



Interview of Dirk Solte by Heinrich Wohlmeyer in May 2020

W: Hello Mr. Solte, first let me say a warm thank you, from expert to expert, thanks for giving us this interview; I'm happy especially for two reasons: You have probably written one of the best books on the Global Financial System 'Weltfinanzsystem am Limit, Einblicke in den heiligen Gral Globalisierung (on World's Financial System - Globalization our Holy Grail) and secondly, you currently are CEO of a Publishing Co in the Insurance Economy - a business sector that has face great challenges at the moment. We are the "Forum Seitenstetten" which you were part of already - we thank you for having already been here to Austria... and you should have come to our 2020's Forum, too, which was planned on "World - Power - Money" but we had to cancel it (for Corona restrictions). Therefore we are now working on this online platform to enable "Dialogues of Peace" - starting with various interviews with different experts. We use standardized questions in order to be able to compare your answers and compare the different concepts. Well, let's start with our catalogue of questions: First, we ask all our interview partners to introduce themselves in a personal manner. Yet, I know you are so well known worldwide it seems to be superfluous, but **thank you that you are going to introduce yourself - the way you like to do it.**

S: Dear Professor Wohlmeyer I love to do that! But well, 'known worldwide'? For Heaven's Sake I am NOT that known. I just try to give my very best. Concerning my background, I studied Industrial Engineering and I did my PhD in Business Economics in combination with Mathematics, Computer Science and Economics. Later, I promoted as Professor of Business Administration in St. Gallen, Switzerland. For the last twenty years, I have also been engaged with Knowledge Management and Artificial Intelligence. And it's also been 20 years now, that I've been engaged with Futurology. Because what's been bothering me is the future of mankind. The future of our world. For I'm really convinced that the problems we are facing today are not going to be easy to be solved. On the contrary... I keep saying that in case we faced just ordinary problems, we would have solved them already long time ago! However, the problems the world is facing I would describe as so complex that we really have to first start with philosophy by pondering the question: WHAT IS actually GOOD [for all of us]? GOOD I'd define as BALANCE: the balance between the economic, the social dimensions and Nature... So, our Financial System could be a bridge into such a good [balanced] future. Well, let me explain in other words: to me at the end of the day it's all about the following four essential factors: Economy, Society, Nature and Time. - Why time? Well, money to me is (and we'll come back to that later), money is a PROMISE of added value in the future and that's why money is a bridge between these three dimensions: Economy, Social Life and Nature's Resources.

W: Mr Solte, actually, you are already answering our second question which runs: **What keeps bothering you at the moment and what are you currently busy with?**

Yes, that's why I dare to switch to two current burning issues - two topics that have kept me busy recently to a great extent... well, maybe all of us have been haunted by those issues - at least those who are interested in World's Finances: It's only been ten days ago that Germany's Federal Constitutional Court adopted a new policy in favour of the issues we've been discussing here, namely concerning the practice of Buying-out Europe's Central (Reserve) Banks. That concerns me very much as through this latest verdict of Germany's Federal Constitutional Court we are getting a clearer definition of a very basic concept - or rather Germany's Federal Court has brought this concept more up front ... well, the concept I'm talking about is the question of Proportionality - for those among us who love theorizing, the 'private philosophers' so to speak, we talk about the concept of finding the right balance - the famous golden means. Actually, the Federal Court has dealt with exactly that question: What is the golden means, what are right proportions...? The question about the Buy-Out-Policy is whether it was proportionate? Have the fiscal policy measures which have been triggered - which have been presented by the central banks as not having any alternative - have they been proportionate? And now, the German Federal Constitutional Court has stated in regard to proportionality, a concept which has been



practiced over hundreds globally. The Court found that in jurisdiction are three dimensions that are relevant for Germany to answer that questions. [The first of] these three dimensions is suitability:

First, whether a policy is suitable - which means that the European Central Bank needs to prove whether the practice of buying-out banks is suitable to reach their primary goal. However, we got to bear in mind its number-one responsibility is solely the monetary policy not the social, fiscal nor economical policies. In any case the suitability of any measure needs to be presented comprehensible and transparently.

The second aspect is necessity. In Mathematics we speak of necessary and sufficient conditions. The term necessity can be roughly interpreted following this mathematical concept. In other words, we can ask – if I want to reach a goal – is it absolutely necessary to have this measure. The third aspect asks whether a measure is appropriate, which is the hardest question.

Whether something is appropriate - how to best define it? Let`s take an example from medicine: when you think of any illness... a good doctor to ask only search for the symptoms in order to give the right medication to fight the illness. He won`t solely focus on the clinical picture or on the disease`s pattern. For a good doctor will also keep an eye on the side effects of the medication in debate. And at the end of the day, he must calculate the risk, weighing the damages by possible side effects in order to decide upon an appropriate therapy.

Same is true when asking for any measure`s being appropriate. We have to consider carefully the consequences and effects of measures we take and which affects they might have and whether there is an impact in regard to the set goals. Talking about the money system it should be clear: when we buy obligations to such a great extent - we talk meanwhile about € 2.7 trillion and by the end of the year it will be € 2.9 trillion - it has great effects on the interest level on the markets... which includes for example the yield return of money saved by the older generations... who have been saving for their future pensions! So these are impacts, which are not part of monetary policy but of economic and socio-political nature. Yet they were not considered and not taken into account.

That is where the German Constitutional Court has made it clear now: In the very moment in which measures are not made transparently in regard to their proportionality they have crossed a line. Transparency is important in order to allow a democratic control. If an institution has set such measures without clear communication it has exceeded its competence. The measures were ultra-vires.

This topic of proportionality has been moving me ever since; and there is popping up another concept along that concept of proportionality, and I want to speak about too, and which is also important in debates. That is the concept of essentiality - a term that is also anchored in our [German] legal system. Essentiality raises the question with which matters a legislator has to deal, and which matters can`t be simply ignored and hoped for that they regulate themselves. This concept of asking whether things are essential to all, this question of essentiality is more up-to-date than ever in our times now of Corona crisis - not only in our country here in Germany but throughout the world. I`ve been dealing with this question ever since, and even more so in relation to the concept of Triage. Triage is a technical term taken from the military. Today it deals with the question how can scarce resources be allocated in a fair and good way! Take for example our health care system in these times of corona pandemic: Interestingly, German experts had already anticipated such an emergency case. Actually there was a study undertaken in 2012 already - it had been ordered by our Parliament - that anyone can read, where experts model the exact course a pandemic would take... a pandemic caused by a modified SARS virus like Covid -19 is. Furthermore, the study showed that our health care System would get reach its capacity limits. The way it happened in other countries of the European Union. More and more people got infected as the previous studies had anticipated already. Then the question came up: who can be treated on the ICU if there are not enough ICU-beds available.



So it is about clarifying the question of triage, as it is an essential aspect according to which criteria scarce resources are distributed. And to me, at the end of the day this is nothing different to making a suitable description for a Numerus Clausus process (restricted admission to colleges) if there are not enough seats for a study.

For when there is only a certain amount of college places no one would expect a RANDOM choice of potential students. Instead, there must be a clear set and transparent system of selection criteria. Same is needed in case of triage! At the moment, we have hot discussions in Germany about such selection criteria for our health system - which keeps bothering me, also because my daughter is a medical doctor... for can you believe it: the German ethics council is seriously suggesting that in case a selection needs to be made because of scarce resources: in addition to new patients also those patients, who are already admitted to an ICU will be ordered according to the defined pattern for triage. We call that a triage including ex-post-competition.

Taking that to an extreme, this would mean in cases of real emergency, that doctors would be expected to switch off unit devices of intensive care patients in order to make room for new patients to get the care. I've been told by a criminal lawyer that legally, we'd talk about homicide in such case! So let's pause a second to reflect upon the fact that the corona pandemic has even caused an ethical council to recommend actions that are clearly breaching our basic rights! Yet they say that doctors may take action if they are of the opinion that that measure is ethically justifiable. Honestly, I find this rather worrying! Therefore I've written a paper together with a friend of mine, who happens to run a hospital as CEO... plus, we got the help of lawyers - even constitutional lawyers ... and I'm positive that this paper is soon to be published, whenever it will have passed the experts' checking. But these are the things that keep haunting me.

*W: Thank you Mr. Solte. You know I happen to be of an age to have memories of World War II... And I remember those soldiers with fatal injuries and how we had to adopt the Triage system - for we had no alternative then. Yet, I understand your reasoning and your worries, so thank you for having written this paper. Let's move on to our third question: **What do you define as most urgent problems these days? You have already mentioned a few... ..yet, how do you experience our global monetary and economic system? In your opinion, are there elements that jeopardize peace among man and with nature?***

Yes, it does. I just explained earlier some details and aspects of the fatal approach of buying out banks and obligations. You are asking me for the most urgent problems of our time? I already tried to answer your question giving one or two practical examples earlier on... Anyway, you've got to understand I tend to deal with anything very profoundly. I kind of probe into things almost philosophically. That's why I've mentioned two of the greatest challenges, defining two terms: the concept of PROPORTIONALITY... or rather, in my daily communication, I rather speak of a BALANCE - I keep referring to a balanced future, meaning that there ought to be a balance between the four factors mentioned earlier on. Hence, the problem we absolutely need to solve first, is to come to a joint understanding of that goal. Because we don't have one currently.

What do we all want for our future? We have not come to terms here yet. To give an illustration: there are people (and I find that legitimate) who are committed to fight to reverse climate change. Indeed, that is important. However, when this "fight" causes people to focus on nature's issues *only*, thereby forgetting the social problems we are facing as well, we risk an increase of poverty worldwide... And consequently, planet earth would be saved but at the cost of many a poor people, this might have the side effects of more poor people and a higher death rate but the nature would be saved. Which brings us back to the most important question of priority ... of setting a common goal for the future of mankind. Same is true for our monetary systems. The way economy is run causes a whole lot of problems, like I explained with the practice of buying out obligations - a system that is a vicious cycle. We must see that money itself, any kind of debt, is always a promise, a promise of future value. ... of



added value tomorrow... And everybody knows added value requires natural resources. In other words, if the promise on future added value keep on growing, with this the promise to use more and more environment is also growing. If debt continues like this our promise on ever more use of nature continues. And with this you don't save the environment. However, if we want to correct that mistake by forbidding further debts we deliberately overlook that esp. younger generations are cut off from chances of their very future, a future they can only afford through added value. So, by cutting future promises and values it's them who will be robbed off the chances to invest today. See, what we clearly need here is to comprehend and grasp the larger context of all that relations. Abiding to the complexity of things, we ought to choose three or four vectors aiming into a good future [instead of only one], which would help us decide on steps and measures towards living in a balanced future. That's why we need dialogues! Need to share ideas. We need different initiatives like yours [The Forum Seitenstetten] - So what I do hope for (and such dialogues kindle my hopes) that we reflect on our future without solely taking into account our monetary system but drafting our future by paying attention to the other three factors, too...

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W: That would mean our politicians should thinking broader and out of the box... leaders who would have to get a broader view, leaders who'd even listen to experts! I keep saying that even in Roman Times wise people knew of the "Culpa in Eligendo" = It's you own fault when you listen to bad counsel.

May I add an additional question? Do you experience that we are surrounded by wars and military conflicts over money and natural resources - or would you rather disagree?

S: No, I totally agree with you. Fighting over resources is the genuine reason for any war. Most of us know that the polar ice caps keep melting. Interestingly enough, we witness an increase of military presence in the areas of glacial melting - for ex. we see increased military presence by Canada, China and Russia there... Why? They all wait for the resources underneath to show up - in the Arctic as well as in the Antarctic, as they all wait to exploit nature there. Most people have heard that especially China flexes its muscles quite aggressively there, as many regions and rich resources have already been occupied by the Rich North... and China desperately needs many supplies and natural resources. So, to me it is obvious: most wars are fights for resources.

So "Wars over Resources" yes. But "Wars for Money" NO. Because what is money? Money is nothing else than a debt. Each unit of money is solely created by a debtor. A fact that many don't seem to know or be aware of. It's helpful to know the basics of business administration and accounting - at least a bit. For then you know that (and btw that was published by the Bank of England in 2014 I think) that money - any money - is debt. Hence, money is produced by someone who is granted a loan. It is totally wrong to state or even think that money is created by our banks. It is always those who take out loans! Or those who buy anything by credit card - on the nod/on tick so to speak, for in this way we do not borrow money as such but rather a (borrower's) note is produced - a debt obligation as a kind of contract or agreement that is promising: "I will repay my debt in the future"

Well, and this contract, this note, this paper... .. actually is MONEY. Which leads us to the question why we should fight over such obligations ... well, some of those papers promise for example a sevenfold yield! But think about it: we talk about creating a value seven times the value we are producing already right now. And taking into account that we already consume 1.75 times our planet... how can anyone believe that the values would increase seven times? To me it seems highly improbable that such promises will be kept and such obligations be met... without our planet earth exploding! Therefore I reckon people won't keep running after such false promises. Hence I don't think that people would fight over debt obligations. There is no war over money as everyone can produce it to the extent he or she would like.



Guess what - just recently, our Central Bank or rather the Network of Central Banks, Our German Central Bank has produced 2.7 trillions of such obligation notes to cover 2.7 trillion of debts by public authorities and business companies. In a nutshell, [Nations] don't have to fight a war over money: they just have to print it.

W: In reality, what's truly needed and the world is waiting for is a general debt cut and this cut has been claimed already!

S: NO, I have never pleaded for a debt cut ... sorry... no, I am not claiming such cut because I argue that in case we do that, we devalue property and assets of all those who were trying to make provisions for their future with the help of such notes (certificates, obligations). And here, we talk about the middle class. The middle class in (socio-political systems) which do not have a pay-as-you-go financing [of their social security system]. What I do claim or consider as rightful to do, is a system financed by pay-as-you-go financing¹. For when you have a social system, a society using pay-as-you-go financing, you don't need obligations and debts any more. Thus, I claim - or rather I wish for ... or dream of - solving our problem by melting down this horrendous mountain of debts in a sensible and adequate manner.

I am advocating a kind of tax or tribute, a kind of indirect credit note ("Schwellgeld") which has to be paid by those people who produce the promissory notes in first place. Hence, the beneficiaries of the current system. And this is painful! At least for those producing the money. Then this fee is due in the moment you create money.

However, this is something completely different from the concept of **financial transaction tax**, which I think would not be so helpful and productive. As to me, it would be a lot more effective to extenuate and suppress the *creation* of obligations in order to reduce.... A total debt cut on the other hand would mean devaluation of already existing wealth in favour of those who are indebted. [Creditors would profit only].

It may make sense when it hits the so called poor countries or those countries that have to catch up... Indeed, there it might make sense to write down their debts! However, generally and globally seen, to vote for a debt cut this would mean to create a setting where you jeopardize the middle class, the mainstream, the average person --- and such a world to me wouldn't be social stable. Such setting would fuel hatred and extreme ideologies! Therefore I'm not in favour of a general debt cut - that would lead us into a radicalization.

W: Well, was talking about the major capital holders ad not about the middle class ... I was thinking of the debt cut in Germany in 1958 - it was resolved at the conference in London. Half the debts were abated then.

S: That could be something we could debate about, yes.

*W: Well, let's come back to the fourth of our questions: **Do you think that there is any monetary system that can create or at least foster peace on earth? Well, the question is whether you can imagine any monetary system that enables/creates/brings us peace - which role do you think money should play in future...? And are there any approaches towards peace or solutions you want to explain in more detail?***

In regard to a) whether a monetary system can create Money: I would say NO. If a monetary system can facilitate peace? I'd rather put it that way: if we want permanent peace worldwide an appropriate monetary system is also a part of it – of a future which allows peace.

¹ In German he used the word "umlagefinanziertes System". As per my understanding the English- Phrase: pay-as-you-go is somewhat similar but not exactly the same. In a "umlagefinanzierten" system, contributors (i.e. workers) pay a monthly fee to an institutions, which is immediately used in order to pay expenses for the beneficiaries of that system. By contributing the contributors acquire a claim on future benefits from that system. A system like this is used in Austria and Germany for health care and retirement funds and is different from a capital cover system in which i.e. contributed money is invested in the capital market and this money will be released in case of retirement or sickness.



What is facilitating peace ... that would be a system for example which would foster people`s trust in their productivity or productive efficiency, especially when it comes to chances for the future generations. I`ve just explained before that money is always a debt, money is a promise of future value, of added value - a promise given by the very person in debt! And it would be fatal if we lost trust in the potential of i.e. the younger generations - just because we decided, out of the blue, to change our monetary system to a system without debts or obligations. In case we changed to a system where you`d grant credits to people who do not really need that or rather to say who would not create added value in future....

Well in other words, we`d need a system where we are able to very exactly control and influence for which purpose credits are granted. If they are speculative – as this is today often the case – which means that you can realized so called leverage transaction. If one has a good performance and already sufficient assets then you are a high performance actor. Only then, you will get loans to cheaper conditions enabling you to buy new assets for speculative purposes. Profit is made by the difference between the interest rates you have to pay back and the yield get from this asset – that goes to your pocket. But you have not created added value - you just took advantage of the system of speculation. A bubble is created in the monetary system and is making it more instable. And that to me is not fostering peace.

That means [in order to get a balanced future we`d need] a monetary system that would has steering elements that can be controlled and regulated by all of us. In which we as society through political and democratic discourse control and steer the volumes of credits. That would be a monetary system, which can contribute to a balanced societal system in therefore is enabling peace and sustaining the future of our planet. Yet any monetary system alone cannot create peace.

W: That means we need a framework ...

S: The solutions which could bring us closer to that point ... From my perspective, one of some practical solutions would be a tax or tribute on money creation. Such tax would be a perfect instrument - as you can see in the example of speculative investment. Those high performance actors are creating debt which they use to get an asset – the way I just explained it. If it gets more expensive for them to create new debt because they have to pay an additional tax in the moment they create money [by creating a debt] then some of the speculations don`t pay off anymore. And that would make sense for a good future! If more and more speculations remain undone.

Well, I am not saying such a tax would serve as the only solutions our way to a monetary system which fosters peace. Yet it is one which is close to my heart. [And I find it important] to emphasize from time to time that something like this could easily exist.

There even exists an instrument already used globally... I`m talking about the so called *bank levy* which is nothing else than a tax on the liabilities in the balance sheets of banks. And this instrument, this tax is a step into the right direction. Anyway, the global players - and Central Banks are international entities - know exactly what I`m talking about here. Generally, I think it is a lot easier to get engaged in stuff other people have a clue already, than promoting ideas, which no one has ever heard of or even tried whether such ideas truly work!

W: Let`s move to the next question: in your opinion, is there a certain way of thinking or a certain kind of interest groups, that keeps creating the problems you have just illustrated Is there a mindset, a mentality that induces these problems... and if so, which ones?

I`d say that`s easy to spot... I would sum up all the current trends and interests in one simple question - and that is the question of "When do we have enough?"



And there are people (I agree with) who define that `common satisfaction` by propagating it is the balance of the satisfactions of all human beings, in other words: we have all (had) enough when we all can live in peace and are able to achieve our personal fulfilments. A definition that should include the fact that personal fulfilment and satisfaction for all cannot mean the MAXIMUM for all... as we live within planetary boundaries [i.e. limited natural resources]. Hence, we`d need a common and fair distribution system everybody is part of. I.e. a fair tax system in order to reach a degree of participation in which no one feels deprived. That`s important because people who feel left out tend to be unhappy and discontent, which leads to compensation acts like abuse of drugs, sex and alcohol or becoming fanatical or even criminal. And that does not create a healthy society.

"When will we have had enough?" or simply, "When is it enough?" is a question that is not only requires us to consider our dignity - dignity of all people of this planet but which also considers nature`s dignity too! That means, I do not only take into account the dignity of all human beings but the need and limitations of nature and our environment - in a nutshell, the dignity and right to live for all living creatures.

Now it is possible to imagine different perspective from which the question "When will we have had enough?" can be answered. For example, some people might answer that those, who don`t live like we [Europeans] do – those who have less. For them "Enough" could mean that they ought to be satisfied with the little they have. Anyway they are not used to driving much with cars and living in big houses like we do and they don`t need to have that in future. What they have should be sufficient. And they also ought not to produce as much waste as we do and should be happy just where they are because it is warmer there and there is more sun. [From this perspective] the answer on “When do we have enough?” would be if those who have little keep on having less and we - who have much - keep on living the way we live.

And then we should come to a point, where not everyone is striving for our living standard. Then we have defined the “we” in “When do we have enough?” differently by simply identifying only with the regional surrounding and not globally.

Even more extreme it would be if you say: Everyone can strive to maximize his own utility and assume that everyone will find the answer to the question for him and herself. And if there are planetary boundaries within we have to act, well – then simply increase the prices for natural resources and the invisible hand of the market will make sure that we are all happy

You can see how, I have used a few minutes now and within this short time I have shown you 3 possible answers to approaching the question: “When do we have enough?” and I am sure there are more. And from media we know, that there are even more radical views. i.e. if my country had enough. Just lately, we all might have heard this slogan of "America first" and “... first” and why is there a `Brexit`: because the Britons believe to get more when they leave the Union.

[If you ask for an underlying mind-set which causes this problems] to me it is this question of "When do we have enough" and the fact that we did not find a common answer to it. Indeed, I see this lack of common ground as key danger to the present potential of peace throughout the world... and it will stay a key danger to future peace too as long as we don`t manage to find a common answer on the goal – the joint understanding.

This would then be the normative baseline. A normative baseline from which – using the concepts of *proportionality* and *essentiality* I mentioned earlier – a systemic implementation. Therefore we also need an education system that would convey that normative baseline. This should sever to impact the mentality of people in order to have the dynamics of normative settings, of learned and socialized behaviour and a respective system and a systemic implementation which guides the way to a peace fostering future.



Sadly enough, this is not easy at all. And I said this in the beginning of our talk: today's problems are not simple at all - for if they were easy to solve, we would have solved them already long time ago.

W: Exactly that's why we need to consult experts like you are! Well, I keep saying we need to come back to regionalize the systems which cover our basic needs. In this context, I always love to mention the example of our forestry system. Due to some catastrophes that we faced in our past, Germany has implanted a surveying system of on-site rangers in every major county. Let's suppose I would want to cut even only half a hectare among my own trees I need to have permission, an official license, plus, I will be surveyed and checked. However, what works for German woods does not apply to our food industry or to our social system. Interestingly enough, there we lack regional surveillance and control as we believe the market regulates itself... Anyhow thank you, I move forward to our sixth question, which truly consists of a staccato of technical terms like for example the Unconditional Basic Income the concept of the Monetative Power, of Welfare or Recycling Economics... and so on. We will ask you whether you know these concepts and what you think of them... [...]

Concretely, I give you one term/concept asking you for a short statement and your assessment.

S: Sure, why not. - Actually, I don't know them all by heart - there are so many of them - so I will read off my second screen. Don't get confused when I keep looking to the right. I'm going to telegraphese - and as I said do not bother when I don't look at you here into the camera but take my eyes to my second screen searching for the next term. Good. Let's jump to the concept of

S: Unconditional Basic Income:

S: I certainly know that concept. I do advocate a unconditional basic participation for everyone even on a global scale. Globally because I think it would be less helpful to try to plan such a system only locally or within one nation only. To me, an unconditional basic participation is the logical consequence of a human right - the right to an unconditional use of natural resources. In other words, an unconditional basic participation means that every human being has the right to have access to supplies nature through human rights. At least this share which we humans agree upon, which should be there for us humans. For example 0.8 of - or let's say 0.75 parts of our planet and leave the rest to other species ... other living creatures. Then we could distribute the natural services of this 0.8 planets among all human beings. Then you can trade with this. That's what I consider sensible.

Positive Money

Well, in this context I've already explained that positive money would not solve the problem how to grant credits in general. If we assume that positive money as a system claims to guarantee 100 percent liquidity for loans ... that would mean a dramatic decrease in the potential borrowing power of the whole economy. Yet, the moment I want to increase that potential by implementing i.e. long-term saving accounts I just create the same situation we are in today. I'm very aware of the fact that the advocates of positive money dislike me for stating that; however, I think it would dig the well in the wrong soil i.e. pursuing positive money is wrong commitment no matter how right the aim.

The Monetative Power

if this means that there is a fourth power beside the executive, legislative and judicial powers, I would rather claim that this is what we already have in Europe. We do have these four powers as the Monetative is executed by the system of Europe's Central Banks - as independent power from the executive, the legislative and jurisdiction. So, yes, the monetative power: it's exactly what we already have...

Common Good Economy

I believe that anything that helps us get away from our cruel focus on growth does make sense!



Circular Economy

better known as "cradle to cradle" ... my answer: that is absolutely necessary if we want to keep our welfare and wealth, our way of living without facing our planet earth explode or collapse. We must change our current exploitation of natural resources which now runs by the factor 1.75 times our planet! We must reduce our consuming of more than there is. Meaning that we ought to stop building upon disposable goods and added value, but instead come back to recycle! For such kinds of re-using concepts it would be a sensible thing to do to create incentives for the economy to repair things more! If for example we could get rid of the enforced obsolescence as a kind of rule. Take for ex. mixers: they come with simple plastic wheels inside which do not last for long. Instead, they could easily be built with stronger wheels of better and lasting material. This way, mixers would not stop working after such short time.

W: Indeed, we could even flag things during the standardization process.

S: Yes, that would easily be possible. That would be standards which could be set e.g. by the World Trade Organization. If only we'd reanimate that institution ... if that protagonistic tendencies could be left behind. Imagine how we could use it to agree upon standards in material as well as to laws and procedures. This would be a major factor in fostering a peaceful future! If for example in standard procedures we could enforce, that social standards need to be met. Like for example implementing a general social or health insurance.

It would make such a difference... as we didn't have to witness so many death incidents in the USA these days... because many people there do not have access to good care as they cannot afford it! We would have different systems, different capacities. Have a look at the USA and their situation today, where emergency wards are running on their limits even during normal times. No wonder that a sudden pandemic then produces such an overload in the system!

However this could easily be solved by setting legal standards that implement health insurance for every human being. This would automatically cause systems to work more effectively, giving access to good health care to everybody for all of us would be insured correctly. To do that would be no big deal! Well, we wanted to telegraphese. Let's continue.

Gift Economy / Ubuntu

Well, to be honest, I think some people simply have no possibilities to contribute - they can't add to any value. That's why I'm convinced that if we have an economy which promotes a unconditional basic participation that is better than to have do-gooders, who are gifting something to other people... I personally consider a system more successful to sustain peace, which has this right of participations just because you are alive. That's why I tend to be reluctant on systems and strategies that are too idealistic, although I have great respect for idealistic people who advocate the good things. If people say: this is the place, where I can contribute, make an impact, bring understanding ... then this is also good.

Yet, it would be wonderful to have more and more people committed to make at change at the `complicated spots`. People with a broader and bigger view ... yet, I know that's very difficult.

W: Well then there is Infomoney

S: I not really familiar with this ...

W: that is to put it simple, is a digital currency. Here too, I guess there is a danger that the IT system can be disrupted and also for the regional economies cannot be run by digital money.

S: that seems to be connected to cryptocurrencies. But we do have to admit that digital money is what we already have... because cash money, the touchable money represents only a tiny little share...



touchable money plays is the volume of the so-called legal tender or legal currencies. The volume of cash is really insignificantly small compared to all flow of payments. I am not familiar with up-to-date figures, yet I do know that the share of cash money within the volume of all currency and money transactions is extremely small - I'd guess the factor is 1 to 1,000 – touchable money to all other forms of money.

Which means we already have a kind of digital system, digital currencies so to speak already - we even have digital obligations and digital debt. And even our reserve banks and central banks have become nothing else than monstrous data bases. Debts are globally registered in the data banks of the ICCB in the USA - and Europe has similar data banks. We have a huge problem because so much is digitalized. Yet digital money is a matter of fact already!

However, digital payment is not equating the system of cryptocurrency. For the latter is also a system which creates money (currency, debt notes, obligations) also out of nothing. In those systems though there is no what-so-ever control by an institution, which is legitimated by the people as it should be in a democratic society.

In opposite there, anyone who knows to write the right computer programs/codes and can provide anyone with a unit of cryptocurrency who has the giant processing power to solve a mathematical challenge. This unit can be used to purchase something as long as one can find somebody to accept it.

And there we also have the fault in this system! For cryptocurrencies - or digital obligations that is - are not subjected, are not liable to ordinary jurisdiction. It's a currency outside acknowledged control and regulation. From my perspective we have to oppose this.

I can remember there was a special idea discussed by some consortium - now, I forget its name ... sigh, it has sunk into oblivion ... But there was some kind of initiative (I even wrote some article about them). [Their aim was] to offer an alternative investment vehicles to a group of investors. As everybody has been searching for alternatives, desperately searching (and still they do) for different kinds of investment in sight of falling interest rates on the markets! Ah now I remember its name: it was *LIBRA*. They were thinking about something like that.

Well coming to the concept of **Local Currency or Complementary Currency**:

I'd say, no matter how, when and where - he who can build trust, i.e. people trust that person when being offered loans or given grants, such system should be supported! For it makes sense. And honestly, anyone could do that! The only problem that might occur is for example when people undercut our tax system. That would cause trouble. And in my opinion, this would be a serious problem. Plus, regional currencies are no solution for the import-export problem. Imagine those making their business by local currencies want or need to buy things from `outside` ... they might end up facing a deficit in their foreign trade, and end up having that economic problem. So this is no solution to our problem too.

Gold Standard

Well, in a nutshell, we cannot bake a pie big enough for all to get a slice, we cannot produce more and more forever so that everyone might get his piece of the action. No matter how I try to back up my promises for the future: on gold or any other real values. As long as the promise on future added values is massively more than we can produce, it does not matter what you try to have as a collateral for a obligation. If you simple don't have a collateral anymore, then still the question remains: who can be granted a loan? Well, we already talked about this earlier on. I personally, think we ought to search for fair solutions here. And the question which collateral is used is only playing a limited role.

Creating money by making debts



And that obvious fact I've been dealing with a thousand fold in my books and teachings giving definitions and explanations to what's simply a fact: money comes from debts. Viewing our system by the eyes of accounting, we could say: each money is created by an extension in the balance sheets!

That's what I do in bookkeeping, that's what is actually happening: I extend my balance sheet and that creates money. Each extension of the balance sheet has a position on the asset side and the liabilities side. Otherwise there wasn't any extension. And liabilities side in my balances sheet actually mean my debts. Meaning that by extending my liability's side I increase my debts. That's simple bookkeeping: ... economy in practice. Quite simple.

Compound Interest Effect

well, I've commented on that so often already: this effect only happens when I cannot even keep my promise to pay back a small amount of interest - in addition to my promise of adding value in future anyway - So, I promise to produce added value and therefore somebody else needs to forgo added value. If I cannot even keep that promise ...

Let's illustrate that: Let's say I promise to generate 100,000 € as added value within the next ten years. Plus 10 percent additionally each year, or let's say only one or two percent more each year - which would be 1,000 or 2,000 € more. And in case I cannot keep my promise - I cannot even produce these one or two thousand Euros then we have the effect of compound interest.

I think it is very obvious... however, this compound interest effect demonstrates well what we know as exponential growth. And that growth is dramatic. For we only have this one planet, hence economy cannot keep growing forever. Show the compound interest effect: Fine. But behind it is the problem ... well rather fact, that the compound interest effect is only occurring, when not even this smaller of the big promises is kept.

Next technical term: The role of Central Banks (currently and desirable)

Usually, Central Banks ought to be lenders of last resort - backups in times of emergency when our trust and with this ability of granting credits collapses. In such time of crisis such backup is essential, as otherwise many economic players and people are in danger to get insolvent or unable to pay. And the point is that though everybody still is productive, they are unable to pay! Thus, in order to prevent a huge shifting of money in such a crisis merely for the sake of inability to pay ...

Think for example of all those people with private homes - mostly, a proprietor had to take out a loan to be able to build or buy his house. So these people are granted credits to be able to have a house built. But if these credits have to be refinanced as the loans have just certain validities, and in case the normal system cannot sustain that and credits cannot be prolonged. Just imagine, all homeowners would go bankrupt in an instance! They would have to sell anything they still possess. Thus, in just one second the market would be flooded by cheap offers of private homes, as prices would thereby drop dramatically. This would mean that any proprietor lost anything he owned to those who'd still be liquid enough. The situation would look like the game of Musical Chairs. Indeed, that's exactly what happened in 2008! So I'm not talking fiction here - it actually happened 12 years ago. Many people then lost their possessions and properties. Therefore it IS important to have a bank system including Central Banks - or rather a system of central/reserve banks as lender of last resort - exactly for such emergency cases.

We call such situations "disruptions" - even using the English term in German. So, in case of disruption only credit lenders of last resort - as ultimate backup - are able to intercept and prevent the catastrophe.

The role of banks (currently and desirable)

here it's getting more complicated, maybe I confine myself to the question of what is desirable. For when we really thrive for a peaceful future if as society - in the frame of democratic discourses and goal



settings – if we come to a joint understanding of the question: in which form should the service of granting loans work in future?

A system of granting loans which makes sure, that speculations are reduced. That debts, which solely based on increasing consumption only are reduced. Yet still have a system that'd guarantee an efficient production of goods (without exploiting nature) plus eco-friendly services, while enabling people to invest into such an economy. In order to have such a system we'd also have to think about how to share the task(s) among each other.

Well, and here I think it's not on me to suggest solutions, I refrain from giving my personal recommendations, for this should be a public discourse. In a broad public debate people could chose democratically whether we go for intermediaries who are processing this service for us then, the system could be changed step by step... And it might happen that the majority will opt for something like a Monetative Power, aside from an institution which is responsible for monetary policies a institutions which is making debt policies. As a part of an economic and social and maybe even fiscal political orientation we would create an institution called for example Creditative.

But hey, technical terms are not so important at the end of the day... in any case, it would be an institution legitimated by democratic means that would be able to decide on which terms the scarce resource credit will be granted. Similar to what we have with Numerus Clausus in the educations system. Same is true for what I think is necessary when it comes to our health care systems, there we ought to set the same frames to know how to upgrade and how to implement standards in order to decide who should be cared for first in case of any system overload.

The same can be used when we talk about the concept of essentiality. The question how to organize that? Then you would have the scarce resource of the monetary system. A system which grants the `service` loans. Like our health care system is granting medical care, I would grant credits through my monetary system! We ought to have a standardization defining which criteria is providing a fair access to such a scarce resource like loans. And how to control that delicate service. And in the context of such as discourse the central banks, the private banks and maybe total new institutions would have a role. Like in the example of health care systems: there you have hospitals, clinics, specialists, doctors, general practitioners, health offices - and all with special tasks and realms. Same is true for the short resource of credits and therefore we need laws and framework for people`s access - i.e. we'd need different kinds of institutions, entities and systemic organizations...

"Freigeld" (alternative money), Gesell, negative interest ...

as it has become quite obvious to everybody: money is losing value [or: money is becoming worthless]. I keep stressing the fact that money is nothing else than a DEBT - question only is, what that means to things we are talking about here... If in a system a debt will automatically disappear, there is no drive for people who have taken up that loan to ever pay it back. As it would automatically reduce. There is the question if that is sensible and we want this. So if we want that an obligation automatically declines – without that the person who has made a promise has to redeem it. I have some doubt in that regard.

Allow me to add something here, such alternative concepts focus on a faster circulation of money or exchange units. Well, this means at the end of the day, money gets used more quickly to buy and consume - as logical consequence this means increase of consumption, doesn't it? I think we all agree that this would mean an INCREASE. However, doesn't such increase again affect our natural resources which are limited and overexploited already? Is it desirable and right to pursue an increase of nature`s exploitation? Yes, I do understand Local Currencies arguing that there are more and more jobs created by this system. However, I suspect people wrongly connecting this with the concept, that through the paid labour, you get something, with which you can buy something. Means with what you can consume.



This means I am following the ideal of an economical ideology: To pursue the idea that the highest goal for us all is a constant economic growth. A `dogma` today`s politicians still seem to follow and to propagate as ultimate goal. Germany too, has fallen for that goal; to me, my country also wants to square the circle: our politicians aim at both, at full employment - jobs for all - and at having a constantly growing economy adequately.

Only thing is that we have got to deal with the consequences of that mindset - we have had to live the consequences of such pursuing over the last decades, being confronted with the global consumption of 1.75 times our planet. I`ve been mentioning this factor quite often now... done this on purpose because it`s such a frightening, striking figure! That`s why I keep repeating it, as this overexploitation is the core of our climate problem and ur environmental problems.

Hence, we ought to thoroughly reflect on this one essential question: are our economic goals within right proportions? And shouldn`t we rather pursue the complex balance of the three, well four factors = Economy, Nature, Society and our Future? (I mean the future of our money system...) Is our narrow view on the world, through economic political eyes only, really within right proportions?

Or let me put your initial question into that question: are such concepts of "Freigeld" (alternative money) or local currencies really suitable, necessary and appropriate? And if we reach the conclusion, that a solution has too many collateral damage, for ex. on our environment, why shouldn`t we challenge them? Why not checking the proportionality of such solutions (as ideal they may look) grilling whether measures or approaches really have balanced long term effects. For I am suspecting they don`t ...

Henry George`s Single Tax

I have never heard of that so far.

W: It is related to land. He claimed, that we don`t have enough land to realizes this ... So we are back to your concept of participation

I even can imagine that George`s idea behind such a single tax was to facilitate a right to participation. Then it doesn`t matter who owns what. For do we really own our planet? Doesn`t Earth belong to God or to what you believe there is...? Honestly, each one of us is just temporarily on this earth and still claim that is ours? Wouldn`t it be much more important to ask whether we all have the same RIGHTS to benefit from nature`s resources? The right to live on this planet? Here we go again: It`s the access and distribution of resources we need to regulate.

Wealth (Property) Tax

keeps being a core issue. Well, I think we gotta be cautious here. I rather prefer advocating systems that are based on taxing financial products, talking about "Schwellgeld" (profit shares) that are not taxed so far... But on the whole, I advocate fair taxation - depending on the productive efficiency. We should have taxes on productivity and effectiveness. So when it comes to taxing someone`s wealth or property, our societies have got to find good guidelines - we need to decide how much possession may be accumulated, what should be a general limit best for all of us? I`m thinking of certain businesses that are only possible when you have capital, i.e. accumulated wealth, otherwise you can`t do it. So, instead of taxing properties I`d vote for fair taxation of legacy - a fair inheritance tax so to speak. To me, that represented a fairer approach anyway, as it would offer anybody to shape his life according to his dreams and wishes. So if someone pursues a certain amount of wealth believing this to be his sense of life, he should be able to do so and live a wealthy life as long as he lives. And then, after he has died, I`d plead for a certain share, a fair share, of this wealth to flow back. Yet, it`d be less helpful to cut the assets drastically by a wealth tax - why not have a fair process in form of an inheritance tax for example - which could equal our sales taxes (VAT) - for this would mean money flowing back to the collective over a longer period of time instead of all at once.



To own or to possess (“Eigentum” vs. “Besitz”)?

Yes, this question has the potential to become key to the solution of our problems. Yet, again I need to point out to the fact that for some businesses people need to invest for the long haul. If you limit something we should always think whether such limits have a steering effect. Because such systems rather support short term businesses - and we thought to think carefully about the consequences: As for some investors - they might shy away from investing into considerable properties/real estates at greater risk, for such deals would have longer spans of yield. Or rather think of nature, trees - well think of forests... why would someone invest into any wood without having the guarantee to possess it for at least 120 thru 200 years? If you were left to own a forest only less than a human lifetime who'd plant trees anyway? If I had to pass my propriety on to someone else - let's say after 20 years - after having invested so much, yet without being able to reap, who'd do that? That's not fair. Such system has no future. Instead, we need to take a closer look, pondering, well, weighing the benefits against each other. But hey, we all live our lives on this planet only for a very limited period of time anyway. We are only entrusted with life, with this planet, aren't we? Do we really possess anything beyond our very lives? Coming back to the concept of ownership, well ...

W: I'm fond of Thomas Moore who seems to have found a solution propagating in his utopia that everything belongs to everyone and each of us is only entrusted with a share. Sounds like Communism doesn't it?!

S: Maybe yes, but it depends on how we'd put that into practice in detail. Because when you take a look into history of man... Our past experience clearly shows that we have been dealing with a mentality problem ever since... when it comes to keep things that belong to everybody things get neglected! In other words, wherever people have no exclusive ownership on things, they tend to care less for them. And we all have heard about this phenomenon which is true for all kinds of different areas in life, e.g. in projects of Development Aid: when you fail to create local ownerships it does not help to build something like a hospital. Without ownership you'll face all equipment being dismantled and sold in very short time. What I want to illustrate, we have to be careful [with moral standards]. We need to pay attention to all aspects here...

Store-of-Value money

Well, yes indeed, this is what we are talking about! It is all about keeping money stable so that giving out credits does not lead to lose. You see I am actually fan of such a system - where such lending and borrowing of capital has decent risks.

Financial Transaction Tax

I've already mentioned before that to me, this is the wrong field to tackle our problems. Yet, as that tax seems to be such a simple (obvious) solution which many people grasp intuitively, we tend to fall for it... Also because this approach can be explained so well - "There is such a big volume of money ... only small percentage would be enough to..." Indeed, you can sell this solution to anybody. Unfortunately, such a tax in my opinion would not hit those whom we really want to get - it's NOT putting a tax on the CREATION of new debts, but only a trade with the obligations. But then these things are already in the system. And though I'm really sorry for all those advocating a financial transaction tax, it will not hit the core of our problems missing the actual point of intention. Yeah it might sound really good but it's not hitting the core of the problem.



W: I'd rather suggest a tax on capital turnovers... - Thank you but let's turn to our seventh question... a mental leap into our future (excuse me I've got to read at sight):

What do you think Austria, well Germany, will look like in 25 years? What will "prosperity" mean/look like then? - You want to hear my vision for our future? What could be some basic element in a balanced future?

S: Well yes, I want to share what I wish for, hope for... First of all, I wish we could sketch such future scenario not only for Austria or Germany as I don't go for a national view on mankind's future, but I wish we understand that any peaceful monetary system is aspect of the whole world. Germany and Austria, together with strong partners in Europe, could play significant roles in such normative systems which we have developed under great labour and pain in the past - including causing some really bad things.

Our countries could stand up for a value system of an eco-social market economy; and together with other countries within the European community we could advocate an adequate system of values - committing ourselves to the cause on a larger scale. As we could then work for a worldwide agreement on a common system of values. There our constitutions could serve as an anchor, our basic laws could be a blueprint - via the already given and realized articles on the Universal Declaration of Human Rights!

Only thing that is left to do is to equally expand such rights and values to nature - by demanding the protection and conservation of our planet, too. And considering the economic power of our countries we could even offer to contribute ... in order to expand, what we have already started as an experiment of a peaceful Europe - to expand that to the rest of the world.

To be able to do that, we ought to give up our nationalistic mentalities ...to change and start thinking continentally and even globally! And THAT is what I truly wish for ... as the prosperity we would have then would not be a material one but would essentially be that of peace all around us. I think this is a very beautiful prospect. Though it is not very probable.

W: Which brings us to our eighth question: In your personal opinion, why don't we see a functioning synergy among all the initiatives that are already committed to the very same goal: a future worth living for us all?

Well, that's easy: for our egotism...

W: Well then let's come to our last question, which sounds quite poetical: Do you think we can encourage the diverse initiatives that already try to solve the problems of our monetary system to join their forces - and how? And how can we join all their positive approaches to form one big cloud of solutions... a cloud that will bring the redeeming rainfalls we long for ... watering the dry ground of our societies... So that consequently, we see our creative potential coming into bloom... into a future where we live in permanent peace and harmony together on a healthy planet? -

S: Well, by mutual recollection. To me, this would be the best approach we really should recollect and rethink and reflect on that essential question: where do we actually want to go? How do we imagine our happy lives to be? What does happiness really mean? To live a happy life? What is bliss and happiness? And is this bliss we all long for, is our pursuit of happiness really worth the efforts? Is this all? What is the meaning of our lives? Why are we here? You see my affinity for philosophical questions. Yet, I find it important for everyone to recollect and reflect on the personal meaning of life. And having managed that, if only we could then be able to reach out to others, taking active steps, to raise their awareness - that would be an even greater step! And I do not mean that we should tell our fellowmen to come to their senses - no, I'm not talking about that. I don't want to be misunderstood here, as we sometimes hear this: "Make them aware of..!" as reprimand, i.e. tell them: "Come to your senses!" and "Let's become reasonable for things ought to make sense.."



That's not what I'm talking about when I plead for a general awareness. If I talk about "besinnen" (to recollect) I make a short break between "be" and "sinnen". It means, that it would be nice if we could think about to help others, to encourage and motivate them to find meaning (German: "Sinn") in their lives.

That is not easy. Not easy at all. On the contrary, it's tough! Yet, we would have a great chance to have an impact. If we exchange our ideas on the meaning of life; thereby bringing ourselves to find/define a common goal! For then, we stopped discussing measures and policies only - some advocating certain solutions ("the only solution is this tax on the creation of money, as that Dirk Solte is propagating!") and others go for completely different approaches claiming that "ohhh, Solte and his explaining how money is created - what a nonsense approach - We'd better go for the solution X or Y..." And then people only argue about certain measures. And when it comes to measures everyone has his preferences. Which to me is like arguing whether a hammer or a plier is the better tool, instead of talking about the goal we want to reach.

Getting lost in such arguments about the right measures we are in danger to lose sight of our goal and our perspective on whether it is appropriate, necessary and adequate at all to take ANY measures... thus we might lose the aim of proportionality, lose the overview. If we could only focus on the ultimate goal instead - normative - if we could only consider what the essence really is - pondering thoroughly, exploring carefully - starting from scratch...

Maybe then we might find out that is not about money, not about monetary systems, not about added value, not about compound growth, not about full employment at all costs... but instead, maybe it's about art, about culture, about creativity... for maybe that's what our life is all about maybe we comprehend life and grasp reality by creating - creating art, being creative which is conveying the future to us ... as it used to be in the past. Because in former times, people contemplated and, for example, tried to compose musical pieces, which enabled me to feel while I listen to them I might catch a glimpse on the sense of reality.

That's why I'm pleading for all of us to leave the economic treadmill to set out in order to find the meaning of our lives somewhere else. Like for example finding true life in the arts, in our cultures, in caring for other people - generally in all kinds of interaction and fellowship. Maybe it makes us happier to be social and creative than simply buying a new faster car or an even bigger house or whatever else there is materially. I think we'd be there the very moment when a successful high school graduate asks for getting a musical symphony instead of a sleek car as present on the occasion.

W: This reminds me of a book on security and lack of time written by Marianne Gronemeyer: "Das Leben als letzte Gelegenheit" [= life is our last chance] where she states that people who do not believe in any after world tend to cram their lives with stupid things- at the cost of fellow people because they lack the perspective of eternity. Do you have closing words for us?

Well, I think what I just said, I'd rate as good closing word: we need to have an eternity perspective on our life and planet! - Well, I want to thank you so much for this interview. - No, I need to say thanks for having had this opportunity! Thanks for picking me and I hope to have been able to contribute a little bit to your wonderful initiative... for we all hope to enable a future in stable peace - any other future would be horrible! And again, it is worthwhile to be totally committed to establishing a peaceful future for all of us. I wish you endurance - that you keep working towards that goal, personally and through all those good initiatives! Indeed, I have no doubt you will keep sticking to this aim of peace. So, I suppose we are going to meet again. -

W: And to you, all our best wishes for the insurance business you work in.

S: Thank you!



W: You know I wish to forward this interview to Walter R. Stahel, former director of the risk management programme at The Geneva Association...

S: O yes, please, you may do so. And I`m looking forward to meeting each other again!

W: At the best! Good-bye!

S: Bye bye! Tschuess!