

**THE REPORT BY PROF.DR. HAYDAR BASH
AT THE STATE DUMA (RUSSIAN
PARLIAMENT)**

Prof. Dr. Haydar BASH

THE IDENTIFICATIONS BY RUSSIAN POLITICIANS AND SCHOLARS ABOUT THE HISTORICAL SPEECH

The speech by Independent Turkey Party (BTP) Chairman Prof. Dr. Haydar BAŞ at Russian Parliament, Duma about the National Economy Model was followed by vice President of the Russian Parliament, the party chairmen, attorneys, political consultants, academics, business people, students of economics, and a large group of students studying political science and ones from the different faculties.

There was a four-hour session agenda about the National Economy Model at the Russian Parliament, Duma.

Prof. Dr. Haydar gave an important lecture in economics to the all world from Russia. Because with the opinions declared by the politicians in Duma, this thesis was announced as a new system which puts an end to Capitalism and Socialism.

Russia which is the bastion of socialism, has also experienced capitalism but could not obtain any result.

Putin will implement the National Economy Model



With the statement of that "the National Economy Model will be implemented", Russian President Mr. Putin declared that the National Economy Model is the only model that can be applied and it will be able to illuminate the future ages.

Adviser to Russian President Mr. Putin quoted Putin's views on the National Economy Model.

Consultant Prof. Dr. Andrey Korotkov, in his speech on behalf of Mr. Putin, stated "Mr. Putin searches such a system that it will ensure social justice, a fair sharing of income and social rights for the development of a state. It will enable the consumer sector to spend, and it will bring peace to the society". He continued "Mr. Putin says 'We will implement the National Economy Model' because the National Economy Model provides all of them". With this conversation, he declared the world that Russia would implement the National Economy Model.

In the meeting after the program, Andrey Korotkov repeated once again that President Mr. Putin would implement the National Economy Model in Russia while forwarding Mr. Putin's "Welcome" greetings.



Jirinovski: We should collaborate..

The Vice President and Putin's closest advisors Jirinovsky,-who is the member of parliament inviting Prof.Dr. Haydar BAŞ- said “we should collaborate for the future of Russia need. We need you. And, surely we must succeed”. He also pointed out the impact of National Economy Model in development of Russia.

In Jirinovski’s private office after the speech, Prof. Dr. Haydar BAŞ made analyzes on economics and politics of the relations between two countries.

In Russia, co-operation have been proposed to take advantage of Prof. Dr. Haydar BAŞ’ projects mainly based on the National Economy Model.

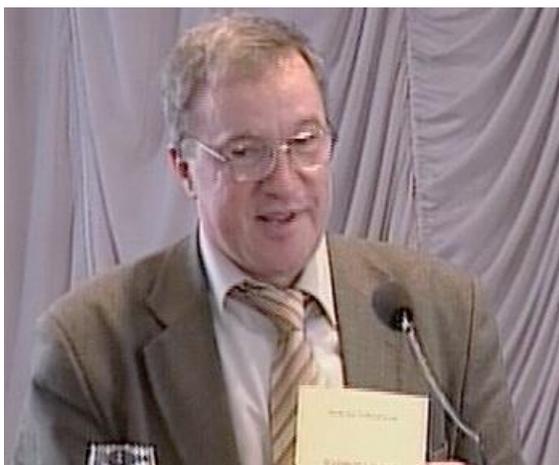


RUSSIA DESIRES PROJECTS FROM PROF. DR. HAYDAR BASH

Chairman of the Academic Council of Liberal Democrat Party Prof.Dr. Lisichkin told "Let's tour Siberia together. Please tell us about this place, create projects, let's make cooperation".

During the speech on the National Economy Model which took place at Duma, the world-renowned economists and economics mathematicians expressed their praise about the thesis.

The interesting point in scholars' statements is that they admit Russia needs this model.



Model gives inspiration to the future

What the National Economy Model is has not been a matter of debate in Duma. Spoken in Russia is the need for the National Economy Model. Prof. Dr. Lebedev said "I am world's number one economy mathematician.

There is nobody who knows this subject better than us. I read the National Economy Model many times at the congresses. There are mysterious codes in this thesis. I encounter a new code at each reading. There are many codes hided in this model which solve the problems and clear the issues, and not just today, but also sheds light on the future. Russia needs it.” He added “I admire this aspect of the model”.



The Model of Prof. Dr. Haydar BAŞ solves every issue

Prof. Dr. Gavriletz pointed out the integrity of the model and capability of solving every issue by saying “The topics were connected to each other and very consistent. The mathematics of the thesis is in balance”.

Prof. Lisichkin underlined that the National Economy Model is entirely solution.

A Historical Event at Duma

Prof. Dr. Lisichkin said "This discussion of the thesis at the Russian Parliament, Duma is a historical event" and he continued "The thesis is completely a solution".



The thesis of Prof. Dr. Bas is the thesis of peace to the world

Prof. Dr. Victor Volkonski said “every time science and religion conflicted in Russia. Never reunited. Haydar BAŞ reconciled science and religion. The implementation of the model will bring peace to society”.

This explanation is an appreciation by Orthodox Russia for the National Economy Model which is the thesis of a Turkish Muslim scientist.

Prof. Dr. Victor Minin said “United States is pumping radical Islam and radical Christianity. People were divided into two poles. It seems certain that there will appear an anarchy in the society. Terrorism can only be stopped by the NEM of Prof. Dr. Haydar BAŞ”. He explained the political implications of the model by adding “this model is essential for Russia”.

Professor Dr. Xosrov Karimov who is the faculty member at Baku State University, Department of Economic Theory spoke to the world "Who steal from the thesis of Prof. Dr. BAŞ will not be able to make it anymore. This thesis has been announced to the world at Duma. This thesis is a salvation, and it is greatest thesis of the century”.



Even US President took project from Prof. Dr. Haydar BAŞ

continued “I understand, two heroic scholars of Russia Bogomolov and Kavganov, and Nobel Prize-winning Stiglitz get convergence with the Haydar Bas’ thesis. However, there is something bothering me; they use the ideas of my master Haydar Bas, but they do not mention the name of him. Their ego stops them to do that. It will not last for a long time, they will admit the reality at the end of the day”.

Prof. Xosrov Kerimov also said “during the presedental election campaigns between Obama & Bush in the year of 2008, Bush had declared that he would give money to consumers spending money for their lives. In answer to him, Obama stated “these projects do not to belong to Bush, these are citation from the National Economy Model”. When Obama took the lead, he presented Senate a new package of economic measures. He made a tax relief to encourage the consumption. This package had some citation from the National Economy Model, but this time he did not mention the name of the National Economy Model.”

Prof. Dr. Kerimov said about the interpretation by Stiglitz on Euro:

Nobel Prize –winning Stiglitz pointed out the crisis starting with the transition from national currencies to Euro in EU countries. And, he explained the reason of the crisis as losing the authority of printing money due to the European Central Bank.

Prof.Dr. Haydar BAŞ had stated this assessment through the paper, in Germany at the night when EU countries had started the transition from national currency to Euro, in 2000. The identification by Stiglitz in 2012 is just to copy Prof.Dr. Haydar BAŞ after 12 years!

It is the main concept of NEM that states should collect seigniorage and they must have the right of creating money for an independent economy.

Again, a famous money wizard Soros had supported the principal of “currency union” until the crisis hit EU countries. In other words, neither Soros nor Stiglitz could see that Euro would be the end of the European Union. This was Prof. Dr. Haydar BAŞ who pointed out that Euro is not a starting point, contrarily an ending point.

THE REPORT BY PROF.DR. HAYDAR BASH AT THE STATE DUMA (RUSSIAN PARLIAMENT)



There has been economic crisis in the United States and EU Countries which are known as the leading countries of the Capitalist World. However, capitalist system which exploits the resources and the nations came to an end. In addition to crisis, the transition to National Economy Model has a great impact on this end; because the National Economy Model which is introduced to economy literature is being used *even partially* by 120 countries mainly Russia and the others such as USA, China, UK, Germany, Greece, Brasil, Vatican, Japan, Chile, Italy, Spain, France, Portugal, South Korea..

It can be said that NEM buries the capitalism in history along with a silent revolution.

Capitalist system and free market which are the economic dimension of globalization, democracy which is the political dimension of globalization, and the human rights which is the social dimension of globalization failed to give the World something out of blood and tears.

The National Economy Model which is accepted as a real solution by almost all the countries is the only formula of the economic salvation for the nations through:

- Ensuring the sustainable growth
- Ensuring the fair income distribution
- Ensuring the full employment, that is, preventing unemployment issue.

The scientists who assessed my thesis presented in 7 international congress explained the capitalism's destructive artifacts, while they underlined the significant parts of the thesis.

They express that they found solutions to the problems in their countries by the National Economy Model. One of the most important feature of the National Economy Model is to have a formula for states to resist against Globalization.

My Russian friend Prof. Dr. Victor Minin said "We, Russians, experienced everything even Marxism and socialism didn't help us to solve our problems, because they have no difference from the capitalism either.

I reviewed which topics were underlined by the Russian scholars who participated at these International Congress.

- To strike a balance between production and consumption
- To support consumption and encouraging the sustainable growth
- My explanation about "the Earth's resources are unlimited, and the human needs are limited"
- To start processing the country's resources by helps of state & nation partnership
- The resistance of national states against Global Powers
- The only thesis which is capable of solving the problem of unemployment
- The intervention of national states in the economy
- Preventing the intervention of Global Powers; resistance against to economic exploitation
- Implementing the social state by the human oriented thesis

All these above topics were recognized and appreciated by the scholars.

I would like to thank to Mr.Lisichkin, Victor Minin, Lebedev, Gavriletz, Volkonski, for their valuable contributions.

The solution proposals in the National Economy Model which are also underlined by the Russian Scholars are the models that almost all the countries are looking for.

It can be said that National Economy Model has resolved all the economical problems which could not be solved until now. Thus, National Economy Model was introduced into the economy literature as a "Third Biggest Thesis" in the international economic system against capitalism and socialism.

The word "National" in National Economy Model means that People will be able to benefit the return in equivalent to their labour & production by processing the countries' resources. For this reason, the National Economy Model is universal.

While my thesis was put into practice - *even partially* by hundreds of countries, the name of the owner of the thesis, that is me, was not mentioned.

Prof. Hosrov Kerimov who is the university lecturer at the Department of Economic Theory, Baku State University made significant findings and said "I understand, two heroic scholars of Russia Bogomolov and Kavganov, and Nobel Prize-winning Stiglitz get convergence with the Haydar Bas' thesis. However, there is something bothering me; they use the ideas of *my master* Haydar Bas, but they do not mention the name of him. Their ego stops them to do that. It will not last for a long time, they will admit the reality at the end of the day".



You will remember, during the presidential election campaigns between Obama & Bush in the year of 2008, Bush had declared that he would give money to consumers spending money for their lives. In answer to him, Obama stated “these projects do not belong to Bush, these are citations from the National Economy Model”

When Obama took the lead, he presented the Senate a new package of economic measures. He made a tax relief to encourage consumption. This package had some citation from the National Economy Model, but this time he did not mention the name of the National Economy Model.

Nobel Prize –winning Stiglitz pointed out the crisis starting with the transition from national currencies to Euro in EU countries. And, he explained the reason of the crisis as losing the authority of printing money due to the European Central Bank.

I had stated this assessment through the paper, in Germany at the night when EU countries had started the transition from national currency to Euro, in 2000. The identification by Stiglitz in 2012 is just to copy me after 12 years!

The National Economy Model has an article; states should collect seigniorage, that is, they must have the right of creating money for an independent economy.

Again, a famous money wizard Soros had supported the principal of "currency union" until the crisis hit EU countries. In other words, neither Soros nor Stiglitz could see that Euro would be the end of the European Union. This was me who pointed out that Euro is not a starting point, contrarily an ending point.

- Collecting seigniorage
- A new definition of money
- An interest-free economical system
- Intervention of governments in the economy

With the items above, National Economy Model is the only solution!

The most important difference of my model is that its rules supporting each other must be implemented in a harmony. With its rules, it is an entire system which can not be divided into small parts.

Now, let's review the rules of the National Economy Model.

1. NATIONAL ENONOMY MODEL IS THE ONLY CONSUMPTION-CENTRIC ANALYSIS

All of the systems that we have experienced until now start from production and producer. Only NEM is on the side of the consumers. The main problem is "lack for markets". State's support to the consumer segment increases demand to goods as it strengthens the consumer. Market capability becomes stronger.

When consumption does not exists it does not matter how much you manufacture; the government may support the producer but this would only initiate the creation of producer's problem. The commodities which are not demanded in the market are useless and they can only be stocked. Main target of NEM (National Economy Model) is to provide a balance between production and consumption. Here, we make this happen by supporting the consumer. And, sustained growth can only be achieved by this way.



Chairman of BTP, Prof. Dr. Haydar BASH, at the State Duma of Russian Federation signs his book “National Economy Model”, which is translated to Russian.

2. ISSUE OF SUSTAINED GROWTH

For sustainable growth, production and consumption should always be on the run. If we want to provide economic growth, we have to support the consumer segment. National Economy Model is the first model which is prepared considering the consumer segment. Yet, producer's market problem will be resolved when the consumer segment is supported. Thereby, both production and consumption will be running concurrently.

Running of production and consumption concurrently expresses a continuous movement in economy, thereby meaning that economy is in a sustainable growth.

As a requirement of capitalist system what we encounter in the markets is that the money which must be possessed by the people is collected in the hands of certain powers.

This means exclusion of money both from production and consumption. As a result, the money which must be spent in the market is not where it should be and this is giving rise to market problem. Even though there are powerful capitalists in the world neither production nor consumption is at the desired levels.

Whereas, capital which is stocked in certain hands, shall be gained by all of the people when it is distributed fairly. Market requirement will be resolved for the produced commodities. Producers find a market where they can sell their products easily. Today, neither the producer can't find the necessary support for production nor the consumer possesses sufficient consumption means because those going to the markets do not have the necessary means.

The most significant problem for the economies is the individual who has lost his/her consumption capability. Even if we assume that all the gained incomes are directed to consumption, income can produce a consumption magnitude only as much as the income itself. As a result there will be a difference between the production and the consumption which is equal to the amount of the deficient production. If this deficit is not closed, it is inevitable for the economies to pass into a "static economy" in time.

Here, National Economy Model proposes the solution as the usage of the seigniorage rights of the state and to transfer this to the consumer segment along with "social state projects".

According to NEM, states are obliged to make interventions to the markets.

States should use seigniorage revenue; states should have their right of creating money.

The money to be gained by this way will be given to the consumer through the social state projects and will be the trigger of the consumption.

Giving seigniorage to the public as a salary will provide to initiate consumption capability of workers, civil servants, pensioners, peasant, in other words the consumers.

Under these conditions, the producer will produce more because there is demand.

These two aspects shall trigger one another just like a suction pump and the requested balance in economy will be achieved. Consequently, there will become self-sustained growth.



Before the presentation of The National Economy Model by Prof. Dr. Haydar BASH at the State Duma of Russian Federation; Duma Council's Vice President and Chairman of LDPR, Mr. Vladimir Jirinovski made opening speech presenting his appreciation

3. FAIR DISTRIBUTION OF REVENUES

Even though we have sufficient amount of commodities at hand, we still observe decrease in demand if the purchasing power is not at the requested level. If you do not resolve demand deficit in one way or another, “deflation” will emerge as a result. The method to avoid this is fair distribution of revenues. Circumstances which prevent fair distribution of revenues are as follows:

- Preventing intervention of states in the economy
- Allowing global capital enter the markets
- States barrowing loans with interest instead of using seigniorage rights
- Interest and privatizations

Solution: Supporting the consumer segment with social state projects, activation of the purchasing power.

For fair distribution of revenues;

- State should prevent the global powers from taking the control in the markets;

- Granting credit to any demanding party without interest will prevent monopoly in money and in addition it will provide fair distribution of national revenues,
- Social state project provides fair distribution of revenues,
- Collecting taxes based on income level will provide fairness in income,
- Significant revenues are gained from the operation of underground resources through state-nation cooperation.

4. ENSURING FULL EMPLOYMENT

Today, unemployment is an issue still remaining unresolved and accepted to a certain level by the capitalist system. That is to say, unemployment is accepted as an ordinary issue. For the National Economy Model, unemployment is not an anomaly originating from the structure of the economy. As the social state approach shall recover the deficient demand "full employment" shall be provided thereby and unemployment shall not remain as an issue. NEM is an entirety in which production and consumption are supported integrally. Production is also required to increase on continuous basis in order to recover the demand. This situation shall lead to creation of new business opportunities.



In the presentation of Prof. Dr. Haydar BASH, The Chairman of BTP; at the State Duma of Russian Federation; leaders of the party in power and the leaders of the opposition parties, economy consultants of President Putin, parliament members, scientists of the Russian Sciences Academy, elite students of the Economy and Political Sciences Faculties and members of the press have been present.

5. REALITY OF THE FACT THAT RESOURCES ARE SUFFICIENT, NEEDS ARE LIMITED

Capitalist and liberal systems defend the incorrect opinion that “needs are limitless and sources are limited”. Accepting that the sources are limited has provoked the ego of human and had become the wine of death of human being. Yet, which is the source that is consumed up since the day the human stepped on the stage of the history, please just give it a thought!

Products which were harvested only one a year during the prehistoric agricultural era, today can be harvested nearly each month with the technological facilities of today.

This is the same in forestry, in industry, in energy. The sources are getting wider and wider and consuming up to the end is not in question. When the subject is energy, corresponding to the energy of one tons of water falling at a place in a depth of one hundred meters; today we can obtain hundreds of times greater energy with the nuclear energy upon the decomposition of a substance which is only one cubic centimeter.

Could there be end to solar energy, wave energy, wind energy, water energy? These are the eternal energy sources. In summary, "sources are limitless, needs are limited".

Needs are the food and the clothing need of a human being. One person cannot wear thousands of clothes in only one day, cannot eat thousands of meals. These are all limited.

NEM claims that "there are sources and they are sufficient and therefore there is no need for a war in the world for the sources". Millions of people are killed due to the unjust approaches.

If we view the vastness of the sources on the basis of countries, it is possible for the state to establish companies for such sources and to have the citizens as a partner to such sources". There are sources enough for everyone.

6. HUMAN ISSUE

Our thesis is human oriented. NEM which is the only consumption-centric analysis proceeds from the human. It includes a state approach that will deliver the rights of the human who was in fact born possessing those rights and that will protect the human and it includes a system that will embrace each person starting from the individual up to the society. Our purpose is to make every human being possess at least the minimum living conditions.

7. INTEREST

Interest, which is the common problem of world economies, is the fundament of many economical anomalies such as recession, stagflation, deflation, inflation, unemployment and other economical diseases. Interest creates virtual economical values which are not related to the production.

- Creates the monopoly of assets and capital,
- Fair sharing disappears when the wealth & capital become a monopoly,
- Consumption opportunity is extinguished where there is no fair sharing,
- If there is no consumer, there won't be any Production either.

This is the fate that the world is going through today. NEM rejects the "interest" basing on these facts.

An interest-free monetary policy means that the money which will motivate the labor and put the production factors into operation is to be "costless". From the point of the countries, barrowing against interest means handing over the control of the economy to the lending countries.

In NEM, money circulates in markets in a manner accessible by everyone, because interest will be removed completely. This shall provide the sustainability of production and consumption. Interest-free economic model proposed by NEM shall set the money free, thereby both an equitable income distribution will be provided and barriers to production will be removed.

Money supply to the markets without any cost will prevent "deflation" which is originated due to the decrease in demand, in addition to preventing "inflation".

8. TAXATION BASED ON INCOME LEVEL

One of the most significant distinctions of NEM is not to collect taxes from the segments which have an income lower than certain levels. Liberal capitalist system deems tax collection from all social segments as a prerequisite for the services. All of the collected money is spent for the interest costs of the debtor countries. The National Economy Model proposes to use "seigniorage". This is the method to reach money in a costless manner. This way, there won't be an item in the budget such as interest expense. More than the collected taxes are returned to the society as a service. It is not correct to collect the same taxes from all social segments; while the tax reduces the consumption on one hand, reduces production and increases production costs on the other hand.

In addition to the fact that collection of the same taxes from all social segments will not be fair, it will also cause a significant decrease in demand.

The tax amount to be collected in NEM is determined by the level of the "income".

As taxes will not be collected from the segment with low income level, the taxes which are considered to be collected from the poor will remain in their hand as an opportunity to spend. Consumers will strengthen, and production will increase.

It will provide a fair revenue distribution not collecting taxes from the low-income segments.

9. MONEY

Even though it is money-centric, the capitalist system could not see the function assigned to money by NEM. Two well-known features of money are to become a means of exchange and change. We, making new definitions of money, say that money is the provision to labor, production and consumption. And, money is the factor that stimulates labor, production and consumption.

In NEM, the money circulates in the market very easily, since it is costless for exchange. Money is the provision to the "commodity and service" which is produced by the labor that is again activated by the same money.

Money, together with the production, is capable of producing its own provision and even more. "These aspects of the money are those only revealed by NEM."

According to NEM, the money circulating in the market shall activate labor and thereby production. At the same time, this is costless money. In the beginning, the money which does not have a value of its own provides production of commodities and services due to its stimulating aspects thereby finding a provision to itself.

This means activation of human labor which remains stagnant.

We give the example of corn here. When you throw 100 kilos of corn on the field you would at least gain 1000 kilograms of corn in the harvest. But, in the market you can find money only in the amount of 100 kilograms of corn. And, the provision to 900 kilograms of corn which you gained at the harvest is not there. 900 kilograms of corn shall cause demand shrinkage in the markets if money is not used with its feature as being a provision to labor and production. The money which should be in the market is the amount that is a provision to 1000 kilograms of corn.

We accept an interest-free monetary policy.

Interest-free money shall mean that the money which will stimulate labor and production factors will be costless.

10. SEIGNIORAGE

We stipulate that the governments use their “seigniorage rights”, in other words to create money. Governments must use their right to print money. However, developing countries today are not permitted to get seigniorage incomes.

One facet of globalization is the revenue gained by the developed countries through their seigniorage incomes.

Countries which are not permitted to print money use the “Hard Currency” of developed countries.

Entering a country with hard currency means printing money by developed countries on behalf of the developing countries and inserting such printed money into circulation in borrowing countries.

This means “tax collection” from the developing countries.

Countries, which are not even capable of paying the principle money, along with the interest, are obliged to transfer their underground and ground sources to the foreign powers as a price.

As a proof to what we say, when global powers take control of a country; first of all they liberate the central bank of that country. That's, they prevent to use the right to print money.

Most of the borrowed money is also spent for purchasing commodities from the country which lends the money. Thereby, the borrowed money is transferred to the lending country before the due date of the debt. Following that, again money is lent.

According to NEM, it is a necessity to obtain seigniorage revenues by increasing the emission against the global mechanism.

Otherwise, there will not be sufficient consumption in the market and this will avoid the balanced settlement of economy.

If the Countries use their seigniorage rights;

- Countries which implement seigniorage as a provision to commodities and services may fulfill their public spending without borrowing.
- If there is no supply of money which is a provision to services and, there will be a money shortage; demand and exchange will decrease. Seigniorage keeps the market balance.
- Seigniorage can be easily used in processing the underground sources, in paying advance to the agricultural sector.

Even though seigniorage is a right which must be used as a provision to commodity and service; at the initial phase, it may be commenced even without a provision thereto.

If there is lack of necessary finance for building highways; using seigniorage which is equivalent to the required finance for workmanship and equipment will ensure the economic growth. That is to say, as the whole production will belong to the country using the seigniorage right.

Production may also be supported in the agricultural sector, upon expansion of the emission which is equivalent to the product to be produced.

Only seigniorage and emission expansion, that is, only printing the necessary money and supplying such money to the market, are not sufficient to achieve the necessary consumption.

If the consumer reaches the money circulating in the market in a fair manner, thereby the consumption process is initiated.



Historical Speech of Chairman of BTP, Prof. Dr. Haydar BASH, at State Duma of Russian Federation was broadcasted live by the Televisions of the World.

11. EMISSION

Emission which is the money printed by the central bank for circulation, is produced as per the market demand.

If we assume that we throw one sack of corn to the field and we gain 10 sacks of corn at the harvest; this is the money which is a provision to such produced commodity and service.

Expansion of emission prevents the foreign money having a provision to the labor and the production of the local people.

“In growing economies, emission volume must be increased each year depending on the growth rate.”

Friedman has confessed that he does not know why and in what ratios should the emission volume be increased.

We tell it here now:

“In growing economies, the emission volume must be increased each year depending on the growth rate”.

This is a prerequisite for market equilibrium.

Countries should keep their own currencies at their own central banks.

In their circulation also the valid currency should be the own currency of the country.

The method to do this is using seigniorage rights and expansion of emission.

The countries export their revenues to other countries without any charges there to if they preserve the currencies of other countries instead of remaining their own emission which is equivalent to the production in the market.

12. SOCIAL STATE PROJECTS

Government supports the low-income segments with social state projects. This is an economy model. Shortness of demand is resolved through this method.

Money which will be given to the low-income citizens will not be saved and it will enter the market. While the state supports the low-income citizen by one hand, it will facilitate growth of economy on the other hand. There will come out an opportunity by which more of the given money may be collected from the manufacturers.

The characteristics of social state projects are as follows:

In NEM which is the only consumption-centric analysis, all of the citizens are a source of income. For example, let's assume that we pay citizenship salary to each citizen.

If we give an example from Turkey;

The circulation of the money in one year in our country is 16 times. Let's suppose that we grant 300 billion TL each year as salary; in one year this shall produce trading volume of

$300 \times 16 = 4.8$ trillion TL

If we consider that the taxes collected from this by the state is 10%, this shall mean an input of 480 billion TL into the treasury as tax.

This money which we recorded as an expense under the social state projects, at the end of the year returned to the state treasury in a very profitable manner.

In order to implement this we say that the below listed are required:

- Granting citizenship salary;
- Providing retirement rights for housewives under the laborer status;
- Not collecting the employment taxes and adding the cut off made from retirement salaries back to retirement salaries,
- Granting long-term marriage credit to the youth;
- To make birth contribution to each mother giving birth to a child,
- Granting salary to the old people who do not have any relatives;
- Accepting high school graduates to the universities without any exams;
- To granting non-refundable scholarship to students,
- Not collecting taxes from the segments with a certain level of low-income;
- Making the citizens owners of their houses through long-term housing credits,

- Paying advances to the agriculture sector which is equivalent to their products,
- Subsidizing of agricultural sector, Governments, in other words, must support the agricultural sector,
- Government to find market to the agricultural products,
- Granting interest-free credits to industrialists, transporters, etc. small business owners;
- States to provide electricity as free of charge,



Historical Speech of Chairman of BTP, Prof. Dr. Haydar BASH, at the State Duma of Russian Federation was translated to Russian by Prof. Dr. RuSHen Guliyev, member of the Sciences Academy of Azerbaijan and by prof. Dr. Rauf Mehmedov.

13. STATE'S ROLE IN ECONOMY ACCORDING TO NEM

We believe that governments should be predominant in the markets.

Being predominant in the market is compulsory to maintain the income in the country and for a fair income distribution.

Avoiding the free market prevents the seizure of the market by the foreign powers.

The money which will be created based on seigniorage means that the income which is a provision to the labor and the production of a nation is again transferred to serve the nation through social state services.

Government, while supporting the production equivalent to the projects value by expanding the emission; on the other hand increases the consumption capability through the projects.

Government is obliged to provide food, accommodation, clothing, health, security, etc. needs of its citizens.

14. NATIONAL ERA IN CURRENCY POLICIES

Today exchange of national currencies is done in FEX markets. However, currency of all countries cannot be exchanged in these markets.

While your national currency cannot be exchanged with US Dollar at any part of the world, Dollar Hard Currency is being traded on our own land and in the pockets of our citizens and in our banks.

You should not permit the convertibility of a foreign currency if your national currency is not traded in FEX markets.

Circulation of a foreign currency on the land of a foreign country means the transfer of the assets of that country to other foreign countries.

The currency exchange system should be fixed currency system based on imports and exports. Pay attention to Asia and Mexico crises. In both these countries the economy seemed to be growing and inflation was tended to drop. However, the crises burst out.

Before the crises there has been a portfolio flow in these countries. Money, entering the national markets gradually, makes the economy sink suddenly when drawn back from the market.



Vice President of Russian State Duma and Chairman of LDPR Mr. Vladimir Jirinovski welcomed Prof. Dr. Haydar BASH in his office following the program at the Duma. Following the conversation with prof. Dr. BASH, Jirinovski expressed his gratification by saying “How happy for the one saying I’m a Turk”.

15. THE ERA OF NATIONAL CURRENCY IN FOREIGN TRADE

Developing countries like Turkey or underdeveloped countries are exploited while trying to make exports as they accept "hard currency" (Foreign currency) instead of their own currencies.

Let's explain the subject with examples:

Suppose that USA wants to buy wheat from you. If you demand Russian rubles against this, USA will be obliged to make sales to you over the current prices in order to find this money. Let's say USA is obliged to sell the computer you need over the current prices. USA, receiving 1000 rubles against computer, buys 1 tons of wheat by giving you 1000 rubles.

As a result, USA acquires the wheat while you acquire the computer.

Let's give another example:

We suppose that USA gives you 1000 US Dollars against wheat. If you hold this money in your central bank's safe or in place of the own emission of your country; it means that while you obtain your wheat against the papers for which USA does not make any costs other than paper and ink; you transfer your income to USA.

The reason why USA is still standing even there is a deficit of 600 billion Dollars each year is that USA imports through paying its own currency. Countries do not demand their own currency for exports, they do not demand their local currency; if the foreign currency acquired by a country from the activities such as exports and tourism is circulated in the domestic market, and the exported products will have been delivered as free of charge.

For the cost of export goods, if, for example Dollar, circulates in the domestic market as emission, then it shall mean that in reality USA's non-provisional dollars is received as a cost of the delivered products, and this is barely exploitation.

In NEM, exports shall be used to establish influence areas of domestic currency.

16. DEFLATION AND INFLATION ISSUES

Deflation is the name of continuous reduction in the general level of prices.

Even though this is due to insufficiency of total demand, deflation may still be observed in the market even when there is surplus money in the market.

Unbalanced income distribution is one of the reasons giving rise to deflation.

It is not possible to overcome deflation before making the consumers having consumption capability.

In addition to providing social equilibrium with the social state projects that we introduce; the foundations of sustainable growth are laid by preventing deflation in economy.

Inflation expresses the increase in the general level of prices. It is divided into two parts such as cost inflation and demand inflation

17. REVENUE SOURCES OF THE STATE

We shall answer the question asking from where the state will find the necessary finance for the projects in NEM.

According to us, the income sources of the state are not only the taxes. In addition to taxes;

- Revenues which will be gained through collecting the seigniorage,
- And, the revenues to be gained from the operation of mines with a partnership of state-nation.

And, as the debts borrowed from abroad with interests will not be included in the expense items of the state, this shall mean that all of the revenues will be preserved to serve the nation.