

# PositiveMoneyNZ



## Newsletter #48 – another IMF bombshell and support for Greece (not from the IMF).

Welcome to our 48<sup>th</sup> newsletter. Here is a link to [previous newsletters](#).

The IMF came out with [another discussion paper](#) that said trickle-down economics does not work. It also said that growing income inequality can actually undermine an economy.

"If the income share of the top 20% (the rich) increases, then GDP growth actually declines over the medium term, suggesting that the benefits do not trickle down. In contrast, an increase in the income share of the bottom 20% (the poor) is associated with higher GDP growth," the report says.

An [article on the Greek financial crisis](#) (that also appeared in the Dominion Post) paints a different picture than that appearing in mainstream media. The article is by Joseph Stiglitz, a Nobel laureate in economics and a university professor at Columbia University. Stiglitz argues that the crisis is not about the money, rather it is all about forcing Greece to knuckle under and accept regressive and punitive policies.

Another, more hard hitting article was by Michael Hudson called "[Negotiation](#)" is a Demand for Total Surrender. Hudson states that the creditors' objective is the same as military conquest: they want the land, the natural resource rights and monopolies, and they want tribute (in this case, debt service). Michael Hudson is a research professor of economics at University of Missouri, Kansas City and a research associate at the Levy Economics Institute of Bard College.

During June we:

- Posted a flowchart from Positive Money UK titled [New Money for New Jobs](#) which shows how government created money, injected directly into the economy can create multiple benefits.
- Posted an article from a supporter of ours, Amanda Vickers, titled [Let's Change our Money-as-Debt Problem](#).
- Posted a talk by Shamubeel Eaqueb. He coined a phrase "[Economic Apartheid](#)", saying New Zealand risks become divided into two classes - the landed gentry and everyone else.
- Stephanie de Ruter, the head of the Democrats for Social Credit provided [a letter from the Reserve Bank](#), where a spokesperson from their Economics team acknowledged that private banks create the majority of our money supply. The letter was dated 1st September 1994.
- Posted a good [interview with Ross Ashcroft](#) on Kim Hill's programme on Saturday morning. Ross spoke for 23 minutes about Greece and what ails to European economy.

After reading the two articles on Greece featured above, it is appropriate to spare a thought for that embittered country.

Don Richards and Sue Hamill

Page 1