking Interests”

Summary: Early U.S. statesmen, such as Benjamin Franklin, Thomas Jefferson, James Madison, and Andrew Jackson worked to free the nation from control by the bankers who had been behind the establishment of the First and Second Banks of the United States. During the Civil War, President Abraham Lincoln implemented a true democratic currency by spending Greenbacks directly into circulation without borrowing from the banks. These measures allowed the U.S. to develop for much of the 19th century largely free from bankers' control. By the end of the century, this had changed, and the bankers were taking over.

<http://video.google.com/videoplay?docid=3468056684550176104>

Part Two of Six Parts: *Credit As A Public Utility: The Solution to the Economic Crisis*

“The Federal Reserve

Summary: President Lincoln's Greenback system worked but was undermined and replaced by the financiers who got Congress to pass the National Banking Acts of 1863 and 1864, then the Federal Reserve Act of 1913. The United States now became a nation dominated by the financial elite, the banks, and a debt-based monetary system. Consequently, the 20th Century was one of constant cycles of inflation and deflation resulting in the economic chaos we see today.

<http://video.google.com/videoplay?docid=7247440563842157664>

Part Three of Six Parts: *Credit As A Public Utility: The Solution to the Economic Crisis*

"The Collapse of the Financial System"

Summary: The collapse we are seeing today began in the financial system, not the producing economy. The crisis started with the housing bubble which the Federal Reserve created by cutting interest rates and then brought down by raising them. The trigger of the 2008 bank meltdown was refusal by European banks to purchase any more "toxic" U.S. debt based on mortgages and sold as securities. Now, with the decline in equity values, the burden of debt in our economy has grown even larger. Thus a renewal of bank lending will not solve the problem, while the economic stimulus program of the Obama administration is likewise insufficient to restore economic health.

<http://video.google.com/videoplay?docid=-2586504549221421168>

Part Four of Six Parts: *Credit As A Public Utility: The Solution to the Economic Crisis*

"What is Credit and Who Should Control It?"

Summary: Fractional reserve banking is the process by which banks create credit out of thin air. But despite abuses of the system, credit is still a crucial part of modern economics. An enlightened concept of governance would view credit as a public utility. This means that government must take back the control of credit from the private financiers.

<http://video.google.com/videoplay?docid=-4061589997977265938>

Part Five of Six Parts: *Credit As A Public Utility: The Solution to the Economic Crisis*

"The Gap Between Prices and Income"

Summary: One of the most important and least understood concepts in modern economics is the existence of a gap between prices and purchasing power. This gap results when a portion of prices must be set aside as business and private savings. The money is then used by the financial system for lending and speculation. Keynesian economics takes control of some of the savings through government deficit spending but is still a compromise with control of the economy by the financiers. In fact Keynesian economics has helped cause the collapsing debt pyramid. A better system would be to provide consumers with a National Dividend as a way to monetize the continuous appreciation of the producing economy.

<http://video.google.com/videoplay?docid=3035089455833762689>

Part Six of Six Parts: *Credit As A Public Utility: The Solution to the Economic Crisis*

"The Greenback and National Dividend Solutions"

Summary: The U.S. should convert to a system where the money supply is created by the federal government by being spent into circulation without government borrowing or

taxation as was done with the Greenbacks. The Federal Reserve should no longer be a bank of issue. Additionally, a National Dividend should be paid directly to the people. The "Cook Plan" calls for the initial distribution of vouchers in the amount of \$1,000 a month plus a new system of community savings banks. Greenbacks combined with a National Dividend will create a non-inflationary democratic currency and transform the economy of the United States.

<http://video.google.com/videoplay?docid=2945437690287937254>

Richard C. Cook is a former U.S Treasury analyst who also worked in the Carter White House and for NASA and writes on public policy issues. His new book is *We Hold These Truths: The Hope of Monetary Reform* (Tendrill Press 2009). His website is www.richardccook.com. He is a member of the U.S. Basic Income Guarantee Network and has been an adviser to Congressman Dennis Kucinich and the American Monetary Institute. Purchase the DVD at Richard C. Cook's website.

The original source of this article is Global Research
Copyright © [Richard C. Cook](#), Global Research, 2009

[Comment on Global Research Articles on our Facebook page](#)

[Become a Member of Global Research](#)

Articles by: [Richard C. Cook](#)

Disclaimer: The contents of this article are of sole responsibility of the author(s). The Centre for Research on Globalization will not be responsible for any inaccurate or incorrect statement in this article. The Centre of Research on Globalization grants permission to cross-post Global Research articles on community internet sites as long the source and copyright are acknowledged together with a hyperlink to the original Global Research article. For publication of Global Research articles in print or other forms including commercial internet sites, contact: publications@globalresearch.ca
www.globalresearch.ca contains copyrighted material the use of which has not always been specifically authorized by the copyright owner. We are making such material available to our readers under the provisions of "fair use" in an effort to advance a better understanding of political, economic and social issues. The material on this site is distributed without profit to those who have expressed a prior interest in receiving it for research and educational purposes. If you wish to use copyrighted material for purposes other than "fair use" you must request permission from the copyright owner.

For media inquiries: publications@globalresearch.ca