

MPRA

Munich Personal RePEc Archive

Moneyless Economy

Das, Subhendu

15 June 2012

Online at <https://mpra.ub.uni-muenchen.de/39763/>
MPRA Paper No. 39763, posted 02 Jul 2012 05:52 UTC

Moneyless Economy

Subhendu Das, CCSI, California, USA

ABSTRACT

Moneyless economy (MLE) does not have any money in the economy. All products and services are free for all people. This means everybody must work, work for free, and get everything they want for free also. Any work that a society needs is considered legitimate. MLE is not socialism. MLE has the ability to provide a lifestyle that anyone wants. We show that it is possible to run the exact same economy that we have now, in the exact same way, and without money. Any government of any country can make smooth transition to MLE if it so desires and is not afraid of money power that exists today in our society. MLE will eliminate poverty, crime, corruption, and wars from the world. MLE will protect environment, human values, and bring true democracy to all countries. In a sense MLE will bring heaven on earth. We should understand that the money is free, like air, for the central bank, thus in one sense we have MLE now. Similarly the earth as given to us is also free. Thus all we need to implement MLE is to change our mindset. We need MLE for the evolution of the society to the next higher level.

INTRODUCTION

The laws of nature and the characteristics of nature are the fundamental truth of the universe. If any manmade system or principle does not match with this universal truth then we must make all efforts to change the system to protect the earth and the humanity. The present system of capitalism, headed by the privately owned central bank (CB) as king, has evolved along with the internet technology and financial system, created the global money, and has made the system ready to match with this universal truth of nature. The 99% Occupy movement of 2011 throughout the world is a testimony of the aspirations of the people. The statement - the king, who cannot satisfy its people, should not stay in the throne – was repeatedly reverberated by all the western governments for the kings of the Arab countries and forced them to step down in view of the Arab Spring movement of 2011. The CB should be now ready to sacrifice everything for the people and implement the ideal system of the MLE. The CB has nothing to lose but to gain everything to be remembered for eons to come. Even losing is better if it is for the greater good for all the seven billion people of the world.

During the last hundred years many forms of moneyless economy (MLE) have been proposed. No government has ever tried to implement any such systems. However, some small communities all over the world have implemented and still practicing such systems in some form [Shiwa, 2007]. In 1919 two influential socialists, Otto Neurath and Otto Bauer, had each published books advocating a moneyless economy [Steele, 2002]. In the early years of Soviet power there was serious discussion amongst the party elite about instituting a moneyless economy [Nelson, 2001]. Nobel Laureate (1974) in economics, Friedrich Hayek, discussed about possibility of moneyless economy while searching for alternative to mainstream modern economics [Horwitz, 2004]. A moneyless world with neither a common medium of exchange nor a common unit of account is discussed in the book by Cowen and Kroszner [Malte, 2008]. Nobel Laureate Milton Friedman has suggested replacing the central bank [Friedman, 2006]. The present environment is ready to be replaced by the MLE, which is exactly in tune with the laws of nature, and also gives whatever we want.

In this paper we provide the definition of MLE, how it can manage the economy, how it will enhance the human values, eliminate poverty, and bring peace on earth. We discuss, using laws of nature, how the present system causes inflation and makes us poor. We also show how seven billion people can be managed using the resources we have now.

CHARACTERISTICS OF NATURE

The society has significantly changed over the last two decades due to globalization, changes in the financial systems, and the great economic recessions of 2008. This has made us to think of a system that is designed based on the laws of nature, which will be in harmony with nature. Every manmade system, including economics, can be best characterized by comparing with the laws of nature. Nobel Laureate Samuelson [Smith, 2001] was

influenced by the laws of thermodynamics for economic systems. It has been shown [Das, 2011T] that the second law of thermodynamics is a law of conservation. Nobel Laureate in economics Wassily Leontief has asked for a multidisciplinary approach – “How long will researchers working in adjoining fields abstain from expressing serious concern about the splendid isolation in which economics now finds itself?”[Hall, 2001]. We discuss several laws of nature to justify the validity of MLE.

Simultaneity Law

This law says that everything in nature is interconnected over global space and over global time. We are not isolated. We cannot do anything all by ourselves. Everything happens because of simultaneous interactions of all the people in this world over all past and present times. We can see it clearly as a result of globalization of our economy. We are all simultaneously influenced by the environment of the earth. Earthquake, tsunami, environmental pollution, financial recessions, all simultaneously affect us over all time including future time. We call the result of this law as the global space time (GST) effect.

Conservation Law

The laws of conservation (LOC) of mass and energy are two important laws of nature. It has been shown [Das, 2011T] that this is the only law of nature; all other laws are either equivalent or can be derived from these laws. They say that mass and energy cannot be created or destroyed. Thus the sigma of all masses is a constant; the same is true for energy. They can only be transformed or transferred. Thus to produce a car we must use materials from nature and energy from humans. It cannot be created out of nothing.

According to this law any win-win situation is not possible. Everything must be a win-lose system. In every apparently win-win situation a detailed analysis will always reveal a third party who will be the loser, because we are all simultaneously interconnected. This law says that we cannot invent anything, we can only discover. The wheels, engines, chassis were all there we just put them together to create a vehicle. Even many forms of vehicles were already there too. The same is true for all kinds of products that we have created; math and science are no exceptions also. Thus “I did it” is meaningless and is against the laws of nature. Thus patent laws violate this law of nature.

Action Reaction Law

The action-reaction law or the Newton’s third law is another important law of nature. It can be found in [Serway, 2004, p.120] and has been explained in the following way. In an isolated environment, the forces always occur in pairs or that a single isolated force cannot exist. Any one of these two forces can be called the action force, and the other one then can be called the reaction force. The reaction force is equal in magnitude of the action force and of opposite in direction and can be written as in (1):

$$F_1 + F_2 = 0 \tag{1}$$

Because of GST, for every action there will always be more than one reaction $\{F_2, F_3, \dots F_N\}$. It is thus not possible to create an isolated system and produce a single reaction. However the summation of all reactions must still be equal to the original action that produced all the reactions. Therefore in real life we should have (2):

$$F_1 = -(F_2 + F_3 + \dots + F_N) \quad \text{or} \quad \sum_{i=1}^N F_i = 0 \tag{2}$$

Expression (2) shows that the Newton’s third law is a sigma law or a law of conservation.

We should recognize that all human actions satisfy this law also. Our hands create physical forces, our ears receive physical sound wave actions; we see energy of natural lights through our eyes. Thus humans are integrated with this physical world. Inside our bodies also this same action-reaction law works. We can think and imagine, but all our actions are guided by this action-reaction law of nature.

In a corporation, we work on projects, where we decide our activities jointly, define our interfaces and interactions, and produce actions simultaneously and interactively to complete the tasks. Nothing is done by a single person in any corporations. Thus here again we see that, “I did it” – is not meaningful. Thus our ego, our selfishness, considered as foundation of capitalism, is meaningless, non-existent, and is against the laws of nature.

Thermodynamics

Since many economists suggested that second law of thermodynamics should be used in the analysis and design of economic system, we show here [Das, 2011T] that this law is nothing but a law of conservation. The second law says [Serway, 2004, p.670] – “It is impossible to construct a heat engine that produces no effect other than the input of energy by heat from a reservoir and the performance of an equal amount of work”.

$$\text{Heat Input} = \text{Work Desired} \quad (\text{impossible}) \quad (3)$$

That is, all the heat taken cannot be converted into useful work. The expression (3) happens because of GST, some heat will be always lost. Here the heat input is the action, and it has two reactions, some work and some heat loss. If you analyze the two reactions carefully you will find that they both include many reactions. The work produced has loss of work due to friction in the gear boxes, loss of work in all mechanical joints etc. Similarly the loss of heat also has many reactions, some heat was lost straight into the environment, some heat was lost in the engine body, some was lost in heat transmission pipes etc. Thus the original action, taking heat, has produced many reactions of many work types and many heat loss types and should be written as in (4).

$$\text{Heat Input} = \text{Heat Loss} + \text{Work Loss} + \text{Work Desired} \quad (\text{possible}) \quad (4)$$

If you sum all the reactions you will always find that it will be equal to input heat amount. Thus the second law of thermodynamics is really the sigma law. Expression (3) requires an isolated environment. That is not possible; it is against the reality of GST. Therefore in economics all we need is to obey the laws of conservation. We show that free money system of the central bank violates this law and the MLE does not.

Determinism Law

The laws of physics say that the world is precisely planned and therefore predictable. It has been written in [Eddington, 1920, p. 51] “Events do not happen; they are just there, and we come across them”. Einstein also believed in precise predictability [Kaku, 2011]. In [Das, 2011T] it has been shown in details the theory behind this predictability. Thus again, “I did it” or our ego is not meaningful. The present is derived from the past. We should not say or think that one person is leading and everybody else is following. It is true that everything is precisely planned; however there is no way to know the plan, ahead of time, because the nature is immensely complex. It is the subscript N in (2) that makes the complexity. N is very large and it is almost impossible to find out the component forces in (2). Moreover the expression (2) is dynamic and the forces are spreading continuously to affect the GST.

Death Process

Everything in nature goes through a birth, maturity, and death process. All these processes are nothing but a chain of actions and reactions. A society is born, evolves, and then dies. An economic system, like imperialism, was born, evolved to its full maturity, and then died. Our scientists have discovered that stars and planets also die. All humans die also. Thus death is not a disorder, because it is natural and deterministic. The banking system that evolved over almost thousand years, creating the present central banking (CB) system, must also face this death process. Death of a system means birth of something new and is better for this earth and its people.

Today the CB has spread all over the world. After the 9-11 event, CB has been installed in Iraq and Afghanistan. Except Iran and North Korea we have western style CB everywhere now. Thus very soon CB system will achieve its maturity on the entire world. Its death also has to happen according to the laws of nature, we just do not know when, how, and what will trigger it. The technology has reached a state for a smooth transition of banking system; we only hope that it will not be as violent as WWII, which removed imperialism. We show that a non-violent transition to MLE is feasible unless the money power opposes.

Nature is Free

The most important characteristic of nature is that it is given to all of us as free. Therefore anything we produce from it has to be free also. The air is free, yet nature is not controlling its supply, it treats us equally, and allows us to use it according to our needs. We are also not hoarding it. When rain showers, it does equally over all of

us, yet we develop according to our characteristics, some plants give red flowers some give yellow [Ramayan, 2010]. Thus we intrinsically know how to use the nature and satisfy our needs according to our requirements.

We know that the money is free for the central bank [TheFed, 2005, p. 33]. It has to be free, because everything that originates from our earth must be free. Therefore money should be free for all of us. We should not have to return it. Since money is free, manmade, and non-physical, it must be abundant and artificial, and therefore it is not necessary also. Thus we really have a MLE now.

STATUS OF MONEY

It is important to recognize that the money is free for the Central Bank (CB). It is a private bank and only it can print money without any restrictions, at anytime, by any amount, and without any accountability and transparency. CB is a very secret institution. No government of any country has any control over its CB [Greenspan, 2009]. Since the money is free for the Fed, it should be free for everybody. We should not have to pay it back; there should not therefore be any debt or deficit, and any need for austerity and poverty. Thus the CB has artificially created the taxation, periodic payment, interest rate etc. At the core of capitalism then we really have a free money or MLE now. How much money the Fed is printing will never be known. The Bloomberg news claims [Pittman, 2009] in a law suit against the Fed, that the Fed spent \$12.8 trillion as the bailout money. The GDP during 2008 was \$14.2 trillion. The above data proves that money is really free and abundant for the CB.

Let us examine the status of money today. We are all dealing with electronic money these days. Our employment checks are deposited electronically by our employers in our banks. We buy things using our credit cards. We pay the bills using our computers. Thus the money is just a number in some database on some computers. That number goes up and down and controls our life styles. Now we ask do we need that number to control us. Instead of trusting that number on a computer why not we all trust ourselves and work for free? We can change that number to any value, for example we can make it 40 hours, and keep that fixed. We can still buy things that we need and work 40 hours at our corporations just the way we are doing now.

MLE OVERVIEW

In a moneyless economy (MLE) you will go to your work just the way you are going now, and do your job also the same way as you are doing now. The only difference is that we will not get any money at the end of the week. Instead, we will have a plastic card, very much like a credit card, that will have a record saying we have worked for 40 hours in that week. The number 40 hours comes from the present working hours for all full time employees in USA. This number may change as the MLE evolves over decades in future.

This plastic card will allow us to buy anything we want from any store we want. The number will not go down as we buy things. Its purpose is to indicate that we have performed our work and contributed for the society in the previous week. Next week, if we work again, the number will stay; otherwise it will go to zero. If we do not work then we will not be able to buy anything and we will also not be allowed to stay in our homes. This need for food and shelter will motivate us to work and contribute to the society.

You can see that at this first implementation stage, it is not necessary to broadcast that an MLE has been implemented. The process may remain secret at several administrative levels if it is so desired. Just like we do not know what is written in our credit cards, we trust the private corporations that the contents are meaningful. In the same way we can also trust our government that the plastic card will protect us, and we will follow the rules of the government. As we mention later this may not happen smoothly because of money power.

The only difference we will notice is that we will have plenty of jobs. Anyone applying for anyone of the open jobs will be hired if he is technically qualified. This will happen because the corporations will not have to pay you the salary. If you do not qualify for the job, then go to a corporation, anywhere in the world, find the job that you qualify, and you will be hired. We will also enjoy our jobs, because they will fit our qualifications.

Travelling will be free also. We book our flights, if the reservation is available; otherwise we wait in line, just like we do now. The same will be true for hotel reservations also. We can go to any place we want, work for any number of weeks based on the requirements of the jobs and the organizations. Unlike now, governments also will

provide many types of jobs, including manufacturing and servicing jobs, besides all the jobs it provides now. Private corporations will also exist and will be modified as needed by the details of the evolving MLE designs. In a sense the present economy can be maintained in exactly the way it is now, giving a path for smooth transition.

In MLE any job that a society needs will be considered legitimate. Sports, entertainment, music, arts will be all considered meaningful work. Home care and child care are also meaningful needs for a society to thrive. Organized and individual research will be supported by MLE, just like it is done now. Thus research on monarch butterfly, as well as CERN, SETI etc. will be supported. People like Galileo and Einstein will be able to work freely on their own and the society will be supporting them too. There will be a retirement age, and people will be given free assistance to all old age people. Government will have organizations to find and define work needs of the society.

NEED FOR MLE

Profiting, interest charging, giving higher salary, printing free money, creating recessions are all methods that transfers wealth to the top fifth of the economy. They all violate the law of conservation. Thus present money management system creates economic class structures and makes poor poorer and rich richer. Absence of money will eliminate all these poverty generation processes. The MLE will allow the class structure to remain in its place, but we need MLE for elimination of poverty, and to make the world a happier place. We show briefly how the above methods are able to transfer wealth using the laws of conservations and therefore justify the need for MLE.

Recessions

In [Das, 2011F] it was shown how Federal Funds Rate (FFR) is systematically controlled by the central bank to create recessions. This was demonstrated using the public data and published research documents. Interestingly, this observation was first pointed out by [Bernanke, 1992], who is now the chairman of the Fed. Milton Friedman also blamed [Friedman, 2007] the Fed for creating recessions of 1930 by controlling the money supply. Recessions create large unemployment, which in turn creates homelessness and thus poverty. This loss of property for one group is a gain for another group according to the law of conservation. Periodic recessions are the best way to bulk transfer of wealth from poor to rich in a short period of time. Clearly the MLE will not have such process and will thus eliminate generation of poverty and also provide full employment to every willing person of the world.

Printing Money

Assume that the total material wealth of a nation (GDP) is equivalent to a pot of gold. Similarly assume that the total money available (M3) is a bag of dollar bills. This bag of money has an one to one relationship with this pot of gold. This bag of money was used to create that pot of gold. By the law of conservation (LOC) this pot of gold cannot grow. Therefore this bag of money cannot grow either, because this is equivalent to that pot of gold and is attached to it by the LOC.

As pointed out by the Bloomberg report [Pittman, 2009], we know that the Fed can print another bag of money, out of thin air. This extra bag doubles the price of the pot of gold causing inflation. If this money is allocated only to the top fifth of the population then their share of the pot of gold will increase, changing the wealth distribution. According to the LOC, since the gold cannot increase, the share of the bottom fifth will then naturally decrease causing transfer of wealth. This transfer of wealth happens not only because the money share decreases for the bottom fifth, the price of gold also increases, and thus reducing their purchasing power.

Inflation

Inflation is a way to transfer wealth. Keynes [Keynes, 1920, p. 235-236], a father of economic theories, said – “By a continuing process of inflation, governments can confiscate, secretly and unobserved, an important part of the wealth of their citizens. By this method they not only confiscate, but they confiscate arbitrarily; and while the process impoverishes many, it actually enriches some. ... The process engages all the hidden forces of economic law on the side of destruction and it does it in a manner which not one man in a million is able to diagnose”. We should recognize that the government is controlled by money power. The government is not an independent body; it cannot function without money supply, which is controlled by the central bank. The MLE, as it does not have money, will eliminate such methods of creating inflations, and help to prevent human suffering due to poverty.

Profiting

To clarify, let us examine how profiting transfers wealth. Consider a company that manufactures writing pens at a total cost of \$5 per pen. This \$5 contains every cost that you can think of, which is required to manufacture the pen. As examples, it includes the salaries of every employee of the corporation, it also includes rent of the office building, marketing, material cost etc. Now assume that the company sells it at \$15 per pen making a profit of \$10 per pen. Thus the cost of the pen for the CEO of the company is \$5 but for you and me it is \$15. Therefore every pen is taking away an extra \$10 from all of us. This process of profiting helps to take extra money away from the people and to accumulate to the hands of a very small group of people creating inflation and transfer of wealth. Transfer of money transfers the pot of gold, by the LOC.

RESOURCE MANAGEMENT IN MLE

It is quite commonly stated that the world is over populated and capitalism cannot sustain. The population must be reduced. In this section we show how human and material resources can be managed under MLE to provide food and shelter to all the people even at the present state of the economy.

Housing Problem

The following analysis will show that the world is too big for seven billion people and there cannot exist a housing problem. We can house all of them; we have the technology and resources. The surface area of land on earth is 57,491,000 sq. mi. [Pidwirny, 2006] which is equal to $1.6 * (10^{15})$ sq. ft.

We have the technology to build multistory houses to accommodate all people in very comfortable homes and still occupy only about 20% of land on earth. Let us say that we will build 100 storied housing units, with each floor having 25 homes, each home with a size of 4000 square feet. This is a very large home compared to most of us in this world. Assume that we house a family of 4 per home. A little calculation will show that we can then accommodate 10,000 people in 100,000 sq. ft. of land area. Let us say that we provide a total of 500,000 sq. ft. of land to an housing unit for parks, roads, businesses etc. To accommodate 7 billion people we will require $7 * (10^8)$ housing units, for a total land space of $3.5 * (10^{14})$ sq. ft, which is only 21.8% of earth's land surface. The rest of the land can be used for agriculture and for preservation of wild life. We have the technology and material resources to build such housing units [Building, 2011] to provide homes for all people of all countries. It is clear that we do not need to use such technology. This argument was given just to comfort people that the housing crisis is indeed false.

MLE will change the philosophy of every human being. Since everything will be free, people will not go for building large homes for themselves. Large homes will not give any status symbol, nor will increase in value to make money at later date. Eventually people will build houses only of enough sizes for their basic needs. Luxury and waste will go away from all areas of life. No one will go and try to get a corporate jet, even though it will be free. This is because people will be able to fly free to any place of their choices. Thus the house building material, which is scarce now, will become abundant again. Many resources in the same way will become abundant.

Food Crisis

Any time we open the TV we see starving families everywhere in every continent in the world. USA is not an exception. It is often advertised that capitalism cannot feed the world; population must be controlled, and destroyed by war, and famine etc. It is difficult to find total food production data in any published literature. The United Nations report [Gustavsson, 2011] gives the following statement – “The results of the study suggest that roughly one-third of food produced for human consumption is lost or wasted globally, which amounts to about 1.3 billion tons per year”.

Based on this data we can see that the total food available per year is approximately $1.3 * 3 = 4$ billion tons. This is equivalent to 8000 billion pounds of food per year. Therefore for 7 billion people the amount of food per day is $8000 / (7 * 365) = 3.13$ pounds per person per day. Even if we give 2 pounds of food per day to every person, no one will then starve to death. Thus we have enough food in the world to sustain our present population.

Higher Education

Humanity is intrinsically designed to pursue knowledge. Given the opportunity every human baby will go for exploring the world around. Because of hunger, lack of education of parents, broken families the kids cannot

pursue their study in elementary schools. Therefore when they grow up they already have lost their mindset, skills, and perseverance to continue education.

In MLE, from the very beginning, all people will get their basic education without any kind of constraints on survivability. Everybody will automatically have all the basic needs to pursue higher education. Those who have genuine interest for acquiring higher knowledge will go for higher studies. Thus universities will have more matured and genuine students. As a result under MLE the society will have much better qualified people to support the purpose of life.

Education system will also significantly change. At present, under capitalism, education is a business, a place for employment for teachers. This environment will dramatically change under MLE. Only people interested in pursuit of knowledge will remain as teacher. Thus the academic curriculum will also change to support the understanding of the laws of nature, physics, and engineering. We will not teach unnecessary subjects to keep students in the class rooms to make money.

Merit system

Since everything in nature is free and comes with its own characteristics, we cannot compare any two things in nature. It is impossible to compare apples and oranges. Similarly it is not possible to compare two jobs, two persons, two different materials from the periodic table of chemistry. Every person works in different jobs. Since you cannot compare two different jobs, you cannot compare persons working on them. Thus every comparison using money has to be wrong, since money is free also.

On the other hand MLE will not require any merit system. Human resources will be treated as unique individuals and not as servants or robots or objects of evaluations. Since there will be plenty of jobs, people will always be able to select the jobs they want. Thus all jobs will always have the best person. Since in capitalism jobs are scarce, in most situations people are forced to work on jobs they do not like. MLE will change this attitude to human discrimination.

Motivation

Under MLE people will have tremendous surge of energy for work. Because now they can work on their own ideas, they will not be constrained by the ideas or procedures of their bosses. They can go to any factory anywhere in the world and start working there. The factory owner will not have any problems in hiring them because the labor is free. The unemployment is the greatest punishment in life. Nobody likes to sit idle; everybody wants to contribute to the society. The MLE will give people the opportunity of their heart's desire.

Entrepreneurship

In MLE everybody will be able to implement their ideas as product. Like now, no one will have to convince a bank, mortgage their homes, or convince venture capitalists to get money. These will be possible because all materials will be free, all labor force will be free too, and there will be no shortage of people. As a result all products will be of high quality, environmentally safe, and will not have any side effects. The MLE will provide products and services that we cannot even imagine now.

DEMOCRACY AND FREEDOM

Just like nature is free to us, humans are born free also. However, by some evolutionary process this freedom has been taken away from all of us. In this section we show how MLE can again give this freedom back to all the people of this earth. The root cause behind this loss of freedom is of course money. This money power has gone deep inside our mind, body, and even in our soul.

Money Power

Unless the intellectual community begins to realize that the money is not needed to run the economy, the money power cannot be removed and MLE cannot be implemented. Money is controlling all activities of the world for more than two thousand years. Clearly the CB is the source of this money power now. As mentioned before, CB is privately owned and cannot be controlled by government [Greenspan, 2009]. On the other hand using the money power, the CB controls all activities of the society including education and religion. It controls all private and

government organizations, CIA, FBI, including military, and police force of every country. Most importantly majority of the population also think that money is necessary. Thus CB is the real king of our time.

Clearly, implementation of MLE will eliminate this controlling power. We know that money is not needed to run the economy as we have discussed, but CB may not give up its powers, even though the owners of the CB will not lose their life styles. Nobel Laureate Milton Freidman recognized that and said - "One unsolved economic problem of the day is how to get rid of the Federal Reserve" [Avari, 2010].

Freedom for Individuals

Democracy does not just mean ability to cast secret ballot to elect presidents or politicians every few years. Democracy means power to the people. Under capitalism every employee has a boss including the CEO of corporations. Any employee can be terminated from his or her job for any reasons and without need for explanations. The employment is called "at will" contract.

If any employee can be fired, and his home taken away from him, then no one in capitalism has any choice or freedom. Thus an employee is powerless and must serve and please his boss at any cost. There is no democracy or freedom for an individual if the fundamental rights of existence can be taken away from them using the money power. Without economic freedom there cannot exist any social, political, and intellectual freedom. The MLE promises to provide this freedom and abundance of life by providing the basic human rights for food and shelter.

Freedom for Politicians

In all countries of the world people can elect their politicians by secret ballot. Unfortunately when these politicians go to their capitol they cannot use secret ballot to cast their votes. Their freedom has been taken away from them by the money power. If an elected person cannot execute their secret ballot then all the people who have used their secret ballot to elect him lost their powers too. Money power wants this public ballot so that their money power can control the politicians and influence their decisions. If these politicians fail to implement the policies of the lobbyist then the politicians will not get money next time during elections. Thus we can see how money power is controlling the governments of all countries and how it has hijacked the democracy from the globe. Clearly under MLE there will be no problem in implementing secret ballot in all levels of governments, because MLE removes the money.

Freedom for Government

The government is controlled by the money power of the central banks (CB), since its politicians are controlled by the same power. A government cannot do anything for its people; it has to implement the policies of the CB. The government borrows free money from the CB and then it has to return the money to CB with interests. Even though government does not produce any money, it has to return more than it takes. Thus government perpetually remains in debt. Then the CB tells the government to implement austerity programs by laying off people from the payroll of government, increasing education cost, imposing higher taxes etc. Thus we see that no government of any country has any freedom and therefore there is no democracy anywhere.

Unless we implement MLE we cannot provide democracy to people and its government. Since under MLE there is no money, there will be nothing to control people. No one will be able to own people; however government will still be needed to provide many support functions that is performed today under capitalism.

IMPLEMENTING MLE

MLE does not mean everybody will become poor or equal. It is not socialism. In MLE if anyone wants to have a corporate jet, he can have it, because it will be free. If someone wants to live in a big house, he can hire a contractor who will build it for him, because it is free. Thus a person can still maintain the life style he wants. The owners of CB will not lose their lifestyle, except the power to control the world. However, if you think carefully, nobody really controls anyone even under capitalism, because of the laws we have mentioned. Eventually, everybody will die and cannot take anything with her, not even the controlling power, fame, joy, and sorrow.

At present, under capitalism, ordinary persons are suppressed and cannot be freed from the control of money power. In the history of the world the suppressed community never was able to free themselves from the suppressor. Gandhi created major organized non-violent non-cooperation movement in India but still could not free

India from British Imperialism. It took WWII, to free all the colonies of Africa and Asia. US presidential candidate [Buchanan, 2008, p. 295] said in his book "As it was, Britain was dragged into an unnecessary war, which cost her nearly 400,000 dead, bankruptcy, and the dissolution of the British Empire". The same thing happened to African American slaves of USA, Africans of South Africa, etc. Thus a bigger power must intervene to rescue the suppressed people of the world. The Arab Spring movement during 2009-2011 also required pressure from the western powers to make them successful.

It is possible that all people with money power will strongly enforce their strength to oppose implementation of MLE. This includes use of military, police, media, CIA, FBI, and intellectuals. The situation will be just like 99% Occupy movement, which failed because no bigger power came to support them. But we must understand that the bigger power will always come in some form, because that is a law of nature. This law says that everything in nature must obey the death process. This power will not come until the environment becomes ready. Thus many movements like, that of Gandhi, Slave Freedom, Arab Spring, Occupy etc. must be maintained for the gradual evolution of the bigger power.

CONCLUSIONS

In this paper we have defined the Moneyless Economy (MLE). We have shown that it can be used to run the existing economy in exactly the same way. Most important advantage of MLE is that it will give employment to every willing person; eliminate poverty, corruption, and bring real democracy. People will enjoy their work because they will be able to select jobs of their choices in anywhere in the world. The entrepreneurship will get a surge for creating new and environmentally safe products. We have shown that it is necessary to change the existing system because it violates the laws of nature and generates poverty.

REFERENCES

- Avari, M. (2010), "We are all monetarists now", 2010, <http://www.examiner.com/economic-policy-in-national/we-are-all-monetarists-now>
- Buchanan, P.J. (2008), Churchill, Hitler, and the Unnecessary War. How Britain Lost Its Empire and the West Lost the World, New York, Crown Publishers, 518 pages.
- Building, (2011), List of tallest buildings in India, http://en.wikipedia.org/wiki/List_of_tallest_buildings_in_India, 2011
- Das, S. (2011F), "Federal Reserve's Plan to Transfer Wealth", 2011 conference proceedings, Northeast business and economic association, pp. 564-570, Philadelphia, Pennsylvania, USA, Nov 3-5, 2011.
- Das, S. (2011T), "The laws of conservation", Proceedings of Intellectbase conference, Las Vegas, December, IHART, Vol 20, pp. 219-233, 2011.
- Eddington, A.S. Space time and gravitation, Cambridge university press, 1920.
- Fed, (2010), Federal Reserve Statistical Release, H15, Selected Interest Rates, Historical data, Federal Funds (effective), Annual, available at: http://www.federalreserve.gov/releases/h15/data/Annual/H15_FF_O.txt
- Friedman, M. (2006), "Abolish the Fed", <http://www.youtube.com/watch?v=JL3FT0O4kYg&feature=related>, May, 2006.
- Friedman, M. (2007), "The purpose of the federal reserve", <http://www.youtube.com/watch?v=9V5OP-VmXgE&feature=related>, 2007
- Greenspan, A., (2009), Let Greenspan tell you what fed is, Sept 06, http://www.youtube.com/watch?v=qIQTu7kOT_8&NR=1
- Gustavsson et al., (2011), Global food losses and food waste, Food and agriculture organization of the United Nations, Rome, Italy.
- Halls, C. et al. (2001), "The need to reintegrate the natural science into economics", available: <http://dieoff.org/page228.pdf>
- Horwitz, S. (2004), "Friedrich Hayek: Austrian Economist", J. of the history of economic thought, spring.
- Kaku, M., (2011) "Why quantum physics ends the free will debate", Stanford University, 2011 <http://www.youtube.com/watch?v=FLR5vNKiSw>
- Malte, K. (2008), "Money: A market microstructure approach", MPRA paper No. 18416.
- Nelson, A. (2001), "The poverty of money: Marxian insights for ecological economist", Ecological economics, 36, pp. 499-511.
- Pidwirny, M. (2006), "Introduction to the oceans", Fundamentals of physical geography, 2nd Edition, <http://www.physicalgeography.net/fundamentals/8o.html>
- Ramayan, (2010), Episode Number 61, http://www.youtube.com/watch?feature=fvwp&NR=1&v=EmB008_nOQ8, 2010
- Serway, R. A. & Jewett, J. W. (2004), *Physics, for scientists and engineers with modern physics*, 6th edition, Thomson, California.
- Shiwa, S. (2007), "More than 300 million people are benefiting from moneyless markets", Tides of India, Bombay, India, Monday, January 29.
- Smith, L.M. (2001), "The impact of the third wave mathematization-on Samuelson's economics", Department of Applied and international economics, Massey University.
- Steele, D.R. (2002), "Posing the problem: The impossibility of economic calculation under socialism", ec.pdf, www.libertarianalliance.org.uk
- TheFed, (2005), The federal reserve system, purposes & functions, 9th edition, June 2005, Washington, DC, USA.
- Tyler, C. & Kroszner, R. (1994), "Explorations in the New Monetary Economics", Oxford.