Chapter 2 - The Money Changers

How the International Bankers gained control of America.

Jesus of Nazareth knew them best as the "Money Changers". In this era they are most commonly referred to as the "international bankers". They still practice the same basic financial scam today as 2000 years ago - but on a global scale.

So... What is going on in America today? Why is the United States of America is in so much debt? Why can't the politicians keep debt under control? Can this trend of creating endless debt eventually spiral our country into a large scale depression, sow the seeds of governmental tyranny, and hasten the loss of liberty?

Why are so many people, often both parents now, strapped down in low paying dead-end jobs; who can barely afford to pay the minimum monthly payments to their credit issuing banks while there are still so many people worldwide having to do with less?

What is the future of the American economy and way of life; why does the government report to us that inflation is low but the buying power of our paychecks is declining at an alarming rate? Only a generation ago, a loaf of bread was a quarter and a new car could be bought for $1995.00.

Are we headed into an economic crash of unprecedented proportions? One that will make the crash of 1929 and the Great Depression that followed look like a Sunday school picnic? If indeed this so be the case, as this information in this chapter will testify to, then can we prevent it? And what can we do to protect our families in the case that most people around the world do nothing or too little in time to prevent it?

Reliable experts say that a horrible crash of "unprecedented proportions" is indeed coming.

The experts also state that there are simple things that we can all do now to prepare for the financial crash; whereby the bread winner in the family may still be able to put bread on the table and a roof above their family's heads - even in the worst of times.

But to do that we have to understand why the crash is coming, who is behind it, what they want, and how the perpetrators plan on profiting enormously from the planned global depression. Armed with this knowledge any one of us may be able to ride out the following storm.

If enough of us become armed with the following knowledge, perhaps the anticipated depression may be entirely avoided. This would of course require a complete overhaul of the world's current banking system and additional legislative protections for the People guaranteeing the People that their governments will not relinquish the absolute power of national money creation and depletion to the private interests of the international monetary elite and their corrupt system of power.

Over history however, as we shall see, the "Money Changers" have grown their power from street side scam artists of old Jerusalem and Rome into fully fledged international terror masters commanding above the most powerful nations of the world, namely all of Europe and North America. However, their basic financial scam has remained the same. Their wealth has been fabricated and accumulated using the same basic techniques - all requiring the element of deception and coersion; their methods being held a safeguarded secret from the People of the World generation after generation.

Larry Bates was a bank president for 11 years. As a member of the Tennessee House of Representatives, he chaired the Committee on Banking and Commerce. He is also a former professor of economics and the author of the book, *The New Economic Disorder*.

Mr. Bates states:

" I can tell you right now that there is going to be a crash of unprecedented proportions. A crash like we have never seen before in this country. The greatest shock of this decade is that more people are about to lose more money than at any other time before in our history. But the second greatest shock will be the incredible amount of money that just a small group of people will make at exactly the same time. See in periods of economic upheaval or of economic crisis, **wealth is not destroyed, it is merely transferred.** " **- Former Congressman Larry Bates; Professor of Economics; and Author of *The New Economic Disorder***

Charles Collins is a lawyer who has owned banks and serves as a bank director. He believes the United States will never get out of debt because the Federal Reserve is in control of our money.

" Right now it is perpetuated by the Federal Reserve making us borrow the money from them at interest to pay the interest that has already accumulated. So we cannot get out of debt they way we are going now. " - **Charles Collins, Modern Day Bank Director**

Economist Henry Pasquet is a tenured instructor in economics. He agrees the end is near for the US economy.

" Not when you are adding around, in rough terms, about 1 billion dollars a day, we just can't go on. We had less than 1 trillion of national debt in 1980, now it is approximately 5 trillion dollars, 5 times greater in 15 years, doubling every three years. It doesn't take a genius to realize that this just can't go on forever. " - **Henry Pasquet, Seasoned Instructor of Economics**

The problem is that since 1864 we have had a debt-based banking system. All our money is based on government debt. We cannot extinguish government debt without extinguishing our money supply and the corrupt banking system behind it. That is why talk of paying off the national debt without reforming our banking system is an impossibility. That is why the solution does not reside in discussing the size of the national debt, rather it relies on **reforming our banking system**.

The Federal Reserve is headquartered in Washington. It sits on a very impressive address, right on Constitution avenue, right across from the Lincoln memorial. But is it Federal? Is it really part of the United States government? Well, what we are about to show you is that there is **nothing Federal** about the Federal Reserve and there are **no reserves**. The name is a deception created back before the Federal Reserve Act was passed in 1913; to make Americans think that "The Fed", as it is called, operates in the public interest. April Fools! The truth is that the Federal Reserve is a private bank owned by private stockholders and run purely for their private profit! They do not have the long-term interest of the American people, or the people of the world, in mind.

Through their corrupt practices, their interests have always strived to rule unobstructed. Perhaps Western mega-billionaire David Rockefeller, board member of the Federal Reserve and former chairman of New York's Chase-Manhattan Bank, has stated their objectives most clearly when he restated his father's, John D. Rockefeller's lie: " Competition is sin. "

Henry Pasquet stated, when presented with this observation:

" That is absolutely correct. The Fed is privately owned for profit corporation which has no reserves available to back up the Federal Reserve Notes, which is our common currency. " - **Henry Pasquet, Seasoned Instructor of Economics**

Former Congressman Larry Bates also states:

" Absolutely - the Federal Reserve is neither Federal and has doubtful Reserves. It is a *private bank* that is owned by member banks. It was chartered under the guise of deceit by an act of congress in 1913. On the night of December 23rd, 1913, when most members of the congress had gone home for the holidays the House of Representatives had passed the Federal Reserve Act of 1913. But it was having difficulty getting out of the Senate. Again, at a time people had gone home. But one of the things that I used to make sure and check, is that when we had a recess in legislative circles you want to make sure you adjourn with something called *soni dai*, without a date. The senate had not adjourned with soni dai, so it was technically in session. There you had three members of the senate, according to the senate journal, that were present on that day, December 23rd, 1913 and they passed the Federal Reserve Act in the senate on a unanimous consent force vote. Had there been one person there to object and to contest to the absence of a forum, it would not have passed. " - **Former Congressman Larry Bates; Professor of Economics; and Author of the *New Economic Disorder***

" No man's life, liberty, or property are safe while the legislature is in session. " **- Mark Twain (1866)**

If there is still any doubt that the Federal Reserve is not part of the government, and you live in America, just open and check your local phone book.

(insert picture of phone book)

In most cities, the Federal Reserve is not listed in the blue government pages. It is listed in the business white pages, next to others such as Federal Express, another private company. But more directly US courts have ruled time and time again that the Federal Reserve is a private corporation.

Why can't members of congress actually do something about "The Fed"? It is because most members of Congress simply act like they don't understand the system and the few who acknowledge understanding of it are afraid to speak up in public!

However a few in Congress have been bolder over the years. Here are three quick examples:

In 1923, Representative Charles A. Lindbergh, Republican from Minnesota, and father of the acclaimed aviator Lucky Lindbergh put it this way:

" The financial system has been turned over to the Federal Reserve Board. The board administers the financial system by authority of a purely profiteering group. The system is private; conducted for the sole purpose of obtaining the greatest possible profits from the use of other people's money. " - **Charles A. Lindbergh; Former Congressman (R-MN)**

Lewis T. McFadden, the former chairman of the House Banking and Currency Committee during the Great Depression years, was also outspoken. The Representative of Pennsylvania said in 1932:

" We have in this country one of the most corrupt institutions the world has ever known. I refer to the Federal Reserve Board... This evil institution has impoverished the people of the United States and has practically bankrupted our government. It has done this through the corrupt practices of the moneyed vultures who control it. " - **Lewis T. McFadden; Former Congressman and Chairman of the House Banking Committee During the Great Depression**

Senator Barry Goldwater was a frequent critic of the Fed:

" Most Americans have no real understanding of the operation of the international money lenders. The accounts of the Federal Reserve system have never been audited. It operates outside the control of Congress and manipulates the credit of the United States. " - **Senator Barry Goldwater**

Larry Bates adds:

" The Federal Reserve really, even though it is not a part of the Federal Government, is more powerful than the Federal government, it is more powerful than the President, the Congress, and the Courts. Many people challenge me on that, but let me prove my case... The Federal Reserve determines what the average person's car payment is going to be, what their house payment is going to be, and whether they have a job or not. I submit to you that is totally control. And the Fed is the largest single creditor of the United States government. What does *Proverbs* tell us... the borrower is servant to the lender. " - **Former Congressman Larry Bates; Professor of Economics; and Author of the *New Economic Disorder***

We all have to understand that from the day the constitution was adopted right up to today, the folks who profit from privately owned central banks, the "Money Changers", have fought a running battle for control over who gets to print America's money. Why is who prints the money so important? Think of money as just another commodity. If you have a *monopoly* on a commodity that everyone needs, everyone wants, and nobody has enough of, there are lots of ways to make a profit and also exert a great deal of political influence. That is what this battle is all about.

Throughout the history of the United States, the money power has gone back and forth between congress and some sort of privately owned central bank. The forefathers knew the evils of a privately owned central bank. First of all, they have seen how the privately owned British central bank, the Bank of England, had run-up the British national debt to such an extent that the parliament had been forced to place unfair taxes on the American Colonies.

In fact, as we will see, Benjamin Franklin claimed that this was the real cause of the American Revolution. Most of the founding fathers realized the potential dangers of central banking and feared the bankers' perpetual accumulation of wealth and power.

Thomas Jefferson once profoundly stated:

" I sincerely believe that banking institutions are more dangerous to our liberties than standing armies. The issuing power should be taken from the banks and restored to the people to whom it properly belongs." - **Thomas Jefferson, Former President of the United States and key "Founding Father" of the United States Government**

That succinct statement Jefferson made is precisely the solution to all our economic problems today. It is worth repeating:

" The issuing power should be taken from the banks and restored to the people whom it properly belongs. "

James Madison, the main author of the constitution agreed. Interestingly he called those behind the central bank scheme the "money changers". Madison strongly criticized their actions:

" History records that the money changers have used every form of abuse, intrigue, deceit, and violent means possible to maintain their control over governments by controlling money and its issuance. " - **James Madison, 4th President of the United States Government**

{ Another key James Madison Quotation: "Knowledge will forever govern over ignorance, and a popular government without a popular knowledge of it, or the means of acquiring it, is but a prologue to a farce and subsequently a tragedy. " }

The battle over who gets to issue our money has been the pivotal issue throughout the history of the United States. Wars are fought over it, depressions are caused to acquire it. But after WW I, this battle was rarely mentioned in newspapers or history books (even collegiate level textbooks.) Why? **By WW I, the money changers with their dominant wealth had already seized control over most the nation's press.** Public view for over three generations has been manipulated behind a smokescreen emitted by Fed cheerleaders in the media. Throughout history this battle of who controls our money has been perpetual. In fact, it has changed hands back and forth 8 times since 1764. Yet these facts has all but disappeared from history texts.

Until we stop talking about deficits and government spending and instead start talking about ***who controls*** how much money we have, it is all just a big shell game; a complete and utter deception. It won't matter if The People pass an iron clad amendment to the national constitution mandating a balanced budget - Our situation is only going to get worse until We root out the cause at its source.

" The modern liberal state ... often uses deception to gain its ends -- not so much deception of the foreign enemy, but of its own citizens,who have been taught to trust their leaders. " **- Howard Zinn, historian and author**

What is the solution for our national banking problem?

1) Education. That is what this book and many other information resources are all about.

2) We must act. We must take back the power to create our own money.

Issuing our money is not a radical solution. Let's stress that. It is the same solution presented at different points in US history by men like: Benjamin Franklin, Thomas Jefferson, Andrew Jackson, Martin Van Buren, and Abraham Lincoln.

So, to sum it up, in 1913, Congress gave an independent central bank, deceptively named the Federal Reserve, a private monopoly over issuing America's money. The debt generated by this private corporation is what is killing the American economy.

Though the Federal Reserve is the most powerful central bank in the world, it was not the first. So where did this idea come from? To really understand the magnitude of the problem we have to travel back to old Europe.

The Money Changers

Just who are these "money changers"? The Bible records that about 2000 years ago, Jesus drove the money changers from the temple in Jerusalem. It was the only time Jesus used force during his ministry.

What were money changers doing in the temple?

When Jews came to Jerusalem to pay their temple tax they could only pay it with a special coin, known as the half shackle of the sanctuary. This was a half ounce of pure silver about the size of a half dollar. It was the only coin around at that time that was of pure silver, of assured weight, and without the image of a pagan emperor stamped on it. Therefore to Jews the half shackle was the only coin acceptable to God.

But these coins were not plentiful. The money changers had cornered the market on them. Then they had raised the price, just like any other commodity, to whatever the market would bear. In other words, money changers were making exorbitant profits because they held a virtual monopoly on money. The Jews had to pay whatever they demanded.

To Jesus, this totally violated the sanctity of God's house. The money changers indeed deserved a bit of ass-whooping by Jesus Christ. Perhaps the only way this seemingly unstoppable evil will end will be with Jesus's promised return.

Roman Empire

The money changing scam did not originate in Jesus' day. 200 years before Christ's birth, Rome was having trouble with money changers. Two early Roman emperors had attempted to diminish the power of the money changers by reforming usury laws and limiting land ownership to 500 acres. They were both assassinated.

In 48 BC, Julius Caesar successfully took back the power to coin money from the money changers and minted new coins for the benefit of all. With this new plentiful supply of money he built great public works projects. By making money plentiful Caesar won the love of the common man, but the money changers hated him. Some believe this was an important factor in Caesar's assassination. One thing is for sure, with the death of Caesar came the demise of plentiful money in Rome. Taxes increased and so did corruption.

Just as in the case of America today, *usury,* making money off the pure exchange of money, and debased coin became the rule. Eventually the Roman money supply was reduced by 90 percent. As a result the common people lost their land and their homes - just as about what is to happen in 2004-2007 in America. With the demise of plentiful money the masses lost confidence in the Roman government and refused to support it. Rome plunged into the gloom of the Dark Ages.

The Goldsmiths

A thousand years after the death of Christ, money changers, those who loan out and manipulate the quantity of money, were quite active in medieval England. In fact, they were so active, that acting together, they could manipulate the entire English economy.

These were not bankers per se; the first bankers were the Goldsmiths. They started keeping other people's gold for safe keeping in their vaults. The first paper money was merely a receipt for gold left at the goldsmith. Paper money caught on because it was more convenient than carrying around alot of heavy gold and silver coins. ***Eventually goldsmiths noticed that only a small fraction of their depositors ever came in and demanded their gold at any one time***...

Goldsmiths started cheating on the system. They discovered that they could print more money than they had gold; and usually nobody would be the wiser. Then they figured they could loan out this extra money and **collect interest** on it. This was the birth of *fractional reserve banking*. That is, loaning out many times more money than they have on deposit. So - if 1000 dollars in gold was deposited with them they could loan out 10,000 in paper money and charge interest on it and nobody would ever discover the deception. This is exactly the same basic process that is being employed by the Federal Reserve today. By these means Goldsmiths eventually accumulated more and more wealth and used this wealth to accumulate more and more gold!

Today this practice of loaning out more money than there are reserves is known as **fractional reserve banking.** Every bank in the United States is allowed to loan out at least 10 times more money than they actually have. That's why they get rich on charging, let's say 8 % interest. It's not really 8 % per year which is their income. It is ten times that, it is 80%! That's why bank buildings are always the largest in town.

But doesn't that mean all interest, or all banking, should be illegal? Not entirely. In the middle ages, Canon law, the law of the middle ages, forbade charging interest on loans. This concept followed the teachings of Aristotle and St. Thomas Aquinas. They taught that the purpose of money was to serve the members of society, to facilitate the exchange of goods, and to lead a virtuous life. The act of charging interest, in their belief, hindered this purpose by putting an unnecessary burden on the use of money. In other words, interest was contrary to reason and justice.

All moralists of most religions condemn fraud. Oppression of the poor is unjust and clearly immoral. Reflecting church law in the middle ages, Europe forbade charging interest on loans and made it a crime called "usury". Commerce grew and therefore opportunities for investment arose in the late middle-ages. It came to be commonly recognized that to loan money there was a cost to the lender, in both risk and lost opportunity. Some types of charges were allowed, but not interest per se.

As we will see, fractional reserve lending is rooted in a **fraud**, results in widespread poverty, and reduces the value of everyone else's money.

The ancient goldsmiths also discovered that extra profits could be made by growing the economy between *easy money* and *tight money*. When they made money easier to borrow, the amount in circulation expanded. Money was plentiful. People took out more loans to expand their businesses.

Then the money changers would tighten the money supply. They would make loans more difficult to get. What would happen? Just as what would happen today. A certain percentage of people could not repay their previous loans and could not take out new loans to repay their old ones. Therefore they went bankrupt and had to sell their assets to the goldsmiths for pennies on the dollar.

The same thing is still going on today. The Fed cheerleaders in the media are calling this the 'growing of the economy', 'the up-and-down cycle', or most commonly stated "the business cycle". It's is nothing less than the modern day expression: ' Highway robbery! '

Tally Sticks

Like Julius Caesar, King Henry I of England finally resolved to take the money power away from the goldsmiths around 1100 AD. Henry could have used anything as money: seashells, feathers, or even yak dung as if often done in remote Tibetan provinces. But he invented the most unusual money system in history. It was called the *tally stick* system. There are only a few preserved remaining examples of a tally stick. It lasted 726 years, until 1826. (insert pic)

The tally stick system was adopted to avoid the monetary manipulation of the goldsmiths. Tally sticks were fabricated out of sticks of polished wood. Notches were cut along one edge of the stick to indicate the denomination. Then the tally tick was split lengthwise through the notches so that both pieces still had a record of the notches. The king kept one half of each tally stick to protect against counterfeiting. Then he would spend the other half into the economy and they would circulate as money.

One of the original stockholders in the Bank of England purchased his original shares with a stick. In other words, he bought shares in the world's most rich and powerful corporation, at that time, with a stick of wood. It is ironic that after its formation in 1694, the Bank of England attacked the tally stick system; because it was money outside the power of the money changers just as King Henry I wanted it to be.

Why have people accepted sticks of wood for money? That's a good question. Throughout history people have tried almost anything they thought had value. You see the secret is that money is only what people agree on to use as money. What is our money today? It is really just paper.

But what is the trick behind the success of the tally stick system of money? King Henry I had ordered that the tally sticks had to be used to pay the king's taxes. This built in demand for tally sticks immediately began to make them circulate and be accepted as money. It worked well. In fact, no other money has worked so well for so long as the tally sticks. Keep in mind, the British empire was built under the tally stick system.

The tally stick system succeeded despite the fact that the money changers constantly attacked it by offering the metal coin system as competition. In other words, metal coins never went completely out of circulation, but the tally stick system hung on because they were good for the payment of taxes.

Finally, in the 1550s, Henry VIII relaxed the laws concerning usury. The money changers wasted no time reasserting themselves. They quickly made their gold and silver money plentiful for a few decades. But when queen Mary took the thrown, she tightened the usury laws again. The money changers renewed the hoarding of gold an silver coins, forcing the economy to plummet. When Queen Mary's sister, Queen Elizabeth I, took the thrown she was determined to regain control over English money. Her solution was to issue gold and silver coins from the public treasury and take control of the money supply away from the money changers.

Although control over money was not the only cause of the English Revolution of 1642 as religious differences fueled the conflict, monetary policy still played a major role. Financed by the money changers, Oliver Cromwell finally overthrew King Charles, purged the parliament, and put the king to death. The money changers were then immediately allowed to consolidate their financial power.

The result for the next 50 years: the money changers plunged Great Britain into a series of costly wars. They took over a square mile of property in London known as the 'City of London'. This area today is still known as one of the three predominant financial centers of the world. Conflicts with the Stuart kings led the money changers in England to combine with those in the Netherlands to finance the invasion of William of Orange who overthrew the Stuarts in 1688 and took the English thrown.

The Bank of England

By the end of the 1600's England was in financial ruin. 50 years more or less of continuous wars with France and Holland had exhausted her. Frantic government officials met with the money changers to beg for the loans to pursue their political purposes.

The price was high: a government sanctioned privately owned bank; which could issue money created out of nothing. It was to be the modern world's first privately owned central bank, the Bank of England.

Although it was deceptively called the Bank of England to make the general population think it was part of the government, it was not. Like any other private corporation, the Bank of England sold shares to get started. The investors who's names were never revealed were supposed to have put up 1.25 million pounds in gold coin to buy their shares in the bank, but only 750,000 pounds were received. Despite that, the bank was duly charted in 1694 and started out in the business of loaning out several times the amount of money it had in reserves, all at interest. In exchange their new bank would then loan them as much money as they wanted, as long as they secured the debt by direct taxation of the British people. So the legalization of the Bank of England amounted to little less than the counterfeiting of a national currency for private gain of the bankers.

Unfortunately every nation now has a privately controlled central bank using the Bank of England as the basic model.

Such is the power of these central banks that they soon take total control over a nation's economy. It soon amounts to a *plutocracy*, rule by the rich. It would be like putting control of the army in the hands of the mafia, the danger of tyranny would be extreme.

Yes, we need central banks. No we do not need them in private hands.

The private central bank scam is a hidden tax. The nation sells bonds to the central bank to pay for things that is doesn't have the political will to raise taxes to pay for. The bonds are purchased with money that the central bank creates out of nothing. More money in circulation makes your money worth less. The government gets as much money as it needs and the people pay for it all in inflation. The beauty of the plan is that not one person in a thousand can figure it out because it is purposely hidden behind complex sounding economics gibberish. We need to boil this down to what it is; a fraud on the People, plain and simple.

With the formation of the Bank of England, the nation was soon awash in money. Prices throughout the country doubled. Massive loans were granted for about any wild scheme. One venture proposed to drain the Red Sea, to recover gold supposedly lost when the Egyptian army drowned pursuing Moses and the Israelites. By 1698, government debt grew from the initial 1.25 million pounds to 16 million pounds. Naturally taxes were increased to pay for all this.

With the British money supply firmly in their grip, the British economy began a wild roller coaster ride of booms and depressions - exactly the sort of thing a private central bank claims it is determined to prevent.

" There are two things which I think are intrinsic in general, the first is an involvement in the formulation of monetary policy, with the specific objective of achieving *monetary stability*. " **- Eddie George, Recent Governor of the Bank of England**

However, since the Bank of England took control, the British pound has rarely been stable. Now let's take a look at the Rothschild family, the family said to be the wealthiest family in the world.

The Rothschilds

We are now returning to old Frankfurt Germany. 50 years after the Bank of England opened its doors a goldsmith named Amshel Moses Bauer opened a coin shop and a counting house, in 1743. And over the door he placed a sign depicting a Roman eagle on a red shield. The shop became known as the 'red shield firm' or in German, "Rothschild". When his son, Amschel Mayer Baeur, inherited the business he decided to change the family name to "Rothschild".

Amschel soon learned that loaning money to governments and kings was more profitable than loaning to private individuals. Not only were the loans bigger, but they were secured by the nation's taxes.

Mayer Rothschild had 5 sons. He trained them all in the skills of money creation. Then he sent them out to the major capitals of Europe to open branch offices of the family banking business. His first son, Amshel Mayer, stayed in Frankfurt to mind the hometown bank. His second son, Solomon was sent to Vienna. His third son, Nathan, was clearly the most clever. Nathan was sent to London at the age of 21 in 1798, a hundred years after the founding of the Bank of England. His fourth son, Karl, went to Napels and his fifth son, Jacob, went to Paris. In 1785 Mayer Rothschild moved his entire family to a larger house, a 5 story dwelling shared with the Shiff family. This house was named the "Green Shield".

The Rothschilds and the Shiffs would play a central role in the rest of European financial history and that of the United States. The Rothschilds broke into dealing with European royalty at William's Hall, the palace of the wealthiest man in Germany. In fact, the wealthiest monarch in all of Europe, Prince William Hess Casell. At first, the Rothschilds were only helping Prince William speculate in precious coins. But when Napoleon chased Prince William into exile, William sent 500 thousand pounds, a gigantic sum at the time, to Nathan Rothschild in London with instruction to buy consoles, British government bonds, also known as British government stock. But Rothschild used the money for his own purposes. With Napoleon on the loose, the opportunities of wartime investments were nearly limitless. William returned sometime prior to the battle of Waterloo in 1815. He summoned Rothschild and demanded his money back. The Rothschilds returned Prince William's money, the amount of the British consoles plus the interest the consoles would have paid him if the investment had actually been made. But the Rothschilds kept all the past profits they had made using Prince William's money.

Nathan Rothschild later bragged that in the 17 years he had been in England he had increased his original 20,000 pound stake given to him by his father by 2500 times. By cooperating within the family, the Rothschilds then grew unbelievably wealthy. By the mid-1800's they dominated over all of European banking, and were certainly the wealthiest family in the world. They financed Cecil Rhodes, making it possible for him to establish a monopoly over the diamond and gold fields of South Africa. In America they financed the Harrimans in railroads, the Vanderbilts in railroads and in the press, and Carnegie in the steel industry among many others. In fact, during WWI, JP Morgan was thought to be the richest man in America. But it was discovered after his death that he was actually only a lieutenant of the Rothschilds. Once Morgan's will was made public, it was discovered that he only owned 19% of JP Morgan companies.

By 1850, Jacob Rothschild, the heir of the French branch of the family, was said to be worth 600 million French francs. 150 million more than all the other banks in France put together. He built a mansion called Fariere just east of Paris. Wilhelm I exclaimed on seeing it, " Kings couldn't afford this, it could only belong to a Rothschild. " Another 19th century French commentator put it this way, " There is but one power in Europe, and that is Rothschild ".

There is no evidence that their predominant standing in European or World finance has changed. Now let's take a look at the results the Bank of England had on the British economy and how that later was the root cause of the American Revolution.

The American Revolution

By the mid 1700's, the British empire was nearing its height of power around the world. But Britain had fought 4 costly wars in Europe since the creation of their privately owned central bank, the Bank of England. The cost had again been high. To finance these wars, the British parliament had borrowed heavily from the bank. By the mid-1700s the government's debt was 140 million pounds, a staggering sum for those days. Consequently the British government embarked on a program of trying to raise revenues from the American Colonies in order to make their interest payments to the bank.

But in America it was a different story. The scourge of a privately owned central bank had not yet hit.

{ Let's go back to Independence Hall in Philadelphia; where the Declaration of Independence and the Constitution were signed. }

In the mid-1700's pre-revolutionary America was still relatively poor. There was a severe shortage of precious metal coins to trade for goods, so the early colonists were forced to experiment with printing their own home-grown paper money. Some of these experiments were successful.

In 1757 Benjamin Franklin was sent to London. He ended up staying for the next 18 years, nearly until the start of the American Revolution. During this period the American colonies began to issue their own money. Called Colonial Scrip, the endeavor was very successful.

(pic of a Colonial Scrip bill)

It provided a reliable medium of exchange and it also helped to provide a feeling of unity between the colonies. Remember, Colonial Scrip was just paper money, debt-free money, printed in the public interest and not backed by gold or silver coin. In other words, it was a totally *fiat,* or a stand-alone currency. One day, officials at the Bank of England asked Franklin how he would account for the newfound prosperity of the colonies. Without hesitation he replied:

" That is simple. In the colonies we issue our own money. It is called 'Colonial Scrip'. We issue it in the proper proportion to the demands of trade and industry, to make the products pass easily from the producers to the consumers. In this manner, creating for ourselves our own paper money, we control its purchasing power, and we have no interest to pay to no one! " - **Benjamin Franklin**

This was just common sense to Franklin, but you can imagine the impact it had on the Bank of England! America had learned the *secret* of money, and that genie had to be returned to its bottle as soon as possible.

As a result, the parliament hurriedly passed the Currency Act of 1764. This prohibited colonial officials from issuing their own money and ordered them to pay all future taxes in gold or silver coins. In other words, it forced the colonies on a gold or silver standard. For those who still believe that a gold standard is the answer for America's current monetary problems, look what happened to America after that. Writing in his autobiography, Franklin said:

" In one year, the conditions were so reversed that the era of prosperity ended, and a depression set in, to such an extent that the streets of the colonies were filled with unemployed. " - **Benjamin Franklin**

Franklin claims that this as even the basic cause for the American Revolution. As Franklin put it in his autobiography:

" The colonies would gladly have borne the little tax on tea and other matters had it not been that England took away from the colonies their money, which created unemployment and dissatisfaction. The inability of the colonists to get the power to issue their own money permanently out of the hands of George III and the international bankers was the PRIME reason for the Revolutionary War. " - **Benjamin Franklin**

By the time the first shots were fired in Lexington Massachusetts on April 19th, 1775, the Colonies had been drained of gold and silver coins by British taxation. As a result, the continental government had no choice but to print money to finance the war. At the start of the revolution, the US money supply stood at 12 million dollars. By the end of the war it was nearly 50 million. As a result the currency was virtually worthless. Shoes sold for 500 dollars per pair. Colonial Scrip had worked because just enough was produced to facilitate trade. As George Washington lamented, " A wagonload of money will scarcely purchase a wagonload of provisions. " Today, those who support a gold-backed-currency, point to this period during the Revolution to demonstrate the result of a publicly owned currency. But remember, the same currency had worked so well during times of peace that the Bank of England had parliament outlaw it!

The Bank of North America

Towards the end of the Revolution, at the Continental Congress meeting at Independence Hall, there was a desperation for money. In 1781 they allowed Robert Morris, their financial superintendent, to open a privately owned central bank. Incidentally, Morris was a wealthy man who had grown wealthier during the Revolution by trading in war materials.

Called the *Bank of North America*, the new bank was closely modeled after the Bank of England. The bank was allowed to practice fractional reserve banking, that is, it could lend out money it didn't have - then charge interest on it. If you or I were to do that by ourselves, we would be charged with **fraud**, a felony.

The bank's charter called for private investors to put up $400,000 of initial capital. But Morris was unable to raise the money. He brazenly used his political influence to have gold deposited in the bank which had been loaned to America by France. He then loaned this money to himself and his friends to reinvest in shares of the bank. Like the Bank of England, the bank was given a monopoly over the national currency. Soon, the dangers became clear. The value of American currency continued to plummet. So, 4 years later, in 1785, the bank's charter was not renewed. The leader of the effort to kill the bank, William Findley of Pennsylvania, explained the problem this way:

" This institution, having no principle but that of avarice, will never be varied in its object... to engross all the wealth, power, and influence over the State... " - **William Findley, Citizen Observer**

The men behind the Bank of America: Alexander Hamilton, Robert Morris, and the bank's president, Thomas Wiley, did not give up. Only 6 years later, Hamilton, then secretary of the treasury, and his mentor Morris, rammed a new privately owned central bank through the new congress, called the First Bank of the United States. Thomas Whiley again served as the bank's president. The players were the same, only the name of the bank was changed.

The Constitutional Convention

In 1787, colonial leaders assembled in Philadelphia to replace the ailing Articles of Confederation. As we read earlier, both Thomas Jefferson and James Madison were unalterably opposed to a privately owned central bank. They had seen the problems caused by the Bank of England.

They wanted nothing of it, as Jefferson later put it:

" If the American people ever allow private banks to control the issue of their currency, first by inflation, then by deflation, the banks and the corporations which grow up around them will deprive the people of all property until their children wake up homeless on the continent their fathers conquered. " - **Thomas Jefferson, Founding President of the United States**

" The spirit of resistance to government is so valuable on certain occasions that I wish it to be always kept alive. It will often be exercised when wrong, but better so than not to be exercised at all. " **- Thomas Jefferson, drafter of the Declaration of Independence and president of US from 1801-1809**

During the debate over the future monetary system another one of the founding fathers, Governor Morris, castigated the motivations of the owners of Bank of North America. Governor Morris, as head of the committee that wrote the final draft of the constitution, knew the motivations of the banks well. Along with his old boss, Robert Morris, Governor Morris and Alexander Hamilton were the ones who had presented the original plans of the Bank of North America to the Continental Congress in last year of the Revolution.

In a letter he wrote to James Madison, Governor Morris revealed what was really going on:

" The rich will always strive to establish their dominion and enslave the rest. They always did. They always will. They will have the same effect here as elsewhere, if we do not, by the power of government, keep them in their proper spheres... " **- Governor Morris, Constitutional Author**

Despite the defection of Governor Morris from the ranks of the bank, Hamilton, Robert Morris, Thomas Wiling, and their European backers were not about to give up. They convinced the bulk of the delegates of the constitutional convention to not give congress the sole power to issue paper money. Most of the delegates were still reeling from the wild inflation of the paper currency during the revolution. They had forgotten how well Colonial Scrip worked before the war. But the Bank of England had not. The money changers could not stand to have America printing their own money again so the constitution was worded ever so deceptively on the matter. The grievous defect in wording left the door wide open for the money changers, just as they had planned.

First Bank of the United States

In 1790, less than 3 years after the constitution had been signed, the money changers struck again. The newly appointed secretary of the treasury, Alexander Hamilton, proposed a bill to the congress calling for a new privately owned central bank.

Coincidentally, that was the very year that Amschel Rothschild made his pronouncement from his flagship bank in Frankfurt Germany:

" Let me issue and control a nation's money, and I care not who makes the laws. " - **Amschel Rothschild**

" Alexander Hamilton was a tool of the international bankers and he wanted to create the US Bank, The Bank of the United States - and did so... " - **Charles Collins, Modern Day Bank Director**

Interestingly, when Hamilton graduated from law school in 1782 his first assignment was being an aid to Robert Morris, the head of the Bank of North America. In fact, the year before, Hamilton had written Morris a letter saying:

"A national debt, if it is not excessive, will be to *us* a national blessing. " - **Alexander Hamilton**

After a year of intense debate, in 1791, congress passed Hamilton's bill and gave it a 20 year charter. The new bank was to be called the First Bank of the United States.

(insert picture of First Bank of the United States in Philadelphia.)

The bank was given a complete monopoly over printing the currency, even though 80% of its stock would be held by private investors. The remaining 20% would be purchased by the US government. But the reason was not to give the government a piece of the action, it was principally to provide the capital to the other 80% owners. As with the old Bank of North America and with the Bank of England before that, the stockholders never paid the full amount for their shares. The US government put up their initial 2 million in cash, then the bank through the old magic of fractional reserve lending made *loans* to its charter investors, so they could come up with the remaining 8 million dollars in capital needed for this risk free investment!

Like the Bank of England, the name of the Bank of the United States was deliberately chosen to hide the fact that it was privately controlled. And like the Bank of England, the names of the investors in the bank were never revealed. Many years later, it was a common saying that the Rothschilds were the power behind the old Bank of the United States. The bank was pitched to congress as a way to bring stability to the banking system and eliminate inflation. So what happened? Over the first 5 years, the US government borrowed 8.2 million dollars from the Bank of the United States. In the same 5 year period, prices rose by 72%.

Jefferson, as the new Secretary of State, watched the borrowing with sadness and frustration, unable to stop it:

" I wish it were possible to obtain a single amendment to our constitution - taking from the federal government the power of borrowing. " - **Thomas Jefferson, Secretary of State**

Millions of Americans feel the same way today... they watch in helpless frustration as the federal government borrows the American economy into oblivion!

So, although it was called the First Bank of the Untied States, it was not the first attempt at a privately owned central bank in this country. As with the Bank of North America, the government put up most of the cash to get the bank going. Then the bankers loaned the money to each other to buy the remaining stock in the bank. It was scam plain and simple.

Napoleon's Rise to Power

Let's journey back to old Paris. The Bank of France was organized in 1800, just like the Bank of England. But Napoleon had to decided that France had to break free of debt and he never trusted the Bank of France. He declared that when a government is dependent on the bankers for money, the bankers - not the leaders of the government, are in control:

" The hand that gives is above the hand that takes. Money has no motherland; financiers are without patriotism and without decency; their sole object is gain. " - **Napoleon Bonaparte I**

Back in America, unexpected help for Napoleon was about to arrive. In 1800 Thomas Jefferson narrowly defeated John Adams to become the third president of the United States. By 1803, Jefferson and Napoleon had struck a deal. The US would give Napoleon 3 million dollars in gold for a huge chunk of land territory west of the Mississippi river, the Louisiana purchase.

With that 3 million dollars Napoleon quickly forged an army and set off across Europe. But the Bank of England quickly rose to oppose him. They financed every nation in his path, reaping the enormous profits of war. Prussia, Austria, and finally Russia all went heavily into debt in a futile attempt to stop Napoleon.

Four years later, with the main French army in Russia, 30 year old Nathan Rothschild, the head of the London office of the Rothschild family, personally took charge of a bold plan to smuggle a much needed shipment of gold right through France to finance an attack by the Duke of Wellington from Spain. Nathan later bragged at a dinner party in London that it was the best business he has ever done. Little did he know that he would do much better business in the near future.

Wellington's attacks from the south and other defeats, eventually forced Napoleon to abdicate. Louis the Eighteenth was crowned king. Napoleon was exiled to Elba, a tiny island off the coast of Italy - supposedly exiled from France forever. While Napoleon was in exile in Elba temporarily defeated by England by the financial help of the Rothschild family, America was trying to break free of its central bank as well.

Death of the First Bank

In 1811, a bill was put before congress to renew the charter of the Band of the United States. The debate grew very heated, and the legislatures of both Pennsylvania and Virginia passed resolutions asking congress to kill the bank. The independent press of the day attacked the bank openly, calling it "a great swindle", "a vulture", "a viper", and "a cobra". Oh! to have an independent press here again in America!!!

A congressman named P.B. Porter attacked the bank from the floor of congress, claiming that:

" If the banks charter was renewed, congress will have planted in the bosom of this constitution a viper which will one day sting the liberties of this nation to the heart! " - **Congressman (and Prophet), P.B. Porter**

Prospects didn't look that good for the bank. Some writers have then claimed that Nathan Rothschild warned that the United States would find itself involved in "a most disastrous war" if the bank's charter was not renewed.

But it wasn't enough. When the smoke had cleared the renewal bill was defeated by a single vote in the house and was deadlocked in the senate. By now, America's Fourth President James Madison was in the White House. Remember, Madison was a staunch opponent to the bank. His vice-president, George Clinton, broke the tie in the senate and sent the bank into oblivion.

Within 5 months, England attacked the US and the War of 1812 was on. But the British, were still busy fighting Napoleon, and so the War of 1812 ended in a draw in 1814. Though the money changers were temporarily down, they were far from out. It would only take them only another 2 years to bring back their private bank - bigger and stronger than ever.

First, we have to travel back to 19th century Europe to see how a single man was able to manipulate the entire British economy, by obtaining the first news of Napoleon's final defeat.

Waterloo

Let's return to Napoleon - because nothing else in history more aptly demonstrates the ingenuity of the Rothschild family than their control of the British stock market immediately after Waterloo. At the beginning of 1815, a year after the end of the war of 1812 in America, Napoleon escaped his exile on Elba and returned to Paris.

French troops were sent out to capture him, but such was Napoleon's charisma the soldiers instead rallied around their old leader and hailed him as their emperor once again. In March of 1815, Napoleon equipped an army which Britain's Duke of Wellington defeated less than 90 days later at Waterloo.

Some writers claim that Napoleon borrowed 5 million pounds from the Bank of England to re-arm, but it appears that these funds actually came from the Uebard banking house in Paris. From about this point on, it was not unusual for privately controlled central banks to finance both sides in a war.

Why would a central bank finance opposing sides in a war? Because war is the biggest debt generator of them all. A nation will borrow any amount for victory. The ultimate loser is loaned just enough to hold out the main hope of victory, and the ultimate winner is giving just enough to win. Besides, such loans are usually conditioned upon the guarantee that the victor will honor the debts of the vanquished.

At the Waterloo battlefield in Belgium Napoleon suffered his final defeat, but not before thousands of Englishmen and Frenchmen gave their lives on a steamy summer day in July of 1815. 74,000 French troops met 67,000 troops from Britain and other nations. The outcome was certainly in doubt. In fact, if Napoleon had attacked a few hours earlier, he probably would have won the battle.

But no matter who won or lost, back in London Nathan Rothschild used the opportunity to attempt to seize control over the British stock and bond market, and possibly even the Bank of England. Rothschild stationed a trusted agent, a man named Rothsworth, on the north side of the battlefield, closer to the English channel. Once the battle had been decided, Rothsworth took off across the channel. He delivered the news to Nathan Rothschild a full 24 hours in advance before Wellington's own courier.

Rothschild hurried to the stock market and took up his usual position in front of an ancient pillar, all eyes were on him. The Rothschild's had a legendary communications network. If Wellington had been defeated and Napoleon was loose on the continent again, Britain's financial situation would have became grave indeed.

Rothschild looked saddened. He stood there motionless, eyes downcast, then suddenly he began selling! Other nervous investors saw that Rothschild was selling. At first take, his reaction could only mean one thing - that Napoleon must have won and Wellington must have lost. The market immediately began to plummet. Soon everyone was selling their consoles and government bonds and prices dropped sharply. Then Rothschild began buying up the consoles at a fraction of their worth only hours before.

Myths, legends you may say? 100 years later, the New York Times ran a story that said that Nathan's grandson procured a court order to suppress a book with this stock market story in it. The Rothschild family claimed the story was untrue and libeless. But the court denied the Rothschilds' request and ordered the family to pay all court costs. What is even more interesting about this story is that same authors claimed the day after the battle of Waterloo, in a matter of hours, Nathan Rothschild came to not only dominate the bond market but the Bank of England as well.

Whether or not the Rothschild family seized control of the Bank of England, the first privately owned central bank in a major European nation, and the wealthiest - one thing is certain. By the mid-1800s the Rothschilds were the richest family in the world bar none. They dominated the new government bond markets and branched into other banks and industrial concerns. In fact, the rest of the 19th century was known as the 'Age of the Rothschilds'.

Despite this overwhelming wealth, the family has generally cultivated an aura of invisibility. Although the family controls scores of of industrial, commercial, mining, and tourist operations, only a handful outwardly bear the Rothschild name. By the end of the 19th century, one expert estimated that the Rothschild family controlled half the wealth of the world. Whatever the extent of their vast wealth, it is reasonable to assume that their percentage of the world's wealth has increased since then. But since the turn of the century, the Rothschild's have successfully cultivated the notion that their power has somehow waned, or lessoned, as their wealth continuously increases.

Second Bank of the United States

Meanwhile in Washington in 1816, just one year after Waterloo and Rothschild's alleged takeover of the Bank of England, the American Congress passed a bill permitting yet another privately owned central bank. This bank was called the Second Bank of the United States.

The new bank's charter was a copy of the previous banks. The US government would own 20% of the shares and those shares would be paid by the US Treasury upfront into the banks coffers. Then through the magic of fractional reserve lending, it was transformed into loans to the private investors who then bought the remaining 80% of the shares. Just as before, the primary stockholders remained a secret. But it is known that the largest block of shares, about 1/3 of the total, was sold to foreigners.

As one observer of the day put it:

" It is certainly no exaggeration that the Bank of the United States is rooted as deeply in Britain as it was in America. " **- Anonymous Observer**

So by 1816, some authors claim that the Rothschilds had taken control over the Bank of England and backed a new privately owned central bank in America as well.

Andrew Jackson

After 12 years of manipulation of the US economy on the part of the Second Bank of the US, the American people had just about enough. Opponents of the bank nominated a dignified senator from Tennessee, Andrew Jackson, the hero of the battle of New Orleans, to run for president. Nobody seriously gave Jackson a chance initially. The bank had long ago learned how the political process can be controlled with money. To the surprise and dismay of the money changers, Jackson was swept into office in 1828.

Jackson was determined to kill the bank at the first opportunity and wasted no time in trying to do so. But the bank's 20 year charter didn't come up for renewal until 1836, the last year of Jackson's second term - if he could survive that long. During his first term, Jackson engaged himself with the rooting out of the bank's many minions from federal service. He fired roughly 2,000 of the 11,000 employees of the federal government.

In 1832, with his re-election approaching, the bank struck and early blow, hoping that Jackson would not want to stir up controversy. They asked congress to submit a renewal bill 4 years early. Naturally congress complied and sent it to the president for signing. But Jackson weighed in with both feet. He vetoed the bill! His veto message is one of the great American documents. It clearly lays out the responsibility of the American government to its citizens rich and poor.

" It is not our own citizens only who are to receive the bounty of our government. More than eight millions of the stock of this bank are held by foreigners. Is there no danger to our liberty and independence in a bank that in its nature has so little to bind it to our country? Controlling our currency, receiving our public monies, and holding thousands of our citizens in dependence would be more formidable and dangerous than a military power of the enemy. If government would confine itself to equal protection, and, as Heaven does its rains, shower its favor alike on the high and the low, the rich and the poor, it would be an unqualified blessing. In the act before me there seems to be a wide and unnecessary departure from these wise and just principles. " - **Andrew Jackson, Former United States President, and Staunch Opposer of Private Central Banks**

Later that year, in July 1832 congress was unable to override Jackson's veto. Now Jackson had to stand for re-election. Jackson took his argument directly to the people. For the first time in US history, Jackson took his presidential campaign on the road. Before then, presidential candidates stayed at home and looked presidential. His campaign slogan was "Jackson and No Bank!".

The national republican party ran senator Henry Clay against Jackson, despite the fact that the bankers poured 3 million dollars into Clay's presidential campaign. Jackson was re-elected by a landslide in November of 1832. Despite his presidential victory, Jackson knew the battle was only the beginning, " The Hydra of corruption is only scotched, not dead! " he announced.

Jackson ordered his new secretary of the treasury, Louis McLain, to start removing the government's deposits from the Second Bank of the United States and start placing them in safe banks. But McLain refused to do so. Jackson fired him and appointed William J. Dwayn instead as the new Secretary of the Treasury. Dwayn also refused to comply to the president's requests so Jackson fired him as well. Jackson then appointed Roger B. Taney to the office. Taney did withdraw government funds from the banks starting on October 1st, 1833. Jackson was jubilant: " I am ready to draw with screws every tooth and then the trunk of the Bank! "

But the bank was not yet done fighting. Its head, Nicolas Biddle, used its influence to get the senate to reject Taney's nomination. Then, in a rare show of arrogance, Biddle threatened to cause a depression if the bank was not rechartered:

" This worthy President thinks that because he has scalped Indians and imprisoned judges, he is to have his way with the Bank? He is mistaken! " - **Nicolas Biddle, Governor of the Second Bank of the United States**

Next, in an unbelievable fit of honesty for a central banker, Biddle admitted that the bank was going to make money scarce, to force congress to restore the bank:

" Nothing but widespread suffering will produce any effect on congress. Our only safety is in pursuing a steady course of firm restriction - and I have no doubt that such a course will ultimately lead to restoration of the currency and the recharter of the bank. " - **Nicolas Biddle, Governor of the Second Bank of the United States**

What a stunning revelation! Here was the pure truth revealed with shocking clarity. Biddle intended to use the money contraction power of the bank to cause a massive depression until America gave in under the pressure!

Unfortunately this has happened time and time again in US history and is about to happen again in today's world.

Nicolas Biddle made good on his threat. The bank sharply contracted the money supply by calling in old loans and refusing to extend new loans. A financial panic ensued, followed by a deep depression.

Naturally Biddle blamed Jackson for the crash saying it was caused by the withdrawal of Federal funds from the bank. Unfortunately his ruse worked well, wages and prices sagged. Unemployment soared along with business bankruptcies. The nation quickly went into an uproar. Newspaper editors blasted Jackson in editorials.

Within only months congress assembled in what was called the "panic session". 6 months after Jackson had withdrawn funds from the bank, Jackson was officially censured by a resolution that had passed the senate by a vote of 26 to 20. It was the first time a president has ever been censured by congress. Jackson lashed out at the bank: " You are a den of vipers! I intend to route you out and by eternal God I will route you out! "

America's fate teetered on a knife's edge. If congress could muster enough votes to override Jackson's veto, the bank would be granted another 20 year monopoly over America's money, time enough to consolidate its already great power. Then, a miracle occurred. The governor of Pennsylvania, came out supporting President Jackson and strongly criticized the bank. On top of that Biddle had been caught boasting in public about the bank's plan to crash the economy.

Suddenly the tide shifted. In April of 1834, the House of Representatives voted 134 to 82 against rechartering the bank. This was followed up by an even more lopsided vote to establish a special committee to investigate whether the bank had caused the crash.

When the investigating committee arrived at the bank's door in Philadelphia, armed with a subpoena to examine the books, Biddle refused to give them up. Nor would he allow inspection of correspondence with congressman relating to their personal loans and advances he had made to them. He also refused to testify to the committee back in Washington.

On January 8th, 1835 Jackson paid off the final installment on the national debt; a debt that only necessitated because the banks issued currency for government bonds rather than the government simply issuing treasury notes without such debt. Jackson was the only president to ever pay off the national debt.

A few weeks later on January 30th, 1835, an assassin by the name of Richard Lawrence tried to a shoot President Jackson - but by the grace of God, both pistols misfired. Lawrence was later found not guilty by 'reason of insanity'. After his release he bragged to friends that powerful people in Europe had put him to the task and would protect him if he got caught.

The following year, when the bank's charter ran out, the Second Bank of the United States ceased functioning as the nation's central bank. Biddle was later arrested and charged with fraud. He was tried and acquitted, but died shortly thereafter still tied up in civil suits.

After his second term as President, Jackson retired to his home in Tennessee, The Hermitage, just outside of Nashville to live out his life. He is still remembered here for his determination to kill the bank. In fact, he killed it so well, that it took the money changers 77 years to undo the damage. When asked what his most important accomplishment had been he replied, " I killed the Bank! "

Abraham Lincoln

Unfortunately even Jackson failed to grasp the entire picture and its root cause. Although Jackson had killed the central bank, the most insidious weapon of the money changers, *fractional reserve banking*, remained in use by the numerous state chartered banks. This fueled economic instability in the years before the Civil War. Still the central bankers were out and as a result America thrived as it expanded westward.

During this time the principle money changers struggled to regain their lost central power, but to no avail. Then, finally they reverted to the old central bankers formula, war, to create debt and dependency. If they couldn't get their central bank any other way, America could be brought to its knees by plunging it into a civil war; just as they had done in 1812 after the First Bank of the United States was not rechartered.

One month after the inauguration of Abraham Lincoln the first shots of the American Civil War were fired at Fort Sumter South Carolina on April 12th, 1861. Certainly slavery was a case for the Civil War, but not the primary cause. Lincoln knew the economy of the South depended upon slavery, so before the war, he had no intention on eliminating it. Lincoln had put it this way in his inaugural address 1 month earlier:

" I have no purpose, directly or indirectly, to interfere with the institution of slavery in the states where it now exists. I believe I have no lawful right to do so, and I have no inclination to do so. " - **Abraham Lincoln, Later to become known as the "Great Emancipator of the Slaves"**

Even after the first shots were fired at Fort Sumter, Lincoln continued to insist that the war was not about the issue of slavery:

" My paramount objective is to save the Union, and it is not either to save or destroy slavery. If I could save the Union without freeing any slave, I would do it. " - **Abraham Lincoln, Later to become known as the "Great Emancipator of the Slaves"**

So what was the Civil War all about? There was many factors that played. Northern industrialists had used protective tariffs to prevent the southern states from importing cheaper European goods. Europe retaliated by stopping cotton imports from the South. The southern states were in a double financial bind; they were forced to pay more for most of the necessities of life while their income from cotton exports plummeted.

The South grew angry; but there were other factors at work. The money changers were still stunned by America's withdrawal from their control 25 years earlier. Since then, America's wildcat economy had made the nation rich, a bad example for the rest of the world. The central bankers now saw an opportunity to split the rich new nation, to divide and conquer her by war.

Was this just some sort of wild *conspiracy theory* at the time?

Well, let's just take a look at what a well placed observer of the scene had to say at the time. His name was Otto Von Bismarck, the chancellor of Germany; the man who united the German states a few years later:

" The division of the United States into federations of equal force was decided long before the Civil War by the high financial powers of Europe. These bankers were afraid that the United States, if they remained as one block, and as one nation, would attain economic and financial independence which would upset their financial domination of the world. " - **Otto Von Bismarck, the Chancellor of Germany; A Man Who Helped Unite the German States**

Within months after the first shorts at Fort Sumter, the central bankers loaned Napoleon III of France, the nephew of the Waterloo Napoleon, 210,000,000 (210 million) francs to seize Mexico and station troops along the southern border of the US; taking advantage of their war to violate the Monroe Doctrine and return Mexico to colonial rule.

No matter what the outcome of the Civil War, a weakened America, heavily indebted to the money changers, would open up Central and South America once again to European Colonization and domination; the very thing America's Monroe Doctrine had forbade in 1823. At the same time, Great Britain moved 11,000 troops into Canada and positioned them menacingly along America's northern border.

The British fleet went to war alert, should their quick intervention be called for. Lincoln knew he was in a double bind. That is why he agonized over the fate of the "Union". There was alot more to it than just differences between the North and South. That is why his emphasis was always on "Union" and not the defeat of the South. But Lincoln needed money to win. In 1861, Lincoln and his secretary of treasury, Salmon P. Chase, went to New York to apply for the necessary loans. The money changers, anxious to see the Union fail, offered loans at 24-36% interest. Lincoln said 'thanks - but no thanks', and returned to Washington.

Lincoln sent for an old friend, Dick Taylor, and put him on the problem of financing the war. In one meeting, Lincoln asked Taylor what he discovered. Taylor put it this way:

" Why, Lincoln, that is easy; just get congress to pass a bill authorizing the printing of full legal tender treasury notes and pay your soldiers with them and go ahead and win your war with them also. " - **Colonel Dick Taylor**

When Lincoln asked if the people of the United States would accept these notes the Colonel responded:

" The people or anyone else will not have any choice in the matter if you make them full legal tender. They will have the full sanction of the government and be just as good as any money; as Congress is given that express right by Article 1 of the Constitution. " **- Colonel Dick Taylor, Advisor to President Lincoln**

Here is how it is worded in the Constitution:

Article 1:

{Congress shall reserve the right to authorize the coinage of the national currency...}

However, as you can see, there is no protection expressly worded to keep congress in check from handing over the economic reins of our nation to the money changers; and that is exactly what they did at various times in America's national history.

So Lincoln did exactly what Mr. Taylor told him to do. In 1862-1863 Lincoln printed up $450 million dollars worth of the new bills. In order to distinguish them from other banknotes in circulation, he printed them with green ink on the backside. That is why the notes were called Greenbacks.

With this new money, Lincoln paid the troops and bought their supplies. During the course of the war, nearly $450 million dollars were printed at no interest to the government. Lincoln understood who was really pulling the strings and what was at stake for the American people. This is how he explained his rationale:

" The government should create, issue, and circulate all the currency and credit needed to satisfy the spending power of the Government and the buying power of consumers. The privilege of creating and issuing money is not only the supreme prerogative of the government but it is the government's greatest creative opportunity. By adoption of the these principles, the taxpayers will be saved immense sums of interest. Money will cease to be master and become the servant of humanity. " - **Abraham Lincoln**

A truly incredible editorial in the London Times explained the central bankers attitude towards Lincoln's greenbacks:

" If this mischievous financial policy, which has its origin in North America, shall become endurated down to a fixture, than that Government will furnish its own money without cost. It will have all the money necessary to carry on its commerce. It will become prosperous without precedent in the history of the world. The brains, and the wealth of all countries will go to North America. That country must be destroyed or it will destroy every monarchy on the globe. " - **Times of London**

The scheme was effective, so effective, that the next year, 1863, with Federal and Confederate troops beginning to mass for the decisive battle of the Civil War and the Treasury in need of further Congressional authority to issue more Greenbacks, Lincoln allowed the bankers to push through the National Bank Act.

These new national banks would operate under a virtual tax free status and collectively have the exclusive monopoly power to create the new form of money - ***bank notes***. Though Greenbacks continued to circulate, their numbers were not increased. But most importantly from this point on, the entire US money supply would be created out of debt by bankers buying US government bonds and issuing them for reserves for bank notes.

Later, Lincoln received some unexpected help from Czar Alexander II of Russia. The Czar, like Bismarck in Germany, knew what the international money changers were up to and had steadfastly refused to let them set up a central bank in Russia. If America survived and was able to remain out of their clutches, the Czar 's position would remain secure.

If the bankers were successful at dividing America and giving the pieces back to Britain and France, both nations under control of the central bank, they would threaten Russia again. So, the Czar gave the orders, if either England or France actively intervened and gave aid to the South, Russia would consider such actions as a declaration of war. He did the same with part of his Pacific fleet and sent them to port in San Francisco.

Lincoln was re-elected the next year in 1864; had he lived, he surely would have killed the national bank's money monopoly extracted from him during the way. In November 21st, 1864 he wrote a friend the following:

" The money power preys upon the nation in times of peace and conspires against it in times of adversity. It is more despotic than monarchy, more insolent than autocracy, more selfish than bureaucracy. " - **Abraham Lincoln, Attaining a Early and Clear Glimpse of the New World Order**

Shortly before Lincoln was murdered, his secretary of the treasury, Salmon P. Chase, bemoaned his role in helping secure the passage of the National Banking Act only 1 year earlier:

" My agency in promoting the passage of the National Banking Act was the greatest financial mistake in my life. It has built up a monopoly which affects every interest in the country. " - **Salmon P. Chase, Abraham Lincoln's Former Secretary of the Treasury**

On April 14th, 1865, 41 days after his second inauguration, and just 5 days after Lee surrendered to Grant at Appomattox, Lincoln was shot by John Wilkes Booth at Ford's theatre. Bismarck well understood the money changers plan. Otto Von Bismarck, chancellor of Germany, lamented the death of Abraham Lincoln:

" The death of Lincoln was a disaster for Christendom. There was no man in the United States great enough to wear his boots. I fear the foreign bankers with their craftiness and tortuous tricks will entirely control the exhuberant riches of America, and use it systematically to corrupt modern civilization. They will not hesitate to plunge the whole of Christendom into wars and chaos in order that the earth should become their inheritance. " - **Otto Von Bismarck, Chancellor of Germany, 1865**

Allegations that international bankers were responsible for Lincoln's assassination surfaced in Canada 70 years later in 1934. Gerald G. Megere, a popular and well respected Canadian attorney revealed the stunning charge in a 5 hour speech before the Canadian House of Commons blasting Canada's debt based money system. Remember, it was 1934, the height of the Great Depression. The Depression was ravishing Canada as well. Megere had obtained evidence deleted from the public record, provided to him by secret service agents at the trial of John Wilkes Booth after Booth's death. Megere said it showed that Booth was a mercenary working for the international bankers:

" Abraham Lincoln, the martyred emancipator of the slaves, was assassinated through the machinations of a group representative of the international bankers who feared the United States President's national credit ambitions - and the plot was hatched in Toronto and Montreal. There was only one group in the world who had any reason to desire the death of Lincoln. They were the men opposed to his national currency program and who fought him throughout the entire civil war over his policy of Greenback currency. " - **Gerald G. Megere, Renowned Canadian Attorney**

Interestingly, Megere claimed that Lincoln was assassinated not only because international bankers wanted to reestablish a central bank in America, but because they also wanted to base America's currency on a gold standard. Gold they mostly controlled. Lincoln had done just the opposite by issuing US notes, Greenbacks, which were based purely on the good faith and credit of the United States. The article quoted Megere as saying, they were the men interested in the establishment of the gold standard and the right of the bankers to manage currency and credit of every nation in the world.

With Lincoln assassinated, they were able proceed with that plan in the United States. Within 8 years after Lincoln's assassination, silver was demonetized and the *gold standard* money system set up in the United States.

Not since Lincoln has the United States issued debt-free United States notes. The red sealed bills issued in 1963 were not a new issue from President John F. Kennedy but merely a re-issue of old Greenbacks issued years before. In another act of folly and ignorance, the 1994 Regal Act actually authorized the replacement of Greenbacks with debt-based notes. In other words, a few Greenbacks were in circulation in the United States until 1994.

Why was silver bad for the bankers and gold good? Simple... Because silver was plentiful in the United States. It was very hard to control. Gold was and always has been scarce. Throughout history it has been relatively easy to monopolize gold, but silver has been 15 times more plentiful.

Anticipating Lincoln being out of the way, the money changer's next objective was to gain complete control over America's money. This was no easy task. With the opening of the American West, silver has been discovered in huge quantities. On top of that, Lincoln's Greenbacks were generally popular. Despite the European central bankers deliberate attacks on Greenbacks, they continued to circulate in the United States. In fact, just until just one decade ago.

According to historian W. Cleon Skousen:

" Right after the Civil War there was considerable talk about reviving Lincoln's brief experiment with the Constitutional monetary system. Had not the European money-trust intervened, it would have no doubt become an established institution. " - **W. Cleon Skousen, Renowned Historian**

It is clear that the concept of America printing their own money sent shock waves through the European central banking elite. They watched with horror as Americans clamored for more Greenbacks. They may have killed Lincoln, but support for his monetary ideas grew.

On April 12th, 1866, nearly 1 year to the day of Lincoln's assassination, congress went to 'work'. At the bidding of the European central banking interests it passed the Contraction Act, authorizing the secretary of the treasury to begin to retire some of the Greenbacks in circulation and thereby contract the money supply.

Authors Theodore R. Throen and Richard F. Warner explained the results of the money contraction in their classic book on the subject, *The Truth In Money Book*:

" The hard times after the Civil War could have been avoided if the Greenback legislation had continued as Lincoln had intended. Instead there were a series of money panics, which we call recessions, which put pressure on congress to enact legislation to place the banking system under centralized control. Eventually, the Federal Reserve Act was passed on December 23rd, 1913. " **- The Truth In Money Book**

In other words, the money changers wanted two things: the reinstitution of a central bank under their exclusive control, and also an American currency backed by gold. Their strategy was two-fold. First of all cause a series of panics to try and convince the American people that only centralized control of the money supply could provide economic stability. And secondly, remove so much money from the system that most Americans would be so desperately poor; that they either wouldn't care or would be too weak to oppose the bankers.

In 1866, there was 1.8 billion dollars of currency in circulation in the United States, about $50.46 per capita. In 1867 - half a billion was removed , there was only 1.3 billion, or $44.00 per capita. In 1876 there was only .6 billion or $14.60 per capita. In 1886, there was only .4 billion or $6.70 per capita. Two-thirds, or 66.6% of America's money had been called in by the bankers over the 20 year period.

Today, economists backing the system try to sell the idea that recessions and depressions are a natural part of something they call the "business cycle". The truth is, our money supply is manipulated now just as it was before and after the Civil War.

How did this happen? How did the money supply become so scarce? Simple... Bank loans were called in and no new ones were given. In addition silver coins were melted down.

In 1872, a man named Ernest Seyd was given 100,000 British pounds (about $500,000 US at the time - a large amount in those days) by the Bank of England and sent to America and bribe the necessary congressman to get silver demonetized. He was told that if that amount wasn't sufficient to draw another 100,000 pounds or as much was necessary. The next year, congress passed the Coinage Act of 1873 and the minting of silver dollars abruptly stopped. In fact, Representative Samuel Hooper, who introduced the bill in the house, acknowledged that Mr. Seyd actually drafted the legislation. But it gets even worse than that! In 1874, Ernest Seyd stated rather publicly:

" I went to America in the winter of 1872-73, authorized to secure, if I could, the passage of a bill demonetizing silver. It was in the interest of those I represented, the governors of the Bank of England - to have it done. By 1873, gold coins were the only form of coin money. " - **Ernest Seyd, Lobbyist/Agent for the Bank of England**

But the contest over control over America's money was not yet over. Only three years later, in 1876, with 1/3 of America's workforce unemployed, Americans were going restless. People were clamoring for a return to the Greenback money system of President Lincoln or a return of silver money - anything that would make money plentiful. That year, Congress created the United States Silver Commission to understand the problem. That report clearly blamed the monetary contraction on the national central bankers.

The report is interesting because it compared the deliberate money contraction after the Civil War to the fall of the Roman Empire. The disaster of the Dark Ages was caused by a decreasing money supply and falling prices. Without a ready supply of money, civilization could not have had a beginning. With a diminishing supply, it must languish and unless relieved, finally perish.

" At the Christian era, the metallic money of the Roman Empire amounted to 1,800,000,000. By the end of the Fifteenth Century it had shrunk to less than 200,000,000. History records no other such disastrous transition as that of the Roman Empire to the Dark Ages. " - **United States Silver Commission of 1876**

Congress took no action on the honestly written report.

The next year, in 1877, riots broke out from Pittsburgh to Chicago. The torches of starving rioters lit up the sky. The bankers huddled to decide what to do. They decided to hang on. Now that they were in control, they were not about to give it up. At the meeting of the American Bankers Association that year, they urged their membership to do everything in their power to put down the notion of a return to Greenbacks. The American Bankers Association (ABA) secretary, James Buelle, authored a letter to the members which blatantly called on the banks to not only subvert the congress, but also the press:

" It is advisable to do all in your power to sustain such prominent daily and weekly newspapers especially. The agricultural and religious press as well will oppose the Greenback issue of paper money. It is advisable that you will also withhold patronage from all applicants who are not willing to oppose the government issue of money.

To repeal the Act creating bank notes, or to restore to circulation the government issue of money will be to provide the people with money and will therefore seriously affect our individuals profits as bankers and lenders!

See your Congressman at once and engage him to support our interests that we may control legislation! "

- **James Buel, American Bankers Association**

As political pressure mounted in congress for change, the press tried to turn the American people from the truth. The New York Tribune put it this way on January 10th, 1878: " The capital of the country is organized at last, and we will see whether congress will dare to fly in its face. "

But it didn't work entirely, on Feb 28th, 1878, congress passed the Sherman Law, allowing the minting of a limited number of silver dollars and ending the 5 year hiatus. This did not end gold backing of the currency however, nor did it completely free silver. Previously to 1873, anyone who brought silver to the US mint could have had silver dollars stamped free of charge. No more. But at least some money began to flow back into the economy again. With no further threat to their control, the bankers loosened up on loans and the post Civil War depression was finally ended.

Three years later, in 1881, the American people elected Republican James Garfield for President. Garfield understood how the economy was being manipulated. As a congressman, he had been chairman of the appropriations committee. After his inauguration he slammed the money changers publicly in the summer of his first year of his first term:

" Whoever controls the volume of money in any country is absolute master of all industry and commerce. And when you realize that the entire system is very easily controlled, one way or another, by a few powerful men at the top, you will not have to be told how periods of inflation and depression originate. " - **President James Garfield**

Unfortunately, within a few weeks of making this statement on July 2nd, 1881, President Garfield was assassinated.

Attempts to Free-up Silver

The money changers were gathering strength fast. They began a periodic fleecing of the flock as they called it, by creating economic booms followed by further depressions, so they could buy up thousands of homes and farms for pennies on the dollar.

In 1891, the money changers prepared to take the American economy down again. Their methods and motives were laid out with shocking clarity in a memo sent out by the American Bankers Association, the ABA. Notice that this memo called for bankers to create a depression on a certain date three years into the future. According to congressional record here is how it read in part:

" On September 1st, 1894, we will not renew our loans under any consideration. On Sept 1st we will demand our money. We will foreclose and become mortgages in possession. We can take two-thirds of the farms west of the Mississippi and thousands of them east of the Mississippi as well, at our own price. The farmers will become tenants as in England. " - **1891, The American Bankers Association to Member Banks**

These depressions could be controlled because America was on the gold money standard. Since gold is scarce, it is one of the easiest commodities to manipulate. People wanted silver money legalized again so they could escape the stranglehold the money changers had on gold money. People simply wanted silver money reinstated, reversing Mr. Seyds act of 1873, by then called the "Crime of 1873".

By 1896, the issue of more silver money had become the central issue in the presidential campaign. William Jennings Bryan, a senator from Nebraska, ran for president as a democrat on the free silver issue. At the democratic national convention in Chicago, he made an emotional speech which won him the nomination. Though Bryan was only 36 years old at the time, this speech is highly regarded as the most famous oration ever made before a political convention. In the dramatic conclusion Bryan said:

" We will answer their demand for a gold standard by saying to them: You shall not press down upon the brow of labor this crown of thorns, you shall not crucify mankind upon a cross of gold. " - **William Jennings Bryan, Senator from Nebraska**

The central bankers lavishly supported the Republican candidate William McKinley, who favored the gold standard. The resulting contest was amongst the most fiercely contested presidential races in American history. Bryan made over 600 speeches in 27 states. However, the McKinley campaign got manufactures and industrialists to state to their employees: ' If Bryan were elected, all factories would close and there would be no work! ' The ruse succeeded. McKinley beat Bryan by a small margin.

Bryan ran again in 1900 and 1908 but fell short each time. During the 1912 democratic convention, Bryan was a powerful figure who helped Woodrow Wilson win the nomination. When Wilson became president he appointed Bryan as his secretary of state. But Bryan soon become disenchanted with the Wilson administration before resigning in 1915 over the highly suspicious sinking of the Lusitania; the event that was used to drive America into World War I.

Although Williams Jennings Bryan never gained the presidency, his efforts delayed the money changers for 17 years from attaining their next goal, a new privately owned central bank for America.

JP Morgan and the Crash of 1907

Now it was time for the money changers to get back to the business of a new private central bank for America. During the early 1900s men like JP Morgan led the charge. One final panic would be necessary to focus national attention on the supposed need for a central bank. The rationale was now 'that only a central bank can prevent bank failures'.

Morgan was clearly the most powerful banker in America and a suspected agent for the Rothschilds. Morgan had helped finance the John D. Rockefeller's Standard Oil Empire. He had also helped finance the monopolies of Eduard Harriman in railroads, of Andrew Carnegie in steel, and others in numerous industries. But on top of that, JP Morgan's father, Junius Morgan, had been America's financial agent to the British. After his father's death, JP Morgan took on a British partner, Edward Grenfeld, a long time director of the Bank of England. In fact, upon Morgan's death, his estate contained only a few million dollars. The bulk of securities many had thought he had owned were in fact owned by others.

In 1902, President Theodore Roosevelt, allegedly went after Morgan and his friends by using the Sherman Anti-Trust Act to try and break up their industrial monopolies. Actually Roosevelt did very little to interfere with the growing monopolization of American industry by the bankers and their surrogates. For example, Roosevelt supposedly broke up the Standard Oil monopoly - but it wasn't really broken at all. The octopus was merely divided into 7 different corporations all still controlled by the Rockefellers.

The public was aware of this thanks to political cartoonists who referred to the bankers as the "money trust". By 1907, the year after Teddy Roosevelt's re-election, Morgan decided it was time to try for a central bank again. Using their combined financial muscle, Morgan and his friends were secretly able to crash the stock market. Thousands of small banks were vastly overextended, some had reserves of less than 1% thanks to the *fractional reserve* principle. Within days bank runs were commonplace across the nation.

Now Morgan, stepped into the public arena and offered to prop up the faltering American economy by supporting failing banks with money he manufactured out of nothing. It was an outrageous proposal, far worse than fractional reserve banking, but congress let him do it. Morgan manufactured 200 million dollars worth of this completely reserveless private money. He bought things with it, paid for services with it, and sent some of it to branch banks to lend out at interest. However, his plan worked. Soon, the public regained confidence in money in general and quit hoarding their currency. But as a result banking power was further consolidated into the hands of a few large banks. By the 1908 the panic was over, and Morgan was hailed as a hero by the president of Princeton university, a man by the name of Woodrow Wilson.

" All this trouble could be averted if we appointed a committee of six or seven public spirited men like JP Morgan to handle the affairs of our country. " - **Woodrow Wilson, Prior To His Presidency**

Economics textbooks would later explain that the creation of the Federal Reserve system was the direct result of the Panic of 1907: " With its alarming epidemic of bank failures, the country was eventually fed up once and for all with the anarchy of private banking. "

But Minnesota Charles A. Lindbergh Sr. (the father of 'Lucky Lindy') explained that the Panic of 1907 was just a scam:

"Those not favorable to the money trust could be squeezed out of business and the people frightened into demanding changes in the banking and currency laws - which the money trust would frame. " **- Representative Charles A. Lindbergh Sr. (R-MN)**

Since the National Banking Act of 1863, the money changers had been able to create a series of booms and busts. The principle purpose was not only to fleece America's public of their property, but to later claim that the banking system was basically so unstable that it had to be consolidated into a central bank once again.

"The Creature" from Jekyll Island

After the crash, Teddy Roosevelt, in response to the Panic of 1907, signed into law something called the National Monetary Commission. The commission was to study the banking problem and make recommendations to congress. Of course the commission was packed with JP Morgan's friends and cronies.

The chairman was a man named Nelson Aldrich from Rhode Island. Aldrich represented the Newport, Rhode Island, homes of America's richest banking families. His daughter married John. D. Rockefeller Jr, and together they had five sons: John, Nelson - who would become vice-president in 1974, Lawrence, Winthrop, and David, the current head of the Council on Foreign Relations and former chairman of the Chase Manhattan Bank.

As soon as the National Monetary Commission was set up, senator Aldrich immediately embarked on a two year tour of Europe where he consulted at length with the private central bankers in England, France, and Germany... the total cost of the trip alone to the taxpayers was $300,000 dollars, an astronomical sum in those days. Shortly after his return on the evening of November 2, 1910 some of the wealthiest and most powerful men in America boarded senator Aldrich's private railcar, and in the strictest secrecy, journeyed to this place, Jeckyll Island, off the coast of Georgia. With the group, came Paul Warburg.

" We will have a world government whether you like it or not. The only question is whether that government will be achieved by conquest or consent. " **- Paul Warburg, Jewish Banker, February 17, 1950, as he testified before the U.S. Senate**

Warburg had been given a 500,000 per year salary to lobby for the passage of a privately owned central bank in America by the investment firm, Kuhn Loeb & Company. Warburg's partner in the firm, was a man named Jacob Shiff, the grandson of the man who shared the 'GreenShield' house of the Rothschild family in Frankfurt. Jacob Shiff, as found out later, was in the process of spending 20 million dollars to finance the overthrow of the Czar in Russia.

These three European banking families: The Rothschilds, the Warburgs, and the Shiffs were interconnected by marriage down through the years, just as their American banking counterparts: the Morgans, Rockefellers, and Aldrich's were. Secrecy was so tight, that all seven primary participants were cautioned to only use *first* names to prevent servants from learning their identifies.

Years later, one participant, Frank Vanderlip, president of National City Bank of New York, and a representative of the Rockefeller family, confirmed the Rockefeller trip, in a Feb 9th, 1935 edition of the Saturday Evening Post:

" I was as secretive - indeed, as furtive - as any conspirator... Discovery, we knew, simply must not happen, or else all our time and effort would be wasted. If it were to be exposed that our particular group had got together and written a banking bill, that bill would have no chance whatsoever of passage by Congress. " - **Frank Vanderlip, Chairman of the National City Bank of New York**

The participants came here to figure out how to solve their major problem, how to bring back a <u>privately</u> owned central bank, but there were other problems that needed to be addressed as well. First of all the market share of the big national banks was shrinking fast. By 1913, only 29% of all banks were national banks, and they held only 57% of all deposits.

As John D. Rockefeller stated: "Competition is sin". Therefore, something had to be done to bring these new banks under their control. Secondly the nation's economy was so strong, that corporations were starting to finance their expansions out of profits instead of taking out huge loans from large banks. In the first ten years of the new century, 70% of corporate funding came from profits. In other words, American industry was becoming independent of the money changers - and that trend had to be stopped

All the conspirators at Jekyll Island knew that these problems could be hammered out into a workable solution. But perhaps their biggest problem was a public relations problem - the name of the new bank. That discussion took place in a conference room at the Jekyll Island club hotel. Aldrich believed the word "Bank" should not even appear in the name. Paul Warburg wanted to call the legislation the "National Reserve Bill" or the "Federal Reserve Bill". The idea here was to give the impression that the purpose of the new central bank was to stop bank runs, but also to conceal its monopoly character. However it was the egotistical Aldrich that the insisted the bill be called the "Aldrich Bill".

After 9 days at Jekyll Island, the group dispersed. The new central bank would be very similar to the Old Bank of the United States. It would be given a monopoly over the currency of the United States, and it would create that money out of nothing.

" Before passage of this Act, the New York Bankers could only dominate the reserves of New York. Now, we are able to dominate the bank reserves of the entire country. " - **Senator Nelson Aldrich**

How does "The Fed" create money out of nothing?

It is a four step process.

First a word on bonds. Bonds are simply promises to pay later or 'government IOUs'. People buy bonds to get a secure rate of interest. At the end of the term of the bond, the government repays the bond amount plus interest and the bond is destroyed.

There are about 5 trillion of these loans or bonds outstanding at present. This is where the national debt comes from. This is equivalent to a national debt of about $30,000 per capita in the United States. Paying off the debt would nearly destroy the entire net worth of all the citizenry of the middle and lower classes in America; precisely the plan. If it was ever allowed to get that far, America would be completely owned by the upper class, or elite - which happens to be their plan for their " New World Order ".

Now here is the Fed money making process:

1. The Federal Open Market Committee approves the purchase of US bonds from the open market.

2. Bonds are purchased by "The Fed" by whoever is offering them for sale on the open market.

3. The Fed Pays for the bonds with electronic credits to the seller's banks, which are used to credit the borrower's account. These credits are based on nothing, "The Fed" just creates them.

4. The banks use these deposits as reserves. They are allowed to loan out over TEN times the amount of their reserves to new borrowers and charge interest on it!

In this way, the Fed purchases say 1 million dollars worth of bonds. These bonds get turned into 10 million dollars in bank accounts. **The Fed in effect, creates 10% of the totally new money - and the banks create the other 90% out of nothing**.

To reduce the amount of money in the economy, the process is simply reversed. The Fed sells bonds to the public. The money flows out of the purchaser's bank. The total outstanding loan amount must then be reduced by 10 times the amount of the sale. So a Fed sale of a million dollars in bonds results in 10 million dollars less money in the American economy.

So how does this benefit the bankers who's representatives secretly huddled at Jekyll island?

1st - It totally misdirected banking reform efforts from proper solutions.

2nd - It prevented a proper (or constitutional) system of debt-free government finance such as Lincoln's Greenbacks from making a comeback. The bond based system of government finance forced on Lincoln after he created the issue of Greenbacks was not cast in stone. Now it would be.

3rd - It delegated to the bankers the right to create 90% of our money supply, based on fractional reserve lending, of which they lend out at interest.

4th - It centralized overall control of the nation's money supply in the hands of a few men.

5th - It established a central bank with a high degree of independence from effective political control. This independence has been enhanced since then through the framing of additional laws since.

In order to fool the public into thinking the government retained control, the plan called for the Fed to be run by a board of governors appointed by the president and approved by the senate. But all the bankers had to do is assure that their men were appointed to the board of governors. That wasn't hard, bankers have money and money buys influence over politicians. Once the participants left Jekyll island, the public relations blitz was on!

The Big New York banks, put together an 'education fund' of 5 million dollars to finance professors at respected universities to endorse the new bank. Woodrow Wilson of Princeton University was one of the first to jump on the bandwagon.

But the bankers subterfuge didn't work. The Aldrich Bill was quickly identified as the "Banker's Bill", a bill that was only going to empower the money-trust, not the people of the country.

Here is what Senator Charles Lindbergh Sr. had to say about it:

" The Aldrich Plan is the Wall Street Plan. It means another panic, if necessary, to intimidate the people. Aldrich, paid by the government to represent the people, proposes a plan for the trusts instead. " - **Charles A. Lindbergh (R-MN)**

Seeing that they didn't have the votes to win in Congress, the republican leadership never brought the Aldrich bill to a vote.

The bankers quietly decided to invoke their backup strategy - the Democratic alternative. They began financing Woodrow Wilson as the Democratic nominee. As respected historian James Perloff put it, Wall Street financier Bernard Baruch was put in charge of Wilson's education.

" Baruch brought Wilson to the Democratic Party Headquarters in New York in 1912, 'leading him like one would a poodle on a string.' Wilson received an indoctrination course from the leaders convened there. " - **James Perloff, Renowned Historian**

" If there are men in this country big enough to own the government of the United States, they are going to own it. " **- Woodrow Wilson, presidential candidate, 1912 -The Nation magazine, July 3, 2000, p5**

So now the stage was set. The money changers were poised to install their privately owned central bank once again. The damage that President Andrew Jackson did to the international bankers 76 years earlier had only been partially repaired by the National Bank Act during the Civil War.

The Federal Reserve Act of 1913

During the presidential campaign the democrats were careful to *pretend to oppose* the Aldrich bill. As representative Louis T. McFadden, himself a democrat as well as the chairman of the House Banking and Currency Committee, explained it 20 years after the fact:

" The Aldrich bill was condemned in the platform. When Woodrow Wilson was nominated, the men who ruled the Democratic party promised the people that if the democratic party was returned to power, there would be no central bank established in America while they held the reins of government. Thirteen months later that promise was broken. The Wilson administration under the tutelage of these sinister Wall Street figures who stood behind Colonel House, established here in our country the worm-eaten monarchical institution of the King's bank, to control us from the top downward and to shackle us from the cradle to the grave. " **- Louis T. McFadden, Chairman of the House Banking and Currency Committee**

Once Wilson was elected, Morgan, Warburg, Baruch, and company advanced a new plan which Warburg named the Federal Reserve system. The democratic leadership hailed the new bill, the Glass-Owen bill, as something radically different from the Aldrich bill. But in fact, the bill was virtually identical in every important detail.

In fact, so vehement were the Democratic denials of similarity that Paul Warburg, the father of both bills, had to step in to reassure his paid friends in congress that the two bills were virtually identical.

" Brushing aside the external differences affecting the 'shells' we find the 'kernels' of the two systems very closely resembling and related to one another. " **- Paul Warburg, Money Changer**

But that admission was for private consumption only.

Publicly the money trust trotted out senator Aldrich and Frank Vanderlip, the president of Rockefeller's national City Bank of New York and one of the Jekyll Island seven, to oppose the new Federal Reserve system. Years later however, Vanderlip admitted in the Saturday evening post that the two measures were virtually identical:

" Although the Aldrich Federal Reserve plan was defeated when it bore the name Aldrich, nevertheless its essential points were all contained in the plan that finally was adopted. " **- Frank Vanderlip, Bank President of New York's City Bank and Jekyll Island Conspirator**

As congress neared a vote, they called Ohio attorney Alfred Crozier. He noted the similarities between the Aldrich bill and the Glass-Owen bill:

" The bill grants just what Wall Street and the big banks for twenty-five have been striving for - private rather than public control of the currency and the bill does this completely as the Aldrich Bill. Both measures rob the government and the people of all effective control over the public's money and vests in the banks exclusively the dangerous power to make money among the people scarce of plenty. " **- Alfred Crozier, Distinguished Attorney**

During the debate on the measure senators complained that the big banks were using their financial muscle to influence its outcome. " There are bankers of the country that are enemies of the public welfare! " announced one senator. What an understatement! Despite the charges of deceit and corruption, the bill was finally snuck through the senate after most senators have left for the holidays - after they had been previously assured by the leadership that nothing would be done until long after the Christmas recess.

On the day the bill was passed, Congressman Lindbergh prophetically warned his countrymen that:

" This Act establishes the most gigantic trust on Earth. When the President signs this bill, the invisible government by the monetary power will be legalized. The people may not know it immediately, but the day of reckoning is only a few years removed. The worst legislative crime of the ages is perpetrated by this banking bill. " **- Charles A. Lindbergh Sr. (R-MN)**

On top of all this, only weeks earlier congress passed a bill legalizing income tax. (THE IRS)

*Why was the **income tax** law important to the money changers?*

Because bankers finally had in place a system that would run up a virtually unlimited Federal debt. How would the interest be repaid - never mind the principle? Remember, a privately owned central bank creates the principle out of nothing. The Federal government was small then; up to then, it had subsisted on tariffs and excise taxes.

Now, just as with the Bank of England, the interest payments had to be guaranteed by the direct taxation of the people. They had to tax the people directly. The money changers knew that if they had to rely on contributions from the states, eventually the individual state legislatures would revolt and either refuse to pay the interest on their own money or at least bring political pressure to bear to keep the debt small.

It is interesting to note that in 1895, that the Supreme Court had found that a similar income tax law to be unconstitutional. The Supreme Court even found a corporate income tax law unconstitutional in 1909. As a result, senator Aldrich **hustled** a bill to allow for an income tax through the congress.

The proposed 16th Amendment to the constitution was then sent to the individual state legislatures for approval. But some critics claim that the 16th Amendment was never ratified by the necessary 3/4 of the states. In other words, the 16th Amendment may not be legal. But the money changers were in no mood to debate the fine points.

By October of 1913, senator Aldrich had hustled their income tax bill through congress. Without the power to tax the people directly and bypass the states, the Federal Reserve bill would be far less useful to those who wanted to drive America deeply into their debt.

A year after the passage of the Federal Reserve bill, congressman Lindbergh explained how the Fed created what we have come to call 'the business cycle' and use it to their advantage:

" To cause high prices, the Federal Reserve Board will lower the rediscount rate, producing an expansion of credit and a rising stock market, then when businessmen are adjusted to these conditions, it can check prosperity in mid-career by arbitrarily raising the rate of interest.

It can cause the pendulum of a rising and falling market to swing gently back and forth by slight changes in the discount rate, or cause violent fluctuations by a greater rate variation, and in either case it will possess inside information as to the financial condition and advance knowledge of the coming change, either up or down.

This is the strangest and most dangerous advantage ever placed in the hands of a special privileged class by any government that ever existed. This system is private, conducted for the sole purpose of obtaining the greatest possible profits from the use of other people's money.

They know in advance when to create panics to their advantage. They also know when to stop the panic. Inflation and deflation work equally well for them when they control finance... " **- Senator Charles Lindbergh (R-MN)**

Congressman Lindbergh was correct on most points. What he didn't realize was that most European nations had already fallen prey to the central bankers decades or centuries earlier.

He also mentioned the interesting fact, only one year later, that the Fed had cornered the market in gold. This is how he put it:

" Already the Fed has cornered the gold and gold certificates. " **- Senator Charles Lindbergh (R-MN)**

But congressman Lindbergh was not the only critic of the Federal Reserve. Congressman Louis T. McFadden, the chairman of the House Banking and Currency Committee from 1920 to 1931 remarked that the Federal Reserve Act brought out:

" A super-state controlled by international bankers and international industrialists acting together to enslave the world for their own pleasure. " - **Representative Louis T. McFadden (D-PA), chairman of the House Banking and Currency Committee 1920-1931**

Notice how McFadden saw the international character of the stockholders of the Federal Reserve.

Another chairman of the house Banking and Currency Committee, Wright Pattman from Texas, in the 1960s put it this way:

" In the United Sates today we have in effect two governments. We have a duly constituted government, then we have an independent, uncontrolled, and uncoordinated government in the Federal Reserve System, operating the money powers which are reserved to congress by the constitution. " **- Wright Pattman, Former Chairman of the House Banking and Currency Committee**

Even the inventor of the electric light, Thomas Edison, joined the fray in criticizing the system of the Federal Reserve:

" If our nation can issue a dollar bond, it can issue a dollar bill. The element that makes the bond good makes the bill good also. The difference between the bond and the bill is the bond lets money brokers collect twice the amount of the bond and an additional 20%; where as the currency pays nobody but those who contribute directly in some useful way.

It is absurd to say that our country can issue 30 million in bonds and not 30 million in currency. Both are promises to pay, but one promise fattens the usurers and the other helps the people. " **- Thomas A. Edison, Intelligent Thinker**

Three years after the passage of the Federal Reserve Act, even president Wilson began to have second thoughts on what he helped unleash during his second term in office:

" We have come to be one of the worst ruled, one of the most completely controlled governments in the civilized world - no longer a government of free opinion, of free press, no longer a government by the vote of the majority, but a government by the opinion and duress of a dominant group of men.

Some of the biggest men in the United States, in the field of commerce and manufacture, are afraid of something. They know that there is a power somewhere so organized, so subtle, so watchful, so interlocked, so complete, so pervasive, that they had better not speak above their breath when they speak in condemnation of it. " **- Woodrow Wilson, Remorseful Puppet President**

Before his death in 1924, Wilson fully realized the extent of damage he had done, when he confessed:

" I have unwittingly ruined my government. " **- Woodrow Wilson, Remorseful Puppet President**

So finally again, the money changers, those who manipulate the amount of money in circulation, have their own privately owned central bank installed again in America.

The major newspapers, which they also owned, hailed passage of the Federal Reserve Act of 1913:

" Now depressions could be scientifically prevented! " - **News Headline**

The fact of the matter is that depressions could be scientifically created!

World War I

Power was now centralized to a tremendous extent. Now it was time for a war, a very big war, in fact, the first World War.

Of course the political issues of war do not matter as much as the profit potential - and nothing creates debts like warfare. England was the best example at that time. During the 119 year period between the founding of the Bank of England and Napoleon's defeat at Waterloo, England had been at war for 56 years and much of that remaining time she had been preparing for war.

In World War I the German Rothschilds loaned money to the Germans. The British Rothschilds loaned money to the British. The French Rothschilds loaned money to the French. In America, JP Morgan was a sales agent for war materials to both the British and the French!

In fact, 6 months into the war Morgan become the largest consumer on Earth, spending on the average in excess ten million dollars per day. His offices at 23 Wall Street were mobbed by brokers and salesmen trying to cut a deal. In fact, it got so bad, that guards were posted at every door and at the bankers homes as well. Many New York bankers made out well from the war as well. Both Baruch and the Rockefellers profited over 200+ million dollars during the war. President Wilson then appointed Bernard Baruch to head the war industries board.

But profits were not the only motive, there was also revenge. The money changers never forgave the Czar of Russia for their support of Lincoln during the Civil War. Also, Russia was the last major European nation to refuse to give into the privately owned central bank scheme.

Three years after World War I broke out the Russian revolution toppled the Czar and installed the scourge of Communism. Jacob Shiff of Kuhn Loeb & Company bragged from his deathbed that he had spent 20 million dollars to help topple the Czar. Money was funneled from England to support the revolution as well.

Why would some of the richest men of the world financially back Communism? Communism: The system that was openly vowing to destroy the so-called Capitalism that made them so wealthy?

Researcher Gary Allen put it this way:

" If one understands that socialism is not a share-the-wealth program, but in reality a method to confiscate and control the wealth, then the seeming paradox of super-rich men promoting socialism becomes no paradox at all. Instead it becomes logical, even the perfect tool of power-seeking megalomaniac. Communism, or more accurately, socialism, is not a movement of the downtrodden masses, but of the economic elite. " **- Gary Allen, Renowned Historical Researcher**

As W. Cleon Skousen put it in his 1970 book, *The Naked Capitalist*:

" Power from any source tends to create an appetite for additional power. It was almost inevitable that the super-rich would one day aspire to not only control their own wealth, but the wealth of the whole world.

To achieve this, they were perfectly willing to feed the ambitions of the power-hungry political conspirators who were committed to the overthrow of all existing governments and the establishment of a central world-wide dictatorship. " **- W. Cleon Skousend, Renowned Historian**

But what if these revolutionaries get out of control and try to seize power from the super rich? After all it was Mao Tse Tung who in 1938 stated his position concerning power, " Political power grows out of the barrel of a gun! "

The Wall Street/London axis elected to take the risk. The master planners attempted to control revolutionary communist groups by feeding them vast quantities of money when they obeyed, and contract their money supply or even financing their opposition when they got out of control.

Lenin began to understand that although he was the absolute dictator of the new Soviet Union, he was not pulling the financial strings, someone else was silently in control:

" The state does not function as we desired. The car does not obey. A man is at the wheel and seems to lead it, but the car does not drive in the desired direction, it moves as another force wishes. " **- Vladimir Lenin, Former Dictator of the Soviet Union**

Who was behind it? Representative Louis T. McFadden, the chairman of the House Banking and Currency Committee during the 1920s and into the great depression years of the 1930s stated it this way:

" The course of Russian history has indeed been greatly affected by the operations of the international bankers. The Soviet government has been given United States Treasury funds by the Federal Reserve board acting through the Chase Bank.

England has drawn money from us through the Federal Reserve banks and re-lent it at high rates of interest to the Soviet Government. The Dnieperstory Dam was built with funds of unlawfully taken from the United States Treasury by the corrupt and dishonest Federal Reserve board and their Federal Reserve banks. " **- Louis McFadden (D-PA)**

In other words, "The Fed" and the Bank of England, at the behest of the international bankers that control them were creating a monster; one that would fuel 7 decades of unprecedented communist revolution, warfare, and most importantly, debt for the money changers to charge interest on and collect.

In case you think there is some chance that the money changers got communism going but lost control:

In 1992, the Washington Times reported Russian President Boris Yeltzin was upset that most of the incoming foreign aid was being " siphoned off straight back into the coffers of Western banks in debt service. "

Noone in his right mind would claim that a war as large as WW I had a single cause. Wars are complex things with many causative factors. However it would be equally foolish to ignore as a prime cause of WW I those <u>who have profited most from the war</u>.

<u>The role of the money changers is no wild conspiracy theory</u>. They had a motive, a short range self-serving motive, as well as a long-range political motive of <u>advancing totalitarian governments</u> with the money changers maintaining the financial clout to control whatever politician might emerge as the leader.

Next, we will see what the money changers ultimate political goal is for the world.

The Great Depression

Shortly after WW I the overall political agenda of the money changers began to be clear. Now that they control national economies individually, the next step was the ultimate form of consolidation - World Government.

The new world government proposal was given top priority at the Paris Peace Conference after WW I. It was called the "League of Nations".

But much to the surprise of Paul Warburg and Bernard Baruch, the world was still not ready to dissolve national boundaries. Nationalism still beat strong in the human breast. For example, Lord Kerzon, the British foreign secretary, called the League of Nations a "good joke" even though it was the stated policy of the British government to support the League.

To the humiliation of President Wilson, the US congress would not ratify the league either. Despite the fact that it had been ratified by many other nations, without money flowing from the US treasury the League of Nations died.

After WW I the American public had grown tired of the internationalist policies of democrat Woodrow Wilson. In the presidential election of 1920, Republican Warren Harding won a landslide victory with over 60% of the people casting their votes.

Harding was an ardent foe of both Bolshevism and the League of Nations. His reelection opened a 12 year run of Republican presidents in the White House lead to an unprecedented era of prosperity known as the " Roaring 20's ".

Despite the fact that the war had brought America a debt 10 times larger than its Civil War debt, still the American economy surged. Gold had poured into the country after the war and it continued to do so afterwards.

In the early 1920s, the governor of the Federal Reserve Bank of New York, a man named Benjamin Strong, met frequently with the secretive and eccentric governor of the Bank of England, Montegue Norman. Norman was determined to replace the gold that England had lost to the US during WW I and return the Bank of England to its former position of dominance in world finance.

On top of that, rich with gold, the American economy might get out of control again as it did after the Civil War. During the next 8 years, under the presidencies of Harding and Coolidge, the huge federal debt built up during WW I was cut by 38% down to 16 billion dollars - the greatest percentage drop in US history.

During the election of 1920, Warren Harding and Calvin Coolidge ran against James Cox, the governor of Ohio, and the little known Franklin D. Roosevelt, who had previously risen to no higher post than Wilson's secretary of the navy.

After his inauguration, Harding moved quickly to formally kill the League of Nations. Then he quickly moved to reduce domestic taxes while raising tariffs to record heights. Now this was a revenue policy that most of the founding fathers would have approved of.

His second year in office, Harding took ill on a train trip in the west and he suddenly died. Although no autopsy was performed, the cause was said to be either "pneumonia" or "food poising".

When Coolidge took over, he continued Harding's domestic economic policy of high tariffs on imports while cutting income taxes. As a result the economy grew at such as rate that net revenue still increased. Now that had to be stopped.

So just as they had done so frequently before, the money changers decided it was time to crash the American economy. The Federal Reserve began flooding the country with money. They increased the money supply by 62% during these years!

Money was plentiful. This is why it was known as the "Roaring 20s". Before his death in 1919, former president Teddy Roosevelt warned the American people what was going on.

As reported in the March 27th, 1922 edition of the New York Times:

" These international bankers and Rockefeller-Standard oil interests control the majority of the newspapers and the columns of these papers to club into submission or drive out of public office officials who refuse to do the bidding of the powerful corrupt cliques which compose the invisible government. " - **March 27th, 1922 Edition of the New York Times**

Just one day before, in the New York times, the Mayor of New York, John Highland, quoted Roosevelt and blasted those who he saw as taking control of America, its political machinery and its press:

" The warning of Theodore Roosevelt has much timeliness today, for the real menace of our republic is this invisible government, which like a giant octopus, sprawls it's slimy length over city, state, and nation. { The New World Order conspirators }. It has seized in its long and powerful tentacles our executive officers, our legislative bodies, our schools, our newspapers, and every agency created for the public protection.

To depart from mere generalizations, let me say that at the head of this Octopus are the Rockefeller-Standard oil interests and a small group of powerful banking houses generally referred to as the international bankers. This little coterie of powerful international bankers virtually run the United States Government for their own political purposes.

They proactively control both parties, write political platforms, make cats-paws of the party leaders, use leading men of private organizations, and resort to every device to place in nomination for high public office such candidates as will be amenable to the dictates of corrupt big business... " **- John Highland, Mayor Of New York, 1922**

" These international bankers and the Rockefeller-Standard Old interests control the newspapers and magazines in this country. " **- John Hylan, Mayor of New York, New York Times, March 26th, 1922**

Why didn't people listen to such strong warnings and demands that congress reverse its 1913 passage of the Federal Reserve Act?

Because it was the 1920's - a steady increase in bank loans contributed to a rising market. **In other words, just as today, in times of properity, nobody wants to worry about economic issues. (Everybody needs to concern themselves today and learn from this tragic flaw that has somehow emerged onto us by no other body's fault than our collective generational human nature.)**

But there was a dark side to all this prosperity. Most businesses became strung out on credit. Speculation in the booming stock market became rampant. Although everything looked rosy, it was a castle made out of sand.

When all was in readiness in April of 1929, Paul Warburg, the 'Father of the Federal Reserve', sent out a secret advisory warning his friends that a collapse and nationwide depression was certain.

In August of 1929, "The Fed" began to tighten money. And it is no coincidence that the biographies of all the Wall Street giants of that era, John D. Rockfeller, JP Morgan, Joseph Kennedy, Bernard Baruch, etc. - all marveled how they got out of the stock market just before the crash and put all their assets in gold and other currencies.

Hanry Pasquet, distinguished economist, states for the record:

" In 1970, I was assigned to LG Haskenfield airport near Boston, Massachusetts in Bedford. There was an older civilian mechanic that was working for me as an aircraft inspector. His name was Ed Carrigan, and Ed had grown up in that area. In fact, he and his father had gone to the same church with Joe Kennedy.

Ed related to me in 1971 that there was a particular knock at the door. He went over and opened the door and it was Joe Kennedy. He ushered Joe Kennedy into his house and he and his father talked. Ed sat between the two of them. This was in 1929. This was in the summer of 1929. Joe Kennedy told Ed's father, ' Sell all your stock now and don't ask any questions!'. That was the quote from Joe Kennedy. Ed related that to me, it was still crystal clear in his mind, and it really struck him: 'Why would Joe say that?'

So Joe left. His father asked no questions. He went out and sold all his stock in the summer of 1929 and we all know what happened that October... " **- Hanry Pasquet, Distinguished Economist and Aircraft Pilot**

The Great Crash

On October 24th, 1929 the big New York bankers called in their 24 hour broker call loans. This meant that both stock brokers and customers had to dump their stocks on the market to cover their loans no matter what price they had to sell them for. As a result the market tumbled and that day was known as *Black Thursday*.

According to historian John Kenneth Gailbraith, riding in the Great Crash of 1929 and at the height of the selling frenzy, Bernard Baruch brought in **Winston Churchill** to witness the panic and to impress him with his power over the wild events on the floor.

Congressman Louis T. McFadden, Chairman of the House Banking and Currency Committee, viewed the Fed and the international bankers as orchestrating the crash:

" It was not accidental. It was a carefully contrived occurrence. The international bankers sought to bring about a condition of despair here so they might emerge as rulers of us all. " **- Rep. Louis T. McFadden (D-PA), Former Chairman of the House Banking and Currency Committee**

But McFadden even went farther. He openly accused them of causing the crash in order to steal America's gold. In February 1931, in the midst of the depression, he put it this way:

" I think it can hardly be disputed that the statesman and financiers of Europe are ready to take almost an means to reacquire rapidly the gold stock that Europe lost to America as a result of World War I. " **- Rep. Louis T. McFadden (D-PA), Former Chairman of the House Banking and Currency Committee**

Curtis Doll, a broker for Leehman Brothers, was on the floor of the stock exchange the day of the crash. In his 1970 book, *FDR: My Exploited Father-In-Law*, he explained that the crash was triggered by the planned sudden shortage of call money in the New York money market:

" Actually, it was the calculated 'shearing' of the public by the World-money powers triggered by the planned sudden shortage of call money in the New York Money Market. " **- Curtis Doll, Stock Broker on the Floor of the Stock Market during the Crash of 1929**

Within a few weeks, 3 billion dollars of wealth simply seemed to have vanished. Within a year, 40 billion dollars had been lost. But did it really disappear? Or what is simply consolidated into fewer hands? Joseph P. Kennedy's worth, for example, grew from 4 million dollars in 1929, to over 100 million dollars by 1935 - the years of the Great Depression.

And what did the Federal Reserve do? Instead of moving to help the economy out by quickly lowering interest rates to stimulate the economy the Fed continued to brutally contract the money supply further, **deepening** the depression.

Between 1929 and 1933, "The Fed" reduced the money supply by an additional 33%.

Although most American have never heard that "The Fed" was the sole cause of the Depression, this is well known among top economists.

Milton Friedman, the noble prize winning economist of Stanford University said the same thing in a national public radio interview in January of 1996:

" The Federal Reserve definitely caused the Great Depression by contracting the amount of currency in circulation by one third from 1929 to 1933. " **- Milton Friedman, Nobel Prize Winning Economist**

But the money that American's had lost by 1933 didn't just vanish, it was just redistributed into the hands of those who had gotten out just before the crash, and who had purchased gold. Gold is always a safe place to put your money just before a depression.

But America's money also went overseas, incredibly, as president Hoover was heroically trying to rescue banks and prop-up businesses. While millions of Americans starved as the Great Depression deepened, millions of dollars were spent rebuilding Germany; from damage sustained during World War I.

8 years before Hitler would invade Poland, Representative Louis T. McFadden, warned congress that Americans were paying for Hitler's rise to power:

" After WWI, Germany fell into the hands of the German international bankers. Those bankers bought her and they now own her: lock, stock, and barrel. They have purchased her industries. They have mortgages on her soil. They control her production. They control all her public utilities.

The international German bankers have subsidized the present government of Germany and they have also supplied every dollar of the money Adolph Hitler has used in his lavish campaign to build up a threat to the government of Bruening.

When Bruening fails to obey the order of the German international bankers, Hitler is brought forth to scare the Germans into submission.

Through the Federal Reserve Board, over 30 billions of American money has been pumped into Germany. You have all heard the spending that taken place in Germany: her modernistic dwellings, her great planetariums, her gymnasiums, her swimming pools, her fine public highways, her perfect factories. All this was done on our money. All this was given to Germany through the Federal Reserve board. The Federal Reserve board has pumped so many billions of dollars into Germany that they dare not name the total. " **- Rep. Louis T. McFadden (D-PA), Former Chairman of the House Banking and Currency Committee**

But he needed support from the democratic congress, and that was not to be had. Then, and only from that point on, did the Feds begin to loosen the purse stings and feed more money out to the starving American people.

However, later that year Roosevelt outlawed the private ownership of all gold bullion and all gold coins, with the exception of rare gold coins. Most of the gold in the hands of Americans was in the form of the common variety of gold coins. The new decree was, in effect, a confiscation. Those who didn't comply risked as much as ten years in prison and a $10,000 fine, the equivalent of $100,000 today.

Out in small town America some people did not trust Roosevelt's order. Many were torn between keeping their hard earned wealth or obeying the government. Those who did turn in their gold were paid the official price for it, $20.66 per ounce. So unpopular was the confiscation order that no figure in government would take credit for authoring it. No congressman claimed it. At the signing ceremony president Roosevelt made it clear to all present that he was not the author of it and publicly stated that he had not even read it. Even his secretary of treasury said he hadn't read it either, saying it was "what the experts wanted".

Roosevelt convinced the public to give up their gold, by saying that pooling the nations resources was necessary to get America out of the depression. With great fanfare, he ordered a new bullion depository to hold the mountain of gold the US government was unethically and illegally confiscating.

By 1936, the US building depository at Fort Knox was completed. In January 1937 the gold began to flow into it.

The rip-off of the ages was about to proceed. In 1935, once the gold had all been turned it, the official price of gold was suddenly raised to 35 dollars per ounce. But the catch was that only foreigners could sell their gold at the new higher price. The money changers who had heeded Warburgs note and gotten out of the stock market just before the crash and bought gold at $20.66 per ounce then shipped it to London.

They could now bring it back it back and sell it back to the government - nearly doubling their money while the average American family starved.

The Fort Knox bullion depository sits in the middle of he Fort Knox military reservation 30 miles south-west of Louisville Kentucky. Investigator Bill Still has spent years drafting letters to congress to get his film crew inside, to no avail. The four acre ground immediately surrounding the building are guarded by an electrified steel fence, an open mote, and 4 armored machine gun pillboxes at the four corners of the building.

When the gold began arriving on a 9 boxcar train on January 13th, 1937 there was unprecedented security. Thousands of official guests arrived for the event, the great gold heist. It was all great theatre. America's gold supply from across the land had been pooled; supposedly for the public benefit, and they safely tucked into Fort Knox. But all that security would soon be breached by the government itself.

Now the stage was set for a really big war, one that would pile up debt far greater than World War I.

For example, in 1944 alone, the US national income was only 183 billion dollars, yet only 103 billion was spent on the war. This was 30x times the spending than during WW I. In fact, the American taxpayers paid over 55% the total Allied cost of the war. But equally important, virtually every nation involved in WWI I greatly multiplied their debt. In the US, for example to debt rose from 43 billion in 1940 to over 257 billion in 1950, an increase of 598%. Between 1940 and 1950, Japanese debt swelled 1348%, French debt grew 583%, and Canadian debt soared 417%.

After the war, the world was now divided into two economics camps: communist command economies on the one hand vs. monopoly capitalists on the other; set to fight it out in one perpetual and highly profitable arms race. It was finally time for the central bankers to embark in earnest on their three step plan to centralize the economic systems of the entire world and finally bring about their global government, or " New World Order ".

The phases of this plan has been:

Step One: Central bank domination of the national economies worldwide.

Step Two: Centralize regional economies - through organizations such as the European Monetary Union and regional trade unions such as NAFTA, and more recently Rockefeller's proposed FTAA now in the works. (Dick Cheney stated to David Rockefeller that he can expect completion of the FTAA in 2005 during a May 2002 Council of the America's Conference. For more information please see: www.4rie.com)

Step Three: Centralize the world economy through a world central bank, a world money, and ending national independence through the abolishment of all tariffs, by treaties like GATT.

" Free trade is not leading to freedom. It is leading to slavery. Diverse life forms are being enslaved through patents on life, farmers are being enslaved into high-tech slavery, and countries are being enslaved into debt and dependence and destruction of their domestic economies. " **- Vandana Shiva, The Progressive magazine, April 2001, p44**

Step One was completed a long time ago. Steps Two and Three are far advanced, nearing completion.

What about Gold? Among central banks the largest holder of gold is now the IMF. It and central banks now control 2/3rds of the world's gold supply, giving them the ability to manipulate the gold market.

Remember the money changer's golden rule: " He who has the gold makes the rules. "

But before we get in to solutions to our problem, lets take a look at what happened to all that gold in Fort Knox. Because if we don't understand that the gold has been stolen, then when the crash comes, we will allow ourselves to be stampeded into the wrong solution, a gold-backed currency.

The Wrong Solution - A Gold Back Currency

Most Americans still believe the gold is still here in the state of Kentucky, at Fort Knox. At the end of WW

II, Fort Knox contained over 700 million ounces of the gold, an incredible 70% of all gold in the world. How much remains? Nobody in government admits knowing. Despite the fact that federal law requires an annual physical audit of Fort Knox gold, the treasury has consistently refused to conduct one. The truth is, a reliable audit of whatever remains in the depository has not been conducted since president Eisenhower ordered one in 1953.

Where did American's gold in Fort Knox go? Over the years it was sold off to European money changers at the $35.00 dollars per ounce price. Remember, this was during a time when it was illegal for Americans to buy any of their old gold from Fort Knox.

In fact, there was a very infamous case where the Firestone family set up a string of dummy corporations to purchase Fort Knox gold and keep it in Switzerland, never hitting US shores. They were eventually caught however and successfully prosecuted.

Finally by 1971, all the pure gold has been secretly removed from Fort Knox and drained back to London. Once the gold was gone from Fort Knox, president Nixon closed the gold window by repealing Roosevelt's Gold Reserve Act of 1934, finally making it legal again for Americans to buy gold.

Naturally gold prices immediately began to soar. Nine years later, gold sold for $880.00 per ounce, 25 times what the gold in Fort Knox was sold for! One would think that eventually someone in government would get wind of what was happening and blow the whistle. The largest fortune in the history of the world - stolen!

So just how did the story of the Fort Knox gold robbery get out? It all started with an article in a New York periodical in 1974. The article charged that the Rockefeller family was manipulating the Federal Reserve to sell off Fort Knox gold at bargain basement prices to anonymous European speculators. How did three days later the anonymous source of the story, Ms. Betty Boyer, know of the Rockefeller connection to the Fort Knox gold heist? She was the long time secretary of Nelson Rockefeller.

For the next 14 years an upstanding American citizen, Ed Derell, a wealthy Ohio industrialist, devoted himself to a quest for the truth concerning the Fort Knox gold. He wrote thousands of letters to over 1000 government and banking officials trying to find out how much gold was really left and where the rest of it had gone.

Also Edith Roosevelt, the granddaughter of Teddy Roosevelt, questioned the actions of the government:

" Allegations of missing gold from our Fort Knox vaults are being widely discussed in European financial circles. But what is puzzling is the administration is not hastening to demonstrate convincingly that there is no cause for concern over our gold treasure - indeed it is in a position to do so. " **- Edith Roosevelt, Granddaughter of Former President Theodore Roosevelt**

Unfortunately Ed Durrel never did accomplish his primary goal, a full audit of the gold reserves in Fort Knox. It is incredible that the world's greatest public treasure has had little or no public accounting or auditing. This gold belonged to the American people, not the Federal Reserve and their foreign owners. One thing is certain, the government could blow all this speculation away in a few days with a well publicized audit under the searing lights of media cameras. It has chosen not to. One must conclude that they are afraid of the truth that such an audit would reveal.

What is the government so afraid of?

Here is the answer: When president Ronald Regan took office in 1981, his conservative friends urged him to study the feasibility of returning to a gold standard as the only way to curb government spending. It sounded like a reasonable alternative, so president Reagan appointed a group of men, called the *Gold Commission*, to study the situation and report back to congress. What Reagan's gold commission reported back to congress in 1982 was the following shocking revelation concerning gold. The US treasury owned no gold at all! All the gold that was left in Fort Knox was now owned by the Federal Reserve, a group of private bankers, as collateral against the national debt. The truth of the matter is, that never before, has so much money has been stolen from the hands of the general public and put into the hands of a small group of private investors in the Federal Reserve, ***the money changers***.

IMF/World Banks

The International Monetary Fund headquarters office is located in Washington DC. Across the street is the headquarters of the World Bank.

What are these organizations and who controls them, and most importantly - are they about to create a huge worldwide depression?

Let us step back in time for a moment; to the aftermath of WW I. People were tired of war, so under the guise of peacemaking, the international bankers devised a plan to consolidate power even further. Claiming only an international government would temper the tide of world wars, the money changers pushed forward a proposal for world government which stood on three legs: a world central bank to be called the Bank of International Settlements, a world judiciary to be called The World Court located in the Hague, Netherlands and a world executive and legislature to be called the League of Nations.

As president Clinton's mentor, Georgetown history professor Carroll Quigley, wrote in his 1966 book, *Tragedy and Hope*:

" The powers of financial capitalism had a far-reaching plan, nothing less than to create a world system of financial control in private hands able to dominate the political system of each country and the economy of the world as a whole.

This system was to be controlled in a feudalist fashion by the central banks of the world acting in concert by secret agreement arrived at in frequent meetings and conferences. The apex of the system was to be the Bank for International Settlements in Basel, Switzerland, a private bank owned and controlled by the world's central banks, who where were themselves private corporations.

Each central bank sought to dominate it government by its ability to control treasury loans, to manipulate foreign exchanges, to influence the level of economic activity in the country, and to influence cooperative politicians by subsequent economic rewards in the business world. " **- Carroll Quigley, Professor Emeritus, Georgetown University**

Despite intense pressure from the international bankers and the press, a handful of US senator, led by senator Henry Cabot Lodge kept the US out of these schemes. Without US participation, the League was doomed. Incredibly, even the though the US rejected the world central bank, the BIS, the New York Federal Reserve ignored its government and arrogantly sent representatives to Switzerland to participate in the central banker's meeting, the Bilderberg conferences, right up to 1994 - when the US was finally officially dragged into it.

Their world government schemes thwarted, the bankers resorted to the old formula - another war to wear down the resistance to world government while reaping handsome profits. To this end, Wall Street helped resurrect Germany through the Thissen banks which were affiliated with the Harriman interests in New York, just as the Chase Bank had assisted in the financing of the Bolshevik Revolution in Russia during WW I. Chase Bank was controlled by the Rockefeller family. Subsequently, it was merged with Warburg's Manhattan Bank to form the Chase-Manhattan bank. Now this has merged with Chemical Bank in New York, making Chemical the largest Wall Street bank. Their strategy worked. Even before WW II was over, the private banker's world government was back on track.

In 1944, in Bretton Woods, New Hampshire, the International Monetary Fund and the World Bank were approved with full US participation. The second League of Nations, renamed the United Nations, was approved in 1945. Soon a new international court system was functioning as well. All effective opposition to these international bodies before the war had evaporated into heat of war, just as planned. These new organizations simply repeated on a world scale what the National Banking Act of 1864 and the Federal Reserve Act of 1913 had established in the US. They created a banking cartel, composed of the world's central banks, which gradually assumed the power to dictate credit policies to banks of all the nations. For example, just as the Federal Reserve Act authorized the creation of a new national fiat currency called Federal Reserve notes, the IMF has been given authority to issue a world fiat money, called "Special Drawing Rights", or SDRs.

To date, the IMF has created in excess of 50 billion dollars of SDRs. Member nations are being pressured to make their currencies fully exchangeable for SDRs. In 1968, Congress approved laws authorizing the Fed to accept the SDRs as reserves in the US and to issue Federal Reserve Notes in exchange for SDRs.

What does this mean?

It means in the United States SDRs are already a part of our lawful money. And what about gold? SDRs are already partially backed by gold. And with 2/3rds of the world's gold now in the hands of central banks, the money changers can go about structuring the world's economic future in whatever way they deem most profitable.

Keep in mind, just as "The Fed" is controlled its board of governors, the IMF is controlled by its board of governors; which are either the heads of the different central banks or the heads of the various national treasury departments dominated by their central banks. Voting power in the IMF gives the US and the UK, that is, The Fed and the Bank of England, effective control.

Just as "The Fed" controls the amount of money in the US: the BIS, IMF, and World Bank control the regionalized money supply for the world. This represents a huge life & death problem for the world's people to face in the future if left unchecked by the populace - as it has been for far too many decades.

So we see the continuous repetition of the old goldsmith's fraud, replicated on the national scale with central banks such as "The Fed", and on the international scale, by the three arms of the world central bank. It is this organization: of the BIS, the IMF, and the World Bank, - that we should collectively refer to collectively as the World's Central Bank.

Is the "World Central Bank" presently expanding and contracting world credit?

YES. Regulations put into effect in 1988 by the BIS required the world's bankers to raise their capital and reserves to 8% of liabilities by 1992. Increased capital requirements put an upper limit to the fractional reserve lending scheme similar to the way cash reserve requirements do.

What does this seemingly insignificant regulation made in a Swiss city a decade and a half ago mean to the world?

It means that our banks cannot loan more and more money to buy more and more time before the next depression; as a maximum loan ratio is now set. It means that those nations, with the lowest banks reserves in their systems, have already felt the terrible effect of this credit contraction as their banks scrambled to raise money to increase their reserves to 8%. To raise money, they had to sell stock, which depressed their stocks markets, which began the depression first in their counties.

Japan, which in 1988 had the lowest capital and reserve requirements, has experienced a financial crash that began almost immediately in 1989, which has wiped out a staggering 50% of the value of its stock market since 1990 and 60% of the value of its commercial real estate. The Bank of Japan has lowered its interest rate at 1/2 of 1%, practically giving away money to resurrect the economy - but still the depression has worsened.

Due to the 20 billion bailout of Mexico one decade ago, the financial collapse in that nation has already been known here. Yes, despite the bailout, the economy continues to be a disaster. One huge debt after another is rolled over, just to enable Mexico to pay the interest on the old loans. In the South of Mexico the poor have in years past been in open revolt as every spare *peso* is being siphoned out of the country to make interest payments.

It is important to note that a radical transfer of power is taking place day by day as nations become subervient to a supra-national world central bank controlled by a handful of the world's richest bankers.

As the IMF creates more and more SDRs by the stroke of a pen on IMF ledgers, more and more nations borrow them to pay interest on their mounting debts and gradually fall under the control of the faceless beaurocrats of the World Central Bank.

As the gradual worldwide depression worsens and spreads, this will give the World Central Bank the power of economic life and death over these nations. The world banking plutocracy is now able to decide which nations will be permitted to receive further loans of SDRs and which nations will starve and fall further into debt.

Despite all the rhetoric about 'development' and 'relief of poverty', the result is steady transfer of wealth from the debt-laden nations to the money changer's central banks which control the IMF and the World Banks. All this increases their permanent debt in exchange for temporary relief of poverty caused by prior borrowings. Already these repayments exceed the amount of the new loans. By 1992, Africa's external debt has reached 290 billion dollars, 2 1/2 times greater than in 1980 - resulting in skyrocketing infant mortality rates, unemployment, deterioration of schools, housing, and ravaging the general health of the people. It persists today.

The entire world faces the immeasurable suffering already destroying the third world, Japan, Argentina, and other nations - all for the benefit of the money changers!

As one prominent Brazilian politician has put it:

" The Third World War has already started. It is a silent war. Not for that reason any less sinister. The war is tearing down Brazil, Latin America, and practically all the Third World. Instead of soldiers dying, there are children. It is a war over the third world debt. One which has as its main weapon, ***interest***, a weapon more deadly that the atom bomb, and more shattering than a laser beam. " **- Brazilian Politician, Wishing to Remain Anonymous**

Conclusions:

So, the question on your mind may be:

Who should we go after first to put an end to this globally unethical financial tyranny?

The correct answer is "the system", not necessarily the families and accomplices who have engineered it for their benefit over the many centuries. However, is is only reasonable and responsible that they should individually or as a group be tried for any and all of the huge array or murders, past and current, that have taken place; with the truth behind each case being previously covered up by a previously corrupt beaurocracy, a compromised judiciary, and a mortgaged media.

Mass stealing is one thing, mass murder is certainly another. The facts behind the events of September 11, 2001, also an act of the money changers, should certainly affect the destinies of these collective class of mass murderers. For a great deal of detailed and factual information regarding September 11th, please see Alex Jones' www.infowars.com or Paul Joseph Watson's www.prisonplanet.com. ("infowars" is short for Information Wars; battling the mainstream lies and propaganda daily.)

In other words, although it would be absurd to ignore the pivotal role played by influential families such as the Rothschilds, the Warburgs, the Shiffs, the Morgans, and the Rockefellers in any review of the history of central banking and fractional banking - keep in mind, by now, central banks and the large commercial banks are up to three centuries old and deeply entrenched in the economic life of many nations.

These banks are no longer dependent on clever individuals, such as a Nathan Rothschild. Years ago the question of ownership was important - but no longer. For example both the Bank of England and the Bank of France were nationalized after World War II - and nothing changed, nothing at all. They endure and continue to grow; now protected by numerous laws, paid politicians, and a mortgaged media.

Untouched by the changing of generations, three centuries have given them an aura of respectability. The old school tie is now worn by the sixth generation son who's been raised in a system that he may never question as he named to serve on the governing boards of countless philanthropical organizations.

To focus attention today on individuals or families or to attempt to sort out the current holders of power holds little useful purpose and would be a distraction from the cure. **The problem is far bigger than that**. It is the corrupt banking system that was and is being used to consolidate vast wealth into fewer and fewer hands that is our current economic problem. Change the names of the players now and the problem will not go away or even miss a beat.

Likewise, amongst the board of beaurocrats working in the world banks, centrals banks, and international banks - only a tiny fraction publicly admit any idea of what is really going on. No doubt many World Bank employees would be horrified to learn that their work is contributing to the terrible impoverishment and gradual enslavement of mankind to a few incredibly rich plutocrats. (let's make sure they are informed - through email!)

So really, there is little practical use in emphasizing the role of individuals anymore. The problem even transcends the political spectrum of right and left. Both communism and socialism as well as monopoly capitalism have been used by the money changers. Today, the money changers still profit from either side of the new political spectrum: the big government welfare state on the so called left wing vs. the neo-conservative laissez-faire capitalists who want big government totally out of their way on the right wing. Either way the bankers win.

Monetary reform is the most important issue facing this nation and entire world's free market economy. The American people must rise up immediately and hold *their* congress accountable to reform the nation's monetary system without any obvious and/or unnecessary delay!

That clarified, let us proceed to the explanation of the most obvious and practical solution in the spirit Lincoln declared: " With malice towards none; with charity towards all. "

At the beginning, we asked many questions, let's be sure we have answered them:

What is going on in America today? Why are we over out heads in debt - why can't the politicians bring debt under control?

Because we are laboring under a debt-money system that is designed and controlled by private bankers.

Now some will argue that the Federal Reserve system is a quasi-governmental industry. But the president appoints only 2 of the 7 members every 4 years; and he appoints them to 14 year terms - far longer than his own. The senate does confirm those appointments, but the whole truth is - the president wouldn't dare appoint anyone to that board of who Wall Street does not approve. Of course this does not preclude the possibility that some honorable men may be appointed to the board of governors. But the fact is, "The Fed" is specifically designed to operate independently of our government as are nearly all other central banks.

Some argue that "The Fed" promotes monetary stability. We heard Eddie George, recent head of the Bank of England claim that this was the most important role of the central banks. In fact, the Fed's record of stabilizing the economy shows it to be a miserable failure in this regard. In the first 25 years of its existence "The Fed" caused three major economic downturns, including the Great Depression. For the last 30 years it has shepherded the American economy into a period of unprecedented inflation. Again, this is not some *wild hairbrained conspiracy theory*, it is a well know fact among top economists.

As Nobel Prize winning economist Milton Friedman put it:

" The stock of money, prices, and output was decidedly more unstable after the establishment of the Federal Reserve system than ever before. The most dramatic period of instability in output was, of course, the period between the two wars: which includes the severe [monetary] contractions of 1920-21, 1929-1933, and 1937-38. No other 20-year period in American history contains as many as three such severe contractions.

This evidence persuades me that at least a third of the price rise during and just after World War I is attributable to the establishment of the Federal Reserve system... and that the severity of each of the major contractions - 1920-21, 1929-33, and 1927, 38 -- is directly attributable to acts of commission and omission by the Reserve authorities.

Any system which gives so much power and so much discretion to a few men, [so] that mistakes -- excusable or not, can have far reaching effects, is a bad system. It is a bad system to believers in freedom just because it gives a few men such power without an effective check by the body politic -- this is the key political argument against a central bank. " - Milton Friedman, award winning economist.

" To paraphrase Clemenceau: money is much too serious a matter to be left to the central bankers. " - **Milton Friedman, Nobel Prize Winning Economist**

We must learn from our true history before it is too late.

Why can't politicians control the Federal Debts?

Because all out money is created out of debt. Again - it is a debt-money system. Our money is created initially by the purchase of US bonds. The public buys bonds such as savings bonds, the banks buy bonds, foreigners buy bonds, and when the fed wants to create more money in the system, it buys bonds. However, it pays for them with a simple bookkeeping entry which it creates out of nothing!

Then this new money, created by "The Fed", is multiplied by a factor of ten by the banks using the *fractional reserve lending*. So, although the banks don't create currency, they do create checkbook money or deposits by making new loans. They even have been allowed to invest some of this created money. In fact over 1 trillion dollars of this privately created money has been used to purchase US bonds on the open market, which provides the banks with roughly 50 billion dollars in interest, risk free - each year, less the interest they pay to some depositors. Through this way, through fractional reserve lending, banks create over 90% of our money and thereby create over 90% of our inflation.

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Chapter 3 - The Solution - That the International Banking Elite Will Not Like

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