

Renaissance for Fairfield - Prosperity and End to Unemployment

Modeled after the 13th Century Renaissance: “No difference between the farmhouse and castle”

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The 13th Century Renaissance: What was it Like?

The working class seldom had fewer than four courses at lunch or dinner and enjoyed three to four meals a day. The number of work hours per day was limited. Between the 11th and 13th century, the Western world experienced a high level of prosperity that is reflected concretely by a demographic expansion without precedent in history. The time from 1150 to 1250 was a time of extraordinary developments, a period of economic prosperity such as we have difficulty imagining nowadays. One can only be impressed by the extraordinary vitality and power of the changes that occurred during those three centuries. Whether one considers the demography, the urbanization, the techniques, the relationships between labor and money, every one of these aspects of society was completely revolutionized. One will have to wait five hundred years to live another wave of transformation of that scale: the capitalist Industrial Revolution. The German historian Fritz Schwartz summarized it well: “No difference between the farmhouse and castle”. There is now general consensus that an era of highly unusual prosperity started around the 10th century and collapsed after the 13th century. It is important to notice that all of these trends culminate around the year 1300 and are followed by a sudden collapse and regression thereafter, often for several centuries.¹

What Caused the 13th Century Renaissance, and the Collapse?

It was the result of the currency in use. Every 6 years or so the king would recall the coin and give 3 pennies for every 4 taken in, a 25% tax. This tax by re-coinage replaced normal taxes. When you knew that the king was going to take 25% of your coin sooner or later, you were not going to hold on to it, you spent it. It circulated like a hot potato many times faster than normal², and it created a huge amount of economic activity, the cause of the Renaissance.³ The economic collapse of the 13th century was preceded and accompanied by a significant shift in the monetary system.⁴

1 From *The Mystery of Money*, Bernard Lietaer, p. 148-152.

<https://static1.squarespace.com/static/6008703f1ab2dc6f4c38d6c5/t/6012e276a9800d23c9447238/1611850367618/Bernard-Lietaer-The-Mystery-of-Money.pdf>

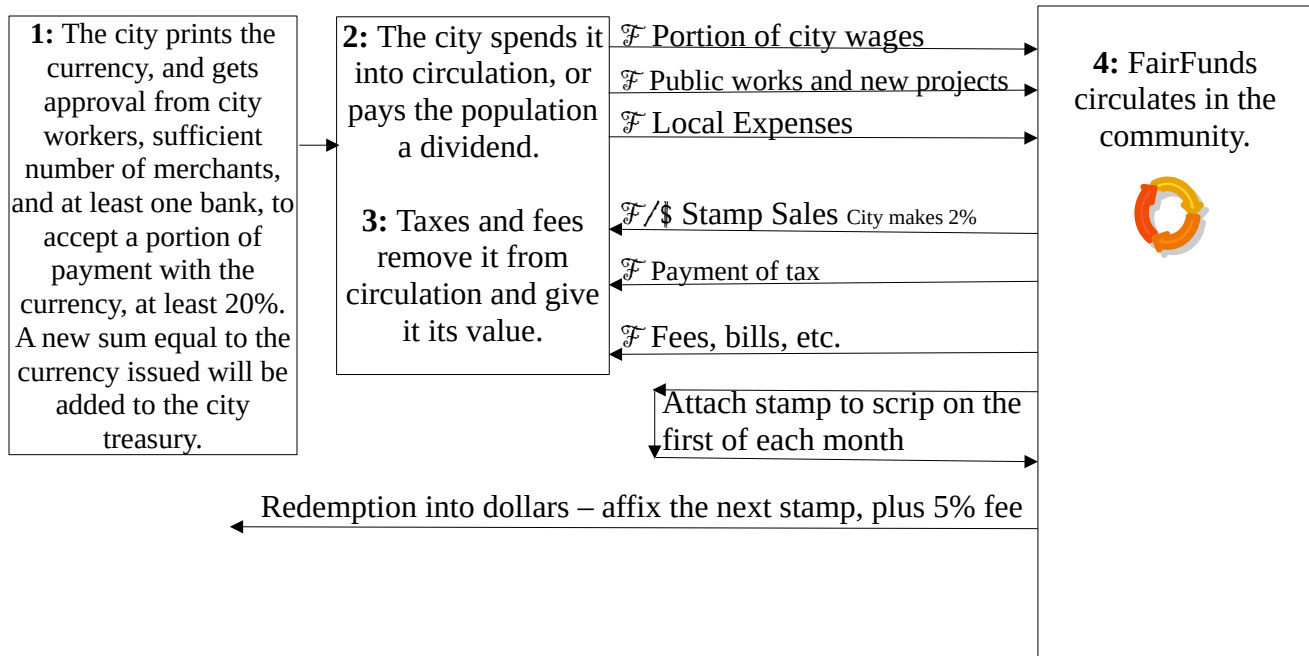
2 In simple terms, the volume of economic activity depends just as much on the quantity of money in circulation as on the speed at which it circulates. *The Mystery of Money*, p. 178 fn 429. “Velocity of money circulation” is the number of times that a particular currency circulates per year. Irving Fisher in the 1930’s discovered the simple but very important relationship between the Quantity of money (Q), the Velocity of circulation (V) and economic activity (E) as follows: $E = Q \times V$. *Stamp Scrip*, by Irving Fisher, LL.D. <https://archive.org/details/stampscrip0000fish/page/93/mode/1up?view=theater> You have to check the book out for an hour at a time. Step by step instructions on putting a currency into circulation: Ch. 6 p. 45.

3 “Men live from the exchange of what they can do. Through slow money circulation this exchange has been crippled to a large extent, and thus millions of men who are willing to work have lost their right to live in our economic system.” <https://archive.org/details/stampscrip0000fish/page/n9/mode/2up?q=woergl>.

4 *The Mystery of Money*, p. 173.

Creating Fairfield's Renaissance

How It Works. In this example, the City is the issuer.⁵



The 13th century renaissance was based on preventing hoarding and increasing the speed of circulation. We will do this by creating our own local currency, *FairFunds*, with specific properties⁶:

- 1. It must be a stamp-scrip** in which a stamp will be purchased from the City (or a store that sells stamps) by the holder with a stamp cost of 2% of face value, and affixed to the scrip by the 1st of each quarter to renew the scrip; this is called *demurrage*.⁷ People will not want to buy the stamp and so will circulate it quickly if possible. This tax also pays for the scrip which is printed in denominations of ₣1, ₣5, ₣10, ₣20.⁸ It is debt and interest free.⁹ This prevents hoarding and promotes rapid circulation (only those who hold onto the currency beyond stamp day have to buy and affix the stamp). The stamp pays for the currency and its management.

⁵ The County or Chamber of Commerce could issue it, or MIU.

⁶ Bernard Lietaer said that we need two currencies, one for national trading, and one for local.

⁷ *Demurrage* is a time related charge on holdings of money which has the effect of discouraging hoarding of the currency, and increasing its velocity of circulation, separating its function of medium of payment from its function of store of value. Demurrage is a tax, but it is a tax on new business which only the currency could bring. It is analogous to the term *carrying costs*. <https://www.investopedia.com/terms/d/demurrage.asp>

⁸ A lesson learned from Hurricane Helene is that when the system crashes and you can't use credit cards, you need small denominations of currency to be able to make change. You can also use the stamp itself to make change.

⁹ In contrast, the dollar is *created as debt* by the Federal Reserve and banks and loaned into circulation, and has to be paid back plus interest, and the debt compounds to astronomical amounts; it already has - \$37 trillion which can never be paid back because *there is always more debt than money to pay it back*, and it plunders society. See my video *Designed for Plunder*: <https://www.brighteon.com/3f4da769-4a06-42a0-8657-fbce1635b438>. See my book https://www.amazon.com/Designed-Plunder-Federal-Reserve-Savings/dp/1475241798/ref=sr_1_1.

All transactions with this scrip between stamp days (the first day of each quarter) impose no burden on merchants. A stamped certificate which he receives on the day after stamp day, will be passed on without tax before the next stamp day, in pay roll, in payment of rent, or for merchandise, and so forth. In many cash transactions, the stamped scrip would represent only a fraction of the total cash involved, the rest being paid in dollars.

Cost of printing: FairFunds are printed on security paper. Cost: \$97/1,000 sheets, 4 coupons/sheet = \$0.0243/coupon. + printing and cutting cost (about \$158), + cost of stamps (to be determined).¹⁰

2. **The scrip must be printed and *spent* into circulation** to fund projects or pay city workers, but at least 20% of the cost. It will then circulate among the community. It is removed by taxes, fees, fines, etc. which is also its backing. It will be a paper currency, not a digital currency which would be lost if power or the internet crashes. It can also be *loaned* into circulation at no interest by the city, to fund loans for repairs, homes, and business etc. It can be borrowed by qualified merchants interest free, instead of from interest-bearing banks.
3. **Reduction of Taxes:** Instead of taxing the citizens to get all its operating revenue, the City can create a local currency and spend it as a portion of its operating revenue; the City does not have to borrow from a bank, or issue an interest bearing bond. And, when a citizen attaches a stamp to the currency, that stamp was purchased from the City which is a 2% tax, paid in small installments of 2 cents on the dollar each. **Stamp sales are the equivalent of a tax paid by the citizens out of new business created by that "tax".**
4. **Sufficient scrip will *balance* production with consumption.** If suppliers, manufacturers, and farmers have goods and services that go unsold, both suppliers and consumers lose out. **Increase the money supply until either the producer's capacity is exhausted, or the consumer's demand is satiated, whichever happens first.** To do this, a dividend should be paid regularly to the citizens to increase the money supply, and consumption. Even though the City is spending it into circulation, a dividend assures that everyone will get some.

With a city population of about 10,000, each person will be given the equivalent of about \$50, but to start conservatively we will issue \$10 to see how the community responds. This also promotes the currency since everyone will want free currency – like priming the pump. When citizens receive a sufficient dividend of FairFunds from the city, producers will have no lack of customers,¹¹ people with skills will have jobs, and citizens will have all the (locally produced) items they want.
5. **The scrip can be redeemed for dollars.** It can be redeemed into dollars for a 5% fee plus the cost of the next stamp. This has been shown to work, since people would prefer to hold on to

10 Security paper and labels: <https://simpsonsecuritypapers.com/>; https://www.novavisioninc.com/pages/prd_security_labels.html; <https://www.intertronix.com/Holographic-Security-Labels-s/1514.htm>; <https://www.tamper.com/security-labels/custom-security-labels.html>; <https://www.ebay.com/itm/404797949129>

11 From Liam Allone - "How We Can Fix Our Money". <https://www.zerohedge.com/news/2024-04-01/how-we-can-fix-our-money>

the scrip and pay the 2% stamp cost. Redeeming for dollars will send the scrip to the big box stores, instead of *Buying Fairfield First* and promoting the local economy.

6. **Unemployment will provide feedback.** Unless a better method is found, the quantity of scrip in circulation will be regulated by the level of unemployment. By survey we will measure how many people want a job that does not have one, and increase or decrease the quantity as indicated. If suppliers are out of stock, this indicates too much is in circulation.
7. **FairFunds v. the Dollar crash:** If FairFunds are denominated in dollars, and the dollar crashes, FairFunds will crash with it. With a \$36 trillion debt that can never be paid back and continues to rise exponentially, we have to be prepared for a crash. If FairFunds had its own denomination, e.g. "Love", it would float against the dollar and maintain its value. But exchange calculations has been shown to be a nuisance and would hinder its acceptance. So current thinking is to denominate FairFunds in dollars, and deal with the crash when it happens.

Why a Local Currency is Urgent: Protection From Collapse

- Instabilities of the banking system - 4,243 banks identified for failure¹²
- Financial collapse and total destruction of the dollar.¹³ \$37 trillion of debt is unsustainable due to a monetary system *Designed for Plunder*¹⁴. We can expect the dollar to crash.
- Energy collapse and supply chain collapse.
- Local Economic Resilience: A local currency will buffer our economy from potential instabilities in the national banking system or global financial crises.

Balancing Production With Consumption

When you own stock in a company, you receive a dividend from the profits. This something-for-nothing is not considered socialism. The American people collectively own the economic system, and if there is an imbalance with too much production and not enough consumption, balance is restored by paying a dividend to the people to increase the money supply, allowing the wealth of the city to be transferred to the consumers. This monetary dividend is no more socialism than income from stock. It involves no confiscation, and sacrifices neither the liberty nor the property rights of anyone. There is no compulsion. It is simply the design of the monetary system to restore balance, and the people benefit from their ingenuity at creating such a system.¹⁵

Bernard Lietaer, designer of the European currency, said: "**We can produce more than enough food to feed everybody, and there is definitely enough work for everybody in the world, but there is clearly not enough money to pay for it all. The scarcity is in our national currencies. In fact, the**

12 4,243 banks have been identified for failure: [6.11.23: Interview w/Dr. Elliot- 4,243 BANKS Identified for FAILURE! PRAY! \(rumble.com\)](https://www.brighteon.com/61123-interview-w-dr-elliott-4243-banks-identified-for-failure-pray!-rumble.com)

13 Financial collapse: <https://www.brighteon.com/7afd1f0b-c656-4c78-a1b4-6f3fd5928208>.

14 See my video *Designed for Plunder*: <https://www.brighteon.com/3f4da769-4a06-42a0-8657-fbce1635b438>. See my book https://www.amazon.com/Designed-Plunder-Federal-Reserve-Savings/dp/1475241798/ref=sr_1_1.

15 With the advancement of AI and robots, less and less work will be required of humans. Food will become so abundant it will be given away. Engineers and technical professions will not be needed. In this new age we will have unbridled prosperity, and it appears that socialism is in our future.

job of central banks is to create and maintain that currency scarcity. The direct consequence is that we have to fight each other in order to survive."¹⁶

According to Major C. H. Douglas: "It is self-evident that any lasting and general prosperity depends upon maintaining a constant balance between a high rate of production and an equally high level of consumption. This balance results from continuously satisfying the vital needs of consumers with the actual physical goods of producers. To make their demand for goods effective consumers must have sufficient money to buy the goods. Demand, without money to implement it, is impotent, ineffective."¹⁷

People thrive through the exchange of their skills and services. The abundance of the FairFunds currency will reemploy idle individuals who will trade their skills, knowledge, and services, for tangible currency, ensuring that anyone who wishes to work has the opportunity to do so. This will end scarcity and Fairfield's 19% poverty rate¹⁸, and the reliance on welfare. The FairFunds currency is local and promotes *Buy Fairfield First*.

The purpose of the economic system is to deliver goods and services as, when, and where they are required for consumption. We produce goods in order that we may consume them. The purpose of production is consumption. When we compare America the manufacturer with America the shopper we find that the manufacturer can produce but the shopper cannot buy.

If suppliers, manufacturers, and farmers have goods and services that go unsold, that is due to insufficient money in circulation. They, and the people who can't afford to buy them, will suffer; both lose out. Service persons will starve from lack of work, and houses and cars will deteriorate from lack of upkeep.

Other Applications

1. **Merchant Loans:** The City may loan the scrip to merchants who will agree to pay their loans at a later date in scrip with no interest. They may use it to pay wages, local bills, etc.; or make repairs to buildings or repair vehicles. The City can make loans to reputable people known to pay their debts, without the security needed by a bank. Credit by the banks is given to the producers; this is a long way from the consumers. Local currency gives loans to the consumers. As they consume, that motivates producers to produce.
2. **Kids Art:** If the back of the currency is available, school kids will be encouraged to draw art on the back of each coupon before it is circulated. This creates a unity among the community.
3. **The FairFunds Store:** We can open a store similar to the Good Will store where donations, old items, art, and collectibles are sold for Currency. This will give additional value to the Currency.
4. **Local Farmers:** When farmers accept FairFunds for their crops, people will buy their crops instead of buying at local markets and increase their market share. It will provide an outlet to spend FairFunds. Farmers can convert any excess FairFunds into dollars at the designated bank, for a negotiated rate.
5. **Volunteers:** FairFunds can be used to pay volunteers to do community service; e.g., teach elders computer skills, teach youth special knowledge, e.g. civics, law, engineering, grow food, pay kids to clean up trash on the streets. These projects that would not fit in the city's budget, can now fit with FairFunds.

16 *Beyond Greed and Scarcity* - <https://bsahely.com/2016/05/16/beyond-greed-and-scarcity-by-bernard-lietaer-yes-magazine-1997/>.

17 *From Debt to Prosperity*, Ch. 9 <https://www.michaeljournal.org/articles/social-credit/item/the-national-credit-account>

18 This number is higher than the national average of 12.5%, and represents a 3.76% 1-year increase. <https://datausa.io/profile/geo/fairfield-ia?redirect=true#demographics>

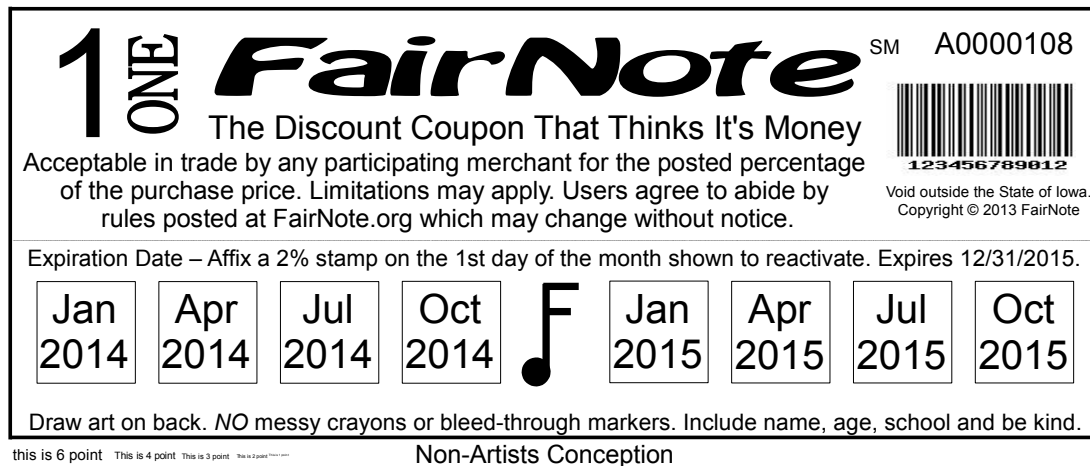
6. **Home and Car Maintenance:** The numerous worn out houses and cars in need of maintenance can be repaired by skilled workers willing to accept full payment in FairFunds. This will increase house property values. Cars need regular maintenance without which the owners will lose their transportation.

One approach: The labor would be paid with FairFunds funded by the city; the city prints FairFunds so it cost nothing. Materials would be paid from a dollars fund funded by donations, reimbursed by the recipient of the work done; the recipient should have a skill to trade to pay back the materials cost, and make a pledge to pay it back.

His/her name and skill would be posted on community bulletin boards to attract buyers.¹⁹

Examples of local currencies

Stamp based demurrage:



¹⁹ Job postings: fairfunds.org/jobs . To post a job fairfunds.org/post-your-job-2 (you must be logged in).

Wara stamp-based demurrage, 1931:



The Wara was introduced in 1926 in Germany. One Wara corresponded to one Reichsmark, the currency of Germany, and Wara banknotes were available in denominations of $\frac{1}{2}$, 1, 2, 5, and 10 Wara. Each Wara banknote had a monthly demurrage fee of 1% of its nominal value which was paid by the purchase of a stamp that was glued to the note. To avoid losing value, every owner of Wara currency had to spend their currency by the due date. For a history, and how it improved the lives of the people of Schwanenkirchen, see <https://en.wikipedia.org/wiki/W%C3%A4ra>.

Wörgl stamp based demurrage, 1932-33



A 5 schilling banknote – the Wörgler Schwindgeld (1932-33) – Source: Wikimedia / Thom16

"The town would issue it, with the consent of the workmen and of a sufficient number of the merchants and also of the local savings bank. The bank was to hold the guarantee fund (...). There was to be no final redemption. And the stamps, at 1 per cent per month, were to be sold by the town, and the proceeds used, not for propagating the idea but for the enlargement of the town's welfare work. But though there was to be no final and complete redemption, every holder of the scrip was to have the privilege of redeeming it at the town treasury or at the local banks at any time; but for such redemption a service charge had to be paid. As the stamp was only 1 per cent, the disadvantage of redemption at 2 per cent were, at any given moment, greater than the probable disadvantages of going on at 1 per cent. Redemption, therefore, was not likely to hurt the circulation of the scrip. Moreover, the banks and the town were to re-issue any that was redeemed. And so it worked out in practice." *Stamp Scrip* p. 24; the benefits are discussed through p. 2

On the reverse side was printed:

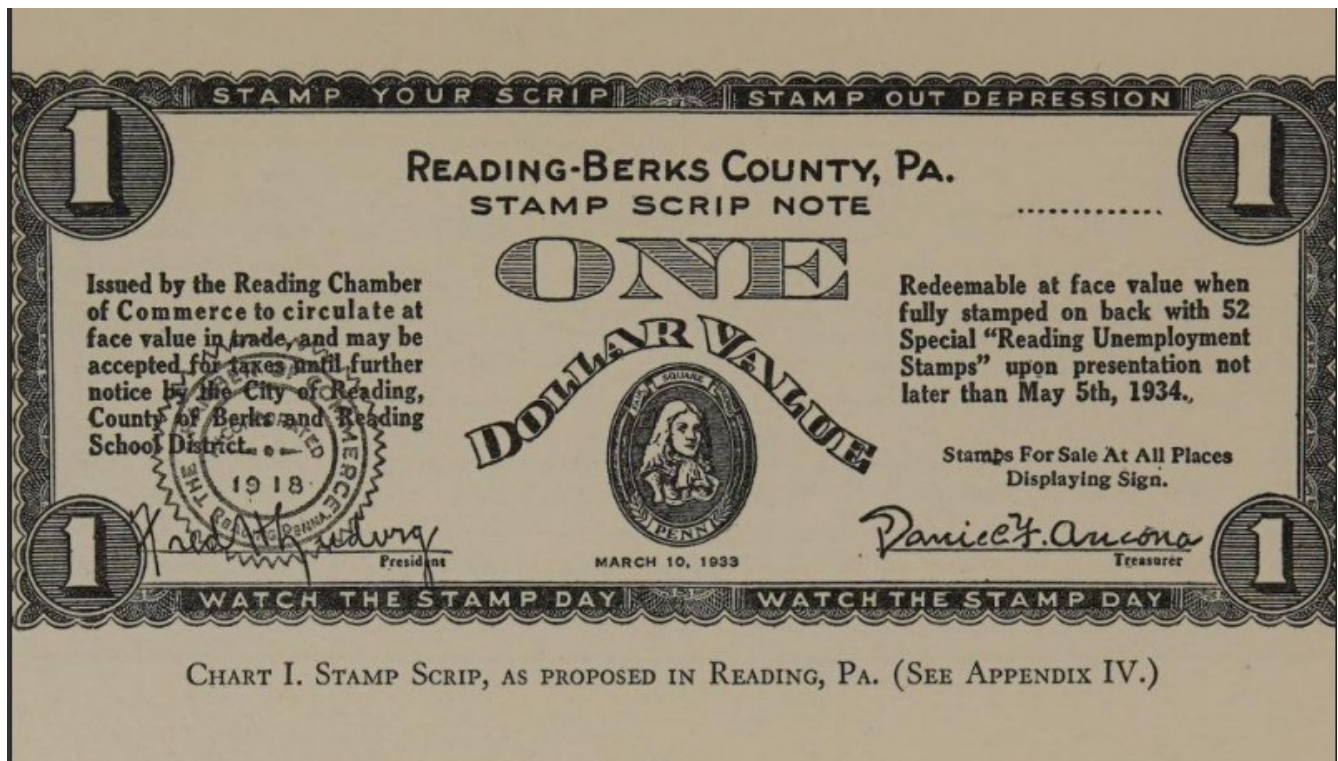
TO ALL

“Slowly circulating money has thrown the world into an unheard-of crisis, and millions of working people are in terrible need. From the economic viewpoint, the decline of the world has begun with horrible consequences for all. Only a clear recognition of these facts, and decisive action can stop the breakdown of the economic machine, and save mankind from another war, confusion and dissolution.

“Men live from the exchange of what they can do. Through slow money circulation this exchange has been crippled to a large extent, and thus millions of men who are willing to work have lost their right to live in our economic system. The exchange of what we can do must, therefore, be again improved and the right to live be regained for all those who have already been cast out. This purpose, the “Certified Compensation Bills of Woergl,” shall serve.

This was during the Great Depression, circa 1930. *Stamp Scrip* p. 25.

Reading PA Stamp Scrip



Reading PA Stamp Scrip, Reverse Side


Wednes. 2 April 5th 1933	Wednes. 2 April 12th 1933	Wednes. 2 April 19th 1933	Wednes. 2 April 26th 1933	Wednes. 2 May 3rd 1933	Wednes. 2 May 10th 1933	Wednes. 2 May 17th 1933	Wednes. 2 May 24th 1933	Wednes. 2 May 31st 1933	Wednes. 2 June 7th 1933	Wednes. 2 June 14th 1933	Wednes. 2 June 21st 1933	Wednes. 2 June 28th 1933
Wednes. 2 July 5th 1933	Wednes. 2 July 12th 1933	Wednes. 2 July 19th 1933	Wednes. 2 July 26th 1933	Wednes. 2 Aug 2nd 1933	Wednes. 2 Aug 9th 1933	Wednes. 2 Aug 16th 1933	Wednes. 2 Aug 23rd 1933	Wednes. 2 Aug 30th 1933	Wednes. 2 Sept 6th 1933	Wednes. 2 Sept 13th 1933	Wednes. 2 Sept 20th 1933	Wednes. 2 Sept 27th 1933
Wednes. 2 Oct 4th 1933	Wednes. 2 Oct 11th 1933	Wednes. 2 Oct 18th 1933	Wednes. 2 Oct 25th 1933	Wednes. 2 Nov 1st 1933	Wednes. 2 Nov 8th 1933	Wednes. 2 Nov 15th 1933	Wednes. 2 Nov 22nd 1933	Wednes. 2 Nov 29th 1933	Wednes. 2 Dec 6th 1933	Wednes. 2 Dec 13th 1933	Wednes. 2 Dec 20th 1933	Wednes. 2 Dec 27th 1933
Wednes. 2 Jan 3rd 1934	Wednes. 2 Jan 10th 1934	Wednes. 2 Jan 17th 1934	Wednes. 2 Jan 24th 1934	Wednes. 2 Jan 31st 1934	Wednes. 2 Feb 7th 1934	Wednes. 2 Feb 14th 1934	Wednes. 2 Feb 21st 1934	Wednes. 2 Feb 28th 1934	Wednes. 2 Mar 7th 1934	Wednes. 2 Mar 14th 1934	Wednes. 2 Mar 21st 1934	Wednes. 2 Mar 28th 1934

CHART II. REVERSE OF READING SCRIP SHOWING WEEKLY DATES

2 cents is charged per stamp for 52 weeks. At the end of the year, this is \$1.04; the scrip is full of stamps, and removed from circulation; the bearer receives \$1. The city made 4 cents from every \$1 note issued.

Date based demurrage:

2010 10th 25th		
APR	\$5.00	-
MAY	\$5.00	-
JUN	\$4.95	-
JUL	\$4.90	-
AUG	\$4.85	\$4.80
SEP	\$4.75	\$4.70
OCT	\$4.65	\$4.60
NOV	\$4.55	\$4.50
DEC	\$4.45	\$4.40



Hot Potato

Don't hold it for too long

Buy at 5% discount. Redeem for dollars at 5% cost. Trade at Current Value with participating merchants.

This is a trial prototype issue to test the design. It starts to lose its value on June 10 at 1% per month, changing to 1% twice a month on August 10. Rules subject to change. See FairfieldHotPotato.com. A poverty removing currency for Fairfield, Iowa.

Draw art on back using colored ballpoint pens, NO felt tip or markers. Include name, age, school and be kind.

This Hot Potato idea in which currency loses value with time, had already been tried "... in order to bring about the extra stimulus to turnover, [and] provides that a certain percentage of the buying power of the scrip shall drop off or evaporate at stated intervals. This plan has recently been tried in both Germany and America, but is very inconvenient. It requires a special computation for each transfer." One American experiment along this line was abandoned in favor of Stamp Scrip. The evaporation rate was 1 penny per week. *Stamp Scrip* p. 40.

Scrips Compared

Woergl: 12 stamps, cost 1% / month. Not intended to have a final redemption, but anyone could redeem it at anytime for 2%. [p.24]

Wara: 24 stamps, cost 1% / month (1/2% every 2 weeks, 12%/year)

Reading, PA: 52 stamps, cost 2% every week. Denominated in dollars. Redeemable at face value when fully stamped. At the end of the year, for a 1\$ denomination, \$1.04 was collected in stamp purchase which paid for redemption. The city made 4 cents per coupon. After a year, when all the stamps are attached, the scrip is to be redeemed in money. Thus, it cannot cause inflation.

Irving Fisher's position (in *Stamp Scrip*) is that a local currency will *reflate* the money supply, deflated from the great depression, and that a demurrage stamp fee will prevent hoarding and promote circulation.

Bernard Lietaer's position (in *The Mystery of Money*) is that complementary currencies are necessary. A demurrage based local currency will prevent hoarding and promote huge circulation. And, a stable national currency (e.g. based on gold or silver) is needed for long-distance purchases.

Liam Allone's position (<https://www.zerohedge.com/news/2024-04-01/how-we-can-fix-our-money>) is that increasing the money supply by *giving* it to citizens will motivate them to buy products and services that otherwise go unsold. Businesses prosper, and citizens get what they want.

Books to read:

The Mystery of Money, Bernard Lietaer, <https://static1.squarespace.com/static/6008703f1ab2dc6f4c38d6c5/t/6012e276a9800d23c9447238/1611850367618/Bernard-Lietaer-The-Mystery-of-Money.pdf>. Read Chapters 5 and 6.

Stamp Scrip, by Irving Fisher, LL.D.

<https://archive.org/details/stampscrip0000fish/page/93/mode/1up?view=theater> You have to check the book out for an hour at a time. Step by step instructions on putting a stamp-scrip currency into circulation: Ch. 6 p. 45.

From Debt to Prosperity <https://www.michaeljournal.org/articles/social-credit/category/from-debt-to-prosperity> by Major C. H. Douglas. This book provides a foundational knowledge of keeping production and money supply in balance. A lot of other good material on this site.

Article *How We Can Fix Our Money*, Liam Allone <https://www.zerohedge.com/news/2024-04-01/how-we-can-fix-our-money>. He has also written a book: *Economic Cures "They" Don't Want You to Know About*. [https://www.economiccures.com/images/Economic%20Cures%20They%20Don't%20Want%20You%20to%20Know%20About%20\(rev%201.17\).pdf](https://www.economiccures.com/images/Economic%20Cures%20They%20Don't%20Want%20You%20to%20Know%20About%20(rev%201.17).pdf)

Excellent Article on the nature of money – you should read this:

<https://www.michaeljournal.org/articles/social-credit/item/from-debt-to-prosperity-part-i>
<https://www.michaeljournal.org/articles/social-credit/item/from-debt-to-prosperity-part-ii>

Recent article *In economic slump, town takes new tack: Printing its own money*

<https://www.csmonitor.com/Business/2020/0709/In-economic-slump-town-takes-new-tack-Printing-its-own-money> An article on a recent local currency.

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