



The Parable of Anytown USA

By Michael Sauvante¹⁹



This is the story of Anytown USA. Anytown has a population of 500 with around 200 households. It represents the spectrum of citizens from poor to rich. The town is run by a mayor and town council, two city employees and an accountant. The town and most of its citizens are in financial difficulties, and the mayor has called an all-hands town hall to discuss possible solutions to their “affordability” problem.

As each person comes through the door, they are asked to provide the accountant with answers to three questions: How much wealth they currently have (money, stocks and bonds, land, buildings, businesses, etc.), how much income they received last year, and if they have a least \$500 available for emergencies.

After the meeting is called to order, the mayor asks the town accountant to provide a summary of this information. The accountant reported that one household, the McRich family (the two parents and their three children – 1% of the town population) own a little over 30% of the town’s total wealth¹ (up approximately 23% since 1990, the year of the last similar census), about the same amount of wealth as the bottom 90% of the town (~450 citizens). They also earned over 20% of all the town’s income in 2025, but almost all of it came from investments, not salaries. At this news, murmurs are heard in the audience.

The accountant continues, reporting that a further 40% of the town’s wealth is owned by just 18 households (~45 people – 9% of the population).² Conversely, the bottom 250 citizens (~50% of the town) hold only 1-2% of the town’s wealth, and none of them has more than

\$500 cash for emergencies.³ And all indicators are that this gap in wealth is increasing year over year.⁴ Now the crowd is becoming restless.

Calling for quiet, the mayor then asks the Executive Director of NonprofitCo, the town’s economic development organization, to provide a report on their research into the causes of this wealth and income disparity. The Executive Director reports that they have traced the cause, first to the fact that the McRich family owns McRich Bank, the town’s only bank, which the family has owned for several hundred years.

“It’s not just ownership of the bank that put in motion Anytown’s financial woes,” she says, “but the fact that the bank’s founders convinced the town government back then to let the bank “create”⁵ all the money used by the town and its residents.” Gasps of disbelief are heard.

“We agreed to let the McRichs create the town’s money through their bank,” she continues. “From then on, even the town government had to borrow from the bank to fund its operations.” Speaking over an increasingly agitated crowd, the Executive Director explains that the deal they struck allows the bank to create new money out of thin air, with each loan they make, instead of lending deposits held by other residents of the town (the common assumption about banking). The problem, she noted, is that the bank only creates the principal for the loan, but not the interest. The result is that bit by bit, the wealth of the community is being transferred to the bank and its owners, primarily to the McRich family.⁶ It takes several minutes to restore order before the meeting can continue.

Acknowledging that this arrangement is not the best for the financial health of the community, the mayor asks if NonprofitCo's research has yielded any potential alternatives to the current system. "We found multiple examples of communities throughout history that issued their own money⁷ and produced a widespread prosperity for all, not just the few,"⁸ says the Executive Director. She then utters the most consequential words of the meeting. "We've also figured out how best to replicate those successful experiments from the past."

The crowd is now listening intently. "We propose putting a plan before the council for a municipal referendum on introducing an improved system based on the citizens of the town issuing our own money . . ." The mayor interrupts. "Is that legal?" The Executive Director reassures him and points out that the Federal Reserve has issued a publication stating that, "The government isn't the only entity allowed to issue money. Private citizens and businesses can too, and throughout U.S. history, they often have."⁹ "In fact," she says, "wealthy people are currently issuing their own money in the form of cryptocurrencies,¹⁰ including the president and his family."¹¹

"The only thing standing in the way of adopting this new system is the conscious choice of this town and its people. And if the town government itself were to accept this new currency, then all the businesses, other organizations and the people would too."

She cautioned that some things would still need to be purchased with the existing McRich money, but over time more of the local economy would be based on this new money, especially if we encouraged the town to grow more of its own food and make more products locally.

The mayor has heard enough. He calls for a show of hands to choose between continuing with the current financial arrangement that works primarily for the McRich family or developing another system that would benefit everyone. All but the McRich family vote for the second choice.

THIS PARABLE IS THE REALITY TODAY

Unfortunately, this parable reflects the reality of today's financial ecosystem, not only in the United States, but globally. 99% of the world's population is stuck in a system that was created several hundred years ago by the wealthy, for the benefit of the wealthy.

We are so immersed in this system that we're not aware this is it how it works. However, as the futurist Buckminster Fuller famously said, "You never change things by fighting the existing reality. To change something, build a new model that makes the existing model obsolete." Given the choice, most people would vote to drop the system that favors only the wealthy in favor of a new one that benefits all.

The Sustainable Communities Foundation¹² (SCF) conducted the research mentioned above and has concluded that communities need not suffer under the current system. All it takes is the recognition that they are free to change it, and make the conscious choice to do so.

SCF has analysed what a successful new program would entail, as well as the benefits that come with it, detailed in a free downloadable book titled *Money – It's Not What You Think It Is*.¹³ Chapter 7 offers guidance on how communities can build such a system on their own, also detailed here.¹⁴

For communities that don't want to build their own program, SCF has developed a new financial ecosystem, including a complementary currency bank and marketplace that can be immediately deployed. See a visual guided tour [here](#).¹⁵

Employing the SCF gives communities the option to team with the foundation or license the system.¹⁶ To get a sense of what might be done with such a system, check out the program we have proposed to the City of New York.¹⁷ More general information on our program is available here.¹⁸

Endnotes

- 1 <https://usafacts.org/articles/who-owns-american-wealth/>
- 2 <https://www.statista.com/chart/19635/wealth-distribution-percentiles-in-the-us/>
- 3 <https://thehill.com/business/personal-finance/5513970-1-in-3-americans-have-no-emergency-savings-survey/>
- 4 <https://www.cbsnews.com/news/us-wealth-gap-widest-in-three-decades-federal-reserve/>
- 5 <https://www.bankofengland.co.uk/quarterly-bulletin/2014/q1/money-creation-in-the-modern-economy>
- 6 <https://www.youtube.com/watch?v=CWTHrnuescw>
- 7 Commonly called a complementary currency https://en.wikipedia.org/wiki/Complementary_currency
- 8 <https://wethepeoplecampaign.net/examples/>
- 9 <https://www.clevelandfed.org/publications/economic-commentary/2007/ec-20070101-private-money-in-our-past-present-and-future>
- 10 Cryptocurrencies are one form of private money.
- 11 <https://democrats-judiciary.house.gov/media-center/press-releases/new-report-exposes-the-trump-family-s-multi-billion-dollar-crypto-empire-fueled-by-self-dealing-and-corrupt-foreign-interests>
- 12 <https://scf.green/scfndn/>
- 13 <https://michaelsauvante.me/thebook/>
- 14 <https://wethepeoplecampaign.net/roll-your-own/>
- 15 <https://uniex.net/guided-tour/>
- 16 <https://wethepeoplecampaign.net/team-with-scfnndn/>
- 17 <https://wethepeoplecampaign.net/>
- 18 <https://wethepeoplecampaign.net/team-with-scfnndn/>
- 19 <https://michaelsauvante.me/about-me/>