

A SUMMARY OF GESELL'S ANARCHIST SOCIALISM AND ITS ORIENTATION TOWARDS THE NEW DEMOCRATIC PARTY

by Francesco RAUCEA (e-mail fra@gesell.it)

“Many think, and I am not the only one to say, that honest and reassuring face of Veltroni¹ may be no more than a fig leaf, put their to hide the usual _____²!”
(F. Raucea, conclusion of the article)

SUMMARY: 1: THE BASICS OF SOCIALISM; 2: CAPITALISM: NEGATIVE AND NOTHING JUSTIFIES IT OR MAKES IT COMPULSORY; 3: THE DEMOCRATIC PARTY APPEARS; 4: SUMMARY OF GESELL'S POSITION; 5: CONCLUSIONS

1) THE BASICS OF SOCIALISM




- 1.1. In economics, socialism has always had **just one clear, single and perfectly explained aim: to eliminate profits from capital, in order to overcome the class division and above all to restore equal opportunities and meritocracy.**
- 1.1.1. Even in the 19th century there was no real intention to physically eliminate the parasitic classes (though this is comprehensible due to the tremendous violations involved. When this happened, it was probably due only to the sensation of insecurity and to ensure that the change they wanted so much, and still perceived as happening by chance, was definitely irreversible.
- 1.1.2. The Socialists, more tranquil because of their great, recognised strength, now aim exclusively at *recycling* the parasitic classes with the reconversion of production (although undoubtedly forced and not spontaneous), while increasing overall prosperity, besides providing definite relief to the workers.
- 1.1.3. On the other hand there is not the least reason why the capitalists, who are almost always highly educated, must be maintained by their fellow-men as long as they are still young and able.
- 1.2. **Attributing the problem solely to the capitalist ownership of the means of production, to achieve this result, Marx and the Marxists theorised as being *exclusively indispensable and without alternatives* the concentration and monopoly of the means of production, in the hands of the State,**
- 1.2.1. **the mono-capitalistic, mono-entrepreneur and mono-banker State, (a single State bank, as below, point 5 of the Communist Party Manifesto) and consequently the complete abolition of the market economy and economic pluralism.**
- 1.2.2. **But these *goals* – reached during navigation, but never initially considered as the final goal of *socialism* – must be considered as *superstructures* and/or *tools for implementation* which are wholly external;**
- 1.2.3. **as soon as their irrelevance for reaching the desired goal is shown, and then to consider them as being negative and counterproductive, merely totalitarian nonsense, as soon as there is awareness of the matters in paragraphs 2.2.i. below.**
- 1.2.4. The Marxists – with lots of good intentions but without skilled management – have completely reversed the classical plot of the *commedia dell' arte*, applying it to life and the economy, imposing the *strange marriage* of the Beloved (i.e. ‘Society’) with the Tyrant, (i.e. the “*Abominable*”³ and *disgusting social-bourgeois State, previously merely “bourgeois” with Power*).
- 1.2.5. This is as if their scrupulous and rigid separation, already obvious when they first appear on stage (and increasingly so in the following scenes) were just a specious and seditious pretext for Anarchy (which is an effect but certainly not the cause), and not just for nature, instinct, tradition, logic and experience.

- 1.2.6. **Here, the Tyrant dares to consider himself to be the suitor (and thus the antagonist of Prince Charming, i.e. “economic pluralism”), who looks at him speculatively.**
- 1.2.7. **The Beloved - i.e. all of us and the healthy, youthful, dynamic, benevolent, positive and productive factors – has uncounted reasons to reject that *unpleasant guardian*, conservative, retrograde and negative, to whom time has brought just old age and stupidity, but no wisdom:**
- 1.2.8. **Even in the later democratic society, the Abominable entity, born and bred in an unacceptable absolutism, continues to be a “*an association for organised crime and depraved acts, with fully stolen share capital*’,**
- 1.2.9. **being inevitably formed and represented by CASTES, political and/or politically manipulated bureaucrats who abuse the system for their own evil advantage and un-nameable purposes.**
- 1.3. **For the working class, the transition from capitalism to communism there just means falling from the frying pan into the fire, a change of the number of bosses and their name,**
- 1.3.1. **but certainly not in working conditions (which have worsened), or in that longstanding poverty and exploitation, just as widespread and massive.**
- 1.3.2. **The working class could only contemplate handing itself over to communism, bound hand and foot, only if it were silly, unaware and *plagiarised*, definitely giving up the favourable protection provided by economic pluralism!**

2) THE DOCTOR DIDN'T PRESCRIBE CAPITALISM!

- 2.1. **While being a recent phenomenon, capitalism, this ignoble exploitation of the population by the profits of capital in favour of a tiny and insignificant percentage (perhaps not even 10%) -**
- 2.1.1. **while being disguised with clever masks and spreading by partial anaesthesia or hypnosis, its continuation would nevertheless be incomprehensible and inexplicable.**
- 2.1.2. **Come on! At least bothersome mosquitoes and other vampires seek the darkness of night, to be less visible, while ticks and crab-lice hide in the fur, besides having the instinct to feed upon their victims only occasionally (generally during reproduction) so that the victims can recover,**
- 2.1.3. **because, obviously and instinctively, even lice have complexes and are ashamed, unlike the capitalists, who are totally without such *delicate feelings*!**
- 2.2. **We can now seek the *reasons* and the *morale* of the absurd persistence of capitalism, and of the *evident resignation* of the majority, unnaturally and inexplicably dominated by a minority.**
- 2.2.1. **And if we start to reason, we will reach a surprising conclusion that, at least in the recent past, the conservation of capitalism has been significantly favoured by Marx and the Marxists!.....**



- 2.2.2. **because paradoxically its most valid *credit card*, its *life insurance*, has been the pretence of the unnatural marriage between the Beloved and the Abominable One, imposed by the Marxists as being indispensable.** 
- 2.2.3. Obviously, the error of the enemy is an advantage to the other side. And so, the capitalists, though perhaps noticing this, have avoided correcting it, and have made things worse [(Nietzsche) “Those whose life consists of a struggle against an enemy have every advantage in keeping him in good health!”, as well as spreading and amplifying what he has to say]
- 2.2.4. **Therefore, continuing to preach *economic pluralism*, *the free market* and *capitalism* – as reflected by the pretence by the enemy to contest these absolutely, the result was that there are three inseparable musketeers, *one for all and all for one!*.....**
- 2.2.5. [.....so that the disappearance of just one of these would inevitably lead to the disappearance of the trio (**just think how much this belief has continued to benefit Berlusconi!**)].
- 2.2.6. **The Christian-DemoNcrats¹ managed to persuade people the *wrong time* was the right time, just by showing two clocks:**
- 2.2.7. **to the *silent majority* - although perhaps not instinctively contrary to Socialism (or may even in favour, while RIGHTLY rejecting State ownership and demanding economic pluralism and the free market). Puzzled, all they could do was to shake their heads and then bow down,**
- 2.2.8. **- just, as I insist, seeking pluralism and the free market! – bow down and kiss the disgusting and blood-spattered claws of capitalism (probably predicting this, Proudhon said that “Marx is the tapeworm of socialism!”)** 
- 2.2.9. **In other words, Westerners have defended capitalism only incidentally and not selectively, in the mistaken belief that it is indispensable for the essential factors of *economic pluralism* and *free market*.** 
- 2.2.10. **As farmers say with a picturesque expression, they have acted like those people who, *wanting to taste good ham, end up by kissing the pig’s ass!***

3) THE DEMOCRATIC PARTY APPEARS

- 3.1. **Besides the initial unifying element, i.e. the *lust* for power, the *desire for power* more commonly found among the Christian DemoNcrats – the latter and the DS (Democratichi di Sinistra) had a second factor in common:**

¹ The term “Christian-DemoNcrats” or “diabolical Christians”, is used for the correct term “Christian Democrats”, obviously because of all the theiving and outrages they have committed.

- 3.1.1. **neither of them have noticed up to now that they have had to apply Ockham's razor to their ideologies, trimming and slimming them down;**
- 3.1.2. **and that this not only involved no risks but actually brought enormous advantages, since whoever completed the process first would have achieved overwhelming and definitive victory.**
- 3.1.3. (Probably they were even afraid of this; or perhaps they realised that they were *incapable of managing this outcome*, so that they had to give it up, remaining crippled and *cancerous*, happy to *become saints* periodically, thanks to the bad deeds of the other side, but at the same time continuously reviving the enemy!)
- 3.1.4. Nevertheless, you can't postpone the coming of spring forever, and I hope that the various supporters (still quite healthy and not wholly contaminated by politics) impose a type of unification *aimed at evolution and not based just on the lust for power* : the alternative would be serious fragmentation and not just among the DS supporters.
- 3.2. Do they really intend to resume and continue the same terrible old game of maintaining an enemy, more or less fake, just to perpetuate the bi-polar system and to acquire invented merits? I can believe that this is what the political *CASTE* wants, but the voters certainly do not!
- 3.2.1. **And so we must have the courage to grasp the bull by the horns and spread this double awareness, with acting-out and trimming down; why should we be *plures*⁴ when we can be *uni*?**
- 3.2.2. If this happens, the reasonable Left - **and especially those of us who look to Gesell, and have always called for this and ideas of our prophet that can lead to SUCCESS** – should provide massive support to the Democratic Party and form its backbone.
- 3.2.3. Gesell, the so-called “Marx of the German Anarchists” [his masterpiece, ‘The Natural Economic Order’, has been available free and in Italian, as ‘The economic system tailored to man’, from March 2007 on the website www.gesell.it)]
- 3.2.4. was the first to understand that: a) socialism is not a synonym of State ownership plus economic totalitarianism, and can definitely exist separately from these; b) similarly, the *free market* and *economic pluralism* are not synonyms of capitalism;
- 3.2.5. c) what is needed is a careful *cleaning* of these two dynamic and nice kids, **acceptable from all other points of view and which we cannot do without**– finally separating them from the excrement they have been surrounded by for so long.
- 3.2.6. This will finally allow these kids to play, free and clean, realising that they are not at all hostile to each other (indeed, they are perfectly complementary, belonging to opposite sexes), ending up in a joyful copulation that will undoubtedly be blessed by God and men!
- 3.2.7. Lev Trotsky : **“Life is beautiful⁵ : may the future generations free it from all evil, oppression and violence, and enjoy it in all its splendour!”**

- 3.3. It now remains to show the complete possibility of Socialism in the free market and economic pluralism and vice versa. **To understand this, however, we must understand Gesell's innovative concept of icemoney and just how indispensable this is.**
- 3.3.1. Since you will probably and rightly say “What the devil is it?”, we will try to explain it with summary, as brief as possible, of what Gesell explains in 500 pages.

4) GESELL'S ANARCHIST SOCIALISM

- 4.1. The great Keynes was among the eminent *economists* to notice Gesell – **also being inspired by him at Bretton Woods, with his bancor.**
- 4.1.1. At least Keynes felt the need to give credit to Gesell, praising him (Teoria generale dell'Occupazione, dell'Interesse e della Moneta, libro 6, Chap. 23, page 549 of the Utet edition):
- 4.1.2. “I believe that the future will learn more from the spirit of Gesell than from that of Marx. The preface to ‘The Natural Economic Order’ will show Gesell’s moral status to those readers who care to read it. I think that the response to Marxism must be found by following the guidelines contained in this preface.”
- 4.2. **Thanks to Gesell, Keynes theorised the liquidity premium;** to grasp the concept, we shall follow him from the early stages and then come back to the inglorious dispute between Marx and Proudhon.
- 4.3. Once the division of labour had taken place, says Keynes, the prehistoric barter economy corresponded in practice to a *multimetallic* monetary system in which each producer used his one product (goods) as money.
- 4.3.1. **However, enormous problems occurred, especially the situation of not finding others who need our goods while producing exactly what we need.**
- 4.3.2. **The two types of merchandise would have to be measured in the same way (otherwise, how could they give the “change”?) or alternatively divisible** (supposing that a cow is worth 6 sheep, if the cow herder only needed 4 sheep, he obviously couldn't keep back a thigh of the cow to make the accounts balance).
- 4.3.3. This situation resulted in endless difficulties and conflicts, seriously limiting the ease of trading and – even if the goods were not perishable (like almost all foodstuffs, and not only these) – the lack of sales would at the very least lead higher costs for transport to the market and for storage.
- 4.4. In this situation, difficult but where **trade still took place with the work content of the merchandise being at par**, as Ricardo would say (Marx merely mentions the concept while raising a smokescreen on the source).
- 4.5. **The free market experienced the highly necessary invention of money made out of precious metal; it is the *deus ex machina*, coveted and accepted by all, divisible, non-perishable and without high transport and storage costs;**

- 4.4.1. **it is the multifarious *genie of Aladdin's Lamp*, enabling people to obtain anything, and of being transformed into anything: other peoples' work, food, drink, lodging, housesand even sex!!**
- 4.4.2. **It is therefore quite reasonable to suppose that compared to ordinary merchandise it started to behave like a *supermerchandise*, thus acquiring (as it still does, just think of the *discount rate*) a premium,**
- 4.4.3. **which Keynes called the "liquidity premium" [while Gesell had defined it as 'Urzins' (an neologism for 'archaic profit, patriarchal profit').**
- 4.4.4. According to Keynes, there was also a sort of *liquidity premium* in barter, when – for example – someone agreed to accept a cow worth seven sheep for only six sheep, since these would later be easier to barter than the cow.
- 4.5. **In this early condition of barter exchange, this favourable situation allowed the holder of money to have a *disproportionate share of the transaction in his own favour*.**
- 4.5.1. The money-holder constantly managed to pay for goods with a lower value (of work) compensated by that of the *liquidity premium*, and only in this way restoring the *pseudo-fairness* of the transaction;
- 4.5.2. in other words, the money-holder still constantly has his own *fifth column*, an ace up his sleeve, represented by the *greater desirability of money*, and its *superiority* with respect to any other merchandise.
- 4.6. In any case, before Keynes and Gesell, the liquidity premium was understood by another great socialist and anarchist, Proudhon⁶, who nevertheless tried to oppose it by calling for the exclusion of money in favour of barter; but he neither formalised this view or foresaw Gesell's brilliant solution to the problem.
- 4.6.1. **However, with his *merchandise exchange banks*, he caused the disaster and consequent failure that probably led Marx to throw away the beautiful and healthy baby, together with the bath water.**
- 4.7. Marx developed the mistaken theory of *surplus* ('*Mehrwert*'), which was only supposed to be perceived in the final stage, working against the user-consumer, while all the others, from producers to retailers, would just receive a *reimbursement of expenses* (*equivalent*, he said).
- 4.7.1. Since he started in the wrong direction, and didn't have Columbus's luck, he sailed so far from the island of socialism that he never managed to sight it and land there, **finally getting lost in the bitter absolutism of State control.**
- 4.7.2. **[I disagree with my friend Fidone⁷, who suspects that this happened deliberately, also highlighting the fact that instead of revising his idea Marx replied acidly (with the ignoble libel 'The Misery of Philosophy') to the reasonable and sensible work 'The Philosophy of Misery' in which Proudhon tried to call Marx back to the reality of experience; in fact, *errare humanum est, perseverare diabolicum*.**
- 4.7.3. **Nevertheless, the great father Marx's anticapitalist indignation and recriminations are, I believe, so heartfelt and sincere that I couldn't see him as a Judas..... certainly Marx is mistaken, but in perfect good faith and let anyone who has never made a mistake cast the first stone, I won't!**
- 4.7.4. (.....In any case, anyone who is hit by so-called *friendly fire* has certainly no reason to celebrate; if the crime is *unintentional and/or undeserved*, this has never made the bullets or the blows less lethal or painful.)]
- 4.8. Gesell, however, comes into a developed economic system, with more liberal and stimulating paper money (of which he was a convinced defender and promoter), though this does not exclude the opportunity for developing paper icemoney.
- 4.8.1. **Briefly, the banknote has one side that shows its nature as money, while the other has a pattern of lines and columns forming squares where, on the date**

indicated, duty stamps with a certain value must be glued in order to *conserve the validity* of the face value (see paragraphs 4.1.i. of the website);

- 4.8.2. In any case, not even Gesell grasped this initially, and a bit like the egg of Columbus, he approached the issue for a long time before clarifying it, **nevertheless using this transition phase to make a lot of brilliant observations, such as that capitalism conserves the productivity of capital profits *only by ensuring a shortage of funding to the means of production***
- 4.8.3. **and this can only be done because the holding of money – unlike other merchandise – does not involve loss; in his story about Robinson (Chap. 5.1 of the website) the Foreigner⁸ brought this phenomenon to its extreme consequences, managing to obtain everything he needed from Robinson, without any additional costs.**
- 4.8.4. **Having made this fundamental observation, instead of eliminating private ownership of the means of production like Marx, Gesell turns to a successful alternative,**
- 4.8.5. **trying to introduce a mechanism of loss in the holding of money, a way to infect this all too healthy money and make it less desirable. This is all that is needed..... and the cessation of profits from capital would be the logical consequence.**
- 4.9. **Let's follow his subtle reasoning. Currently the gap between supply and demand of financing for the means of production can push the interest rate only above the liquidity premium,**
- 4.9.1. **since this is obtainable by the money holder in the commercial sector, without involving the financial supply and demand mechanism,**
- 4.9.2. **by which the interest rate, as in the theory, is conditioned; this consists in the collection premium (alias liquidity premium), risk premium and banking costs for concession, and which inevitably has as its minimum the liquidity premium.**
- 4.9.3. **But when, in order to protect himself from the meltdown of the money, the holder of icemoney must inevitably and constantly make it available, and to start the liquidity premium will disappear (and therefore the aforesaid minimum).**
- 4.9.4. **Subsequently, since money can no long stand still but just choose between immediate consumption or consolidation by capital investment, and therefore flowing massively in this direction –**
- 4.9.5. **a flow higher than the demand (for capital investment) would, in the theory, inevitably lead to a *negative investment premium, a dis-interest.***
- 4.9.6. **As soon as this *negative* component equals the sum of the other two, money at zero cost would lead to the disappearance – not just theoretical but also real – of those profits from capital,**
- 4.9.7. **which have always had as their only theoretical basis (generalising somewhat) the fact that since money produces a profit, the means of production must also produce a profit, simply because the lack of these profits would cause serious harm to the national economy.**



- 4.10. **Gesellism, the economic system on the human scale, therefore does not depend on the ownership of the means of production,**
- 4.11. **although the anarchist G. prefers to retain municipal ownership of land and raw materials (but not State ownership – he always defends pluralism, since while there is just one State there are many Municipalities).**
- 4.8.1. **An anarchist but a believer, Gesell does not try to avoid the issue, saying that the *soup bowl* (as he calls it, since it is full of everything!) was made by God and made available free of charge to ALL MANKIND, and we need only obey him.**
- 4.8.2. *Added value* on real estate (buildings, orchards, land recovery etc.) will accrue to the assignee (this is also the theory of the father of liberalism, Locke) but only up to the most favourable solution for the assignor has been made between a) the amortisation applied (to return subsequently to municipal ownership - this is the principle of the *right to surface use* in English and German law); b) termination of the concession contract.
- 4.9. **All the rest, whether or not it is classified as means of production, belongs to whoever has made it; if it has been made by a working group, it is auctioned and assigned for the highest bid that allows for the best compensation to the producers.**
- 4.9.1. **Icemoney would produce a *world made for mankind*. This will be the passport to a new world without capitalism, but nevertheless made dynamic by economic pluralism, the free market and the *creative destruction* of competitiveness, a world we all hope to see as soon as possible.**
- 4.10. **It may be surprising that such a simple solution, so easily explained, has long been absent. But it is a bit like the story of the egg of Columbus, or that highly secret message, which only Dupin⁹ could find, simply because with a clever move it had not even been hidden!!**
- 4.10.1. We have been blinkered by Capital, our eternal enemy, which intervenes constantly and with all means – including armed force – against the various National Banks. We can cite the events to stop the two highly positive experiments of Gesell’s paper icemoney in the 1930s in Germany and Austria (see paragraphs 0.1.2.i. of the website).
- 4.10.2. And in 1932, in the US they brought about the failure of the American experiments by setting a “meltdown” rate that was too high (2% per week instead of the 5.2% per annum suggested by Gesell).
- 4.10.3. The stakes were and are too high.....we can recall that after taking the first step against the Federal Bank in June 1963, properly claiming and restoring his country’s right to issue currency (right of sovereignty),
- 4.10.4. **Kennedy was assassinated in November, and his successor Johnson immediately and inexplicably *stopped the process!* (perhaps it was all agreed previously?!)**
- 4.10.5. Likewise, as Keynes also pointed out, by according capitalism a much greater importance and visibility than it really deserves, it has always arranged things so that the conflict is with a sure loser, Marx,
- 4.10.6. while scrupulously rejecting any debate with Gesell, by whom it instinctively feels defeated, and using the power of the press and publishing to bury him, both while he was alive and after he was dead.
- 4.10.7. **In his native Germany, for example, he managed to get seven editions of his great work burned by the nazis, and even today, few of his compatriots [though highly qualified and very active today (see the Gesell-based currencies now in circulation as shown on the website)] are familiar with his extraordinary work.**

- 4.11. **In Italy, Matteotti¹⁰ (a friend of my mother's family – she had the honour of working with him in spreading socialist propaganda starting from the 1924 elections) was a great admirer of Gesell and his work,**
- 4.11.1. **He nevertheless also discovered the sole weak point. This was the point of departure for my research in 1960.** But this aspect is so sophisticated that we refer readers to paragraphs 0.1.3.3.i. of the website for the explanation, with only a short summary here.
- 4.11.1.1. Due to the negativity and greed of politicians and bureaucrats, Gesell's paper icemoney involves the risk, despite all the good intentions, of falling into Point 5 of the Communist Party Manifesto (a reminder to non-comrades: a single State bank with monopoly powers);
- 4.11.1.2. therefore, with all the real estate owned by the Municipalities and the entire financial potential *artificially captured* by the State Bank, pluralism and the free market would in practice disappear all the same.
- 4.12. Undiscouraged by this, with I continued research in 1960 (Essay on Icemoney) using my imagination (i.e. with a *working hypothesis*, which at the time was absolutely unrealistic and absurd),
- 4.12.1. somewhat as in mathematics we study the field of existence and the conditions for an *eventual solution* to an equation, non only without determining in advance that this situation exists, **but boldly acknowledging that it does not currently exist.....**
- 4.12.2.hypothesising the feasibility of the then imaginary electronic version of icemoney [i.e. icemoney, obtained with an *electronic wallet* (i.e. **minicomputer, which we can now imagine as being included in the inevitable mobile phone, see paragraphs 4.1.5. of the website**)]. However, at least since 1995, this has become easily and completely feasible.
- 4.12.3. **While I was glad to see that in this case there was a real and definite solution to the issue which I had also addressed to overcome Matteotti's objections¹¹,**
- 4.12.4. **I realised that an unexpected but highly welcome subproduct would be to ensure the definitive elimination of any form of tax evasion, in relation to the cause and effect relationship with the existing currency, which also allows for this (as a matter of fact comrade Bersani has started to make payment by cheque compulsory).**
- 4.12.5. **With a hyperlink or flight of the imagination (which I have had since I was a boy) I suddenly interpreted the verses by Matthew (17.23-26) on the abstruse story by which Peter is to catch a fish and find in its mouth a stater coin to pay taxes;**
- 4.12.6. **this was a clear (though subliminal) message of wisdom, i.e. that healthy and correct taxation must come exclusively from *liquidity*, the element collected from that coin-eating fish.**
- 4.12.7. However, this liquidity is constantly ignored in the wholly unacceptable Italian tax mechanism, which has never managed to pursue and come to terms with its low levels, fluidity (mobility) and ease of concealment (see in the website the story of Nasrudin and the snails).
- 4.12.8. **After this sudden hyperlink, I started working on a tax system with an almost wholly monetary basis, new in theory but extremely simple, definitely acceptable to people because it is less expensive, fair and constitutional,**
- 4.12.9. fully computerised and evasion-proof (details in paragraphs 4.1.5.i. of the website) as well as being feasible (since about 1995). This involves just four taxes: **I.CIR.** (tax on money in circulation, i.e. "melting of the e-icemoney, not very high but necessary to implement the more honest and fair I.G.M.);
- 4.12.10. **I.G.M.** (tax on the average balance of the current account, applied with the formula similar to the one by which interest payable is calculated); **I.G.E.** (general income tax, replacing the current IRPEF-IRPEG); **I.G.U.** (general expenditure tax, to inhibit excessive consumption), and obviously the lease fees for real estate concessions.
- 4.12.11. In figures, with public expenditure (for 2004, I don't have more recent data) of 350 billion €. (net of duties on fuel, which I would leave, and indeed raise, to inhibit its consumption) and with monetary circulation of 47 billion €,
- 4.12.12. it would be easy to obtain 150 billion €. from IGE and IGU (VAT revenue for 2004 = 102 billion, but with the estimate about 30% tax evasion, which would now be eliminated),
- 4.12.13. so that for IGM and real estate lease fees (or provisionally, until the transfer to municipal ownership is completed, real estate tax) would account only for another 200 billion.
- 4.12.14. However, there is a problem here since there are no recent figures on bank deposits
- 4.12.15. [in the 1990s they reached 1,033¹² billion €. (two million billion lire);



- 4.12.16. and on real estate revenue (which the State constantly confuses with direct taxation on real and legal persons). We can say ROUGHLY that in the 1990s the AVERAGE percentage of IGM could have been a very acceptable 20%, while today it could be even lower;
- 4.12.17. (but let's not forget that with the tax system illustrated here a considerable amount of these deposits would be IGM-exempt, although the tax on real estate (provisionally replacing the future lease fees) could provide compensation, i.e. so that the overall tax rate would not be too high.
- 4.12.18. **Since the law of Babbage reminds us not to cite figures casually, I would like to go on to highlight the importance of a tax system based not only on income, but combined with a significant assets element. I will do this quickly and comprehensibly using an example from my sector.**
- 4.12.17.1. We can see the effects of the two types of taxation on a hotel; by taking an amount per bed (per capita), this *assets tax* would be an incentive to keep the rooms occupied as much as possible, since he would save all the income tax exceeding this per capita quotaand this would be a benefit not only for his own economy but for the national economy as well.
- 4.12.17.2. When income is taxed, entrepreneurs tend to work only on the lowest point of the algorithmic curve¹³, indicating the profitability of the enterprise, while ignoring the other sections in which he just breaks even and the business is not worthwhile, but this adversely affects national production.
- 4.12.17.3. [The same thing happens in farm management, where the extensive method is preferred to the intensive method; I suppose that these considerations will also help explain the apparent absurdity of the Laffer curve (expressing the realisation that paradoxically, a substantial reduction of tax rates can often lead to greater revenue.)]
- 4.13. **The tax on assets favours the industry of people who work, while the income tax mortifies it; the tax on assets is a tonic, while the income tax debilitates, so that a sensible tax system should use a combination of both**
- 4.13.1. **For example, as G. rightly proposes, family benefits should not be charged to the cost of labour (which already indirectly falls as there is more labour available, so that when workers have children they harm themselves),**
- 4.13.2. **but rather to real estate and commercial income, which have risen enormously, as recent immigration trends have also shown.**

5) CONCLUSIONS

- 5.1. **Italian politics must finally realise that with the coming of Internet, the possibility of censoring Gesell's great work (by not having it published) is finally over, and now everything will be different.**
- 5.1.1. – Although the search engines have started to show our website only around the end of May, promotion by word of mouth has given good results, with the very flattering figure of 600 readers.
- 5.1.2. **The preventing of publication can no longer censor the work 'The Natural Economic Order', nor can we any longer pretend that he never existedand as for countering Gesell's adversaries.....**
- 5.1.3. **.....the struggle will doubtless be hard, since the *CASTES* are convinced that God is always and *Stalinistically* on the side of the strongest army, and so they ask us "How many divisions do you have?!": but do you really only win by sheer force of numbers?!**
- 5.1.4. **.....The sensation of God's hand on our heads makes us confident, and the certainty that at the right time it will bring to our aid the irresistible forces**

of Freedom, Fraternity, Equality, Solidarity, the Free Market and Pluralism; and so, comrades, we can only win, or even better, *convince!*

- 5.1.5.1. Gesell has taught us that men cannot always be enemies, although their ruling classes, the *castes*, have always fought. In our brief Italian existence, we have to realise
- 5.1.5.2. that the *minorities, on the right and the left*, have always welcomed us with interest or even enthusiasm, and never with the hostility reserved to us by the powers that be!
- 5.1.5.3. **And so we turn to the base of the new Democratic Party, with ancient Sufi wisdom: “When a crowd of protestors assembles and increases visibly, it is wise to first ask ourselves what really separates and distinguishes us from them,**
- 5.1.5.4. **since it is probably better to lay down arms and welcome them, opening the door which would otherwise be broken down;”**
- 5.1.5.5. **while, to the *CASTES* we say: “Whatever we say about Che, the only battle we really win is the one we decide by agreement not to fight!**
- 5.1.5.6. **.....This also prevents the losses and bitterness of the conflict, and the smearing of nearly healed wounds with vitriol, from reviving those very justified and not yet forgotten reasons for calling for your heads!” If this is not clear enough!!**
- 5.1.6. **Everybody will find Gesellism acceptable, joining us in brotherhood – as comrade Veltroni said – and it will bring Italy back to the economic, environmental and social dimensions to which it is suited. And this is exactly what the country needs today.**
- 5.2. **And so, Comrades, if the Democratic Party maintains a socialist position and the desire to go beyond capitalism, something which could already be found in the Democrats for the Left, the current tug of war will end with a sensible solution, pulling Rutelli’s Christian-DemoNcrats over to Gesell and to *social-libertarian* positions.**
- 5.3. **May God ensure they both get what they deserve! For Italy, this will be a great and extraordinary event, which those of use who support Gesell have always looked forward to and called for; we should take part with enthusiasm.**
- 5.3. **On the other hand, if Rutelli’s siren song of power and the will to power lure our comrades Democrats for the Left over to the capitalist side, momentarily making them forget their initial socialist and anticapitalist roots, this will be the victory of *bad conscience* and a tremendous defeat for Italy.**
- 5.3.1. **The former P.d.S. party would then be definitively interpreted as the *Party of Saliva*, while we Gesell supporters will converge even further to the Left – calling for unification –**

- 5.3.2. **and then establish ourselves as the reasonable right flank, doubling our efforts in the attempt, which for us is habitual and traditional, to make other people *reason*.**
- 5.3.3. **The current situation (July 07) does not allow us to draw other conclusions, obviously together with a very negative view of the unification procedure followed initially:**
- 5.3.2.1. ‘We could all go to the city zoo’ proposed Jannacci, showing that just a singer (though empowered by comrade Fo). For something minor, like the use of free time, he clearly say the need to seek consensus and convergence on a **programme that is COMPLETELY AND UNEQUIVOCABLY DRAWN UP.**
- 5.3.2.2. **However, it was initially decided to bury the past, setting aside ideologies as well as ethics as if they were now SUPERFLUOUS – obviously, since if there had been enough consensus they would have done as they pleased.**
- 5.3.2.3. **However, party supported revolted, and lots of people left, important not so much from the quantity point of view as for their image, libertarian, democratic and responsible (for example comrade Mussi; but, initially, wasn’t there surprise, anger and criticism on the part of Veltroni, D’Alema and Bersani....?!)** 
- 5.3.2.4. **Realising the poor image and overall consternation, there was an equally impudent decision to *merrily rally behind* the honest, respected, reassuring (or *sleep-inducing?*) figure of comrade VELTRONI.**
- 5.3.2.5. **Were the initial *power seekers* actually disavowed, or just removed, temporarily?..... who can assure us that the two CASTES have definitively rejected those who intended to behave like the thieves of Pisa?** 
- 5.3.2.6. **....Those thieves who first counted how many of them there were and only later decided what to do and the basis of the number: whether to raid a chicken coop, an isolated farm, a group of homes or even a city.....or perhaps the whole of Italy!**
- 5.3.2.7. “Many think, and I am not the only one to say, that honest and reassuring face of Veltroni may be no more than a fig leaf, put their to hide the usual _____!”



The author is willing, if requested, to further discuss these topics on any occasion (and in public or private debates with - or against – anyone. He publicly thanks Professor Silvano BORRUSO, Strathmore Univ. Ke., without whose valuable advice and suggestions given in the preliminary reading this text could not have been successfully completed.

¹ Mayor of Rome (July 2007) and major figure in the Democratici di Left party (as are D’Alema, Mussi and Bersani), but basically imposed from above to guide the new Democratic Party (since the forthcoming October elections are just a farce); a well-qualified intellectual and philanthropist (every month he donates over 7,000 €. of his parliamentary “mini-pension” in charity to the Africans) could be the right man in the right place only if he forgets he is a “do-gooder” and doesn’t let others dominate him.

² In the Italian language, 'say' (= 'dico') and 'leaf' (= 'fico') make rhyme, calling here the obvious rhyme 'coglioni' (= 'balls').

³ In the etymological sense, 'far from man'.

⁴ A clear reference to the American motto 'e pluribus unum', Latin = 'out of many only one'.

⁵ I believe that comrade Benigni got the title of his masterpiece from this aphorism.

⁶ Not that Proudhon was intellectually inferior to Gesell, but his view was probably inhibited by the then metallic form of money, [recalling that the French and Spanish for 'money' is 'silver' ('argent', 'plata') and precious metals do not allow the Machiavellian idea, developed by G. and basically irreplaceable until the coming of my "electronic portfolio".

⁷ Professor BORRUSO agrees with him, and while providing lots of *principles for proof* never gives REAL PROOFS.

⁸ An allegorical figure probably symbolising the new generation.

⁹ An allusion to a famous story by E.A. POE, in *Extraordinary Tales*.

¹⁰ The charismatic leader of the Italian Socialist Party, murdered by the fascists on 10/06/1924.

¹¹ While Gesell requires banks to accept the paying in of icemoney at face value up to the "meltdown" day, mainly taking on the costs for this, in my hypothesis, in order to overcome Matteotti's objection, the icemoney stops "melting" as soon as it leaves the electronic wallet of an individual.

¹² It might seem incredible, but with only 47 billion €. in circulation, due to the credit mechanism (see paragraphs of the website 0.1.3.3.3.i of the website) deposits can be obtained from a minimum of 47 billion (situation of maximum recession) upwards.

¹³ Production on a natural basis is always represented by this curve.