Rebuilding the Global Banking System

First of all, how did the current global banking system come to be?

This quick history is important because the Federal Reserve has always been a private clique bank since its inception in 1913. The clique masked its function by naming it the "Federal Reserve" although it is neither "federal" nor is it a "reserve." G. Edward Griffin wrote a book, which is a "keeper," titled: The Creature From Jekyll Island: A Second Look at the Federal Reserve. I will be quoting him extensively because his insights are worth considering and I want you to get the full weight of his perspective. Concerning the history of banking, he wrote:

> "Banks (that take in money from depositors) first appeared in early Greece, concurrent with the development of coinage (gold, silver and other rare metal coins) itself. They were known in India at the time of Alexander the Great. They also operated in Egypt as part of the public granary system. They appeared in Damascus in 1200 and in Barcelona in 1401. It was the city-state of Venice, however, which is considered the cradle of banking as we know it today."
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> "The Bank of Venice: In the year 1361, there already had been sufficient abuse in banking that the Venetian Senate passed a law forbidding bankers to engage in any other commercial pursuit, thus removing the temptation to use their depositors' funds to finance their own enterprises. Bankers were also required to open their books for public inspection and to keep their stockpile of coins available for viewing at all reasonable times. In 1524, a board of bank examiners was created and, two years later, all bankers were required to settle accounts between themselves in coin rather than by check."

It should be noted that the Glass Steagall Act of 1933 had the same intent as the law passed by the Venice Senate in 1361. The Act became law in the aftermath of gross excesses by bankers who endangered their depositors money by subjecting it to their own risky investments. The absence of this regulatory protection helped precipitate The Great Depression. On November 12, 1999, the Glass Steagall Act was repealed after approximately $100 million of lobbying activity (bribery by another name) by the financial industry. The key figures responsible for this disastrous decision were:

- William Clinton, President.
- Sanford Weill, CEO of Citigroup, which collapsed in late 2008.
- Robert Rubin, Secretary of the Treasury (1995-1999) under President Clinton, now co-chairman of the *Council of Foreign Relations*.
- Lawrence Summers, Secretary of the Treasury (1999-2001) under President Clinton

- Phil Gramm, Republican Senator of Texas, now a lobbyist for UBS AG.

- Jim Leach, Republican Senator of Iowa, now head of National Endowment of the Humanities.

Griffin continues describing banking practices in Venice in the 16the century:

> "In spite of these precautions, however, the largest bank at the time, the House of Pisano and Tiepolo, had been active in lending against its reserves (the depositors' money in coins, held in their accounts with the bank) and, in 1584, was forced to close its doors because of its inability to refund depositors (when the depositors came to get their money out of their accounts). The government picked up the pieces at that point and a state bank was established, the Banco della Piazza del Rialto. **Having learned from that recent experience with bankruptcy, the new bank <u>was not allowed to make any loans</u>. There could be no profit from the issuance of credit.** The bank was allowed to sustain itself solely from fees for coin storage, exchanging currency, handling the transfer of payments between customers, and notary services (verifying signatures before transferring funds and before execution of documents to prevent fraud)."
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> "The formula for honest banking had been found. The bank prospered and soon became the center of the nation's commerce. Its paper receipts (meaning checks) were widely accepted far beyond the country's borders and, in fact, instead of being discounted (the paper receipts were exchanged for their face value, not a slightly lower amount, which was customary) in exchange for gold coin as was the usual practice, they actually carried a premium over coins.
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> This was because there were so many kinds of coin in circulation and such a wide variance of quality within the same type of coin that one had to be an expert to evaluate their work. The bank performed the service automatically when it took the coins into its fold. Each was evaluated, and the receipt given for it was an accurate reflection of its intrinsic worth. The public, therefore, was far more certain of the value of the paper receipts than of many of the coins and, subsequently, was willing to exchange a little bit more for them."

Can you see how trust is built by, (i) being transparent, (ii) eliminating conflicts of interest, (iii) engaging in honest and reliable practices, and (iv) being overseen by honest, third party auditors from the government? And can you sense how that trust is destroyed when fraud works its way into any or all of these four protections of the public interest described above?

Griffin continues:

"Unfortunately, with the passage of time and *the fading from memory of previous banking abuses*, the Venetian Senate eventually succumbed to the temptation of credit (borrowing money). Strapped for funds and not willing to face the voters with a tax increase, ***the politicians decided they would authorize a new bank without restrictions against loans, have the bank create the money they needed, and then "borrow" it. So, in 1619, the Banco del Giro was formed, which like its bankrupt predecessor, began immediately to create money out of nothing (not backed by coins) for the purpose of lending it to the government."***

"Throughout the 15th and 16th centuries, banks had been springing up all over Europe. Almost without exception, however, they followed the lucrative practice of lending money, which was not truly available for loan (it had no backing by coin). They created excess obligations against the reserves (depositors' coins) and, as a result, ***every one of them failed***. *That is not to say that their owners and directors did not prosper. It merely means that their depositors lost all or a part of their assets entrusted to the banks for safekeeping."*

This is why the banking profession, in spite of its symbols of stability (impressive buildings, marble everywhere, thick steel vaults, and conservatively-dressed officers and staff) is viewed by many with deep suspicion? It is because banks---since they have been allowed to make loans without sufficient backing---continually come under the control of people with nothing but fraud on their minds. Fraud never seems to end in banking because it attracts criminals who perpetuate this endless fraud by controlling banking laws and minimizing fraud penalties. Many governments supported banking criminality to gain access to huge bank loans involving money unbacked by coin.

Griffin:

"The Bank of Amsterdam: **It wasn't until the Bank of Amsterdam was formed in 1609 that we find a second example of sound banking practices, and the results were virtually the same as previously experienced by the Banco della Piazza del Rialto. The bank only accepted deposits and steadfastly refused to make loans. Its income is derived solely from service fees.** All payments in and around Amsterdam soon came to be made in paper currency issued by the bank and, in fact, that currency carried a premium over coin itself. The (banking management) and the City Council were required to take *an annual oath* swearing that the coin reserve of the bank was intact."

"The principles of honesty and restraint were not to be long-lived, however. The temptation of easy profit from money creation (paper money not backed by coins) was simply too great. As early as 1657, individuals had been permitted to overdraw their accounts which means, of course, that the bank created new money (not backed by coins) out of their debt. In later years enormous loans were made to the Dutch East Indies Company. The truth finally became known to the public in January of 1790, and (depositors demanded a return of their coin deposits) from that date forward. Ten months later the bank was declared insolvent and was taken over by the City of Amsterdam."

When depositors lose trust in a bank where they have their coin deposits, they frequently demand the return of their deposits and this is referred to as "a run on the bank."

Griffin:

"<u>The Bank of Hamburg</u>: **The third and last experience with honest banking occurred in Germany with the Bank of Hamburg. For over two centuries it faithfully adhered to the principle of safe deposit (it's paper currency was always fully backed by depositors' coins).** So scrupulous was its administration that, when Napoleon took possession of the bank in 1813, he found 7.5 million marks in silver held against liabilities (paper money) of 7.4 million marks. That was more than was actually needed. Most of the bank's treasure that Napoleon hauled away was restored a few years later by the French government in the form of securities (promises to pay). It is not clear if the securities were of much value but, even if they were, they were not the same as silver. Because of foreign invasion, the bank's currency was no longer fully convertible into coin as receipt money (paper money fully backed by depositors' coins). It was now paper money only partially backed by depositors' coins, and the self-destruct mechanism had been set in motion. The bank lasted another 55 years until 1871 when it was ordered to liquidate all of its accounts. ***<u>That is the end of the short story of honest banking</u>. From that point forward, paper money only partially backed by depositors' coins became the universal practice.*** But there were to be many interesting twists and turns in its development before it would be ready for something as sophisticated as the Federal Reserve System."

Griffin:

<u>The Bank of England</u>: In (1694), the Bank of England (a privately-owned bank) was formed and circulated its own banknotes (the bank's paper money, not the government's paper money) backed by a small percentage of *<u>gold coin</u>* held in its vault. It must be understood that, at this time, the Bank of England was not yet fully developed as a "central bank." It had been given a monopoly over the issue of banknotes within London and other prime geographic areas, but they were not yet decreed as *<u>legal tender</u>* (a medium of payment allowed by law or recognized by a legal system to be valid for meeting a financial obligation). No one was forced to use them. They (the Bank of England's banknotes backed by a small percentage of gold coin) were not required for use: the public could accept, reject, or discount (value the paper money at a lower value than the face amount printed on the paper) at its pleasure. Legal tender status was not conferred upon the banknotes until 1833. **Meanwhile, Parliament had granted charters to numerous other banks throughout the Empire and, without**

> **exception, the issuance of paper money not backed by coin led to their ultimate demise and the ruin of their depositors**. England was financially exhausted after a half a century of war against France and in numerous civil wars fought largely over excessive taxation. By the time of the War of the League of Augsburg in 1693, King William was in serious need for new revenue. Twenty years previously, King Charles II had repudiated a debt of over 1,000,000 Pounds which had been lent to him by scores of goldsmiths, with the result that ten thousand depositors lost their savings. This was still fresh in everyone's memory, and, needless to say, the government was no longer considered a good investment risk (because of the absence of ***trust***). **Unable to increase taxes and unable to borrow, Parliament became desperate for some other way to obtain funds. The objective was not to bring the money mechanism under more intelligent control, but to provide a way, outside taxation and/or public loans to raise more money, regardless of the consequences to their subjects."**

And along came William Paterson (1658-1719), who was a Scottish trader, **privateer**, and entrepreneur of the highest order. In 1675, he emigrated to England and then to the Bahamas. To no avail, he approached the governments of England, the Holy Roman Empire, and the Dutch Republic to help him establish a trading colony in Panama to advance Far East trade.

A "privateer" is a private person or ship authorized by a government (in Paterson's case, *England*) to attack foreign shipping during wartime. "Privateering was a way of mobilizing armed ships and sailors without having to spend public money or commit naval officers.....they disrupted commerce and pressured the enemy to deploy warships to protect merchant trade.....and were equivalent to the 'military contractors' of today....The cost was borne by investors hoping for top profits from 'prize money' earned from captured cargo and vessels. The proceeds would be distributed among the privateer's investors, officers and crew."

Griffin:

> ".....(Paterson's group) turned their attention to a scheme that did interest (the British government) very much: *the creation of money*. The two groups came together and formed an alliance. No, that is too soft a word. The American Heritage Dictionary defines a cabal as 'a conspiratorial group of plotters or intriguers.' There is no other word that could so accurately describe this group. With much the same secrecy and mystery that surrounded the meeting on Jekyll Island (Jekyll Island, Georgia, where key bankers secretly converged for 10 days to conceived the Federal Reserve) the cabal met in Mercer's Chapel in London and hammered out a seven-point plan which would serve their mutual purposes:

Here you have a priceless example of what "central banks" are all about and the fraud they perpetrate.

- The government would grant a charter to the (Paterson group) to form a bank.

- The bank would be given *a monopoly to issue banknotes* (paper money issued by the bank), which would circulate as England's paper currency.

- The bank would create money out of nothing---with only a fraction of its total currency (its paper money) backed by coin.

- The (Paterson group) then would loan the government all the money it needed (the bank's paper money backed only by a very small amount of coin).

- The money (the bank's paper money backed only by a very small amount of coin) created for the government loans would be backed primarily by government I.O.U.s (written loan documents describing the loan details and the government guarantee to repay the loans under the described conditions).

- Although this money (the bank's paper money backed only by a very small amount of coin) was to be created out of nothing and would cost nothing to create, the government would pay 'interest' on it (to the bank) at the (annual) rate of 8%. That's the scam, right there. In effect, the British government agreed to pay Patterson's group an 8% annual fee on all the paper money the Paterson's group printed out of nothing. And that accumulating 8% fee was called *national debt*. *That is exactly how the Federal Reserve operates, too.*

- Government I.O.U.s would also be considered as 'reserves' (paper money owed by the government which the bank lent it), for creating additional loan money to private commerce. These (additional) loans also would (pay interest to the bank). **Thus, the (Paterson group) would collect double interest on: (i) the bank's paper money created out of nothing and lent to the government and (ii) the additional paper money also created by the bank out of nothing, but based on the fictitious "reserves," for creating more unbacked loan money to be lent to private commerce.**

Welcome to the world of fraudulent banking. "Fraud" is defined as wrongful or criminal deception intended to result in financial or personal gain. Both groups (the Paterson group and the British government) entered into a fraudulent banking operation and they both greatly benefitted. The problem they overcame was the inability of the government to either raise taxes or borrow money from depositor banks or other real lenders. The essence of the fraud bears repeating, as follows:

- The bank created its own paper money backed with only a very small amount of coin. Of course, this action immediately begins to diminish the value of the paper money in circulation, thereby subjecting the public to slow financial loss.

- The government created written loan documents describing the loan details and the government guarantee to repay the loans under the described conditions.

- The bank lent its paper money (backed only by a very small amount of coin) to the government and received the written loan documents describing the loan details and the government guarantee to repay the loans under the described conditions.

- Both groups agreed to use deceptive language to describe this transaction: they <u>pretended</u> that the bank made a loan to the government, but what it really did was to manufacture the money for the government's use with no significant backing with coins. If the government had simply printed new paper money itself, without significant backing with coin, and tried to pay its expenses with this new paper money, the recipients of the unbacked paper money would not have accepted the money at face value, and would have applied a substantial discount rate in receiving payment for their goods and services. In other words, the much lower value of paper money created by the government (which was perceived to be financially untrustworthy) made that alternative unacceptable to the government. But, public perception would be very different if a seemingly independent "Bank of England" were formed with special privileges; with a monopoly to issue "banknotes" which would be the official currency of England and this bank would be the sole lender to the government.

In his The Mystery of Banking (1983), Murray Rothbard wrote:

> "In short, since there were not enough private savers willing to finance the (government's) deficits, Paterson and his group were graciously willing to buy government bonds (the written loan documents describing the loan details and the government guarantee to repay the loans under the described conditions) provided they could do so with newly-created out-of-thin-air banknotes (the bank's paper money backed only by a very small amount of coin) carrying a raft of special privileges with them. This was a splendid deal for Paterson and company, and the government benefitted from the flimflam of a seemingly legitimate bank's financing their debts….**King William himself and various members of Parliament rushed to become shareholders of the new money factory they had just created."** **(still more fraud at work)**

Griffin continues:

> "The (Bank of England) charter was issued in 1694, and a strange creature took its initial breath of life. ***<u>It was the world's first "central bank"</u>***…..The reality of central banks, therefore---***<u>and we must not forget that the Federal Reserve System is such a creature</u>***---is that, under the guise of purchasing government bonds, they act as hidden money machines which can be activated any time the politicians want. This is a godsend to (governments that) no longer can depend on taxes or the good credit of their treasury to raise money. It is even easier than having government printing (its own unbacked paper money), ***<u>and, because the process is not understood by the public, it is politically safe."</u>***

Now, here is another connecting of the dots: guess why it is so important for the clique of families to gain control of American education and to dumb down learning in educational institutions? Because by minimizing and dumbing down subjects like economics and finance, the next generations are unable to see through this concealed "central bank" scheme.

> "Central banks, of course, are amply paid for this service. To preserve the pretense of (real) banking, it is said they collect interest, but this is a misnomer. They didn't lend money, they created it. ***Their compensation, therefore, should be called what it is: a professional fee, or commission, or royalty, or kickback, depending on your perspective, but not interest***."

We're now at the very center of the fraud that always exists with "central banks," including the Federal Reserve. **They aren't banks. They aren't making real loans because they have no money of any value to lend. We must stop using their "false reality" language. We must call them what they really are: *fraudulent organizations*, pretending to be bankers, that issue unbacked paper money that they give to governments that use it to cover government costs and pay a servicing fee to that fraudulent organization for perpetrating massive fraud on the public.** In reality, when you combine, (i) creating fake money to give to the government to pay its expenses, with (ii) creating fake money to bail out American financial institutions, foreign banks, central banks of foreign countries, transnational corporations, international hedge funds and wealthy individuals, what do you get? Well, you get a sudden and catastrophic plunge in the purchasing power of the dollar (that's called "hyperinflation") expected to hit the American public in the 2014 time frame, due to this vast amount of fake money diluting the value of the U.S. dollar. I believe *that's* why you see all these "tells" of approaching martial law in America. It's to contain the public outrage when we all connect the dots to understand how we have been massively swindled.

Griffin:

> "The new money created by the Bank of England, (shortly after its 1694 formation) splashed through the economy like rain in April. The country banks outside of the London area were authorized to create money on their own, but they had to hold a certain percentage of either coin or Bank of England (paper money) in reserve. Consequently, when these plentiful banknotes landed in their hands, they quickly put them into their vaults (as reserves) and then issued their own (newly created) paper money in even greater amounts. As a result of this pyramiding effect, ***prices rose 100% in just two years***. Then, the inevitable happened: there was a run on the (country banks), and the Bank of England could not produce the coin to back up their paper money (which ultimately created a run on the Bank of England)."
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> "When banks cannot meet (the demands of depositors for a return of their deposits in coin), ...they are, in fact, bankrupt. They should be allowed to go out of business and liquidate (sell anything of remaining value they own) to satisfy

their creditors (whomever has a claim against anything the bank owns of any value), just like any other business. This, in fact, is what always had happened to banks which (lent their paper money out that was less than fully backed by depositors' coin). Had this practice been allowed to continue, there is little doubt that people eventually would have understood that they simply do not want to do business with those kinds of banks. That, of course, was not allowed to happen. The cabal (the Paterson group and the King William's government) (was) a partnership, and each of the two groups (was) committed to protecting each other, not out of loyalty, but out of mutual interest. They (knew) that, if one falls, so does the other. It is not surprising, therefore, that, ***<u>when there was a run on the Bank of England, Parliament intervened</u>***. In May of 1696, just two years after the Bank was formed, a law was passed authorizing it to 'suspend payment in specie.' **By force of law, the Bank was now exempted from having to honor its (obligation to satisfy the demand of holders of its unbacked paper money who wanted to exchange their paper for coin)."**

So there is a second fraud that follows the first fraud, just as happened in the 2008 global financial collapse. These financial institutions could not honor their obligations and instead of going into bankruptcy or selling out to vulture funds to be broken up, the U.S. Treasury and the Federal Reserve perpetrated a second fraud on the public, namely, the $16+ trillion bailout of the entire global financial system. Both frauds on the public---first, saddling the American people with a sham bank that has massively looted America for nearly 100 years and is mis-titled the "Federal Reserve," and second, the immense bailout of a corrupt and fraudulent global banking system, secretly run by the Federal Reserve. Both scams were the work of the clique of families who enforce their power by massive bribery, coercion, deadly violence, and assassinations.

Griffin:

"This was a fateful event (the Bank of England scheme put into operation and then reneging on its obligations in 1696) in the history of money, because the precedent has been followed ever since. In Europe and America, the (Bank of England and the Federal Reserve) *<u>have always operated with the assumption that their partners in government will come to their aid when they get into trouble.</u>* Politicians may speak about 'protecting the public,' but the underlying reality is that government needs (periodic infusions of unbacked paper money) and the printers of unbacked paper money pretending to be bankers) must not be allowed to fail."

The fraudulent activities of the Bank of England---having caused prices to double within two years of its inception in 1696---*precipitated a doubling of prices <u>again</u> by 1815*. Another financial crisis occurred in 1825 with the failure of 63 depositor banks, sending England into financial crisis. The same happened again in 1839, 1847, 1857, 1866, and 1890.

Can you sense the substantial social and economic turmoil England suffered from the fraudulent practices of the Bank of England? *What do you think happened when Parliament let it extend its banking monopoly to the American colonies in 1764?*

A "Central Bank" Comes To The American Colonies: The Bank of England

We've examined the fraudulent practices of the Bank of England, an institution spawned from King William's desperate need for funds. And we know that his dilemma was, (i) he could not increase taxes on his subjects, and (ii) he was unable to borrow money from regular lending sources due to the precarious financial condition of his government. Therein were the seemingly insoluble conditions that brought about the use of fraud: The Bank of England, a new institution pretending to be a bank, that was, in fact, a printing press of limitless unbacked money to solve King William's financial needs. The original objective of establishing English colonies to North America was for England to receive raw materials from the colonies very cheaply and to have the colonies receive the finished goods manufactured (at artificially high monopoly prices) in England. **What actually happened was that, over time, the American colonies developed an impressive trading system with not just England, but with other trading partners as well, and even developed an early phase of manufacturing in the colonies. When the King and Parliament attempted to limit such trade with other trading partners, the American colonies perfected sophisticated smuggling enterprises.** For example, a thriving production of rum evolved in the American colonies, involving the importation of molasses from the French, Dutch and Spanish West Indies in the Caribbean.

In terms of early American colonial money matters, the absence of gold and silver led to a home-grown currency, which by the 1750s, had been developed into a stable paper money medium that worked well because, (i) its issuance was carefully controlled to match the need to facilitate trade, (ii) the paper money was backed first by real estate and then other credible collateral such as tax revenues, and (iii) the colonies were populated by individuals who came from England to find better conditions, including an escape from the frequent booms and busts, bank runs, and heavy losses of depositor's money precipitated by the fraudulent activities of the Bank of England and the British government. *In the minds of many American colonists, the irresponsible pattern of money matters in England was looked upon as an important thing to avoid.* Unfortunately for the American colonies, in April of 1763, George Grenville assumed the office of Prime Minister of Great Britain, with the promise of cutting back government spending and pursuing a more assertive foreign policy. He instituted a series of Acts that laid the foundation of the American Revolution:

> The Currency Act of 1764: Among the various harmful Acts conceived by Prime Minister George Grenville ***was the decision to allow the Bank of England to expand its operations to include the American colonies.*** The Act prohibited the colonies from issuing any more paper money, making sure the existing colonial paper money was taken out of circulation through the settlement

of payments with which it is involved, and allowing the money monopoly of the Bank of England to take the place of colonial paper money with future issuances of its own unbacked paper money. The negative consequences to the economy of the American colonies were immediate.

The Sugar Act of 1764: The American colonies were building a thriving business in rum production for exportation by purchasing molasses from the French, Dutch and Spanish West Indies in the Caribbean. This lucrative export had a second important benefit: payments for American rum were made in gold and silver, which were a very valuable form of exchange that had provided strong backing to American colonial paper money. The Sugar Act of 1764 created and strictly enforced a tax on molasses coming from non-British colonies, which was meant to force the American colonies to purchase, at a considerably higher price, molasses from its British West Indies sugar operations in the Caribbean, thereby strengthening the monopoly position of its Caribbean sugar operations within the commercial realm of the British Empire. The Act also ended all colonial export of lumber to non-British sources, which further diminished colonial export revenues and further diminished the critically important payment of key American exports in gold and silver by non-British trading partners. The British government destroyed the sound financial system of the American colonies by spreading its corrupt and fraudulent financial system to the colonies like a cancer.

The Stamp Act of 1765: But of all the Acts conceived by George Grenville, the Stamp Act caused the most outrage and bitterness among American colonists. That is because it was perceived for what it was: a direct tax on a wide array of items all across the economic spectrum of the colonial economy without their consent, which was a direct violation of the right of every Englishman not to be taxed without having his elected representative be a part of the deliberations that go on in Parliament before any such Act is decided upon.

In reference to the first two Acts, Terry M. Mays, in his Historical Dictionary of Revolutionary America (2005), wrote:

"While the passage of the (Currency Act of 1751) is actually prior to the Revolutionary America period, it is important for understanding currency issues in the American colonies and the Currency Act of 1764. The British government passed the Currency Act of 1751 in an attempt to regulate the paper money being issued by the New England colonies. The British did not enforce the act during the French and Indian War (1754-1763) due to the need for paper money to cover the mounting debt of the colonies."

"The British government passed the Currency Act of 1764 after the war. British Prime Minister George Grenville persuaded Parliament to pass the Currency Act of 1764, the same year as the Sugar Act of 1764. While the Sugar Act had its greatest impact on the northern colonies, the Currency Act of 1764 added a new

> burden on the southern colonies. Parliament had passed the Currency Act of 1751 to control the issuing of paper money in the New England colonies. During and after the French and Indian War, the American colonies faced a scarcity of precious metals. Merchants throughout the American colonies experienced difficulties paying their British counterparts and turned to paper currency as a solution. As the value of the colonial paper money decreased, British merchants petitioned the government for assistance. The Currency Act of 1764 resulted from this action and extended the provisions of the Currency Act of 1751 from New England to all 13 American colonies."
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> "Royal governors could not authorize the issuance of bills of credit (colonial paper money) as legal tender (a medium of payment allowed by law). Any governor who refused to abide by the Act could be fined 1,000 Pounds, lose his position, and be disbarred from public office. The American colonists viewed the Currency Act with disdain, especially since it was passed around the same time as the Sugar Act of 1764.......The Currency Act is significant in that it reduced the monetary supply within the colonies during the period of crisis initiated by the Sugar Act of 1764. The latter act reduced the influx of hard currency (gold and silver) into the colonies as merchants faced obstruction in acquiring inexpensive, non-British sugar. The Currency Act served to increase the currency shortage and helped raise the ire of colonists against the government in London."

The heavy impact of the Currency Acts of 1751 and 1764 were reflected in Benjamin Franklin's statement to a 1766 inquiry by Parliament, published in "The Examination of Benjamin Franklin" in *The Parliamentary History of England from the Earliest Period to the Year 1803*. As to the causes of how Parliament had lost respect among the people of the Colonies, Franklin replied:

> "To a concurrence of causes: the restraints lately laid on their trade, *by which the bringing of foreign gold and silver into the Colonies was prevented*; the prohibition of making paper money among themselves, and then demanding a new and heavy tax by stamps; taking away, at the same time, trials by juries, and refusing to receive and hear their humble petitions."

On a broader level, any reader can feel the long struggle and frustration of American colonists as they try, for the next ten years to define their rights and the kind of democratic government to which they aspire, in the face of the wooden-headedness of the British government's mind-set. That disdainful and short-sighted mind-set was best expressed by Charles Townshend, British Chancellor of the Exchequer (1766-1767) who, during a Stamp Act debate in Parliament remarked:

> "...and now will these Americans, *children* planted by our care, nourished up by our Indulgence until they are grown to a degree of strength and opulence, and protected by our arms, will they grudge to contribute their mite to relieve us from heavy weight of the burden which we lie under?"

This brought a spirited retort in the same debate from another member of Parliament, Ireland-born Colonel Isaac Barre, a veteran severely wounded and blinded in one eye in the assault that brought a successful conclusion to the French and Indian War on the Plains of Abraham at Quebec. Colonel heaped scorn on Townshend's views, saying:

> "They planted by your care? No! Your oppression planted 'em in America. They fled from your tyranny to a then uncultivated and inhospitable country where they exposed themselves to almost all the hardships to which human nature is liable, and among others to the cruelties of a savage force, the most subtle, and I take upon me to say, the most formidable of any people upon the face of God's earth....." Barre is speaking about the Native Americans the American colonists encountered, sometimes under heavy attack.
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> "They nourished by your indulgence? They grew by your neglect of 'em. As soon as you began to care about 'em, that care was exercised in sending persons to rule 'em, in one department and another, who were perhaps the deputies of deputies to some member of this house, sent to spy out their liberty, to misrepresent their actions and to prey upon 'em; men whose behaviour on many occasions has caused the blood of those sons of liberty to recoil within them......"
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> "They protected by your arms? They have nobly taken up arms in your defence, have exerted a valour amidst their constant and laborious industry for the defence of a country whose frontier while drenched in blood, its interior parts have yielded all its little savings to your emolument (profit)....The people I believe are as truly loyal as any subjects the King has, but a people jealous of their liberties and who will vindicate them if ever they should be violated; but the subject is too delicate and I will say no more."
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> -------The Glorious Cause: The American Revolution, 1763-1766 (2005), Robert Middlekauff.

An expression of their long struggle against official British intransigence came out of the First Continental Congress in 1774, consisting of all thirteen colonies coming together for the first time. From that Congress, ***a Declaration of Rights*** was written, which provides an insight into how they forged the principles of a new government.

This isn't a dry, brittle artifact the American colonists produced in 1774. They were wrestling with <u>*who they were and how they wanted to live*</u>, while surrounded <u>by the feudal-age mindset</u> of the British government that was grinding them down with one abuse after another. Isn't this what we Americans are facing right now? Do you realize that we Americans will soon be thinking about the same issues as the American colonists, namely, a way to declare ourselves independent of the same clique of families that tried to grind down our forefathers and foremothers? And we Americans will soon be wresting with a formal statement of independence describing <u>*who we are and how we want to live*</u>. Here is what the American colonists came up with, two years before the final Declaration of Independence in 1776:

"That the inhabitants of the English colonies in North America, by the immutable laws of nature, the principles of the English Constitution, and the several charters or compacts, have the following rights:

> Resolved, that they are entitled to life, liberty and property: *and they have never ceded to any foreign power* whatever, a right to dispose of either without their consent.
>
> Resolved, that our ancestors, who first settled these colonies, were at the time of their emigration from the mother country, entitled to all the rights, liberties, and immunities of free and natural-born subjects, within the realm of England.
>
> Resolved, that by such emigration they by no means forfeited, surrendered, or lost any of these rights, but that they were, and their descendants now are, entitled to the exercise and enjoyment of all such of them, as their local and other circumstances enable them to exercise and enjoy.
>
> Resolved, that the foundation of English liberty, and of all free government, is a right in the people *to participate in their legislative counsel*: and as the English colonists are not represented, and from their local and other circumstances, cannot properly be represented in the British Parliament, they are entitled to a free and exclusive power of legislation in their several provincial legislatures, where their right of representation alone can be preserved, in all cases of taxation and internal polity, subject only to the negative of their sovereign, in such manner as has heretofore been used and accustomed: but, from the necessity of the case, and a regard to the mutual interests of both countries, we cheerfully consent to the operation of such acts of the British Parliament, as are bona fide, restrained to the regulation of our external commerce, for the purpose of securing the commercial advantages of the whole empire to the mother country, and the commercial benefits of its respective members; excluding every idea of taxation internal or external, for raising a revenue on the subjects, in America, *without their consent*.
>
> Resolved, that the respective colonies are entitled to the common law of England, and more especially *to the great inestimable privilege of being tried by their peers of the vicinity*, according to the course of that law.
>
> Resolved, that they are entitled to the benefit of such of the English statutes, as existed at the time of their colonization; and which they have, by experience, respectively found to be applicable to their several local and other circumstances.

Resolved, that these, his Majesty's colonies, are likewise entitled to all the immunities and privileges granted and confirmed to them by royal charters, or secured by their several codes of provincial laws.

Resolved, that *they have a right peaceably to assemble, consider of their grievances, and petition the King*; and that all prosecutions, prohibitory proclamations, and commitments for the same, are illegal.

Resolved, that the keeping *a standing army in these colonies, in times of peace, without the consent of the legislature of the colony, in which such armies is kept, is against law*.

Resolved, it is indispensably necessary to good government, and rendered essential by the English Constitution, that the constituent branches of the legislature be independent of each other, that, therefore, the exercise of legislative power in several colonies, by a counsel appointed, during pleasure, by the Crown, is unconstitutional, dangerous and destructive to the freedom of American legislation.

In the course of our inquiry, we find many infringements and violations of the foregoing rights, which, from an ardent desire, that harmony and mutual intercourse of affection and interest may be restored, we pass over for the present, and proceed to state such acts and measures as have been adopted since the last war (the French and Indian Wars), which demonstrate a systematic form to enslave America.

Resolved, that the following acts of Parliament are infringements and violations of the rights of the colonists; and that the repeal of them is essentially necessary, in order to restore harmony between Great Britain and the American colonies:

- The several acts which impose duties for the purpose of raising revenue in America, extend the power of the Admiralty courts beyond their ancient limits, *deprive the American subject of trial by jury*, authorize the judges certificate to indemnify the prosecution from damages, that he might otherwise be liable to, requiring oppressive security from a claimant of ships and good sees, before he shall be allowed to defend his property, and are subversive of American rights.

- Also an act for the better securing his Majesty’s dockyards, magazines, ships, ammunition, and stores which declares a new offense in America, and deprives the American subject of a constitutional trial by jury of the vicinity, by authorizing the trial of any person, charged with the committing any offense described in said act, out of the realm, to be indicted and tried for the same in any shyer or county within the realm.

- Also the three acts passed in the last session of Parliament, for stopping the port and blocking up the harbor of Boston, for altering the charter and government of Massachusetts Bay, and that which is entitled, 'An act for the better administration of justice, etc.'

- Also the act passed in the same session for establishing the Roman Catholic religion, in the province of Québec, abolishing the equitable system of English laws, and erecting a tyranny there, to the great danger (from so total a dissimilarity of religion, law and government) of the neighboring British colonies, by the assistance of whose blood and treasure the said country was conquered from France.

- Also the active past in the same session, for the better providing suitable quarters for officers and soldiers in his Majesty's service, in North America.

- Also, that the keeping a standing army in various of these colonies, in time of peace, without the consent of the legislature of that colony, in which such army is kept, is against law.

To these grievous acts and measures, Americans cannot submit, but in hopes that their fellow subjects in Great Britain will, on a revision of them, restore us to that state, in which both countries found happiness and prosperity, we have for the present, only resolved to pursue the following peaceable measures: 1. To enter into a non-importation, non-consumption, and non-exportation agreement or association. 2. To prepare and an address to the people of Great Britain, and a memorial to the inhabitants of British America: and 3. To prepare a loyal address to his Majesty, agreeable to resolutions already entered into."

When I read the resolutions above, I couldn't help thinking of the similarities to our current financial dilemma: then, Great Britain's national debt had more than doubled in the 20 years from 1754 to 1774; likewise, the current national debt of the U.S. government. And European Union countries' debt skyrocketed in the last 20 years, particularly Portugal, Ireland, Greece and Spain. And what happens in all such cases of governments that have become so fiscally unsound? Well, remember how the national debt came about in all governments of fiscal distress, irrespective of time: it was from receiving loans based on un-backed paper money from so-called "central banks" that deceptively called it "national debt." Of course, it wasn't debt; it was just newly printed, unbacked paper money that cost nothing to create. And the owners of any "central bank" were a very few powerful individuals who had gained concealed influence over the governments, because of this fictitious "national debt." Also, remember that these few powerful individuals were receiving huge fees, disguised as "interest" on the accumulating "national debt," all for doing nothing more than printing unbacked money and giving it to victimized governments.

And, finally, remember that these few powerful individuals retain their concealed power over these governments because of the need for a "front" called a "central bank" that is in place so that the governments can continue to their spending in an irresponsible manner.

The analogy to drug addiction may be helpful: the few powerful individuals who control the "central banks" that produce the unbacked paper money for the governments are the "pushers." And the heads of the governments are the "addicts" (and are the minions of the clique of families) Due to the arrangement between the two parties, it is in the interest of the pushers to keep pushing the unbacked paper money (characterized as loans, which they are not) on the heads of governments to keep running up the "national debt" from which the central banks can make higher fees. And, by the way, the pushers have the power to force the governments to pay them back a portion of the "national debt" by requiring a reduction in government spending, or forcing "austerity programs" on the public, or requiring a "bailout" of their "central bank." These requirements are entirely fraudulent because no debt was actually owed to the "central banks."

With this as background, now you may be able to sense that the Declaration of Rights produced at the First Continental Congress was actually a reflection of massive pressure being applied by the few powerful individuals (the clique of families) with concealed power over the British government to reduce its spending. The French and Indian War (1754-1763), among other major British government expenditures, had required the pushers to hugely increase the printing of unbacked paper money, which ran up the British "national debt." Now the pushers exercised their concealed power to require an increase in revenues from the American colonies and the insertion of the predatory Bank of England into the American colonial banking system. When you read the resolutions of the Declaration of Rights in this context, it's all about forcing the American colonies to become a major source for reducing Britain's runaway "national debt" owned to the pushers of new unbacked paper money. ***This is how the pushers create debt dependency (addiction to unbacked paper money) that gives them leverage to demand a fraudulent payback of some of the "national debt" and also demand reductions in social safety net spending to do so.***

So, here's another connecting of the dots: the use of "central banks," which are just fraudulent organizations that issue unbacked money that steadily dilute the value of the existing money in circulation, ALWAYS CAUSE RUNAWAY "NATIONAL DEBT." And, to a great extent, the American Revolution was brought about by Britain's runaway "national debt" and its increasingly desperate and despotic efforts to satisfy the demands of the concealed clique of families who owned these fraudulent organizations called "central banks." And there is one more dot to connect: the current financial disaster that has befallen the European Union, which consists of 27 nation-state members, is that all those countries have had a "central bank" forced upon them by the clique and have also been forced, by deep bribery, coercion, violence and assassination, to follow the instructions of the clique in all matters. The core problem faced by the member nation-states of the European Union is the same story all over again: the national debt of many of their nation-states is so high that the debt cannot ever be paid back. So, the thoroughly fraudulent activity of the clique of families---always characterized by their concealed and massively fraudulent schemes, and particularly their "central bank" scam, alway ends with a form of "debt-slavery" that maintains the clique's control of the European Union. The recent history of certain South American countries---Venezuela, Brazil, Bolivia and Ecuador, among others---that have rid themselves of the clique's debt-slavery by cutting ties with the IMF and the World Bank, is one of emancipation and a better future.

As you can see, the Declaration of Rights of 1774, just two years before the American Revolution, was not a declaration *of independence*; instead, it was a polite and formal plea for the King and Parliament to address the grievances being suffered by the colonies and their people and for establishing a new, mutually agreeable working relationship, which still contained a formal allegiance to England, *but it was to no avail.*

Today, with America's $16+ trillion national debt, the clique of families is trying to grind down the morale and staying power of the American people: using fraudulent Tavistock language like "sequestration" and circulating threats to eliminate Social Security and Medicare, legislating the end of collective bargaining rights for public unions, causing cuts in education and police and fire protection, cuts in social services for the elderly and children, and cuts in medical and retirement benefits. And, today, when you step away from the false reality the clique creates, the fact is that it has been the clique's own schemes that have put America in the economic distress it faces today. For the clique to now try to engineer: (i) a severe drop in Americans' standard of living, (ii) abolish their most basic freedoms and rights; and (iii) to begin creating the aura of a police state, all in preparation for Americans to become subjected to a one-world government, is not going to work. Nor, will it work with the 27 nation-state members of the European Union, whose populations are now seeing the light and rejecting the fake debt, the hypocritical austerity measures, and the puppet show that is the present EU leadership of the clique-controlled Herman Van Rompuy, Jose Manuel Barroso, and Baroness Catherine Aston. Pull up: http://www.youtube.com/watch?v=ViPm0GUxw-M&feature=related

The grievances of a non-financial nature in the Declaration of Rights centered around issues such as *trial by jury, juries of their peers located in the same vicinity*, taking accused colonists to England to stand trial, *subversion of colonial legislatures*, *interference with the right to assemble and to petition the King, placing a standing army of British troops in the American colonies* after the French and Indian War, and establishing an English colony in Canada abutting the American colonies, without English common law and arranging for a dominant Roman Catholic religion in one of its provinces, which posed a troubling concern to the American colonies. But in spite of these grievances, American colonists were hopeful of a mutual accommodation and armed resistance to the British government was hard to contemplate.

America Was Effectively Recolonized in 1913

Isn't that heading a shock to you, our next generation? How can that be possible? Well, this is just a reflection of the clique's media, education, and "entertainment" industry, which combine to maintain a high wall of false reality around the American people.

As shocking as it sounds, it is not stretching things to say that America was essentially "re-colonized" in 1913 following a long series of concealed schemes by the clique in collaboration with the betraying American Eastern Establishment families.

The "big tell" occurred on December 1st, 2010 when the Federal Reserve was forced by new Congressional legislation to disclose that it had secretly issuing **$13.3 *trillion*** of U.S. taxpayer's money and credit not only to American banks and investment firms, but also to *foreign* banks, central banks of *foreign* countries, transnational corporations, international hedge funds and wealthy individuals. It's a strong word: "re-colonize." But when a country surrenders control of its financial system to a clique of foreign origin, it's like handing over your personal income, your purchasing power, your capacity to spend, and your capacity to build financial strength to a third party. You will have surrendered the most important part of your freedom and for a country to do so is to assume a permanently subservient position to that foreign power. By "foreign power," I mean a tiny group of foreign families working in the shadows of power behind the British monarchy for a very long time, which will be further described herein.

It wasn't one scheme that caused America's recolonization; it was many concealed schemes over time with one ultimate purpose. The lesson is that the clique of families is, and continues to be, utterly relentless and extraordinarily patient in its successful effort to use the United States of America as a parasite would use a host. There were two driving forces that led us to where we are: *first*, by the late 1800s, Britain was in permanent economic decline relative to other growing economies and that to preserve their world position, they recognized that, like a parasite, they must burrow under the skin of a strong "host" country, namely, America; and, *second*, given America's enormous land mass, political cohesiveness, and massive resources, the clique could reap unimaginable profits by carrying out concealed schemes to massively loot America's unparalleled financial and physical resources and take over its military resources. That explains this clique's extraordinary persistence. Here is a *partial list of the concealed schemes* that helped to bring America to its re-colonized status:

- The creation of the fraudulent Bank of England in 1697 and its founding and control of the global banking system.
- The staggeringly large amount of wealth the clique---hidden behind the British monarchy---accumulated by looting its colonies of their natural resources.
- The even greater amount of wealth accumulated by the clique-controlled British East India Company's monopoly ownership of *the global narcotics trade* that continues its rapid growth today.

- Maneuvering its agent, Alexander Hamilton into the position of Secretary of the U.S. Treasury in 1789.

- Using Hamilton to engineer the creation of the First Bank of the United States on February 25, 1791 in Philadelphia to give America's federal government greater power over the country's financial resources. It was a fraudulent scheme. Hamilton had already, on June 9, 1784, formed the Bank of New York, a private bank with concealed majority ownership running to the clique's Bank of England. He folded that private bank into the First Bank of the United States in 1791, giving concealed control of America's new bank to the Bank of England. Madison and Jefferson were strongly opposed, but overruled by President George Washington.

- Engineering the financial panic of 1793 to bring about support for a "central bank" in America to "stabilize" employment, economic growth and the investment markets.

- Fomenting the War of 1812 which weakened America's financial strength in preparation for forcing acceptance of the Second Bank of the United States in 1822 and positioning its agent, Nicholas Biddle, as the president of the Second Bank.

- The financial panic of 1819 was engineered to generate public support for a "central bank."

- Orchestrating a Congressional bill through bribery and coercion of Congressmen to re-charter Second Bank of the United States on July 3rd, 1832 before President Jackson took action to cancel the bank's charter.

- Engineering the financial panic of 1837 to continue to build the case for a "central bank."

- Engineering the financial panic of 1857 to further build the case for a "central bank."

- Fomenting the Civil War to divide America into two smaller, weakened, and hostile countries that could be more easily controlled.

- Orchestrating a Congressional bill---using massive bribery and coercion---to create a national banking system in 1863, against President Lincoln's wishes.

- Engaging in concealed Civil War machinations that positioned its agent, General McClennan, as head of the Union Army, a military force that was ineffective for the first year of the war due to planned foot-dragging by General McClennan on the battlefield.

- Positioning the relieved and retired General McClennan as the Democratic Party nominee for President in the 1864 elections.

- Positioning their agent, August Belmont, as chairman of National Democratic Committee, who supported General McClennan's candidacy for President.

- Positioning their agent, Salmon Chase, as President Lincoln's Secretary of the Treasury, who supported the National Banking Act of 1863 opposed by President Lincoln. Pre-positioning Salmon Chase for Democratic Party nominee for President if needed.

- Orchestrating Congressional support for the National Banking Act of 1863 that re-inserted the Bank of England into America's financial system.

- Assassinating President Lincoln on April 15, 1865 to solidify control over the U.S. government and further its scheme to take over America's financial system.

- Engineering the Financial Panic of 1873 to build the case for a "central bank."

- Orchestrating a Congressional bill---The Coinage Act of 1873---to create a deflationary economy (falling prices) favorable to the international bankers based on returning to the Gold Standard.

- Orchestrating the U.S. Supreme Court Decision in 1886 to define corporations as "persons" having the same rights as American citizens.

- Engineering the Financial Panic of 1893 to build the case for a "central bank."

- Engineering the Financial Panic of 1907 to condition the American people to accept the long-planned "central bank," which was no more than a disguised private bank owned by the clique of families.

- Orchestrating a Congressional bill---the Aldrich-Vreeland Act---in 1908 to create a National Monetary Commission, chaired by Senator Nelson Aldrich, to make pre-planned recommendations to further condition the American people to accept their disguised private bank, fraudulently named the Federal Reserve, the planning of which to be finalized in the secret meeting at Jekyll Island in 1910.

- Positioning their agent, "Colonel" Edward House to groom Woodrow Wilson as President of the United States in 1913 to smooth the way for the enactment of the Federal Reserve Act of 1913 by the U.S. Congress and the Wilson Administration.

<u>The Final Maneuvering To Close the Trap That Recolonized America</u>

To fully understand what was about to happen, we need to determine the fundamental game plan as of the early 1900s, as the the clique methodically prepared the American public to surrender control of its financial system, and surrender its independence to control of its own future.

Overall, the clique of families, hidden behind the British monarchy saw America as the mother lode of financial resources, natural resources, giant productive capacity, and overwhelming military capacity, all to be used for its own financial benefit. And most attractive, America, which become the largest economy in the world, could provide an inexhaustible supply of U.S. taxpayer money to be siphoned off.

The key elements of the game plan were:

1. To use of America as a platform for the clique's concealed schemes to (i) foment wars, (ii) gain control of American industry, (iii) loot the world's populations through its transnational corporations, (iv) solidify its control of the global banking system, and (v) to use the U.S. military to insure its schemes were successful.

2. To eliminate banking and industrial competition by building even larger monopolies. In The Case For Gold, sponsored by the Cato Institute 1982, Ron Paul and Lewis Lehrman wrote:

> "The railroads had begun the parade (of building cartels to achieve monopoly prices) in the 1880s, but now field after field was being centralized and cartelized *in the name of efficiency and stability and progress and the general welfare*...... (all based on fraudulent intent) In particular, various big business groups, led by the Rothschild-controlled J.P. Morgan interests---often gathering in the National Civic Federation and other think tanks and pressure groups---saw that the voluntary cartels and the industrial merger movements of the late 1890s *had failed to achieve maximum monopoly prices in industry*. Therefore, they decided to turn to governments---state and federal---to curb the winds of competition and to establish forms of compulsory cartels, in the name, of course, of curbing big business monopoly and advancing the general welfare."

3. To figure out a way to shift the inevitable losses from the owners of the big banks to the U.S. taxpayers.

4. To stop the growing influence of smaller, rival banks in other regions of the country.

5. To reverse the trend of industries accumulating profits to be used for funding their projects internally, and avoid dealing with the big banks and their expensive loans.

6. To be able to establish a large pool of central reserves for the hard times of bank runs and gold outflows.

7. To convince Congress that whatever the scheme was that would answer these six needs **would be perceived as a benefit to the public interest**.

The finishing touches were added at a secret meeting in November of 1910 on a spot close off the Georgia coast named Jekyll Island, an exclusive, private resort and only available for a chosen few of the most wealthy. Years later, this concealed rendezvous revealed itself in the memoirs found in various biographies:

From Nathaniel Wright Stephenson:

> "In the autumn of 1901, six men (in addition to Senator Nelson Aldrich) went out to shoot ducks. That is to say, they told the world that was their purpose. Mr. Warburg, who was of the number, gives an amusing account of his feelings when he boarded a private car in Jersey City, bringing with him all the accoutrements of a duck shooter. The joke was in the fact that he had never shot a duck in his life and had no intention of shooting any.....The duck shoot was a blind."

From Frank Vanderlip:

> "Despite my views about the value to society of greater publicity for the affairs of corporations, there was an occasion, near the close of 1910, when I was as secretive–indeed, as furtive–as any conspirator....I do not feel it is any exaggeration to speak of our secret expedition to Jekyll Island as the occasion of the actual conception of what eventually became the Federal Reserve System. We were told to leave our last names behind us. We were told, further, that we should avoid dining together on the night of our departure. We were instructed to come one at a time and as unobtrusively as possible to the railroad terminal on the New Jersey littoral (shoreline) of the Hudson, where Senator Aldrich's private (railroad) car would be in readiness, attached to the rear end of a train for the South. Once aboard the private car we began to observe the taboo that had been fixed on last names. We address one another as "Ben," "Paul," "Nelson," "Abe"–as in Abraham Piatt Andrew. Davison and I adopted even deeper disguises, abandoning our first names. On the theory that we were always right, he became Wilbur and I became Orville, after those two aviation pioneers, the Wright brothers. The servants and train crew may have known the identities of one or two of us, but they did not know all, and it was the names of all printed together that would have made our mysterious journey significant in Washington, in Wall Street, even in London. Discovery, we knew, simply must not happen, or else all our time and effort would be wasted. *If it were to be exposed publicly that our particular group had got together and written a banking bill, that bill would have no chance whatever of passage by Congress."*

<u>And The Trap Snapped Shut the Day Before Christmas on December 23, 1913</u>

And, on December 23, 1913, the day before Christmas, when many in Congress had already left for home, the Federal Reserve of 1913 was enacted and immediately thereafter signed into law by President Woodrow Wilson. It was the greatest fraud ever perpetrated on the American people and involved American bankers, a former Assistant Secretary of the U.S. Treasury, and many of America's own elected officials, who were massively bribed and coerced by the clique of families.

It is now common knowledge that these deliberations did take place and the attendees of these deliberations were:

- Nelson W. Aldrich, Republican "whip" in the U.S. Senate, business associate of J.P. Morgan, *father-in-law to John D. Rockefeller, Jr*.

- Abraham Piatt Andrew, Jr. (*Princeton University*, University of Berlin), *professor of economics at Harvard University*, Assistant Secretary of the U.S. Treasury.

- Frank A. Vanderlip, president of the National City Bank of New York, the most powerful of the banks at the time, which was controlled by William Rockefeller and the international investment banking house of Kuhn, Loeb & Company.

- Charles D. Norton, (*Harvard University*), president of J.P. Morgan's First National Bank of New York.

- Henry P. Davison, senior partner of the J.P. Morgan Company.

- Benjamin Strong, Jr., head of J.P. Morgan's Bankers Trust Company.

- Paul M. Warburg, a partner in Kuhn, Loeb & Company, *a representative of the Rothschild banking dynasty* in England and France, and brother to Max Warburg who was head of the *Warburg banking consortium* in Germany and the Netherlands.

They were all Americans, except Paul Warburg, and they clearly betrayed their country. But the laws of the land in America had been corrupted long before this colossal breach of America's national interest. Would you call this secret meeting of American and European banking interests un-Constitutional, un-American, and a violation of the public interest? Can you now see that our American legal system needs to be reconstituted to deter this sort of monstrous betrayal of the U.S. Constitution? I believe the same holds true for the current accumulation of "Executive Orders" signed by President Obama that are also a monstrous betrayal of the U.S. Constitution.

An Extreme Case of False Reality: the Official Federal Reserve Description of Itself

There was never a more fraudulent presentation of the intentions and actions of an organization than the official description of the Federal Reserve, which reads as follows:

> "The Federal Reserve System is the central bank of the United States. It was founded by Congress in 1913 to provide the nation with a safer, more flexible, and more stable monetary and financial system. Over the years, its role in banking and the economy has expanded."
>
> "Today, the Federal Reserve's duties fall into four general areas:

- Conducting the nation's monetary policy by influencing the monetary and credit conditions in the economy in pursuit of maximum employment, stable prices, and moderate long-term interest rates.

- Supervising and regulating banking institutions to ensure the safety and soundness of the nation's banking and financial system and to protect the credit rights of consumers.

- Maintaining the stability of the financial system and containing systemic risk that may arise in financial markets.

- Providing financial services to depository institutions, the U.S. government, and foreign official institutions, including playing a major role in operating the nation's payments system."

"Structure of the System: Congress designed the structure of the Federal Reserve System to give it a broad perspective on the economy and on economic activity in all parts of the nation. It is a federal system, composed of a central, governmental agency–the Board of Governors–in Washington DC, and 12 regional Federal Reserve Banks. The Board and the Reserve Banks share responsibility for supervising and regulating certain financial institutions and activities, for providing banking services to depository institutions and the federal government, and for ensuring that consumers receive adequate information and fair treatment in their business with the banking system."

"A major component of the System is the Federal Open Market Committee (FOMC), which is made up of the members of the Board of Governors, the president of the Federal Reserve Bank of New York, and presidents of four other Federal Reserve Banks, who serve on a rotating basis. The FOMC oversees open market operations, which is the main tool used by the Federal Reserve to influence overall monetary and credit conditions."

"Background: During the 19th century and the beginning of the 20th century, financial panics plagued the nation, leading to bank failures and business bankruptcies that severely disrupted the economy. The failure of the nation's banking system to effectively provide funding to troubled depository institutions contributed significantly to the economy's vulnerability to financial panics. Short-term credit is an important source of liquidity when the bank experiences unexpected and widespread withdrawals during a financial panic. A particularly severe crisis in 1907 prompted Congress to establish the National Monetary Commission, which put forth proposals to create an institution that would help prevent and contain financial disruptions of this kind. After considerable debate, Congress passed the Federal Reserve Act 'to provide for the establishment of Federal Reserve Banks, to furnish an elastic currency, to afford means of

> rediscounting commercial paper, to establish a more effective supervision of banking in the United States, and for other purposes.' President Woodrow Wilson signed the act into law on December 23, 1913."
>
> "The Federal Reserve System is considered to be an independent central bank because its decisions do not have to be ratified by the President or anyone else in the executive branch of government. The system is, however, subject to oversight by the U.S. Congress. The Federal Reserve must work within the framework of the overall objectives of economic and financial policy established by the government; therefore, the description of the System as 'independent within the government' is more accurate."

This was a masterpiece of lies and deception, a perfect example of colossal fraud that is the chief trademark of the clique of families.

The commonly understood purpose of the Federal Reserve System was to stabilize the American banking system, however, from the very beginning there were those who did not accept the stated purposes of the Federal Reserve. In the debate surrounding the formation of the Fed, Henry Cabot Lodge, Republican U.S. Senator of Massachusetts (1893-1924), stated in 1913:

> “The (Federal Reserve Act) as it stands seems to me to open the way to a vast inflation of the currency....I do not like to think that any law can be passed that will make it possible to submerge the gold standard in a flood of irredeemable paper currency.”

Charles A. Lindbergh, Sr., U.S. House Representative of Minnesota (1907-1917) was another concerned critic:

> “The financial system.....has been turned over to the Federal Reserve Board. That board administers the finance 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.........This (Federal Reserve Act) establishes the most gigantic trust on Earth.
>
> When the President (Wilson) signs this bill, the invisible government of the monetary power will be legalized.....the world legislative crime of the ages is perpetrated by this banking and currency bill.......To cause high prices, all the Federal Reserve Board will do will be to lower the rediscount rate..., producing an expansion of credit and a rising stock market; then when ... business men 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 markets 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

> financial conditions and advance knowledge of the coming change, either up or down.
>
> This is the strangest, most dangerous advantage ever placed in the hands of a special privilege class by any Government that ever existed. The 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 panic. Inflation and deflation work equally well for them when they control finance."

Willis A. Overholser, who wrote A Short Review and Analysis of the History of Money in the United States (1936), stated his concern about the Fed's financial structure, *which seemed to be harnessing the American taxpayer to benefit the bankers*:

> "The present Federal Reserve System is a flagrant case of the Government's conferring a special privilege upon bankers. The Government hands to the banks its credit, at virtually no cost to the banks, to be loaned out by the bankers for their own private profit. Still worse, however, is the fact that it gives the bankers practically complete control of the amount of money that shall be in circulation. Not a dollar of these Federal Reserve Notes gets into circulation without being borrowed into circulation and without someone paying interest to some bank to keep it circulating. Our present money system is a debt money system. **Before a dollar can circulate, a debt must be created.** Such a system assumes that you can borrow yourself out of debt."

President Wilson signed the Federal Reserve Act into law on December 23rd of 1913. "Colonel" Edward House, his trusted advisor and confidant, was believed to be very influential in persuading the President to support the Act. It is important to note that Colonel House had close ties to the Rothschild family banking interests in London and New York.

By now you can see how the world actually works: over and over in American history, the clique of families behind the British monarchy has strategically positioned its agents close to U.S. Presidents, heads of the U.S. Treasury, in the U.S. Congress, in the U.S. Supreme Court and within U.S. regulatory agencies. Then this clique advanced its scheming: it began to routinely installing U.S. presidents, like Woodrow Wilson.

The Gravity of the Concealed Federal Reserve Scheme

This clique scheme was the ultimate killer. The killer of the American Dream. The killer of American democracy. The killer of the better future of all succeeding American generations. The killer of the victory President Jackson won in breaking the Second Bank of the United States stranglehold in 1834, and the killer of all that our forefathers fought for in the American War of Independence. That an American Congress---in this case, the 63rd U.S. Congress---and an American President, Woodrow Wilson, could betray America in such a fatal manner is beyond my imagination. And it should be the loudest wake-up call for you, our next generation, about the false reality that surrounds us all because the "American" media and "American" education actively participated in maintaining a high wall of false reality concerning the Federal Reserve and its activities.

<u>Let's fast forward to the 2007-2008 scene to look into the current global financial crisis</u>

In mid-2007, the Wall Street firm, Bear Stearns reported that two of its subprime mortgage hedge funds had collapsed. In March of 2008, a ruined Bear Stearns had to be absorbed by JP Morgan Co., followed in October 2008 by the derelict remains of Lehman Brothers, Merrill Lynch, AIG and other of America's most powerful financial institutions. In reaction, the U.S. Treasury expended $700 billion of U.S. taxpayers' money to address that initial financial crisis. The massive funding was dispensed to the top U.S. banks and U.S. investment firms.

But the much larger section of this global financial shipwreck only rose to the surface on December 1st, 2010, revealing that, since late 2008, the Federal Reserve had issued **$13.3 *trillion*** of U.S. taxpayer dollars to *large <u>foreign</u> banks, central banks of <u>foreign countries</u>, international hedge funds, transnational corporations and wealthy individuals*, as well as to America's banks, over and above the **$700 billion** of TARP money provided by the U.S. Treasury, **all without consultation with or authorization by the U.S. government and without disclosure to the American people**. To try to make sense of this **$13.3 trillion** expenditure---an astounding amount of U.S. taxpayer money by any measure---it would be helpful to know that, as of January 31, 2011, the total public debt outstanding of the United States of America was just over $14 trillion. In other words, the Federal Reserve issued an amount of U.S. taxpayer money and taxpayer-backed loans in an amount nearly equivalent to America's entire national debt to try to resuscitate **the <u>global</u> banking system**, which is under the exclusive control of the clique of families. *The stunner is that we could have paid off 100% of America's national debt with the **$13.3 trillion** issued by the Federal Reserve to the global banking system.*

The significance of the Federal Reserve's December 2010 report has gone right over the heads of the American public because of the disinformation and censorship emanating from the clique-controlled "American" media and the clique-controlled American education. (As explained in Chapter One of the Perspective) If the significance of the Federal Reserve's report ever begins sink in, it will be profoundly bewildering because the American public has always been told that the Federal Reserve serves the U.S. government to, among other things: (i) prevent financial crises, (ii) maintain high employment, (iii) maintain stable prices and (iv) protect the value of the dollar. There is nothing in the Fed's charter about bailing out foreign banks, the central banks of foreign countries, transnational corporations, hedge funds, and wealthy individuals. To do this would constitute looting the entire American population. Therefore, why wouldn't the U.S. government have stopped this astounding Federal Reserve activity in its tracks? After all, our government serves the American public, doesn't it?

Time Out: Take a deep breath. Exhale slowly. This cannot possibly be right, can it? If the U.S. government represents the American people and it did not have knowledge or control over this colossal expenditure, *then who else could have authorized this action?*

Let's look twice just to digest this fully documented reality: The worldwide financial system did crash in 2008-2009. And in addition to the publicly disclosed **$700 *billion*** bailout by the U.S. Treasury, which occurred with approval by the Bush Administration and the U.S. Congress, an additional **$13.3 *trillion*** of U.S. taxpayer money, in 21,000 documented transactions was expended *without knowledge or authorization by the U.S. government and without disclosure to the American public.* And to add to the mystery, this expenditure *was concealed for nearly two years by Ben Bernanke (right), the Chairman of the Federal Reserve. The obvious question is:*

Who is Ben Bernanke and who does he report to?

Ben Bernanke is not an elected official of the U.S. government; he was appointed in 2006 by President George W. Bush to head the Federal Reserve and was confirmed by the U.S. Congress. President Obama reappointed Bernanke in 2009. Here's a reminder: The Federal Reserve *is not a part of the U.S. government*; it is privately owned by certain international financial institutions and the complete list of owners has never been made unavailable. There was not a peep from the Obama Administration following the disclosure by the Federal Reserve of the **$13.3 sum** expenditure of U.S. taxpayer's money. And from the U.S. Congress there was a single, already marginalized, Senator who raised the obvious and critically important questions: Senator Bernie Sanders of the State of Vermont (above). Senator Sanders issued this press release when the disclosure was released in early December of 2010:

> "What we have learned so far from the disclosure of more than 21,000 transactions? We have learned that the $700 billion Wall Street bailout signed into law by President George W. Bush turned out to be pocket change compared to the trillions and trillions of dollars in near-zero interest loans and other financial arrangements the Federal Reserve doled out to every major financial institution in this country. Among those are Goldman Sachs, which received nearly $600 *billion*; Morgan Stanley, which received nearly $2 *trillion*; Citigroup, which received $1.8 *trillion*; Bear Stearns, which received nearly $1 *trillion*, and Merrill Lynch, which received some $1.5 *trillion* in short term loans from the Fed."
>
> "We also learned that the Fed's multi-trillion bailout was not limited to Wall Street and big banks, but that some of the largest corporations in this country also received a very substantial bailout. Among those are General Electric, McDonald's, Caterpiller, Harley Davidson, Toyota and Verizon. Perhaps most surprising is the huge sum that went to bail out **foreign banks and corporations** including two European megabanks---Deutsche Bank ($290 billion) and Credit Suisse ($287 billion)---which were large beneficiaries of the Fed's purchase of mortgage-backed securities."
>
> **"Has the Federal Reserve of the United States become the central bank of the world? We have begun to lift the veil of secrecy *at one of the most important agencies in our government*. What we are seeing is the incredible power of a small number of people who have incredible conflicts of interest getting incredible help from the taxpayers of this country while ignoring the needs of the people."**

At a Senate Budget Committee hearing in early 2009, Senator Sanders had asked the Federal Reserve Chairman, Ben Bernanke, to disclose the names of the financial institutions that received emergency funding from the Fed. Bernanke refused. It is now clear why. Senator Sanders went on to sponsor an April 2, 2009 Senate amendment on Federal Reserve transparency---**contested in two court cases initiated by the Federal Reserve**---to disclose its funding activities since the 2008 financial collapse. The courts both ruled that the Federal Reserve had to comply with the Senate amendment.

In his comments above, Senator Sanders mis-described the Federal Reserve as being "*one of the most important agencies in our government*." In fact, the Federal Reserve is <u>*not*</u> an agency of the U.S. government. It bears repeating that <u>*it is privately owned*</u> and while certain banks are known to be owners of the Federal Reserve, the complete list of owners has never been disclosed since the inception of the Federal Reserve in 1913. If this well-intentioned U.S. Senator can get such an important fact wrong, how can the American public be blamed for thinking the Federal Reserve is a part of the U.S. government. The Fed's private owners purposely chose the term "Federal Reserve" to make the American public believe just that.

The Chairman of the Federal Reserve is appointed by the President and confirmed by the U.S. Senate for a term of four years with no term limits. Its seven Governors are also appointed by the President and confirmed by the Senate for a term of 14 years with no term limits. *However, under this arrangement, neither the President nor Congress has any legal control over Fed activities*. In other words, this arrangement conceals the separate, overriding power of the Federal Reserve to control the most important financial affairs of America and it betrayed America by issuing an astounding sum of taxpayer money and credit to the global banking system ***<u>and nothing</u>*** to the recovery effort of the American economy.

What is important about Senator Sanders' commentary is that the true nature and workings the Federal Reserve are emerging, in spite of the high wall of false reality that conceals its real activities from the public and the clique of families that owns it.

<u>The Federal Reserve Is Forced to Reveal Another **$3.3 Trillion** of Financial Assistance</u>

On March 31st, 2011, the Federal Reserve was forced by new Congressional legislation to reveal the financial assistance it had provided from its "Discount Window" program, which had been exempted from the December 1st, 2010 disclosures. **$3.3 *trillion*** of financial assistance was provided to the following borrowers:

<u>Foreign Borrowers</u>	<u>Domestic Borrowers</u>
Bank of China	J.P. Morgan Chase
Affiliate of the Libyan Central Bank	Wachovia
Honda, BMW, Nissan, Volkswagen, Hyundai	Morgan Stanley
Norinchukin Bank, Japan	Citigroup
Depfa Bank, Dublin, Ireland	Bank of America
Dexia SA, Brussels	General Motors
Japanese Fishing Cooperative financier	Chrysler
Societe Generale, French bank	Ford
Deutsche Bank, Germany	
Commerzbank, Germany	
Royal Bank of Scotland	

The significance of the Federal Reserve's December 2010 and March 2011 disclosures has gone over the heads of the American public because the event was very lightly reported with no real critique from the "American" media and "American" education.

An independent audit of the Federal Reserve has never been approved by the U.S. Congress. Senator Sanders and Congressman Ron Paul continue to press for an audit, and a bipartisan bill was passed in the U.S. House of Representatives on July 25, 2011 on a 327 to 98 vote. Congressman Paul had stated that the Federal Reserve is,

> "an enormously destructive and unaccountable force in both the U.S. economy and the greater global economy."

There Are Three Important Conclusions To Be Drawn

First, I believe it is fair to say the Federal Reserve has not only massively looted the American public in its intended secret bailout of the clique's global banking system, but worse, it continues to do so in massive additional fundings. Chairman Bernanke calls these fundings "*quantitative easing*"---another Tavistock example of fraudulent use of language to obscure and deceive the American public. Quantitative easing is, in reality, more massive use of U.S. taxpayers' money and credit to prop up insolvent American financial institutions, insolvent foreign banks and insolvent governments of the sagging European Union, the clique's International Monetary Fund (IMF), and other undisclosed recipients.

Second, This intentionally fraudulent choice of the words---*quantitative easing,* this continuation of massive looting of America's financial resources---is being covered up by all the bought and paid-for minions from the "America" media, from "American" education, from the government spokespersons, from economists, and from other official sources---all of whom are responsible for maintaining the high wall of false reality that surrounds and disempowers the American public. These are the same bought and paid-for individuals who, when instructed, marginalize critics among the American public by use of ridicule, more lies from "experts," and other methods to silence them.

Third, this "quantitative easing," namely, the continuation of massive use of U.S. taxpayer money and credit to resuscitate the clique's global banking system, insolvent countries and corporations and its International Monetary Fund, is, without any doubt, going to result in catastrophic hyperinflation no later than 2014 in America, which will cause a collapse of the value of America's currency and destroy any remaining savings of the American people.

Can you now understand how dangerous the clique-controlled "American" media and "American" education have been to the national security of the United States of America?

The gravity of this Federal Reserve scheme was that it made America the captive of the clique of families, which is best explained by historian Carroll Quigley, in his Tragedy & Hope: A History of the World in Our Time, (1966). Quigley, who taught at Princeton, Harvard, and at the School of Foreign Service at Georgetown University, has delved deeper into this black hole than any other historian and he wrote:

> "In addition to these pragmatic goals, the powers of financial capitalism (economies characterized by international banking activities) had another far-reaching aim, nothing less than to create a world system of financial control in private hands able to dominate the political systems 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 agreements

arrived in frequent private meetings and conferences. The apex of the system was to be the Bank of International Settlements in Basle, Switzerland, a private bank owned and controlled by the world's central banks, which were themselves private corporations. Each central bank, in the hands of men like Montagu Norman of the Bank of England, Benjamin Strong, of the New York Federal Reserve Bank, Charles Rist of the Bank of France, and Hjalmar Schacht of the Reichsbank, sought to dominate its 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 awards in the business world."**

"In each country the power of the central bank rested largely on its control of credit and money supply. In the world as a whole the power of the central bankers rested very largely on their control of loans and of gold flows. In the final days of the system, these central bankers were able to mobilize resources to assist each other through the B.I.S. The B.I.S., as a private institution, was owned by the seven chief central banks and was operated by the heads of these who together formed its governing board. Each of these kept a substantial deposit at the B.I.S., and periodically would settle payments among themselves (and thus between the major countries of the world) by bookkeeping in order to avoid shipments of gold. *They made agreements on all the major financial problems of the world, as well as on many of the economic and political problems, especially in reference to loans, payments, and the economic future of the chief areas of the globe."* So much for democracy, individual rights, national sovereignty, government by the consent of the governed.

"The B.I.S. is generally regarded as the apex of the structure of financial capitalism whose remote origins go back to the creation of the Bank of England in 1694 and the Bank of France and 1803. As a matter of fact its establishment in 1929 was rather an indication that the centralized world financial system of 1914 was in decline. *It was set up rather to remedy the decline of London as the world's financial center* by providing a mechanism by which the world with three chief financial centers in London, New York, and Paris could still operate as one. The B.I.S. was a vain effort to cope with the problems arising from the growth of a number of centers. It was intended to be the world cartel of ever-growing national financial powers by assembling the nominal heads of these national financial centers."

"The commander-in-chief of the world system of banking control was Montagu Norman, Governor of the Bank of England *who was built-up by the private bankers* to a position where he was regarded as an oracle in all matters of government and business. **In government, the power of the Bank of England was a considerable restriction on political action as early as 1819 but an effort to break this power by a modification of the bank's charter in 1844 failed.**

“In 1852, Gladstone, then (British) Chancellor of the Exchequer and later Prime Minister, declared,

> ‘the hinge of the whole situation was this: the government itself was not to have a substantial of power in matters of finance, but was to leave the money power supreme and unquestioned.’”

Gladstone was referring to the concealed power (the clique of families) behind the British monarchy, which owned the Bank of England.

"This power of the Bank of England and of its governor was admitted by most qualified observers. In January, 1924, Reginald McKenna, who had been Chancellor of the Exchequer in 1915–1916, as chairman of the board of the Midland bank told its shareholders:

> ‘I am afraid the ordinary citizen will not like to be told that the banks can, and do, create money... And they who control the credit of the nation direct the policy of governments and hold in the hollow of their hands the destiny of the people.’

This is the core reason why the American public despise their bankers: they suspect that these individuals are not really Americans loyal to their country, but rather under the direction of a foreign banking concentration that routinely work against the vital interests of the American people.

In that same year, Sir Drummond Fraser, vice-president of the Institute of bankers, stated,

> ‘the governor of the Bank of England must be the aristocrat who dictates the terms upon which alone the government can obtain borrowed money.’

On September 26, 1921 the Financial Times wrote,

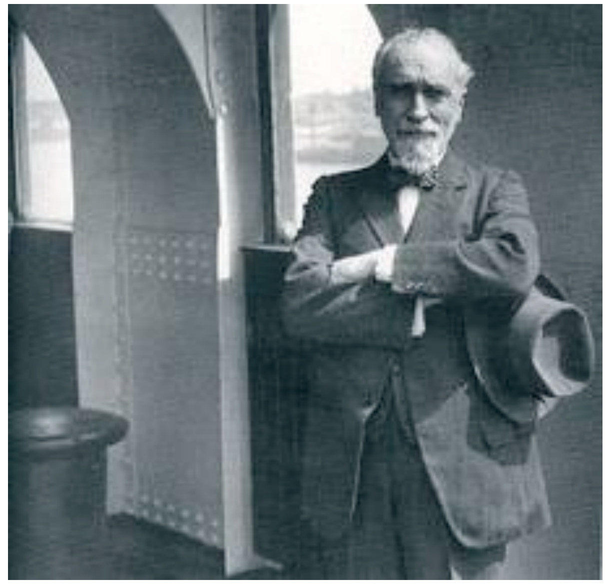
> ‘half a dozen men at the top of the big five banks could upset the whole fabric of government finance by refraining from renewing treasury bills.’

Vincent Vickers, who had been a director of the bank for nine years, said,

> ‘since 1919 the monetary policy of the government has been the policy of the Bank of England and the policy of the Bank of England has been the policy of Mr. Montagu Norman.’

On November 11, 1927, the Wall Street Journal called Mr. Norman “the currency dictator of Europe.” This fact was admitted by Mr. Norman himself before the court of the bank in March 1930, and, later, before the McMillan committee.

"Montagu Norman's (right) position may be gathered from the fact that his predecessors in the governorship, almost 100 of them, had served two-year terms, increased rarely, in time of crisis, to three or even four years. But Norman held the position for 24 years (1920–1944), during which he became the chief architect of the liquidation of Britain's global preeminence. Norman was a strange man *whose mental outlook was one of successfully suppressing hysteria or even paranoia. He had no use for governments and feared democracy. Both of these seemed to him to be threats to private banking, and thus to all that was proper and precious in human life.* Strong-willed, tireless, and ruthless, he viewed his life as a kind of cloak-and-dagger struggle with the forces of unsound money which were in league with anarchy and communism. When he rebuilt the Bank of England, he constructed it as a fortress prepared to defend itself against any popular revolt, with the sacred gold reserves hidden in deep vaults below the level of underground waters which could be released to cover them by pressing a button on the governor's desk. For much of his life Norman rushed around the world by fast steam-ship, covering tens of thousands of miles each year, often traveling incognito, concealed by a black slouch hat and a long black cloak, under the assumed name of "Prof. Skinner." His embarkations and deportations onto and off the fastest ocean liners of the day, sometimes through the freight hatch, were about as unobserved as the somewhat similar passages of Greta Garbo in the same years, and were carried out in a similarly "sincere" effort at self-effacement. Norman had a devoted colleague in Benjamin Strong (right), the first governor of the



Federal Reserve bank of New York. Strong owed his career to the favor of the Morgan Bank, especially of Henry P. Davison, who made him secretary of the Bankers Trust Company of New York (in succession to Thomas W. Lamont) in 1904, using him as a Morgan agent in the banking pre-arrangements following the crash of 1907, and made him vice-president of the Bankers Trust in 1909. He became governor of the Federal Reserve Bank of New York as the joint nominee of J.P. Morgan and of Kuhn, Loeb and Company in 1914. Two years later, Strong met Norman for the first time, and they at once made an agreement to work in cooperation for the financial practices they both revered."

"These financial practices were explicitly stated many times in the voluminous correspondence between these two men and in many conversations they had, both in their work and at their leisure (they often spent their vacations together for weeks, usually in the South of France)."

"In the 1920s, they were determined to use the financial power of Britain and of the United States to force all the major countries of the world to go on the gold standard and operated through central banks free from all political control, with all questions of international finance to be settled by agreements by such central banks without interference from governments."

This passage, below, from Quigley, is the 'tell" about the top of the pyramid. It caused his original book to "disappear" for years, until a bootleg copy was resurrected in 1966.

"It must not be felt that these heads of the world's chief central banks were themselves substantial powers in world finance. They were not. Rather they were the technicians and agents *<u>of the dominant investment bankers of their own countries</u>*, who had raised them up and were perfectly capable of throwing them down. *The substantial financial powers of the world were in the hands of these investment bankers (also called "international" or "merchant" bankers) <u>who remained largely behind the scenes</u> in their own unincorporated private banks."*

"These (few shadowy bankers) formed a system of international cooperation and national dominance which was more private, more powerful, and more secret than that of their agents in the central banks. This dominance of investment bankers was based on their control over the flows of credit an investment funds in their own countries and throughout the world. *They could dominate the financial and industrial systems of their own countries by their influence over the flow of current funds through bank loans, the discount rate, and the re-discounting of commercial debts; they could dominate governments by their control over current government loans and the play of the international exchanges.* Almost all of this power was exercised by the personal influence and prestige of men who had demonstrated their ability in the past to bring off successful financial coups, to keep their word, to remain cool in a crisis, and to share their winning opportunities

> with their associates. In this system the Rothschilds had been preeminent during much of the 19th century, but, at the end of that century, they were being replaced by J. P. Morgan whose central office was in New York, although it was always operated as if it were in London (where it had, indeed, originated as George Peabody and Company in 1838).

This is like peeling back layer after layer of an union until, finally, the tiny handful of families are revealed at the very top of the pyramid . Quigley added the crucial piece to the jigsaw puzzle concerning the identity of the concealed power that has worked in the shadows of power behind the British monarchy and was the owner of both the Bank of England and the private bank fraudulently named, the Federal Reserve.

By the way, my research suggests that Quigley's mention of the diminishing influence of the Rothschilds and the rise of Morgan's power may bear looking into. Morgan's chief role was to be the Rothschilds' front organization and agent in America and that the Rothschilds vastly increased their wealth and power in comparison with the Morgan family. There is a "tell" from Liaquat Ahaned's book that sheds light on this matter.

Liaquat Ahaned, the author of <u>Lords of Finance: The Bankers Who Broke the World</u>, (2009) wrote:

"Though J.P. Morgan & Co. was by all means the country's (America's) biggest bank, Pierpont Morgan himself had acquired an extraordinary aura and authority that gave him the right, indeed the obligation, to take command during financial crises. It helped that he was believed to be not simply rich, but extremely rich---like the Rockefellers or the Vanderbilts or Andrew Carnegie---and that with his fierce glowering stare and terrible temper, he intimidated most people, including his partners. It would turn out that the first of these attributes was exaggerated, for he was not nearly as wealthy as most people thought---when he died in 1913, leaving an estate then valued at $80 million, John D. Rockefeller, who himself was worth $1 billion, is said to have shaken his head and said, 'And to think that he wasn't even a rich man.'"

The cruz of this background information is to have you start thinking about the big "tell" of the Federal Reserve's forced disclosure of their activities following the financial crash of 2008. It enables you to continue developing your own unique perspective of what is actually going on around you and how the world actually works, particularly the global banking system.

Now let's try to help you finally grasp a means by which you can consider how to rebuild the global banking system by removing the components that cause the massive fraud and move toward the construction of an equitable banking system.

This series by Mike Maloney may be a good place to start:

Michael Maloney is the producer and host of Hidden Secrets of Money, an acclaimed investment education series that aims to enlighten the world that maximum prosperity can only be achieved through individual freedom, free markets, and sound money.

Known for the best-selling precious metals investment book of all time, *Guide to Investing in Gold and Silver*, Mike has become a persistent leader in helping demystify what is behind the currency curtain and the historic economic shifts that lead to wealth transfer.

Hidden Secrets of Money is Mike’s latest video series that explores the history of currency and money, the difference between the two and, how in today’s modern economy the historic rules of economic change persist.

Mike has been a regular speaker alongside financial educator Robert Kiyosaki, author of the "Rich Dad, Poor Dad" series, and has been a featured speaker at investment seminars all over the world.

He founded GoldSilver.com in 2005 to establish a trusted online source for ordinary people to buy gold and silver with the knowledge and understanding of how the economics of gold and silver play out over time in a persistent cycle.

"I believe that the best investment that you'll ever make in your lifetime is your own financial education" - Mike Maloney

"Mike, you're a great investor, great businessman, great engineer, math genius, great researcher, but your real desire in life isn't about money. You claim your start in the business was as a result for the need to be educated about money and its origins, but I

disagree about that being the primary reason for your start. Your joy isn't about making money. I don't see that in your eyes. What I see is... you are happiest when you're teaching others about what you have learned and have mastered." - scidhumouse100

Michael Maloney has been shouting from the rooftops about the world economy and showing people the fire exits since 2002. Watch the video below to see him at the Silver Summit in 2005, making some bold predictions that all came true. Mike was calling a hyper bubble in real estate at the time...while Ben Bernanke was denying any kind of real estate trouble as late as 2007.

1. 

2:24

Mike Maloney Dedicates Work To Ron Paul - Casey Summit (Hidden Secrets Of Money Ep4)

25:56

Hidden Secrets Of Money Ep 1 - Currency vs Money - Mike Maloney

30:18

Hidden Secrets Of Money Ep 2 - Seven Stages Of Empire - Mike Maloney

36:02

Hidden Secrets Of Money Ep 3 - Dollar Crisis To Golden Opportunity - Mike Maloney

2.

3.

29:35

The Biggest Scam In The History Of Mankind - Hidden Secrets of Money Episode 4

4. 

2:07

Why The Debt Ceiling is Impossible - Mike Maloney - Hidden Secrets Of Money Ep4 Preview

Rebuilding the Global Banking System Requires Filling the Economics and Finance Vacuum in American Education

As you continue trying to connect the dots, can you sense that one of the key objectives of the clique's takeover and sabotage of American education was to make sure that our next generations know as little as possible about how the global banking system, and all things "economic and financial," actually work?

Across the academic disciplines of American education, the clique created a deep vacuum where sound knowledge of economics and finance should be, thereby reinforcing the high wall of false reality that surrounds us.

Accordingly, to rebuild the global banking system requires us to completely purge these academic disciplines of the infestation of clique minions, their academic organizations, their curricula, and using their "publish or perish" deception to marginalize and cripple the teaching function in American education.

Luckily, there are a multitude of trustworthy and knowledgeable people standing ready to form a task force to carry out this purge and to reconstruct and populate a new and equitable global banking system.

Among others, there are the many contributors to *King World News* who are trustworthy and experienced practitioners capable of helping rebuild a global banking system by returning to the successful principles adopted by the Banks of Venice, Amsterdam, and Hamburg (described on pages 1-4 above). These principles would consist of: (i) incorporating printed money fully backed by gold and silver (recognizing that the quantity of gold and silver cannot be produced out of thin air); (ii) safeguarding all bank deposits from being used by the banks to make loans; and (iii) instituting a transparent and rigorous audit system to prevent bank fraud.

These individuals, among others, can be the cornerstone for an association to undertake organizational planning for the new system, as well as identifying and engaging trustworthy and knowledgeable banking leaders:

Jim Sinclair (http://www.jsmineset.com and http://www.silverdoctors.com/tag/jim-sinclair/

Andrew Maguire (http://kingworldnews.com/kingworldnews/Broadcast/Entries/2013/4/13_Andrew_Maguire.html

Jim Willie (http://www.silverdoctors.com/tag/jim-willie/)

Eric Sprott (http://www.silverdoctors.com/tag/eric-sprott/)

James Turk (http://www.silverdoctors.com/tag/james-turk/)

Bill Murphy (http://www.gata.org/about) Pull up “Articles” in website.

Ted Butler (http://www.silverdoctors.com/tag/ted-butler/)

Michael Maloney (http://goldsilver.com/about-gold-and-silver-inc/)

For further details, please pull up: (http://www.kingworldnews.com/kingworldnews/King_World_News.html)