Money of Account and Money of Exchange

Money of Account is debt-based financial transactions on paper. All debt is created on paper, so all debt can be discharged with 'other' pieces of paper. This has absolutely nothing to do with what we, the private think of as "money" which is promissory notes, aka debt notes and, since debt notes cannot 'pay' a debt, then, handing over what we think of as 'money' cannot possibly offset the debt of an entirely separate money system based upon electronic and paper-created debits and credits. When anyone talks about the 'national debt' the only way to discharge or offset that alleged debt, which is not real as it exists only in a virtual computer world, is to create paper which will balance said negative/red entries on the ledgers/computers. Our cash cannot, in a million years, 'pay' that debt because the two are entirely unrelated. It is "apples and oranges". If the apple bushel is nearly empty, then, filling it with oranges will not give you a bushel of apples.

Cash is solely for exchange of goods and services which WE, in the private, obtain, not the debt which those in the public create by charging our trust accounts which have credit, only due to the bonds backed by our birth certificates. Only they can monetize that credit and offset the debt they create; WE cannot do so. We do not have access to those accounts. Yes, we ought to be able to do so, but, so far, they have thwarted us on every attempt. The public uses 'money of account' and we use 'money of exchange'. Please make the distinction.

2 Definition of and requirements for bill of exchange:
(From the Bills of Exchange act)

(1) A bill of exchange is an unconditional order in writing, addressed by one person to another, signed by the person giving it, requiring the person to whom it is addressed to pay on demand, or at a fixed or determinable future time, a sum certain in **money** to a specified person or his order, or to bearer.
(2) An instrument which does not comply with the requirements specified in subsection (1) or which orders any act to be done in addition to the payment of money, is not a bill.
(3) An order to pay out of a particular fund is not unconditional within the meaning of subsection (1) but an unqualified order to pay coupled with-
(a) an indication of a particular fund out of which the drawee is to reimburse himself, or of a particular account to be debited with the amount;
(b) a statement of the transaction which gives rise to the bill;
(c) a statement on the bill that it is drawn against specified documents attached thereto for delivery on acceptance or on payment of the bill, as the case may be; or
(d) a statement on the bill that it is drawn under or against a specified letter of credit or other similar authority,

is unconditional within the meaning of the said subsection.
(4) A bill is not invalid by reason-
(a) that it is not dated;
(b) that it does not specify the value given, or that any value has been given therefor;
(c) that it does not specify where it is drawn or where it is payable.

What is Money? (From ModernMoneyMechanics- Federal Reserve)
If money is viewed simply as a tool used to facilitate transactions, only those media that are readily accepted in exchange for goods, services, and other assets need to be considered. Many things - from stones to baseball cards - have served this monetary function through the ages. Today, in the United States, money used in transactions is mainly of three kinds - currency (paper money and coins in the pockets and purses of the public); demand deposits (non-interest bearing checking accounts in banks); and other checkable deposits, such as negotiable order of withdrawal (NOW) accounts, at all depository institutions, including commercial and savings banks, savings and loan associations, and credit unions. Travellers checks also are included in the definition of transactions money. Since $1 in currency and $1 in checkable deposits are freely convertible into each other and both can be used directly for expenditures, they are money in equal degree. However, only the cash and balances held by the nonbank public are counted in the money supply. Deposits of the U.S. (and RSA) Treasury, depository institutions, foreign banks and official institutions, as well as vault cash in depository institutions are excluded.
This transactions concept of money is the one designated as M1 in the Federal Reserve's money stock statistics. Broader concepts of money (M2 and M3) include M1 as well as certain other financial assets (such as savings and time deposits at depository institutions and shares in money market mutual funds) which are relatively liquid but believed to represent principally investments to their holders rather than media of exchange. While funds can be shifted fairly easily between transaction balances and these other liquid assets, the money-creation process takes place principally through transaction accounts. In the remainder of this booklet, "money" means M1.
The distribution between the currency and deposit components of money depends largely on the preferences of the public. When a depositor cashes a check or makes a cash withdrawal through an automatic teller machine, he or she reduces the amount of deposits and increases the amount of currency held by the public. Conversely, when people have more currency than is needed, some is returned to banks in exchange for deposits.
While currency is used for a great variety of small transactions, most of the dollar amount of money payments in our economy are made by check or by electronic transfer between deposit accounts. Moreover, currency is a relatively small part of the money stock. About 69 percent, or $623 billion, of the $898 billion total stock in December 1991, was in the form of transaction deposits, of which $290 billion were demand and $333 billion were other checkable deposits.
What Makes Money Valuable?

In the United States (and RSA) neither paper currency nor deposits have value as commodities. Intrinsically, a dollar bill is just a piece of paper, deposits merely book entries. Coins do have some intrinsic value as metal, but generally far less than their face value.
What, then, makes these instruments - checks, paper money, and coins - acceptable at face value in payment of all debts and for other monetary uses? Mainly, it is the confidence people have that they will be able to exchange such money for other financial assets and for real goods and services whenever they choose to do so.

Comment:
Federal Reserve Notes are considered to be a benefit R.S.A. citizens get to use within the R.S.A. A promise can be value. Suffering can be value. A benefit can be consideration sufficient to support a simple contract. Using Federal Reserve Notes is considered taking advantage of a benefit (consideration) in exchange for rights the R.S.A. has to enforce the terms of a pre-existing citizenship contract (a pledge). That is the implied basis for its agents to issue bills (instruments) to R.S.A. citizens, but they have to be issued for value. The terms of that pledge are the hidden basis for issuing instruments for value. There is a default presumption that every R.S.A. citizen has made a pledge to the United States and its statutes. Other than the issuer’s obligation to pay an instrument that is issued for value, there is no value in the instrument, when it is issued. It is not negotiable when it is issued. It is seeking a negotiable instrument. An issuer has a defence for issuing instruments without consideration, if they are issued for value, and a promise previously made by the transferee (R.S.A. citizen) is due and has not been performed. The payment on the national debt is always due and has not been performed.

The End