

Parity Is

An economic “yardstick” or measuring device

Maintaining proven price relationships

Price balancing

Reciprocal markets trading at fair exchange value

A properly regulated market for a fair distribution of income (and wealth)

National prosperity for all

An insurance policy for national solvency

Monetary and economic stability

National income on a rightfully earned basis

Supports small scale, healthful farming

Sustaining to farmers, the environment, and food security

Fair balanced international trade

Building wealth for all countries and all people according to their own desire and effort

Parity Is Not

NOT casino gambling

NOT a market with few winners and the rest losers

NOT price fixing

NOT widening wealth disparity

NOT short changing ourselves and others

NOT a subsidy for farmers

NOT increasing the national deficit or debt

NOT boom and bust cycles

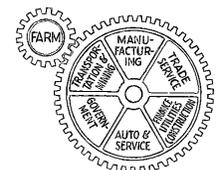
NOT national income dependent on debt

NOT driving toward plantation style, industrial farming agribusiness

NOT forcing farmers into debt and bad land management practices

NOT making any trading partner or ourselves suffer due to currency differences

NOT making future generations pay for our errors and ignorance



Notes on the development of parity:

From: <https://www.britannica.com/biography/Simon-Kuznets>—Simon Kuznets won the 1971 Nobel Prize for Economics “for his empirically founded interpretation of economic growth which has led to new and deepened insight into the economic and social structure and process of development.” He was educated at Columbia University and joined the National Bureau of Economic Research (1927-1961), working with its founder, Wesley C. Mitchell. It was there that Kuznets developed his pioneering studies of U.S. national income. In all his research, Kuznets emphasized the complexity of fundamental economic data by stressing that reliable results can be derived only through large numbers of observations. Likewise, he criticized the limitations inherent in simple economic models based, for example, on one phase of historical experience. Kuznets insisted that economic data must include information on population structure, technology, the quality of labor, government structure, trade, and markets in order to provide an accurate model. He broke convention by emphasizing, on the basis of the statistical series that he accumulated, how little of economic growth could actually be attributed to the accumulation of labor and capital.

Randy Cook observes that Kuznets did not come up with an “equation” but rather an analytical sorting box. The necessities of life are the important productive items of an economy. If you are not producing food, water, clothing, shelter, sewage disposal, transportation and so forth, then you are not doing right by your community. Kuznets looked at the production of those items and what it takes to get those produced, distributed and consumed, analyzing the economy on those terms. (That’s why Kuznets eliminated finance – because it doesn’t “lay a rail” so to speak.) He did consider services, but not finance and insurance. With Kuznets’ figures Carl H. Wilken and his team made their calculations (1933-1936) and established the yet unrefuted foundations of practical parity policy.

In Chapter 6 of Lundgren and Freimel’s online book *The Nature of Wealth*, parity is described: when skilled labor produces raw materials for the first point of sale, jobs *and* incomes are created that develop from the basic activities of agriculture, forestry, fishing, mining and recycling. Processing these raw materials into finished goods by manufacturing creates service jobs in transportation, utilities, finance, wholesale and retail trade and so on. Positing that each one's expense is another's income (eliminating double-counting), the total accumulates as National Income.

In national legislation assembled by Randy Cook, Charles Walters and others, the farming part of the Parity Program is described: “...the Secretary of Agriculture, in cooperation with the Secretary, shall propose to Congress a program to regulate the markets of farm commodities in interstate commerce in accordance with the current policy of Congress expressed at 7 USC §602. At minimum that program shall establish a parity base period of 1947-49 = 100 (the most recent available), and provide for parity loans (for which the crop itself shall be the sole security) in United States Money on eight basic storable commodities: corn, soybeans, wheat, oats, cotton, barley, sorghum, rice. The loans shall be at 90% parity, callable at a market price of 100% parity, not a date certain. This will provide the greatest protection possible for avoiding economic depression within the nation and assure national solvency.” This is accomplished by regulating the value of money (Const., Art. I, Sec. 8, cl. 5) so that each segment of the economy operates on a 100¢ dollar.

Cook and Walters point out that parity practice was successful in the U.S. from 1942 through 1952 and kept us from depression following World War II. They go on to state that today parity would provide for “farmland preservation by farmers themselves, establish practical national food security and make our entire economy work without the need for capital debt. Parity prices can be calculated monthly according to fluctuations in the costs of labor and capital in the whole economy, thus establishing and maintaining the required economic balance.”