



# THE NATIONALIST CONTRACT WITH AMERICA

## 1. Change the Relationship Between Business and Government

### a) Eliminate All Business Taxes and Business Fees

Pass legislation to eliminate all business taxes and business fees. All corporations and businesses pay zero taxes and zero fees including state and local taxes and business license fees. Do this for political and economic reasons.

- Greatly reduce the problem of money buying political influence because if businesses don't pay taxes, there is no need to hire lobbyists to obtain tax breaks. Eliminate taxes as a reason for businesses to donate to congressional campaigns. As long as businesses pay any amount of tax, there will be business tax law lobbyists buying influence in Congress. Repurpose corporate tax law lobbyists to break room cleanup duty.
- Divisive issue of corporations not paying their fair share of taxes is now dead. If corporate taxes are only reduced, say to 15%, then this issue will not go away and there will always be division among the liberals and conservatives and demonization of corporations for not paying their "fair share." Yes businesses use public services such as roads, police and firefighters but we must put that aside in order to end business influence over Congress and thereby return the power over government to the people. We will allow businesses to use public services at no cost in exchange for them providing good high paying jobs and ending income inequality (more on this later).
- When government overspends (it's been proven it will), the tax rate ON INDIVIDUALS will be impacted and politicians will be held accountable when they raise taxes because they overspent. Because of this, it will be harder for government to grow at a much faster rate than the economy as has been the case recently and will be much more likely government will be small and limited.
- With all taxes coming from individuals, it is much more likely the people will want small limited government because they will directly see the cost of large inefficient government when their

taxes go up. Currently the people have no link between wanting bigger government and paying more taxes because they expect others (corporations, the wealthy etc.) to pay the higher taxes needed for the bigger government they want.

- Spur economic growth and create jobs; bring jobs that moved to foreign countries back to America.
- Reduces the size of government. With this one change, reduce the size of the IRS by at least 50% by getting rid of all those involved with business taxes.
- No more business tax breaks greatly frees up congressional time to work on other issues since no more consideration of corporate tax policy in bills. Helps congress have the time to return to performing its constitutional duties that it has delegated away (more on this later).
- Issue regarding double taxation of multinational corporation overseas earnings is now dead. Capital can now return to the US without businesses being penalized by the tax code.
- Any reform that does not eliminate business taxes completely will mean that the money influence in politics will continue to be an issue because corporate money will be used to influence politicians to obtain tax breaks.
- Corporate inversion issue is placed on scrapheap of history.
- Businesses can focus on profits made from goods and services instead of profits from reducing taxes.
- Reinvest company profits into businesses creates economic growth and jobs instead of funding inefficient government; update machinery and equipment without consideration for depreciation.
- Taxes will no longer inhibit the growth of new businesses; money previously used by new business startups to pay taxes can now be used to fuel growth.
- Businesses will have additional money to increase employee compensation (more on this later).
- Thomas Jefferson was right when he said merchants have no country. Let's stop pretending that businesses are patriotic pro-American companies that will pay lots of taxes as their duty to the United States because this has never been and will never be the case.
- Elimination of all business taxes will help businesses offset new laws that have the purpose of ending stagnating wages and ending the income inequality issue (see section 2).

#### b) End Crony Capitalism

- As done in private industry with employees who make purchasing decisions, require all members of Congress to sign a conflict of interest statement, for every spending bill they vote on (including bills that establish subsidies) that indicates they, a family member, friend or anyone they know, has no financial or personal interest (i.e., benefit) in any item being purchased or potentially being purchased.

- Members of Congress who do not sign the conflict of interest statement forfeit their vote and cannot vote on the bill.
- Members of Congress found to have violated a conflict of interest statement they signed will be immediately expelled from Congress and receive no congressional pension benefits.
- Pass a law stipulating that it is unlawful for congress to help businesses in any way. This law shall make it clear that congress can help citizens but not businesses.
- Pass a law stipulating that when creating subsidies, congress will have to show exactly how the subsidy helps *citizens*. For example, a farm bill that pays farmers to not plant (to keep food prices high) would be against the law while a farm bill paying (i.e. subsidizing) farmers to overproduce (to increase food supply to decrease food prices) would be legal, for domestically sold goods only (subsidies will be for goods only sold domestically because money from the American treasury will go to help only American citizens). Businesses will no longer pay any taxes and therefore should no longer receive any subsidies unless the subsidy is for the sole purpose of benefitting American citizens.
- With the changes so far, government would stop determining which businesses get money from government and which businesses must give money to government, thus reducing the influence of corporate money in politics. Businesses now have no relationship with our elected representatives and thus no reason to lobby them for favors. Congress will now answer to the people.

c) Campaign Finance Reform

- Outlaw political campaign contributions to politicians from businesses.
- Outlaw political ads paid for by businesses.
- Outlaw business contributions (but not individual contributions) to issue groups and any organization involved in political advocacy.
- Businesses will have no need to make political donations after implementing the reforms in sections 1a and 1b because businesses no longer have a relationship with government but we will outlaw them to ensure corporate executives and CEO's don't use corporate resources to promote their own political beliefs.
- If these laws are ruled unconstitutional by SCOTUS, pass the law again with some minor modification. Continue to do this until SCOTUS stops hearing the case. SCOTUS is not authorized by the Constitution to make law, Congress is. Corporations are not people and do not have free speech rights despite what SCOTUS thinks. Because the Bill of Rights are *individual* rights, *people* have free speech rights, not corporations. Enact legislation to stop SCOTUS from ruling on the constitutionality of law (see section 4.c) then pass this important legislation again.
- Divisive issue of corporations being people with free speech rights is now dead. Campaign finance issue regarding corporate donations to political campaigns is now dead.

#### d) Eliminate Conflict of Interest Between Government and Business

Pass legislation making it unlawful for five years after they retire for corporations to hire senior government officials and for defense contractors to hire senior military leaders. No more "retired" Admirals on the Board of Directors at the shipbuilding companies that build Navy ships.

The combination of all the items listed thus far ends the problem of corporate money influencing politics by breaking the links between business and government. No subsidies, no taxes, no tax breaks, no crony capitalism, and no campaign contributions means that businesses will have no influence over politicians and no control over our government. American citizens will regain power over Congress, only after the links between businesses and government are broken.

## 2. End Income Inequality

Thomas Jefferson was right when he said merchants have no country. Let's stop pretending that businesses owe their allegiance to the United States and start implementing Government policies that recognize that business interests are not always aligned with what is in the best interest of the United States.

End income inequality by eliminating the factors that cause it. But first, understand what causes it by reading this (<http://www.theamericannationalist.com/archivepages/our-opinion-income-inequality.html>). Income inequality occurs because:

- CEO salaries and compensation are NOT determined by the free market. CEO salaries and compensation are determined by other CEO's and corporate executives on the board of directors compensation committee, who themselves personally benefit from rising CEO pay scales. Radio talk show host Michael Savage called this "interlocking corporate directorships." Because the board of directors compensation committee has an unlimited source of money and shares of company stock at their disposal, they can and do give out huge compensation packages to their fellow CEO's. They keep making CEO compensation packages more and more lucrative because they themselves aren't the ones paying for the compensation packages, because there is no easy way to stop them from doing it and because they themselves benefit in the long run as CEO salaries rise.
- Business executives don't share with their employees when the company does well.
- Business executives cut employee benefits and freeze salaries even while the company is doing well.
- Our immigration policy increases the labor supply, which reduces the cost of labor for businesses which means that the workers earn less.
- Our free trade policies like NAFTA, GATT and the TPP give businesses incentive to move good manufacturing jobs to foreign countries.

There is no disputing that capitalism is the best economic system on the planet but it needs reform. The large number of supporters for socialist Bernie Sanders should be a wake-up call to all those who

support capitalism. If we don't fix capitalism, it will eventually be replaced by the voters who are not benefitting from capitalism. I believe income inequality will continue to worsen because:

- No proposals being discussed will fix it because they don't target what is causing it. Current proposals don't help the poor earn more and they don't change what causes CEO and executive pay to rise.
- Pensions for the working class have been eliminated while large pensions for corporate executives continue.
- Overtime pay rules greatly favor businesses and promote lower employment levels (instead of hiring more workers they force the workers they have to work overtime) and reduced employee pay (e.g., premium pay instead of time and a half).



To end income inequality:

a) Treat Corporate Executives and Workers Equally in Corporate America

- Pass legislation that requires employee benefits to be equally applied across a company. All employees, executives and business leaders shall have the same employee benefits.
  - If there is a business case to cut or eliminate worker pensions, sick days and health care coverage to reduce costs, then company executives shall also participate in those cuts.
  - With the equality of benefits, there will be no need for organized labor negotiations. Labor unions are no longer needed and thus the divisiveness between organized labor and company management disappears.
  - How can anyone possibly justify the elimination of worker pensions while executives continue to fund their own multi-million dollar pensions?

- Pass legislation that requires bonuses and other performance based compensation be applied equally to all employees. Bonuses, stock options and other pay incentives will be shared equally among all employees. Outlaw stock grants to corporate executives unless they are also given to the workers. When the company is doing well, reward all employees not just senior management.
  - Remembering that CEO salaries, compensation and benefits are NOT determined by the free market but by other CEO's and corporate executives (on the board of directors compensation committee) using a limitless source of money and company stock that doesn't belong to them, how can anyone be against a law that requires corporate executives to apply benefits and performance based compensation equally to employees in all levels of the company?
- Institute a maximum ratio of total CEO compensation to the *average* worker (non-management) salary and cost of benefits. This ratio should be the subject of much discussion but I am thinking it should be around 40 (Ratio of CEO to worker pay was 20:1 in 1965 and is over 300:1 now). Thus if the average worker total compensation is \$50,000 then the CEO total compensation could not be more than \$2 Million. To prevent the outsourcing of low paying jobs, the ratio shall include the compensation of outsourced jobs. This law is what is required to achieve the conservative belief that a strong robust economy lifts everyone because right now, everyone is not being lifted because company executives don't share the success of the company with the employees.
- Institute limits that set the maximum ratio of total CEO compensation to the *lowest paid* worker salary and cost of benefits. To prevent the outsourcing of low paying jobs, this ratio shall also include the compensation of outsourced jobs. Business leaders would then have incentive to raise (American) worker compensation instead of hiring cheap immigrant labor. This is needed in addition to the previous ratio to prevent the company from increasing the average employee compensation by highly compensating a small number of employees (e.g., middle and upper management). This ratio is easily determined by using a ratio of average worker pay to the expected lowest paid worker. Using the numbers above and assuming the lowest paid worker is paid \$25,000, then this ratio is  $40 \times (\$50,000/\$25,000) = 80$ . This ratio ensures that the salary of the lowest paid employee rises when the CEO compensation rises.
- In exchange for ending all business taxes and fees:
  - Pass legislation requiring that mandatory profit sharing of 25% of profits with employees at all levels, equally. Salaries will depend upon the level of responsibility in the company but profit sharing will not. Setting a required percentage of profits being shared is a must because corporations implementing more automation and robot controlled processes will not escape their profit sharing duty. Businesses will not be paying any taxes and can therefore pay employees more. Profit sharing gives employees incentive to contribute to the success of the business because the more productive they are, the greater the money they receive in their profit share. Because of the risk of more automation to eliminate workers to reduce profit sharing, profit sharing requirements shall not be specified per person but instead by an amount (e.g., 25% of profits).
- Instead of forcing businesses to pay taxes to government, government taking a cut (for government operating costs), then giving the remainder to citizens (e.g., food stamps, earned

income tax credits etc.), force businesses to give some profit directly to its citizen employees. Get government out of the wealth redistribution business to reduce its political power and in order to return to constitutional government.

- Implementing the CEO compensation ratio limits will give business owners incentive to keep their company privately held. Business owners keeping their companies private benefit because they keep the profits not shared with the employees (e.g., 75% of profits) instead of being limited to earning the CEO maximum. The biggest benefit is to the employees because, for a privately held company, benefit cuts and salary freezes aren't needed to keep the company stock price climbing to benefit the company management. When businesses go public, the American citizen employees of the company become much less important than stockholders to the corporate executives because they are given large amounts of company stock in their compensation. This is why you see employee salary freezes and employee benefit losses including losing sick time, paid holidays and pensions all while their company stocks continue to soar.
- Conservatives will say that business owners take all the risks and therefore deserve all the rewards. This is a generalization conservatives use to wrongly justify ridiculously high CEO compensation packages when CEOs of public companies take no risk. They get tremendous sums of money and free stock without ever risking a dime of their own money. For privately held startups that require significant capital to get started, yes the business owners take all the risk. Under the provisions of this contract with America, these startups would never pay any taxes and would only be required to profit share when they become profitable. Therefore startups will be better off than they are currently. Established privately held businesses and public companies have much less risk, will pay no taxes and will also only be required to share profits when profits exist.
- CEO's who feel they should make more than the maximum they are allowed can instead start a new business (so they can get 75% of the profit) which will create more jobs and more competition which will lower prices for American citizen consumers. When CEO's actually put their own money at risk, such as when they start a new privately held company, then they can get (and deserve) the huge payday.
- Eliminate the minimum wage because it is no longer needed and has no meaning with mandatory profit sharing plans and fixed CEO compensation ratios. Get rid of the divisive minimum wage issue for good.
- The labor market should determine worker salary but business results should determine total worker compensation, just as it currently determines executive compensation.
- Reform overtime pay rules. Instead of hiring additional workers when work load increases, businesses force their employees to work overtime for free or pay them premium pay (80% or less of their hourly rate) for overtime. Pass legislation requiring ALL employees who work over 40 hours per week be paid time and a half for overtime. This will increase employee wages and/or promote job creation, both of which are badly needed.

#### b) Drastically Reduce Food and Energy Prices

Income inequality is really about standard of living. High food and energy costs reduce the standard of living for the middle class and poor because the middle class and the poor spend a large

percentage of their incomes on food and energy whereas the wealthy (including millionaire politicians) are largely not affected by food and energy prices because these costs are small to them.

Government provided inflation data that shows inflation is not a problem is dead wrong because most of the time the two most important factors to the average American (food and energy) are omitted. Fruit and meat prices have soared in the last few years all while average family income is stagnant at best. How can inflation be 1% - 2% per year when food prices have increased 100% or more in the last five years? My food bill per month for a family of 4 is almost as much as my mortgage payment.

After watching gasoline prices go from \$4 a gallon down to \$1.50 a gallon before going back up, is there any doubt that the system that supplies our gasoline is not set up to keep prices low for the benefit of the American population? If gas prices went to \$1.50 per gallon once, they can get that low again with the right policy changes.

Increase the standard of living of American citizens by implementing policies that reduce food and energy costs:

- Give farmers incentives to plant more crops to lower food prices rather than, as is the case currently, incentives to keep fields fallow to keep food prices higher.
- Eat corn instead of burning it; Eliminate gasoline ethanol mandates and halt ethanol production.
  - Ethanol has lower energy density than gasoline and therefore causes poorer gas mileage than gasoline.
  - Lower corn prices resulting from the elimination of ethanol in gasoline also means lower (animal) feed prices followed by lower beef and chicken prices
- Implement policies that are good for American citizens. If necessary to lower the price of food, subsidize or provide bonuses to farmers for planting more food (preferably healthy food) and selling it domestically. Do this to get people off food stamps and to increase their standard of living.
- As discussed by many conservatives, develop domestic energy to create jobs and lower gas and energy costs of all Americans.
- Consider requiring food and energy companies to meet certain production levels to maintain their tax-free status. Thus it would be their duty to supply a certain amount of food or energy to the country in exchange for doing business in America without having to pay taxes.
- Consider giving government bonuses to food and energy companies tied to certain production levels (domestically sold food and energy only).
- Thus food and energy companies would have to meet a minimum production level to remain tax free as a duty to the country AND could receive production based bonuses from the government for meeting even higher production levels. We must give food and energy companies incentives to maximize supply in order to reduce the costs to Americans. The current system does not keep prices low for Americans and is badly in need of reform.

- Because food is transported using trucks, food prices can be negatively affected by high gasoline and diesel fuel prices. Therefore consider reducing the price of gasoline and diesel fuel by giving government bonuses and subsidies to oil companies to increase oil sold domestically and to refineries to increase gasoline and diesel fuel production.



c) Create Jobs for Americans in America

Our federal government spends an unimaginable amount of money each year. Why isn't this money spent entirely on American-made goods and materials? Why can steel made in China be used to build United States Navy ships when it's taxpayer money being used to buy those ships and it is a matter of national security to have a strong steel industry? And to make matters worse, our trade deficit with China helps China fund their own military buildup that now includes their own aircraft carriers.

- Require all government contracts to provide American-made products and materials. Taxpayer dollars will go to help American businesses and American workers not foreign businesses and foreign workers. Imagine the economic impact from spending the entire federal budget in America each year. Finally a positive aspect of big government!

American companies move operations abroad then import their goods back to America and we let them do it without any penalty. The businesses will return to America when the business taxes are eliminated but for those that don't, recognize that "merchants have no country" and apply tariffs to every non-food item that is composed of 50% or more dollar value of foreign made parts and/or labor.

- 50% is a good compromise between strict free-trade and protectionism. All goods sold in America will contain at least 50% (dollar value) made in America parts and/or labor.
- Along with the elimination of corporate taxes this will bring blue collar jobs back to America.

Ask any HR manager at any company what determines employee compensation and they will tell you that the (labor) market does. If the labor market determines worker pay, then stop flooding the job market with immigrant labor because it causes wage stagnation. Put the American worker first

by stopping immigration until Americans are back to work with rising wages, then what is left can go to immigrants.

- Freeze all legal and stop all illegal immigration. This has been discussed extensively in the public forum therefore there is no need to elaborate further here.
- Deport foreign workers in order to give jobs back to Americans and raise American worker salaries, unless the foreign workers fulfill a needed skill that cannot be filled by American citizens (e.g., airplane pilots).

Economic recovery is not happening in America today because the loss of middle class jobs over the last few decades means that most Americans don't have disposable income to spend.

Many conservative republicans think that it's the workers fault for not getting more job skills to get a better job. That reasoning is flawed and simply nonsense. While justifying income inequality, conservatives will point out that people are different. They say that some folks work harder than others. They say that some folks are smarter than others and this is what causes income inequality. But then conservatives don't apply this reasoning when it comes to jobs. If people are different, which we clearly are, then a sound jobs policy will take this into account. A sound jobs policy will identify that people are different and that while many go to college, many do not and should not. Those that do not go to college used to be able to support a family and live well by learning a trade. Return the blue collar jobs back to America to help put an end to income inequality.

d) Align the Interests of Congress with the Interests of Average Americans

See section 4.d for details.

### 3. Tax Reform

- a) Eliminate all business taxes and fees at all levels of government (refer to section 1a).
- b) Institute a single rate flat income tax on all individuals, with no deductions, for political not economic purposes.

Tax policy has economic impacts but more importantly also has political impacts. The biggest problem with the tax code is the root cause of our out-of-control government spending and borrowing. And that problem is that a very large number of American voters pay no tax and many who don't pay taxes actually get paid by the government (i.e. earned income tax credits) so that they have absolutely no incentive to vote for lower taxes and smaller government.

Therefore we must scrap the entire tax code and institute a flat tax ON ALL Americans (i.e. individuals) with all deductions phased out incrementally over ten years. When all taxes come from individuals, it is much more likely the people will want small limited government because they will directly feel the cost of large inefficient government when their taxes go up. Currently the people have no link between wanting bigger government and paying more taxes because they expect others (corporations, the wealthy etc.) to pay the higher taxes that are needed for the bigger government they want. With a single rate flat income tax on all individuals with no deductions and no taxes on businesses, Americans who want bigger government will be forced to pay for it.

There are those that say the wealthy actually pay a smaller percentage in taxes than the middle class because they have accountants and very large tax deductions. If that is true, a flat tax with no deductions means that the wealthy will pay comparatively more than they do now (no more deducting mortgage interest on that \$20 million dollar mansion). While it's debatable if the wealthy will pay more or less with a flat tax with no deductions, it doesn't matter because the most important aspect of tax policy is political not economic.

- Everyone, including the poor, will have an equal amount of 'skin in the game' and will object to raising taxes. "Skin in the game" ensures everyone has an interest in keeping taxes low. Progressive tax rates (higher tax rates for larger incomes) cannot do this. Trying to be 'fair' to lower income people will NEVER end the rich vs. poor class warfare issue whereas one tax rate for all individuals will. One tax rate will also get people out of the habit of expecting somebody else (i.e. the rich) to pay for the free stuff they want from government. Besides, the reduction in income inequality due to executive compensation ratio limits will make progressive tax rates not needed.
- An individual flat tax with no deductions, combined with the elimination of all business taxes, means that every voter cannot expect other people to pay for the government programs they want. When voters want more government, they will pay for it, not businesses and not the rich. This will create an environment that promotes small, limited government.
- All deductions must be phased out until there are no deductions because as long as they exist, there will be arguments over who should get them and the corresponding big money in politics that goes along with determining who should get them. To completely end the money influence in politics, there cannot be any tax deductions.
- Eliminating all tax deductions for individuals and all business taxes eliminates the division in the country because of taxes, the need for individuals and businesses to influence Congress with campaign contributions for tax breaks, and allows for a reduction of the IRS by 99% and the subsequent lowering of the flat tax amount (from the reduction in size of the IRS).
- Create a ONE LINE 1040 form and send every other IRS form to the recycle center.
- With the mandatory equal treatment of executives and employees (presented in section 2a) and with the equality of taxes (every person pays the same flat income tax rate), class warfare is eliminated forever.
- Ending the home mortgage deduction removes the main incentive Americans have to be largely in debt. Combine this with allowing interest rates to be determined by the market not Fed, and Americans will have incentive to save not incentive to borrow, which is the opposite of what we have today.
- End tax credits for the same reasons as ending tax deductions.
- A flat tax that forces the poor to start paying taxes must be acceptable to liberals and progressives because we are ending income equality (see section two).
- A single rate flat tax on all individuals will mean that politicians will be held accountable for raising the flat tax rate because ALL Americans will feel the effect of tax increases. Raising the

single flat tax rate that all Americans pay would be very difficult for politicians to do, would be highly publicized and debated and would be hard to get away with without a political fallout. Thus politically, a single flat tax rate on all Americans would force politicians to be stewards of the American treasury. This is already proven to be the case when county governments try to raise their property tax rates which fund their entire county government. Public outcry is usually tremendous.

- Eliminating the need for Congress to routinely consider tax law policy frees up time for Congress to get back to performing its constitutionally required duties that it has delegated away (more on this in section 4).
- With elimination of corporate taxes, the implementation of a single rate flat income tax (with no deductions) on individuals and the end of crony capitalism, the government would be out of the business of picking winners (those that it gives money to) and losers (those that it takes money from). Once the government gets out of the business of picking winners and losers then there will be no reason for money to influence politics and the people will regain power over their government.

c) End All Government Agency Imposed Fees and Fund the Government Agencies Exclusively With the Flat Tax

Abolish all government fees and fund everything with the individual (flat) income tax, which will be set in amount by congress as the Constitution requires. No more unconstitutional taxes (i.e. fees) imposed by unelected bureaucrats that are really stealth taxes. Fees raise revenue for the government therefore they are taxes not fees so end them all and fund everything using the flat income tax. This gives visibility to all the government's costs and gives incentive for congress to keep government costs low. Right now, fees are routinely raised because there is no incentive to keep costs low because there is no accountability to the voters.



#### **4. Reform Government and Return to Constitutional Government**

If you are still reading, then you are most likely a well informed American who really understands how bad things are in America.

Now let's look at what is required to return to constitutional government including returning to Congress it's constitutionally mandated duties.

a) Return Constitutionally Required Congressional Duties Delegated by Congress Back to Congress

- Growth of executive branch power was enabled by congress because they have delegated their constitutional duties to the executive branch.
- The Constitution purposely does not grant Congress latitude in their duties so that decisions made would be made by elected officials who would answer to the people at the next election. Instead, because Congress has delegated their constitutionally mandated duties to the executive branch, we have unaccountable, unelected bureaucrats making decisions that affect us all.
- Therefore, repeal all unconstitutional laws that delegate congressional constitutional mandates.
- For example, the Constitution, in Article I Section 8 requires that Congress:
  - Provide for the common defense and general welfare. And yet the Departments of Defense, Homeland Security, Energy, Education, Health & Human Services, Housing & Urban Development, Transportation and Veterans Affairs are all executive branch agencies. Congress has nobody to blame but itself for having no power to fix the problems at the Veterans Administration (VA) or fire those responsible for the recent VA scandal.
  - Levy and collect taxes. And yet the IRS, an executive branch agency, under the treasury department, collects our taxes. Thus Congress only has itself to blame when it had no power to end the IRS scandals.
  - Coin (i.e. make) our money. And yet the Bureau of Engraving and Printing under the Treasury Department (an executive branch agency) coins our money.
  - Regulate the value of money. And yet it is the Federal Reserve that affects the value of money by manipulating the money supply by adding liquidity by buying bonds or reducing liquidity by selling bonds.
- To return power back to Congress, reduce the increase in executive power and re-establish constitutional government, make each congressional oversight committee the agency head with direct control over the agency instead of executive branch appointees.
- End the lack of congressional influence over the agencies by making Congress directly in charge of the agencies. Congressional committees will run the agencies and it will be clearly defined what each committee must take to the entire congress for approval.
- No longer will Congress have to ASK and BEG for information from the agency because the congressional committee will have direct hiring and firing authority over the agency.
- The congressional committee could appoint/hire an agency "executive" or "administrator" to execute their orders. This model already works well at the local government level where county governments, run by a Board of Supervisors, have a county executive that executes their orders.
- Unconstitutional executive orders would never be possible had congress not delegated their constitutional duties to the executive branch.

- The congressional committee will dictate how congressional funds are spent at the agency (no more selective enforcement of immigration laws without being accountable to the voters).
- When both political parties follow the Constitution, it won't matter that much which one is in power.
- Remove the Treasury Department from the Executive branch and return the congressional duty to coin and print money and regulate its value by placing control of the Treasury directly under a congressional committee.



#### b) Return to a Constitutional Military

Since WWII, America has fought in Vietnam, Bosnia and Iraq without the declaration of war from Congress that is required by the Constitution.

Our unconstitutional military structure has enabled these unconstitutional wars. Nowhere else has the Constitution been more ignored by Congress than in the structure of the military.

What you are about to read might be hard for some of you. Don't limit your knowledge by accepting what the political machine wants you to think. Think for yourself. Read the Constitution for yourself. Study the founding fathers.

Article I Section 8 of the Constitution assigns the duties of Congress to declare war, to "provide and *maintain* a navy", to "*raise* and support armies", and "to provide for calling forth the Militia to execute the Laws of the Union, suppress Insurrections and *repel Invasions* (emphasis mine all)." Government violations of these constitutional requirements include:

- Sending the national guard, who contends to be the constitutional militia, to foreign wars, as president Bush did during the Iraq war. Sending the national guard (militia) to Iraq was not to execute the laws of the union, suppress an insurrection or repel an invasion (i.e. domestic purposes) and therefore was unconstitutional. The national guard website used to specifically state that it served the role as the

constitutional militia but now it doesn't and there are very few references to the militia remain. Either the national guard is the militia and they were unconstitutionally sent into Iraq, or they are not the militia and the government has unconstitutionally eliminated the militia over the years by continually redefining the role of what once was the militia.

- It is the duty of Congress to raise and support armies and provide and maintain a navy and yet the Department of Defense is an executive branch agency.
- The existence of a standing army is a violation of the Constitution. Article I Section 8 of the Constitution authorizes Congress to "provide and maintain" a navy and to "raise and support" armies. There are purposely no words in the Constitution permitting Congress to maintain an army. If the founders intended for there to be a standing army then:
  - They wouldn't have specified in the Constitution that one purpose of the militia was to repel invasions because you wouldn't need a militia to do that if you had a standing army.
  - You would never need to "raise" an army as stated in the Constitution.
  - They would not have included the provision to limit the appropriation of funding for the army to two years. What sense does it make to limit the spending for a permanent army to two years? This is further confirmed by the omission of a statement in Article I Section 8 limiting the appropriation of money for the Navy to two years, which makes sense because a Permanent Navy is Constitutionally authorized and would therefore require continual funding.
  - Article I Section 8 of the Constitution would authorize Congress to "maintain an army" just like it says to "maintain a navy."

Thomas Jefferson and James Madison despised a standing army because they thought that a standing army combined with a powerful executive was a threat to peace and liberty. They have been proven right.

Jefferson quotes that a standing army is a threat to peace:

<http://famguardian.org/subjects/politics/thomasjefferson/jeff1480.htm>

James Madison saying the same:

<http://teachinghistory.org/history-content/ask-a-historian/24671>

Congress cannot give their consent to keep a standing army. The Constitution must be amended for a standing army to be constitutional. If you are a proponent of a standing army then amend the Constitution to add a provision to "maintain" an Army. You can't pick and choose the parts of the Constitution you want to obey no more than you can pick and choose the laws you want to obey.

To get back to a constitutional government, repeal the unconstitutional acts and policies that merged the national guard with the army in 1933 and allows them to be deployed overseas (in 1973).

A return to a constitutional military structure (e.g., the elimination of the standing army, the return of the citizens militia and the return of Department of Defense control to Congress) will end unnecessary foreign wars

because only true threats to America will create the political will for Congress to declare war, raise an army, and fund the war. Raising the army would require volunteers and people would likely only volunteer if there is a real threat to America. They would likely not volunteer if the army was being raised to protect other nations, the flow of oil or to give democracy to a country of goat herders. If a draft was instituted to conscript an army due to the lack of volunteers, public outcry and the political pressure would be tremendous without a just cause.

Military men and women join the military to protect America but find themselves in a foreign country going door to door nation building instead. This would never happen without a standing army because raising one to perform this task would face tremendous political pressure and require people to volunteer for it. Because the army already exists and because Congress has delegated its constitutionally required military oversight duties to the President, it is relatively easy for America to engage in military conflict. All that is needed is a report (whether real or not) of crimes against humanity somewhere in the world and a President willing to send bombers and America is in a military conflict without a declaration of war from Congress. Move the DoD from the executive to the Congress and eliminate the standing army and we will not have wars without a real need and without a declaration of war from congress.

The absence of a real militia consisting of citizens, not soldiers, is exactly why there is any debate at all about the second amendment. Bring back the citizens militia, with mandatory membership of all males 18-50 years old and voluntary membership of females 23-45 years old and the debate on the second amendment will disappear forever. The divisive issue of gun rights and the second amendment is now resolved.

Creating a citizens militia will create the largest defensive fighting force in the world and eliminating the standing army would save America billions of dollars annually, important for a nation that is 20 Trillions of dollars in debt.

### c) Return to a Constitutional Judiciary

The founding fathers never gave SCOTUS the right to rule on the constitutionality of the laws created by Congress (a.k.a. the power of "judicial review"). There is no such authority provided in Article III of the Constitution, which is important because government only has the power/duties expressly provided for (i.e. written) in the Constitution with all other powers belonging to the States or the people in accordance with the tenth amendment.

Why is it a bad idea for SCOTUS to rule on the constitutionality of laws passed by Congress?

Because when as few as five SCOTUS justices declare laws unconstitutional they can undo the will of the people and violate the 10th Amendment just as SCOTUS did when it ruled that millions of people in over 30 states violated the Constitution when voting to amend their state constitutions to prohibit same-sex marriage (see [https://en.wikipedia.org/wiki/U.S.\\_state\\_constitutional\\_amendments\\_banning\\_same-sex\\_unions](https://en.wikipedia.org/wiki/U.S._state_constitutional_amendments_banning_same-sex_unions)).

SCOTUS has no constitutional authority to make laws but that is exactly what happens when they invoke judicial review. This is relevant because they are routinely wrong, especially when ruling in landmark cases:

- By considering it a tax, in a 5-4 decision, SCOTUS absurdly upheld the so called individual mandate of the affordable care act (ACA) and established that government can lawfully force citizens to purchase what government thinks people need.
- In *Kelo v. City of New London*, in a 5-4 decision, SCOTUS gave the middle finger to private property rights when incorrectly ruling that eminent domain can be used to take private property from one citizen and give it to another citizen (a land developer) if it is for public use.

- In a 5-4 decision, SCOTUS overturned campaign finance reform laws by incorrectly ruling that corporations are people with first amendment free speech rights. The Bill of Rights are *individual rights* not corporation rights.
- In Plessy v. Ferguson, SCOTUS upheld racial segregation.
- In Dred Scott v. Sanford, SCOTUS, in its ruling, established (i.e. created a law) that blacks were not citizens. This ruling required a constitutional amendment (the 14th) to undo. The Fourteenth Amendment was ratified in 1868 to make official that blacks were citizens, something that was necessary because of the Dred Scott decision.
- While it's debatable if U.S.-born children of legal immigrants are "subject to the jurisdiction" of the state in which they reside, there is no question that non-citizen visitors, tourists and illegal immigrants are not subject to the jurisdiction of the state in which they reside (you don't reside in a place you illegally entered or are visiting), and therefore their children are not citizens in accordance with the 14th amendment. No law was created by Congress granting citizenship to babies born in America to non-citizen immigrants or tourists. SCOTUS unconstitutionally created this "law" in 1898 with their ruling in the U.S. v. Wong Kim Ark case.

In all these cases, SCOTUS created law with its rulings.

From the examples above it is clear that the *opinion* of nine justices as to what the Constitution means is what determines what the Constitution means at any given moment in time. The fact that many landmark rulings are 5-4 decisions is an indication that there is too much opinion involved in these rulings and that SCOTUS should not be ruling on these issues.

Congress can be held accountable to the people on election day whereas SCOTUS is accountable to no one because of lifetime appointments. Unconstitutional laws passed by congress can be undone with new laws whereas unconstitutional SCOTUS rulings can only (currently) be undone with a constitutional amendment.

Since Article III of the Constitution does not grant SCOTUS the power of judicial review, the people, not SCOTUS, are the keepers of the Constitution as required by the tenth amendment.

THE CONSTITUTION OF THE UNITED STATES - "IT'S *ONLY* (emphasis mine) KEEPERS, THE PEOPLE." – GEORGE WASHINGTON

So what is the solution to return to a constitutional judiciary?

To stop SCOTUS from unconstitutionally creating law using the practice of judicial review, Congress shall create a tribunal in accordance with Article I Section 8 of the Constitution, for the sole purpose of hearing cases that challenge the constitutionality of laws created by Congress. This tribunal will be made up of members of Congress, preferably members of the House of Representatives since they answer to the people in an election every two years.

If this is ever challenged in court the case would come to the tribunal since it is a challenge to the constitutionality of the law and the tribunal would rule justifying the tribunal. To preserve the tenth amendment, create state tribunals composed of members of the state legislatures to hear constitutional challenges to state law. To protect the tenth amendment and preserve federalism, constitutional challenges of state law shall only be heard by the state, not federal, tribunal.

The law that creates the tribunal shall include the justification of the legality and constitutionality of this law by stating that the Constitution:

- Does not grant SCOTUS the power of judicial review.
- Grants Congress the power to create tribunals.
- Grants Congress, not SCOTUS the power in Article I Section 8, "to make *all* (emphasis mine) Laws which shall be necessary and proper for carrying into Execution the foregoing Powers, and *all other Powers* (emphasis mine) vested by this Constitution."
- Article III section 2 allows Congress to make exceptions to the appellate Jurisdiction of SCOTUS: "In all the other Cases before mentioned, the supreme Court shall have appellate Jurisdiction, both as to Law and Fact, *with such Exceptions, and under such Regulations as the Congress shall make* (emphasis mine).

Congress shall create the appellate exception for judicial review by SCOTUS and assign this duty to the new tribunal made up of members of Congress.

A constitutional amendment is needed to *give* SCOTUS the power of judicial review, not to take it away. SCOTUS seized this right that it doesn't have and members of Congress, who will answer to the people, must retake their constitutional duty of creating laws back from SCOTUS.

Elected members of Congress who answer to the people on election day will determine the constitutionality of law, NOT unelected and unaccountable judges with lifetime appointments. The political viewpoints of SCOTUS judges will no longer be an issue and will be reflected as such during the Senate confirmation hearings of a SCOTUS nominee. When the judiciary follows the Constitution, it won't matter that much who is on the supreme court.

Once the tribunal is in place, pass federal legislation that rolls back all judicial legislation from the bench that overturned the will of the people including campaign finance reform, the 14th amendment citizenship birthright to illegal immigrants, and the defense of marriage ballot initiatives. As detailed in section 1 of this contract, political campaign contributions from businesses to politicians must be outlawed if the people are to regain power over their government therefore the SCOTUS ruling that established that corporations have free speech rights must be reversed.

End the practice of judicial review with a constitutionally permitted congressional tribunal that re-establishes congress as the legislative body as required by the Constitution. Then, by act of Congress, repeal all past "laws" created by SCOTUS rulings and re-establish the people as the keepers of the Constitution.

d) Align the Interests of Congress With the Interests of Average Americans

CEO compensation packages that include free stock are justified in corporate America in order to "align the interests of the CEO with the interests of the stockholders." Similarly, Americans need to align the interests of Congress with the interests of average Americans.

Do this by setting after tax congressional salaries equal to the most recent after tax average household income. Because our millionaire politicians are insulated from food and energy price increases since they are so wealthy, require members of congress, while in office, to support their families with what the average American household earns. Make it mandatory that any money or gifts received above the average American household income be given to charity. This gives Congress incentive to:

- Raise the average household income (so they themselves will have more money to live on).

- Develop domestic energy to increase wages (so they themselves will have more money to live on) and lower energy prices (to increase their own standard of living).
- Create good paying jobs to increase average household income.
- Keep taxes low (i.e. keep the flat tax low so they themselves have more money to live on).
- Implement policies that keep food and energy costs low instead of implementing policies that help energy companies and large agri-businesses keep prices high.

Additional benefits include:

- Congress will constantly know how the average American is doing financially and economically without reading economic data.
- Those going into public "service" to enrich themselves won't.
- Built in term limits. Members of Congress won't want to stay in Congress forever because they will eventually want access to their millions waiting for them in their back accounts.
- Public service will now require sacrifice instead (the millionaire congressmen will have to give up the butler, personal assistant and driver).
- We common people might actually have a chance to be elected.
- When members of Congress implement programs that keep average household income low such as favoring businesses at the expense of American workers (e.g., the H1B visa program) they will be keeping their own income low.
- Congress would be less likely to support increased regulations on businesses that drive up the cost of goods.
- Congress would feel what Americans feel when gas hits \$4/gal instead of not feeling the pain (because they are wealthy) and proposing additional gas taxes to fund road repair like some moron congressmen did and continue to do while gas prices are lower. Currently millionaire congressmen don't feel the impact of gas going to \$4/gal or food prices doubling in last 5 years like most Americans do.
- This is another way to solve corruption (no more political gifts and favors). All money and gifts brought in above the average household income while serving will be given to charity.
- Congress would spend more time on domestic issues instead of trying to bring democracy to countries that are not ready for it.
- For congress, all money and assets they have must be inaccessible while in office just as is the case for the president. The money, assets and any gains will be returned upon leaving office. Just like the President, they will have no knowledge of the whereabouts of their money.

Congress needs incentive to act in the best interests of the people and the only way to do that is to make them financially like the people while they are in Congress.

## 5. Loose Ends

### a) Reduce College Costs

Why does a computer science major have to take two history classes as a college freshman to satisfy general education requirements after taking four years of history in high school?

Colleges typically justify their (required) general education and physical education courses in order to make well rounded students. College costs are so high today that we can't afford this luxury. Students will learn more and become well rounded as they get older, after they graduate. It's called getting older and wiser and we all have done it.

To reduce the cost of college, pass legislation that prevents colleges and universities from requiring general education and physical education courses. This will cut the 4 year degree down to about 2.5 years or 5 semesters. The general education courses would become optional so that those who want to and can afford to go to college for 4 years can still do so. For those choosing the 2.5 year plan, the \$100,000 college degree (4 years at \$25,000 per year) now costs about \$62,000 ( $\$25,000 \times 2.5$ ) for a \$38,000 savings. The legislation must stipulate that the tuition rate per semester must be equal for both options and that required credit hours in the major of study shall not be increased from the required credit hours at the time the law is passed.

Reduce the costs of books by passing legislation to require all colleges offer non-expiring electronic versions of the required textbooks in downloadable PDF format for no more than \$15 each. For those that choose this option, the \$300-\$500 per semester for textbooks becomes \$60-\$75 per semester.

Outlaw mandatory requirements for students to live on campus since this almost doubles the cost of tuition. Students who live close enough to commute should have the option of doing so to avoid doubling their college costs.

There is a lot more to do here but this is a good start.

### b) Improve Race Relations

The problem: White civilians and police believe deadly force with a firearm is justified when confronted by a violent unarmed individual while blacks believe there is no justification, no matter how violent the black person is, for anyone to kill an unarmed black person. This is not isolated to the police as we saw in the Trayvon Martin case. **THERE IS NO WAY TO RECONCILE THESE TWO DIFFERENT VIEWS.** Therefore the only solution is:

1. A multi-shot shot Taser and body camera for EVERY OFFICER.
2. Upon a shooting death of an unarmed citizen, the video will be released to the public within 3 days if the officer is not indicted.
3. Police officers will be instructed to use their firearm when confronted with a firearm and to use the Taser when confronted by a person who is unarmed. Officer should have their Tasers drawn and by their side as soon as the person is close enough to reach the officer before it could be drawn. This is required because they must still have enough time to draw their firearm if needed. If the violent person is already in contact with the officer then the officer should use deadly force with his firearm.

I personally believe that many black folks are angry at white people because everywhere they look, white people have things and they don't. They are mostly not involved in politics or economics and don't know what is going on in the world so they cannot figure out why they don't have things and whites do, so they blame racism and what they believe is "white privilege."

What is the reason white people have things and blacks don't? Why is black unemployment so much higher than white unemployment?

1. The lack of manufacturing jobs. It used to be that folks who didn't want to or couldn't go to college could get good jobs in factories and have a decent standard of living to raise a family. Those jobs are gone thanks to the globalist trade policies of Democrats and Republicans and have been replaced by low paying fast food jobs. The lack of manufacturing jobs is certainly one cause of racial tensions.
2. Too much immigration. While good for business profits and stock gains (by keeping labor costs low), it depresses worker pay and increases American worker unemployment, especially unskilled workers. This column points out that every time amnesty occurs, crime and black unemployment spikes. Imagine that.  
<http://jewishworldreview.com/cols/thomas112514.php3>. Immigrants are taking jobs from American minorities and keeping wages low.
3. For those that do have jobs, the fact that business leaders don't share the success of their business with the working class in their business as discussed in section 2.
4. High food and energy price inflation which doesn't affect the wealthy but reduces the standard of living of the middle class and poor as discussed in section 2.b.
5. Failing schools. Charter schools and school vouchers are absolutely necessary to end racial division in America. Charter schools and school vouchers must become commonplace across America to help minority kids that want to learn get into a better learning environment. Fully fund body cameras for all teachers and use the video to expel the unruly kids who prevent good kids from learning.

I believe that if you fix the problems in these five areas, you will fix the racial problems in America.

My theory is that some blacks hate America because they don't understand why they don't have things like white people do, which is caused by being economically depressed because of poor employment options, which was caused by blue collar job killing free trade policies (thanks to Republicans), high corporate taxes (thanks to Democrats) and government regulations (thanks to Democrats), excessive immigration (thanks to Republicans and Democrats) and excessively greedy business leaders who don't share with the working class when their company is doing well.

**I AM NOT JUSTIFYING BAD BEHAVIOR, I AM SIMPLY TRYING TO UNDERSTAND WHAT IS CAUSING IT, WHICH WILL BE REQUIRED TO RESOLVE THE ISSUE AND END THE RACIAL DIVISION IN AMERICA.**

It is somewhat obvious that Tasers and body cameras on ALL officers will improve police relations with the community. It is less obvious that the lack of good paying manufacturing jobs, excessive immigration, food and energy price inflation and failing schools are the cause of black anger toward whites.



## 6. Summary

For decades Republicans and Democrats have sometimes taken turns and sometimes worked together ruining the country. In eight years as President, Republican President George Bush increased the national debt from about \$5 Trillion to about \$10 Trillion dollars. Democrat President Barack Obama, in his eight years as President, doubled the national debt again to about \$20 Trillion dollars. Both Democrats and Republicans have taken turns being the majority party in Congress during the Bush and Obama presidencies, so they are both equally to blame there as well.

What do we have to show for the \$15 Trillion dollars in debt accumulated in just the 16 years under Bush, Obama and the Republican and Democrat controlled Congresses? Racial division as worse as it's ever been. 16 years of American corporations moving manufacturing jobs overseas and replacing American workers with immigrant workers for the jobs that remain in America. 46 million Americans are on food stamps and under the poverty line, a line that is so low its unimaginable. The poor are tired of waiting for the benefits of Capitalism to reach them.

Both Democrats and Republicans have no answer to fix an economy devastated by their free trade policies, so they increase borrowing and spending trying to create jobs and improve the economy. For decades we have tried Republican and Democrat policies that led to a \$20 Trillion dollar national debt and for decades average household income, adjusted for inflation, has remained stagnant.

New ideas are desperately needed.

Uniting America with the policies presented here are the new ideas we desperately need.

Unite the wealthy, middle class and poor against high taxes with a single rate flat income tax with no deductions. Eliminate all business taxes not just to create jobs and economic growth, but to end the need for businesses to lobby congress for tax breaks which will help return power over Congress back to the people.

Knowing that CEO salaries and compensation plans are not determined by the free market, end income inequality by establishing maximum ratios of CEO compensation to worker compensation, by mandating businesses profit share with workers, and by mandating businesses provide the same benefit plans to both executives and employees. With equal income taxes, equal company benefits, profit sharing to all employees and maximum CEO compensation ratios, there will be no more demonizing the wealthy.

When businesses distribute wealth directly to their workers (using mandatory profit sharing) instead of government redistributing wealth, workers will have incentive to contribute to their businesses doing well

and the power and size of the federal government will be greatly diminished because government will no longer take money from some Americans to give money to other Americans.

Democrats and Republicans like to be in control of who gets tax breaks because it makes them powerful and important to the businesses and special interests who are asking for them. Eliminating business taxes and thus tax breaks, ending crony capitalism and outlawing business contributions to campaigns and political groups breaks the financial link between businesses and government and will return power over Congress back to the people.

Conservatives may not like parts of this proposal but should be willing to accept them in exchange for eliminating business taxes and preventing continued social unrest, potential civil war and voters turning to socialism, fascism or communism. The progressive Socialists are using income inequality successfully to further their cause. The popularity of admitted Socialist Bernie Sanders should be a wakeup call to conservatives and an indicator that conservative policies are not working. The poor are tired of waiting for the benefits of capitalism to reach them.

The overwhelming majority of Democrat and Republican politicians are globalists. Globalism is directly responsible for our \$20 Trillion dollars in national debt because federal government borrowing and spending is the response politicians use to try to undo the devastating effects on the American economy from their globalist policies.



America is deeply divided because neither political party is looking out for the American people. A divided America will never see its problems fixed because there will always be at least one group that is not happy and thus we will continue to choose sides and fight amongst ourselves. This is why the solution to America's problems are policies that unite us.

To truly resolve America's problems *forever*, we must unite behind the new policies contained in "The Nationalist Contract with America" and insist that our elected representatives implement them.

It's time for we, the American people, to start a movement and re-take control of our country.