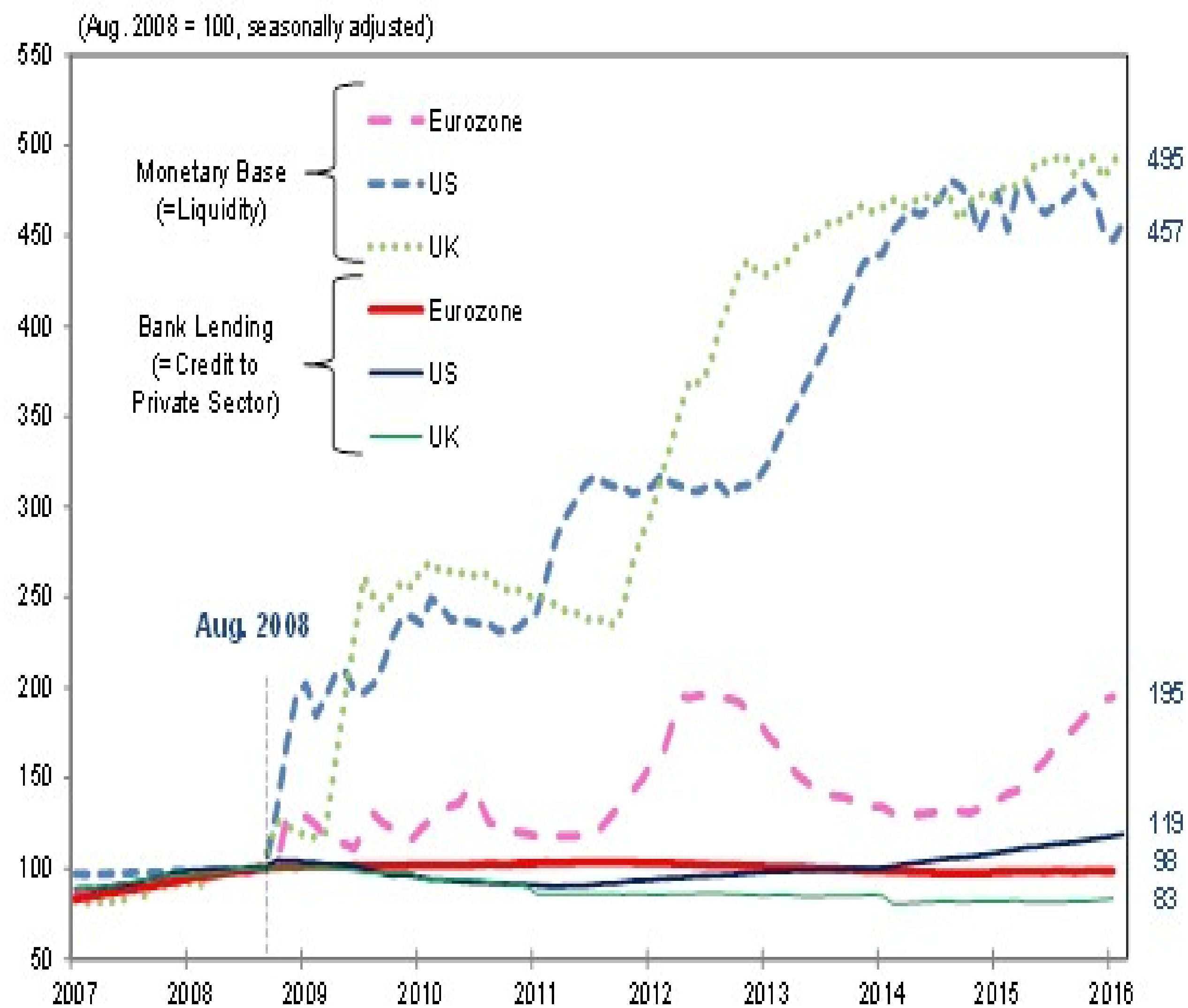
Economic Charts

These charts, including the most important chart by Nomura Research Institute identify the structural problem of banking systems being loaded with monetary base assets yet being incapable of significantly advancing the volume of bank lending or stimulating money supply growth in both the public and private sectors.

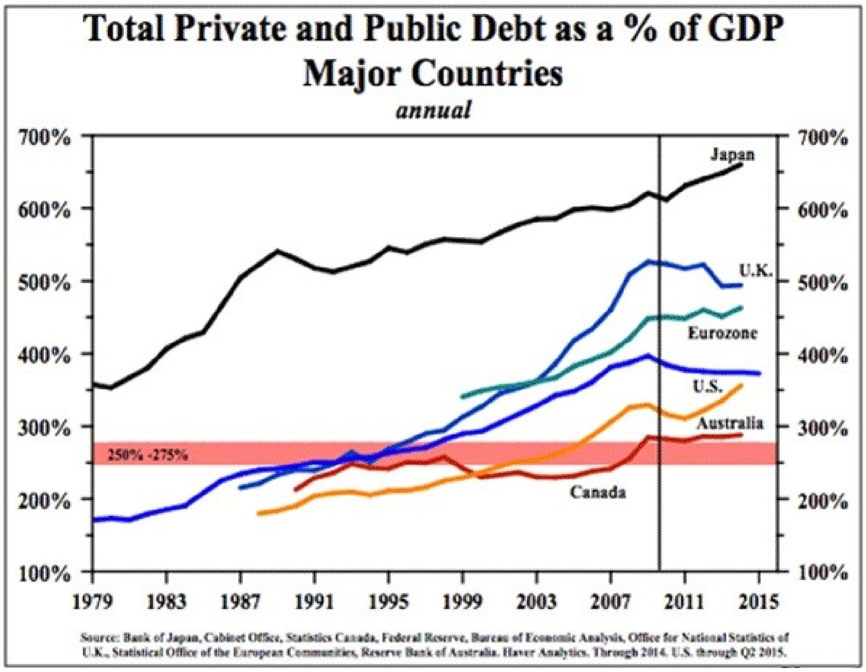
The current historically high deb-pyramid within the international business community has led to a general inhibition toward taking on new loans as the old debt is slowly being paid down after the 2008 crises—while at the same time infrastructure spending by the United States federal government has remained stagnant.

The problem is that capital and reserves have been dramatically increased in the banking system, yet actual lending has remained stagnant. The solution is for national governments to use monetary policy to stimulate bank lending with new investments into science, education and infrastructure.

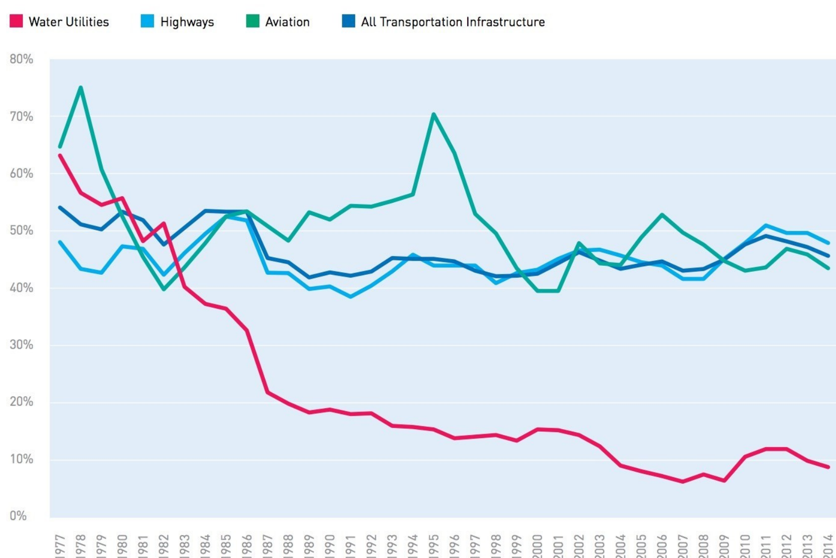
State governments must participate in this solution through creating state banks that have their capital and reserve requirements provided through federal monetary policy to promote a science, education and infrastructure recovery.



Notes: 1. US monetary base and UK's reserve balances data are seasonally unadjusted.
2. UK's bank lending data exclude intermmediate financial institutions.
3. Base money's figures of Eurozone are seasonally adjusted by Nomura Research Institute.
Source: Nomura Research Institute, based on FRB, ECB and Bank of England data.

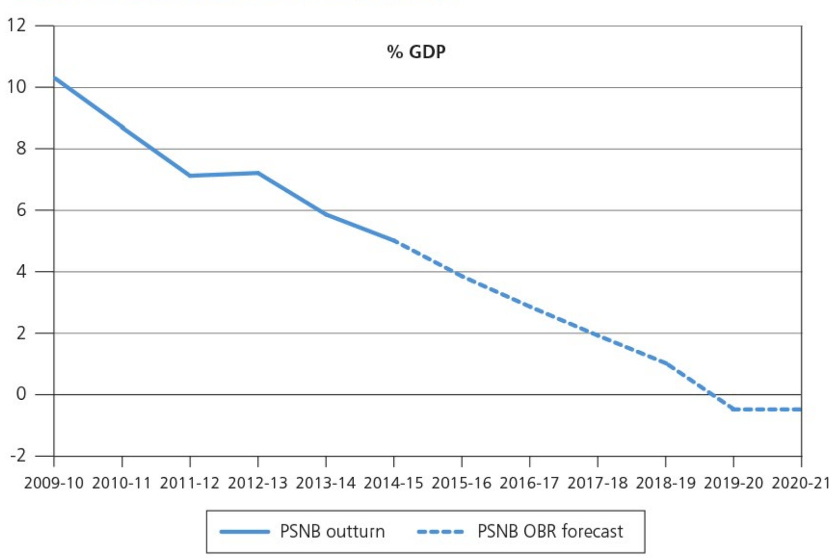


Federal Contribution to Total Infrastructure Spending



Source: CBO 2015.

Chart 1.6: Public sector net borrowing (PSNB)



Source: Office for National Statistics and Office for Budget Responsibility.

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