

Why “Occupy Wall Street” when you can join a Credit Union instead?

For the past year and a half I have had the privilege of working on a committee to form a local credit union that is community-based. This involvement comes in the aftermath of my senatorial campaign in which I advocated public banking, specifically a state bank for Idaho. Realizing that my Republican colleagues were intractable in their opposition to the proposal - to the point of astonishing character assassination and other skulduggery - I realized that I had to simply concentrate on saving my own.

Since then, of course, the "Occupy" movement has taken off and so has Ron Paul's new presidential bid. These movements are appreciated in the sense that they raise public awareness to the fact that we have been robbed. But they are ineffective because they are pointing the posse in the wrong direction in apprehending the perpetrators. "Occupy" wants the elimination of the private banking cartel by nationalizing the banks. The Ron Paul/Tea Party movement wants to abolish the Fed by returning to the gold standard. And neither will achieve the objective.

The money has moved off-shore. Only a world government imposing global sanctions on the perpetrators will bring the money back. The money has been invested in Chinese factories and other capital assets worldwide. The money is simply gone and the notion of a world government is ridiculous, of course.

Ending the private banking cartel is a good idea, but not if it ends the free markets in banking. Abolishing the Federal Reserve would be a good idea, too, but not if we fail to replace it with a public banking establishment representing the respective institutions of legitimate government. In each movement, we are witnessing extremism. The solution is usually found in the middle.

What has empowered the banksters these many years has been the fact that the American people have put their money into private banks which have the sovereign power to fractionalize their deposits and encumber the economy ten-fold. Had Americans been putting their money into credit unions - democratic, non-profit institutions - the multiplier effect would have been used to build their local communities. They could have voted by deposit. Regrettably, it was their personal actions to open bank accounts and use the services of private banks that made their slavery a certainty. It had nothing to do with who was in the White House or who was in charge of the Federal Reserve. It had nothing to do with the political parties or whether we were on the gold standard or not.

True, credit unions are under the control of the Federal Reserve. But that means nothing, really. The apparatus of the Federal Reserve exists to capture the deposits of the federal government and provide a cover for the private banking cartel. It doesn't dictate what you do with "your" money and what a community-based credit union can do with "its" money.

In the end, your personal survival and the survival of your family depend upon the economic viability of your community. Can your community produce goods and services

for trade? Can your community provide for its own needs from local production? If it cannot, then you must move to a place that is economically viable.

If your community is economically viable, you must take the next step: preventing plunder. The primary method of plunder in the modern world (since the 17th century) has been banking. Taxation is merely a fraction compared to the annual tax collected by bankers from the fractional reserve process. But controversies over taxation have been useful diversions of public attention from what is done in banking.

If your community is to survive, it must monetize its production into a unit that cannot be plundered. The only way to do that is with a locally-controlled and locally-owned financial institution. The credit union is just such an institution.

Since most money in our day is digital, it does not matter what the currency is. Whatever it is, it must be deposited in a locally-controlled and operated "storehouse" - even if that storehouse is the institution's computer hard drive.

In case you didn't know, a credit union differs from a bank in that a bank is privately-owned with stockholders. The bank exists to harvest a profit for the benefit of its stockholders, whomever and wherever they may be.

The credit union, on the other hand, is like a member co-operative. It is owned in equal shares by the people who are members and the financial policies are decided by a board elected by the members. Profits are redirected to the benefit of the members.

Most people are somewhat familiar with credit unions. But most credit unions are the occupational or corporate kind. In other words, most of the credit unions people are familiar with are the ones which represent a segment of the population that are involved in a similar profession (such as teachers) or that work for a large company (like Boeing). A community-based credit union, however, is directed to the people who live in a common geographical area. It represents the total productivity of the community (if everyone joins, of course) and uses the multiplier effect for the benefit of that community.

I haven't publicized my activities because I wanted to be sure that this idea was going to work. I'm reminded of the old Quaker proverb: "Better to light a candle (join a credit union), than to curse the darkness ("Occupy", Tea Party, etc.) I am also reminded of the fact that for a hundred years, the sanctuary of the Quakers, colonial Pennsylvania, supported itself from the scrip issued by its land bank. Maybe that's what the proverb was referring to: "Screw the British banks and their gold; let's start our own bank and base it upon our own labor and resources."

Merry Christmas!

-- James Stivers, 2011
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