



Public Policy in Africa
Initiative

ADOPTING A WATER MONETARY STANDARD



AUTHOR: MICHAEL JACKSON

ADOPTING

a water monetary standard

AUTHOR:

MICHAEL JACKSON

A WATER MONETARY STANDARD:
AN ECONOMIC THESIS

<https://mpra.ub.uni-muenchen.de/924>

Annapolis Maryland

mike-jackson@comcast.net

The opinions expressed in this article are those of the authors and do not necessarily reflect the views of the editorial advisers or The Public Policy in Africa Initiative

We wish to thank the following reviewer for his insightful and valuable remarks and comments:

REVIEWER:

ROBERT BREARS

M.A, International Law & Politics

(University of Canterbury, New Zealand)

There isn't a State that doesn't have some sort of water infrastructure problem: quality, access, affordability, or shortages. All of these problems can be mitigated or solved by resolving the financial shortfalls created by the current economic model we use to fund the water infrastructure system. It is the fiscal problem I propose can be solved.

The current economic model of the user fee/tariff system costs taxpayers hundreds of millions of dollars per year and fails to achieve the demands of access, quality, and integrity communities need. The user fee model cannot manage the financial demands placed upon it and the danger these fiscal shortfalls pose to communities affects both Household Economic Wellbeing and the health of the community. I would propose an alternative economic model which provides 100% revenues to these infrastructure systems, increases the Household Purchasing Power and raises the Health Index of a community by ensuring that access to water and sanitation is financially feasible and profitable to all of the concerned stakeholders. Establishing a Monetary Exchange Standard to replace the user fee/tariff system will accomplish this.

Creating a monetary exchange for these infrastructure systems will remove the customer from the financial process by providing a Sovereignly Coined Payment to the infrastructure enterprise. These are in the form of Fiat Monies with the difference that they are supported by a commodity. Eliminating fiat money and beginning to end Debt Banking places a measure of control upon inflation which Central Banks currently do not have over currency based on fiat money.

3

Adopting a Water Monetary Standard

The complexities of managing the delivery of water and collecting waste water demand the use of an Integrated Resource Management (IRM) structure which would now be wholly funded as part of the unit cost. This management structure data of quality, access, overhead, and safety will be used to calculate Profit Margins for private utilities and maintaining Due Diligence in the Public Utilities. The focus of IRM is to monitor and manage supply, environmental conditions, and structural integrity demands. This data will be used to manage Capital Investments and Resource balances between urban growth demands and Agricultural necessities.

The tendency of the Monetary Exchange will be deflation through an excess of liquid capital and will need to be countered. To counterbalance this effect, a tax deduction of 100% can be instituted for environmental protection costs. This will remove capital from the system, create jobs, and allow environmental protection to be the path of least resistance to profits. To promote the protection of water before it becomes a part of the infrastructure system drawdown will lower the cost of providing quality water. This method of lowering of business overhead will strengthen economic activity, thereby strengthening the tax base, fighting Global Warming, and promoting the General Welfare of the People through maintaining the healthiest of environments.

The former Soviet Bloc Nations will finally have two things:

An economic model supporting the Proletariat who are the engine of Free Market activity and an economic model by which their Administrations can manage their waste and environmental problems which will not create uncontrollable debt.

In Ecclesiastical Nations charging money for water is a violation of Faith no matter where in the World you travel. I have not found any culture of Good Faith, Faiths of the Orient, the Mediterranean and Africa where water is not holy. Abandoning the morally bankrupt and philosophically unethical practice of charging money for water strengthens the infrastructure system, banking and to seeking commonalities between cultures.

This new policy will provide stability to basic infrastructure service to Constituents while lowering the demand on tax revenues. It will enable reaching ever greater numbers of the populace with basic infrastructure. This fight against poverty through better Monetary Policy increases the Health Index, enables industries to adopt environmentally sound practices without impacting profit margins, and strengthens the Consumer Purchasing Power. It will enable resource-challenged nations to maintain a sustainable vibrant economy through the Trickle Up Economics of this new model for water and sanitation infrastructure.

Powering the African Economy