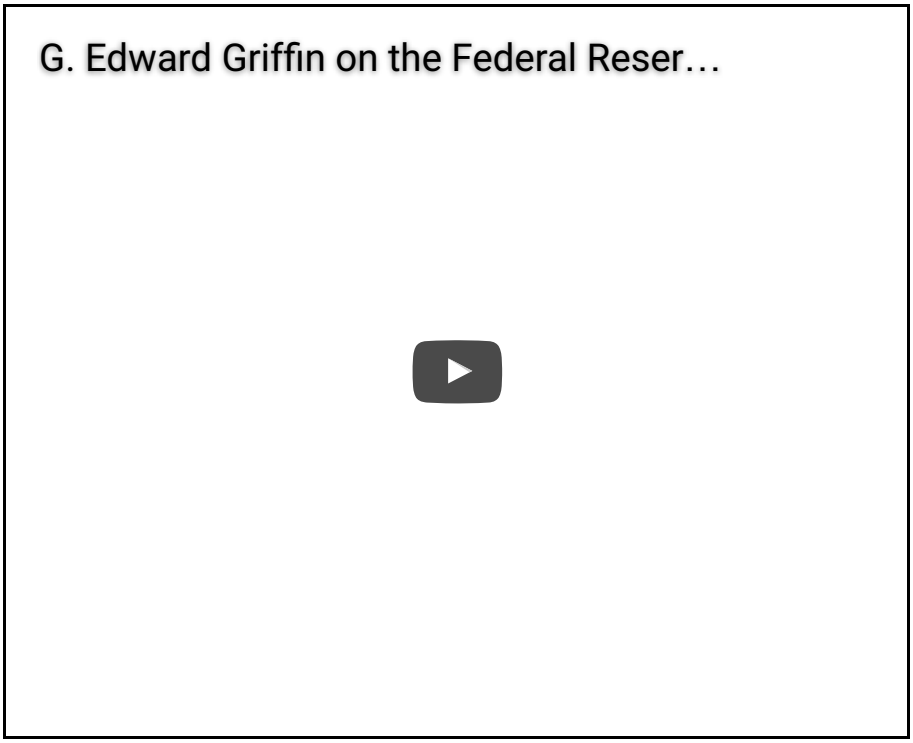
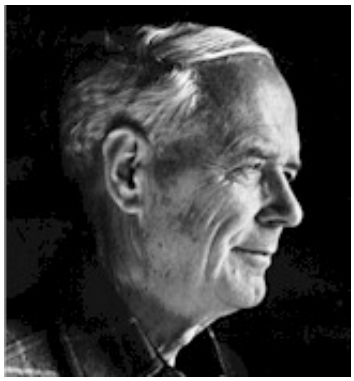
# Federal Reserve It is not federal, and it does not have any reserves.


## G. Edward Griffin on the Federal Reserve System



**Charles A. Lindbergh, Sr. 1913** "***When the President signs this bill, the invisible government of the monetary power will be legalized....the worst legislative crime of the ages is perpetrated by this banking and currency bill.***"

Thomas Jefferson was concise in his early warning to the American nation, *"If the American people ever*

*allow private banks to control the issuance of their currency, first by inflation and then by deflation, the banks and corporations that will grow up around them will deprive the people of all their property until their children will wake up homeless on the continent their fathers conquered."*

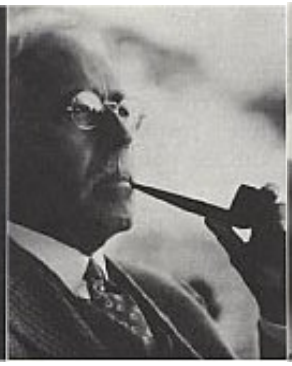
"Whoever controls the volume of money in any country is absolute master of all industry and commerce."(Paul Warburg, drafter of the Federal Reserve Act)

"Permit me to issue and control the money of a nation and I care not who makes its laws."(Mayer Amschel Rothschild)

## *PLAYER$*

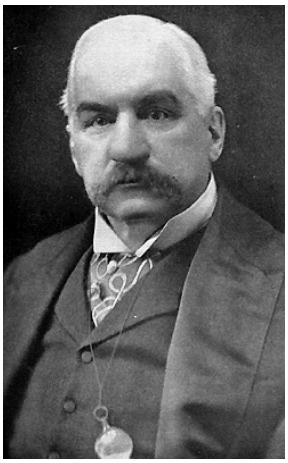
Paul Warburg

Sen. Nelson Aldrich



Frank Vanderlip

Benjamin Strong



J.P. Morgan

J.P Morgans sommarställe Georgia / Jekyll Island

Henry P. Davidson & Charles D. Norton

# The Birth of Legal Counterfeiting

by George F. Smith


"Centralization of credit in the banks of the state, by means of a national bank with state capital and an exclusive monopoly." -- Fifth plank of the Communist Manifesto, 1848

Crisis has been very good to government growth. It happens this way: the central government never does wrong, yet the evil that lurks in the world will on occasion strike us. Sometimes the evil is external, as in 9-11, other times it is internal, as in the case of certain economic upheavals. When the crisis is mostly economic, the culprit is always the private sector, and the guilty parties are usually big shots who got swept away with avarice. With a lapdog media clamoring for "reform," politicians pass more laws and flood the airwaves with rhetoric about how their new legislation will crush the forces of greed. Most of us then go about our business, hoping that causality is not an avenging angel.

In the era following the War of Secession, the federal government aggressively promoted development of the West through huge subsidies and other favors to business cronies. Corruption flourished, and overextended banks occasionally failed, causing panics in 1873, 1884, 1893, and 1907. Throughout this era there was growing opposition to sound money, eloquently expressed by railroad speculator Jay Cooke in 1869: "Why," he asked, "should this Grand and Glorious country be stunted and dwarfed--its activities chilled and its very life blood curdled by these miserable 'hard coin' theories--the musty theories of a bygone age." [1]

The Panic of 1907 is especially significant because it led to government-directed banking "reform." The panic got underway when United Copper's stock price collapsed. Knickerbocker Trust of New York had invested heavily in United Copper, and depositors made a run on the bank to get their money out. When Knickerbocker failed, depositors at other banks got nervous and demanded their money, igniting the panic. [2]

J. P. Morgan got together with other banking leaders and met virtually nonstop for three weeks to solve the crisis. They secured credit from foreign investors, redirected funds from strong banks to weak ones, and bought stock in foundering but still promising companies. [3] The panic died a few weeks later.

For the New York bankers, there remained a much more serious problem. The growth of state banks over the previous 20 years had slowly eroded their power. By 1896, state and other nonnational banks constituted 61% of the total, and by 1913, 71%. More significantly, nonnationals commanded 57% of banking resources by 1913. [4]

With such a troubling trend, what did the New York bankers do? They turned to their pals in Washington. As we've seen, from the time of Lincoln's administration government sought to partner with business, delivering special favors in return for political support. This is

mercantilism, the system we rejected in 1776. By the early 20th century, we were neck-deep in Progressive propaganda, and there was no viable group opposing government takeover of our lives. The once laissez-faire, sound-money Democratic Party died with the nomination of William Jennings Bryant for president in 1896. From that point on, both Republicans and Democrats were promoting more statism as the miracle cure for ills it had breeded.

Both Congress and the American Banking Association had been pushing for central banking since the 1890s. The Panic of 1907 gave them another excuse to go after it. Amid all the maneuvering and proposals, Morgan banker Henry Davison organized a duck hunting trip at Jekyll Island, Georgia in December, 1910. The ducks they took aim at were not the web-footed kind, but the unsuspecting American citizen who had always thought of money as gold.

The hunters were major players in American mercantilism: Senator Nelson Aldrich (R., R.I.), who had headed up the National Monetary Commission, a congressional committee dedicated to developing ideas for central banking; Frank Vanderlip of Rockefeller's National City Bank; Paul Warburg of the investment firm of Kuhn, Loeb, & Co., who was there to promote the German central bank of Bismarck; Charles Norton of First National Bank of New York, a Morgan company; and Davison, a partner of J.P. Morgan's. [5]

They devised a plan whereby a board of commercial bankers would supervise regional reserve banks. When Aldrich later introduced it to Congress, Democrats blocked it. In 1913, Carter Glass, a Democratic congressman from Virginia, used the Jekyll Island scheme as the basis for the Federal Reserve Act. [6]

The Act created 12 regional reserve banks ruled by a board of Washington bureaucrats, including the Treasury secretary and presidential appointees. Though the 12 reserve banks are officially "private" institutions, they're little different than government agencies, as Murray Rothbard noted.

In this manner government seized what Rothbard called "a crucial command post" of the economy, and therefore of the American society. [7] It used crisis -- repeated panics created by government meddling -- and the economic illiteracy and trust of the public to achieve its purpose.

And what has it sown from its command post? A subtle means of wealth transfer. A method of taxing us without legislation. A way of counterfeiting money legally. "Through the purchase of [usually government] debt by a bank, fiat money is injected into the economy," Gary North writes. [8] "Wealth then moves to those market participants who gain early access to this newly created fiat money," who are usually politically connected. The ones on fixed incomes or without close government connections bear the cost of higher prices later, as the money injection passes through the economy.

As most people know by now, the Fed greatly reduced reserve requirements during the 1920s, expanding credit recklessly and generating a false prosperity that ended in the crash of 1929. People understood that the Fed was manufacturing dollars out of thin air and started to pull their money out of banks, converting them to gold. Roosevelt closed the banks, then announced it was illegal to own gold. He forced people to give back to the Fed what was rightfully theirs. In 1933 Roosevelt made the dollar fiat currency domestically, but backed by gold internationally.

Roosevelt also created the Federal Deposit Insurance Corporation (FDIC) in 1933, providing

federal guarantee of bank deposits. Bank runs and the threat thereof have vanished, and most people believe this is good. But as Lew Rockwell observes, "The government-banking cartel regards the bank run--the threat of which used to keep wanton investing at bay--as against the national interest. As a result, the industry is perpetually shaky, and the largest banks are a menace to public life itself." [9]

Prior to 1929 the government had never intervened to help recovery from a recession. Previous administrations had let recessions run their course and recovery, at the hands of the market, usually occurred in a year or less. Hoover, and then Roosevelt to a much greater degree, took the statist course and drove the economy into a prolonged depression. For this, Roosevelt has been deified.

The Fed is the keystone of government wrong-doing. As Ludwig von Mises wrote long ago, "Ideologically, [sound money] belongs in same class with political constitutions and bills of rights." [10] In the name of civil liberty and civilization itself, the Fed should be abolished.
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Col. Edward Mandell House

## The "Fed" Begins Operation

Col. House, who Wilson called his "alter ego," because he was his closest friend and most trusted advisor, anonymously wrote a novel in 1912 called Philip Dru: Administrator, which revealed the manner in which Wilson was controlled. House, who lobbied for the implementation of central banking, would now turn his attention towards a graduated income tax. Incidentally, a central bank providing inflatable currency and a graduated income tax were two of the ten points in the Communist Manifesto for socializing a country.

It was House who hand-picked the first Federal Reserve Board. He named Benjamin Strong as its first Chairman. In 1914, Paul M. Warburg quit his $500,000 a year job at Kuhn, Loeb and Co. to be on the Board, later resigning in 1918 during World War I because of his German connections.

The Banking Act of 1935 amended the Federal Reserve Act, changing its name to the Federal Reserve System, and reorganizing it in respect to the number of directors and length of term. Headed by a seven member Board of Governors appointed by the President and confirmed by the Senate for a 14 year term, the Board acts as an overseer to the nation's money supply and banking system.

The Board of Governors, the President of the Federal Reserve Bank of New York, and four other Reserve Bank Presidents who serve on a rotating basis make up the "Federal Open Market Committee". This group decides whether or not to buy and sell government securities on the open market. The Government buys and sells government securities, mostly through 21 Wall Street bond dealers, to create reserves to make the money needed to run the government. The Committee also determines the supply of money available to the nation's banks and consumers.

There are twelve Federal Reserve Banks in twelve districts: Boston (MA), Cleveland (OH), New York (NY), Philadelphia (PA), Richmond (VA), Atlanta (GA), Chicago (IL), St. Louis (MO), Minneapolis (MN), Kansas City (KS), San Francisco (CA), and Dallas (TX). The twelve regional banks were set up so that the people wouldn't think that the Federal Reserve was controlled from New York. Each of the Banks has nine men on [its] Board of Directors; six are elected by member Banks, and three are appointed by the Board of Governors.

They have 25 branch Banks, and many member Banks. All Federal Banks are members and four out of every ten commercial banks are members. In whole, the Federal Reserve System controls about 70% of the country's bank deposits. Ohio Senator, Warren G. Harding, who was elected to the Presidency in 1920, said in a 1921 Congressional inquiry that the Reserve was a private banking monopoly. He said: "The Federal Reserve Bank is an institution owned by the stockholding member banks. The Government has not a dollar's worth of stock in it." His term was cut short in 1923 when he mysteriously died, leading to rumors that he was poisoned. This claim was never substantiated because his wife would not allow an autopsy.
Three years after the initiation of the Federal Reserve, Woodrow Wilson said: "The growth of the nation ... and all our activities are in the hands of a few men ... We have come to be one of the worst ruled; one of the most completely controlled and dominated governments in the civilized world ... no longer a government of free opinion, no longer a government by conviction and the free vote of the majority, but a government by the opinion and duress of a small group of dominant men."

In 1919, John Maynard Keynes, later an advisor to Franklin D. Roosevelt, wrote in his book The Economic Consequences of Peace: "Lenin is to have declared that the best way to destroy the capitalist system was to debauch the currency ... By a continuing process of inflation, governments can confiscate secretly and unobserved, an important part of the wealth of their

citizens ... As the inflation proceeds and the real value of the currency fluctuates wildly from month to month, all permanent relations between debtors and creditors, which form the ultimate foundation of capitalism, become so utterly disordered as to be almost meaningless..."

Congressman Charles August Lindbergh, Sr., father of the historic aviator, said on the floor of the Congress: "This Act establishes the most gigantic trust on Earth ... When the President signs this Act, the invisible government by the Money Power, proven to exist by the Money Trust investigation, will be legalized ... This is the Aldrich Bill in disguise ... The new law will create inflation whenever the Trusts want inflation ... From now on, depressions will be scientifically created ... The worst legislative crime of the ages is perpetrated by this banking and currency bill."

On June 10, 1932, Louis T. McFadden, said in an address to the Congress: "We have in this country one of the most corrupt institutions the world has ever known. I refer to the Federal Reserve Board and the Federal Reserve Banks ... Some people think the Federal Reserve Banks are United States Government institutions. They are not Government institutions. They are private credit monopolies which prey upon the people of the United States for the benefit of themselves and their foreign customers ... The Federal Reserve Banks are the agents of the foreign central banks ... In that dark crew of financial pirates, there are those who would cut a man's throat to get a dollar out of his pocket ...

Every effort has been made by the Federal Reserve Board to conceal its powers, but the truth is the Fed has usurped the government. It controls everything here (in Congress) and controls all our foreign relations. It makes and breaks governments at will ... When the Fed was passed, the people of the United States did not perceive that a world system was being set up here ... A super-state controlled by international bankers, and international industrialists acting together to enslave the world for their own pleasure!"

On May 23, 1933, Louis T. McFadden brought impeachment charges against the members of the Federal Reserve: "Whereas I charge them jointly and severally with having brought about a repudiation of the national currency of the United States in order that the gold value of said currency might be given to private interests...

I charge them ... with having arbitrarily and unlawfully taken over $80,000,000,000 from the United States Government in the year 1928...

I charge them ... with having arbitrarily and unlawfully raised and lowered the rates on money ... increased and diminished the volume of currency in circulation for the benefit of private interests...

I charge them ... with having brought about the decline of prices on the New York Stock Exchange...

I charge them ... with having conspired to transfer to foreigners and international money lenders, title to and control of the financial resources of the United States ...

I charge them ... with having published false and misleading propaganda intended to deceive the American people and to cause the United States to lose its independence...

I charge them ... with the crime of having treasonably conspired and acted against the peace and security of the United States, and with having treasonably conspired to destroy the constitutional government of the United States ."

In 1933, Vice-President John Garner, when referring to the international bankers, said: "You see, gentlemen, who owns the United States ."

Sen. Barry Goldwater wrote in his book With No Apologies: "Does it not seem strange to you that these men just happened to be CFR (Council on Foreign Relations) and just happened to be on the Board of Governors of the Federal Reserve, that absolutely controls the money and interest rates of this great country. A privately owned organization ... which has absolutely nothing to do with the United States of America !"

Plain and simple, the Federal Reserve is not part of the Federal Government. It is a privately held corporation owned by stockholders. That is why the Federal Reserve Bank of New York (and all the others) is listed in the Dun and Bradstreet Reference Book of American Business (Northeast, Region 1, Manhattan/Bronx). According to Article I, Section 8 of the U.S. Constitution, only Congress has the right to issue money and regulate its value, so it is illegal for private interests to do so. Yet, it happened, and because of a provision in the Act, the 'Class A' stockholders were to be kept a secret and not to be revealed. R. F. McMaster, who published a newsletter called The Reaper, through his Swiss and Saudi Arabian contacts, was able to find out which banks held a controlling interest in the Reserve.

These interests control the Federal Reserve through about 300 stockholders:

* Rothschild Banks of London and Berlin
* Lazard Brothers Bank of Paris
* Israel Moses Seif Bank of Italy
* Warburg Bank of Hamburg and Amsterdam
* Lehman Brothers Bank of New York
* Kuhn, Loeb and Co. of New York
* Chase Manhattan Bank of New York
* Goldman, Sachs of New York

Because of the way the Reserve was organized, whoever controls the Federal Reserve Bank of New York controls the system, About 90 of the 100 largest banks are in this district.
Of the reportedly 203,053 shares of the New York bank:

* Rockefeller's National City Bank had 30,000 shares
* Morgan's First National Bank had 15,000 shares
* Chase National Bank had 6,000 shares
* National Bank of Commerce (Morgan Guaranty Trust) had 21,000 shares.

A June 15, 1978 Senate Report called "Interlocking Directorates Among the Major U.S. Corporations" revealed that five New York banks had 470 interlocking directorates with 130 major U.S. corporations:

* Citicorp (97)
* J.P. Morgan Co. (99)
* Chase Manhattan (89)
* Manufacturers Hanover (89)
* Chemical Bank (96)

According to Eustace Mullins, these banks are major stock holders in the Fed. In his book World Order, he said that these five banks are "controlled from London". Mullins said:
"Besides its controlling interest in the Federal Reserve Bank of New York, the Rothschilds had developed important financial interests in other parts of the United States ... The entire Rockefeller empire was financed by the Rothschilds."
A May, 1976 report of the House Banking and Currency Committee indicated: "The Rothschild banks are affiliated with Manufacturers Hanover of London in which they hold 20 percent ... and Manufacturers Hanover Trust of New York". The Report also revealed that Rothschild Intercontinental Bank, Ltd., which consisted of Rothschild banks in London, France, Belgium, New York, and Amsterdam, had three American subsidiaries: National City Bank of Cleveland, First City National Bank of Houston, and Seattle First National Bank. It is believed that the Rothschilds hold 53% of the stock of the U.S. Federal Reserve. Each year, billions of dollars are "earned" by Class A stockholders from U.S. tax dollars which go to the Fed to pay interest on bank loans.

## How U.S. Gold Reserves Were Stolen

The Coinage Act of 1792 established a dollar consisting of 371.25 grains of pure silver, but was later replaced with a gold dollar consisting of 25.8 grains of gold. In 1873, the Coinage Act was passed, prohibiting the use of Silver as a form of currency, because the quantity being discovered was driving the value down. In 1875, after temporarily suspending gold convertibility during the Civil War "greenback" period, the U.S. was put more firmly on the gold standard by the Gold Standard Act of 1900. From 1900 to 1933, gold was coined by the U.S. Mint, and our paper currency was tied into the amount of gold held in the U.S. Treasury reserves.

In July, 1927, the directors of the Bank of England [Montagu Norman], the New York Federal Reserve Bank [Benjamin Strong], and the German Reichsbank [Hjalmar Schacht], met to plan a way to get the gold moved out of the United States, and it was this movement of gold which helped trigger the depression. By 1928, nearly $500 million in gold was transferred to Europe.

President Franklin D. Roosevelt accepted the advice of England 's leading economist, John Maynard Keynes (1883-1946), a member of the Illuminati [also a socialist and a homosexual -- ed], who said that deficit spending would be a shot in the arm to the economy. Most of the New Deal spending programs to fight economic depression, were based on Keynes theories on deficit spending, and financed by borrowing against future taxes. In 1910, Lenin said: "The surest way to overthrow an established social order is to debauch its currency." Nine years later, Keynes wrote:

"Lenin was certainly right, there is no more positive, or subtler, no surer means of overturning the existing basis of society than to debauch the currency ... The process engages all of the hidden forces of economic law on the side of destruction, and does it in a manner that not one man in a million is able to diagnose."

A Presidential Executive Order by Roosevelt on April 5, 1933, required all the people to exchange their gold coins, gold bullion, and gold-backed currency for money that was not redeemable in precious metals. The Gold Reserve Act of 1934, known as the Thomas Amendment which amended the Act of May 12, 1933, made it illegal to possess any gold currency (which was [finally] rescinded December 31, 1974). Gold coinage was withdrawn from

circulation and kept in the form of bullion. Just as the public was to return all their gold to the U.S. Government, so was the Federal Reserve. However, while the people received $20.67 per ounce in paper money issued by the Federal Reserve, the Reserve was paid in Gold Certificates. Now the Federal Reserve and the Illuminati had control of all the gold in the country.

In 1934, the value of gold [was increased by FDR] to $35 an ounce, which produced a $3 billion profit for the Government. But when the price of gold increases, the value of the dollar decreases. Our dollar has not been worth 100 cents since 1933, when we were taken off of the Gold Standard. In 1974, our dollar was worth 38 cents, and in 1983 it was only worth 22 cents. In 2002, it took $13.88 to buy what cost $1.00 in 1933. Since our money supply had been limited to the amount of gold in Treasury reserves, when the value of the dollar decreased, more money was printed.

The Bretton Woods Monetary Conference (1944)

The first United Nations Monetary and Financial Conference, held in Bretton Woods, New Hampshire, from July 1 to July 22, 1944, which was under the direction of Harry Dexter White (CFR member, and undercover Russian spy), established the policies of the International Monetary Fund. Its goals were to strip the United States of its gold reserves by giving it to other nations, and to merge with their industrial capabilities as well as their economic, social, educational and religious policies to facilitate a one-world government.

Because of paying off foreign obligations and strengthening foreign economies, between 1958 and 1968, the amount of gold bullion in the possession of the U.S. Treasury dropped by 52%. Of the amount remaining, $12 billion was reserved by law for backing the paper money in circulation. Our money had been backed by a 25% gold reserve in accordance to a law that was passed in 1945, but it was rescinded in 1968. The amount of gold slipped from 653.1 million troy ounces in 1957, to 311.2 million ounces in 1968, which according to the Treasury Department, was due to sales to foreign banking institutions, sales to domestic producers, and the buying and selling of gold on the world market to stabilize prices. This was a loss of 341.9 million troy ounces. In August, 1971, gold was used only for world trade, because foreign countries wouldn't accept U.S. dollars. As of November, 1981, sources had indicated that the gold reserve had dropped to 264.1 million troy ounces.

Title 31 of the U.S. Code, requires an annual physical inventory of our gold supply, but a complete audit was never done, so officially, nobody knows what has occurred. After World War II, America had 70% of the World's supply of loose gold, but today, we may have less than 7%. Sen. Jesse Helms seemed to think that the OPEC nations have our gold, while others believe that 70% of the world's gold supply is being held by the World Bank, which is dominated by the financial grip of the Rothschilds and the Rockefellers.

Some years ago, I had been contacted by a gentleman in Michigan whose research indicated that counterfeit $5,000 and $10,000 Federal Reserve Notes had been used to steal U.S. gold reserves. Illegal to own, these notes are actually checks which are used to transfer ownership of large amounts of gold without actually moving the gold itself. Using public records, he found the serial numbers of the bills which were originally printed and discovered that there are now more in existence.

It has been reported that 40% (13,000 tons) of the world's gold is five levels below street level in a sub-basement of the New York Federal Reserve Bank, behind a 90-ton revolving door. Some of

it is American-owned, but most is owned by the central banks of other countries. It is stored in separate cubicles, and from time to time, is moved from one cubicle to another to satisfy international transactions.

## The Destructive Effects of Fiat Money Inflation

**The 1929 series of Federal Reserve notes said:**
"Redeemable in gold on demand at the United States Treasury, or in gold or lawful money at any Federal Reserve Bank." This was just like the Silver Certificate, which was guaranteed by a dollar in silver that was on deposit.

**The 1934 series of notes said:**
"This note is legal tender for all debts, public and private, and is redeemable in lawful money at the United States Treasury, or at any Federal Reserve Bank."

**The 1950 series:**
Kept the same wording, but reduced it to three lines, and reduced the size of the type.

**The 1953 series:**
The wording was totally removed, although the bottom portion contained a promise to "pay the bearer on demand."

**The 1963 series:**
Even this wording was removed, and our dollars became nothing more than worthless pieces of paper because they no longer met the legal requirements of a note, which must list an issuing bank, and amount payable, a payee or "bearer," and a time for payment or "on demand."

**After March, 1964**, silver certificates were no longer convertible to silver dollars; and in March, 1968, near the conclusion of the Johnson Administration, silver backing of the dollar was removed.

Since 1933, the Federal Reserve has been printing too much money, compared to the declining Gross National Product (GNP). The GNP is the accumulated values of services and goods produced in the country. If the GNP is 4%, then the money produced should only be about 5-6%, thus insuring enough money to keep the goods produced by the GNP in circulation. Additional social services, which are promised during election year rhetoric to gain votes, increase the Federal Budget, so more money is printed. Then the Government will cut the Budget, establish wage and price controls. The extra money in circulation decreases the value of the dollar, and prices go up. Simply put, too much money in circulation causes inflation, and that is what the Reserve is doing, purposely printing too much money in order to destroy the economy. On the other hand, if they would stop printing money, our economy would collapse.

The Federal Reserve is responsible for setting the interest rate that member banks can borrow from the Reserve, thus controlling the interest rates of the entire country. So, what it boils down to is that the Federal Reserve determines the amount of money needed, which is created by the International Bankers out of nothing. Besides the face value, they charge the government 3¢ to produce each bill. The Federal government pays the Reserve in bonds (which are also printed by the Reserve), and then pay the bonds off at a high rate of interest. That interest will very soon become the largest item in the Federal Budget.

William McChesney Martin, a member of the Council on Foreign Relations (CFR), and Chairman of the Federal Reserve during the "New Frontier" years of the Kennedy Administration, testified to the Federal Banking Committee that the value of the dollar was being scientifically brought down each year by 3% to 3.5% in order to allow wages to "go up". The reasoning behind this was that the people were being made to think that they were getting more when in fact they were actually getting less.

The Congress has also contributed to this process by approving Federal Budgets year after year which requires the printing of more money to finance the debt, which by the end of 2003 was over $6,900,000,000,000 ($6.9 trillion). When Wilson was President, the debt was about $1 billion and in 1974, the debt was about $1 trillion [a thousand-fold increase in only 60 years -- ed].

## Congressional Attempts to Control the Fed

In 1937, Rep. Charles G. Binderup of Nebraska, realizing the consequences of the Federal Reserve System, called for the Government to buy all the stock, and to create a new Board controlled by Congress to regulate the value of the currency and the volume of bank deposits, thus eliminating the Fed's independence. He was defeated for re-election. Others have also tried to introduce various Bills to control the Federal Reserve: Rep. Goldborough (1935), Rep. Jerry Voorhis of California (1940, 1943), Sen. M. M. Logan of Kentucky, and Rep. Usher L. Burdick of North Dakota .

Rep. Wright Patman of Texas (who was the House Banking Chairman until 1975), said in 1952:

"In fact there has never been an independent audit of either the twelve banks of the Federal Reserve Board that has been filed with the Congress ... For 40 years the system, while freely using the money of the government, has not made a proper accounting."

Patman said that the Federal Open Market Committee (who, in addition to the Board of Governors, decides the country's monetary policy) is "one of the most secret societies. These twelve men decide what happens in the economy ... In making decisions they check with no one -- not the President, not the Congress, not the people."

Patman also said:

"In the United States we have, in effect, two governments ... We have the duly constituted Government ... Then we have an independent, uncontrolled and uncoordinated government in the Federal Reserve System, operating the money powers which are reserved to Congress by the Constitution."

During his career, Patman sought to force the Fed to allow an independent audit, lessen the influence of the large banks, shorten the terms of the Fed Governors, expose it to regular Congressional review just like any other Federal agency, and to have only officials nominated by the President and confirmed by Congress to be on the Federal Open Market Committee. In 1967, Patman tried to have them audited, and on January 22, 1971, introduced H.R. 11, which would have altered its organization, diminishing much of its power. He was later removed from the Chairmanship of the House Banking and Currency Committee, which he held for years.

On January 22, 1971, Rep. John R. Rarick of Louisiana introduced H.R. 351: "To vest in the

Government of the United States the full, absolute, complete, and unconditional ownership of the twelve Federal Reserve Banks." He said: "The Federal Reserve is not an agency of government. It is a private banking monopoly." He was later defeated for re-election.

During the 1980's, Rep. Phil Crane of Illinois introduced House Resolution H.R. 70 that called for an annual audit of the Fed (which never came to a full vote), and Rep. Henry Gonzales of Texas introduced H.R. 1470, that called for the repeal of the Federal Reserve Act.

The Federal Reserve System has never been audited, and their meetings, and minutes of those meetings, are not open to the public. They have repelled all attempts to be audited. In 1967, Arthur Burns, the Chairman of the Federal Reserve, said that an audit would threaten the "independence" of the Reserve.

The Fed in the 1970s and 1980s

In 1979, after dismissing Secretary of Treasury Michael Blumenthal, President Jimmy Carter offered the position to American Illuminati chief David Rockefeller, the CEO of Chase Manhattan Bank, but he turned it down [as he had previously turned down the offer from Nixon]. He also turned down the nomination for the Chairmanship of the Federal Reserve Board.

Carter then appointed Paul Volcker as Chairman. Volcker graduated from Princeton with a degree in Economics, and from Harvard with a degree in Public Administration. He was an economist with the Federal Reserve Bank of New York (1952-57), worked at the Chase Manhattan Bank (1957-61), was with the U.S. Treasury Department (1961-65), Deputy Under Secretary for Monetary Affairs (1963-65), Under Secretary for Monetary Affairs (1969-74), and President of the New York Federal Reserve Bank (1975-79).

When Volcker was in the Nixon Administration as the Under Secretary for Monetary Policy and International Affairs, the executive branch official who works most closely with the Federal Reserve, he and Treasury Secretary John Connally helped formulate the policy that took us off the gold standard in 1971, because of the dwindling gold reserves at Fort Knox. Volcker was chosen because he was the "candidate of Wall Street." He was a member of the Trilateral Commission, and a major Rockefeller supporter.

Bert Lance, the Georgia banker and political advisor to Carter who became his Budget Director and was later forced to resign...said that if Volcker was appointed he would be "mortgaging his re-election to the Federal Reserve." Lance predicted that he would bring high interest rates and high unemployment. He was confirmed by the Senate Banking Committee in August, 1979, replacing Arthur Burns, an Austrian-born economist who was a CFR member with close ties to the Rockefellers. Volcker was against a gold-backed dollar or gold being used as a form of currency. He attempted to tighten the money situation in order to curb the 10% annual growth in the money supply, and to ease the pressure of loan demand. The result [of his policy] was a dramatic increase in interest rates, which climbed to 13.5% by September, 1979, and then soared to 21.5% by December, 1980.

[We may speculate] that this economic decline was purposely engineered to cause the political decline of Carter. In response to the rising interest rates, Carter said:

"As you well know, I don't have control over the Fed, none at all. It's carefully isolated from any influence by the President or the Congress. This has been done for many generations and I think it's a wise thing to do."

During the 1970's, many banks had left the Federal Reserve, and in December, 1979, Volcker told the House Banking Committee that "300 banks with deposits of $18.4 billion have quit the Fed within the past 4-1/2 years," and that another 575 of the remaining 5,480 member banks, with deposits of $70 billion, had indicated that they intended to withdraw. He said that this would curtail their control over the money supply, and that led Congress, in 1980, to pass the Monetary Control Act, which gave the Federal Reserve control of all banking institutions, regardless if they are members or not.

Even though inflation had skyrocketed to all-time highs, Reagan kept Volcker on. It was Volcker who started the collapse of the U.S. economy.

Alan Greenspan, who became the Chairman of the Federal Reserve Board in 1987, is [also] a member of the Council on Foreign Relations. He has a bachelor's and master's degree, and a doctorate in Economics from New York University. He met Ayn Rand, the author of Atlas Shrugged, in 1952 and they became friends. It is from her that he learned that capitalism "is not only efficient and practical, but also moral." In February, 1995, the seventh increase in the interest rate, within the period of a year, took place. This put Greenspan in the limelight, as well as the Federal Reserve. It was very interesting how the media spin doctors churned out information that totally skirted the issue concerning the Fed's actual role in controlling our economy.

## Predictions of Monetary Disaster

In the mid-1970's, Paper 447, Article 3, from the World Bank said that the world economy would be fairly stable until 1980 when it would begin falling, in domino fashion. On October 29, 1975, the Wall Street Journal printed a comment by H. Johannes Witteveen, Managing Director of the United Nation's International Monetary Fund, that the IMF "ought to evolve into a World Central Bank ... to prevent inflation." Dr. H. A. Murkline, Director of the International Institute University in Irving, Texas, wrote in World Oil: 1976 that he projected that the Federal Government could only hold out till the end of 1981. Dow Theory Letters, Inc. reported that by 1982, the cost of dealing with the national debt "would eat up all the government tax money available."

The Robbins Report of January 15, 1978, said: "If Carter introduces Bancor, which will be the yielding of our dollar to the ECU (European Currency Unit), this is what will happen: look for hyperinflation and collapse of all the world's paper money before 1985." Julian Snyder said in the International Money Line of February, 1978: "The United States is trying to solve its problem through currency depreciation (debasement) ... it will not work. If the crash does not occur this year, it could be postponed until 1982."

On March 13, 1979, while meeting at Strasbourg, France, the Parliament of Europe, which governs the European Economic Community (Common Market), oversaw the establishment of a new European money system. Known as the ECU, it was backed by 20% of the participating countries" gold reserves (about 3,150 tons). What little strength our dollar had, came from the fact that all nations buying oil from OPEC, had to use U.S. dollars. Then came the word in March, 1980, from Arab diplomatic sources at the United Nations that the Chase Manhattan Bank was making plans to drop the dollar in [favor] of the ECU.

Dr. Franz Pick, a well known authority on world currency, said in December, 1979, in the Silver and Gold Report:

"The most serious problem we face today is the debasement of our currency by the government. The government will continue to debase the dollar until ... within 12-24, months it will shrink to 1 cent ... at which time Washington will be forced to create the new hard currency ... A currency reform is nothing but a fancy name for state bankruptcy ... A currency reform completes the expropriation of all kinds of savings ... it will wipe out all public and private bonds, most pensions; all annuities, and all endowments."

Against all odds, our economy has continued to hang on even though financial analysts have continued to forecast disastrous conditions.

In 1993, Sen. Bob Kerrey (Democrat, NE) promised to support President Bill Clinton's Budget Plan, if Clinton would appoint a Committee to study the condition of the American economy. The President established a 32-member bipartisan committee and in August, 1994, they issued their report. According to the committee's findings, by the year 2012, unless drastic changes are made, we won't even be able to pay the interest on the national debt. Knowing this, the federal government has allowed the trend to continue, almost as if they're trying to run our economy into the ground. It seems obvious that the destruction of the American economy has been part of a deliberate plot to financially enslave our nation.

## The New U.S. Currency

In the late 1970's, it was [rumored that replacement currency had] already been printed and stored at the Federal Emergency Relocation Facility in Culpepper, Virginia, which is built into the side of a mountain, and would be able to continue functioning during the aftermath of a nuclear or natural disaster; and at the 200,000 sq. ft. Federal underground facility in Mt. Weather, Virginia (near Berryville), which is the primary relocation area for the President, Cabinet Secretaries, Supreme Court Justices, and several thousand federal employees (Congress would be relocated to an underground facility in White Sulphur Springs, West Virginia). It is believed that when our monetary system is finally destroyed, a reorganization will occur within the confines of a world government, and new money will be issued.

Rep. Ron Paul, Republican from Texas, who was on the Committee on Banking, Finance and Urban Affairs, wrote about the new money in a [1983] letter to Charles T. Roberts, Executive Vice-President of the Hull State Bank in Texas:

"In a closed briefing for the members of the House Banking Committee on November 2nd, representatives of the Bureau of Engraving and Printing, the Federal Reserve, and the Secret Service described plans for making changes in Federal Reserve Notes beginning in 1985 (although the long range target is 1988) ... These changes, which will probably include taggents, security threads, and colors, and may include holograms, diffraction gratings, or watermarks, will be made in coordination with six other nations: Canada, Britain, Japan, Australia, West Germany and Switzerland. Japan, for example, will begin recalling its present currency in November, 1984, and have it nearly completed within six months ... According to the government, the only reason for the currency changes is to deter counterfeiting. Although it was admitted by one spokesman in the group that there would have to be a call-in of our present currency for new currency to work, the spokesmen for the government were adamant in saying that there was no other motive for a currency change..."

According to law, only the Treasury Secretary has the authority to change the currency. Over $3

million was spent under "counterfeit prevention" authority for the development of the new money, which according to the Currency Design Act (H.R. 6005) hearings, would be issued by the Federal Reserve Board. In a July, 1983 market survey in Buena Park, California, people were shown proposed designs for "new U.S. dollar bills." The variations shown, consisted of each denomination being a different color; Federal Reserve seals replaced with a design utilizing reflective ink; and other optical devices like holograms (a process which produces a three-dimensional image which can change color depending on the angle it is viewed), and multilayer diffraction gratings (similar to a hologram); as well as bills containing metal security threads, and planchettes (red and blue colored discs incorporated into the paper, similar to threads) to trigger scanning equipment which would detect its presence, and to sort cash faster.

By the end of 1983, [the Fed] had received 110 new machines which could count up to 72,000 bills per minute each. Jane Kettleson, an economic consultant to the U.S. Paper Exchange, said that "the Fed will have the capability to physically replace the entire U.S. currency in circulation in just four days time."

It was shown that a drastic change would not be accepted, so a process of incrementalism was adopted. It was decided that the Bureau of Printing and Engraving would have a fine metallic strip running through the currency, leaving the basic design intact; however, they later decided to use a clear imprinted polyester strip, woven into the paper, running vertically on the left side of the Federal Reserve Seal. The length of the translucent polyester filament reads "USA100" for $100 bills, "USA50" for $50 bills, and so on; and can only be read if held up to direct light. It was reported that a company called Checkmate Electronics, Inc., which manufactures the equipment needed to scan checks, scanned the new money, and found the strip to contain "machine detectable" aluminum. Their scan produced an indecipherable bar code.

Though the basic design did not change, there was microscopic type printed around the picture which reads, "The United States of America," but appeared to only be a line. This currency with oversized, off-center portraits, was introduced in 1996 with the $100 bills, then $50 bills and $20 bills (1998), and culminated with $10's and $5's in 2000. The Government discontinued printing any of the old money, and began emptying their vaults to get rid of the old bills. The old money was never recalled, and continued to be circulated.

Then in June, 2002, only a few years after the last makeover, the rumors of colored money became a fact, as the Bureau of Engraving and Printing announced that further changes were being made to our money for security reasons. In October, 2003, the new, colored $20 bill (the most counterfeited note), was introduced. The new bill retained the security thread, color-shifting ink, and watermark; but also had the colors of green and peach added to its background, as well as small yellow "20's" printed on the back. The new $50 and $100 bills will be coming in 2004 and 2005.

Some financial experts have theorized that when every denomination is changed over, that the business sector may not want to accept old bills which would then become worthless and could create a financial emergency. But Federal officials have said that the old money would be accepted, but scrutinized. It has been suggested that the government could really take advantage of the situation, that in order for people to exchange their old money for new, an exchange rate may be determined which would benefit the economy. For example, it may take two old dollars to exchange for a new one. It is possible that we may be experiencing the final transition to the "new money."
[snip]

## Worldwide Currency Changes

International cooperation has been intense to coordinate currency changes among its member governments. In 1985, officials from the Morgan Bank in New York met with the Credit Lyonnais Bank in France. They established the European Currency Unit Banking Association (ECUBA), to get world cooperation for a unified currency, and had support from bankers in Europe, Japan, and the United States. It was an offshoot of the Banking Federation of the European Community (BFEC), which has been engaged in shutting down small banks in order to develop a conglomerate of a few huge banks. In October, 1987, the Association for the Monetary Union of Europe (AMUE) secretly met and recommended that the ECU (European Currency Unit) replace existing national currencies and that all European Central Banks be combined into one and issue the ECU [Euro] as the official unified currency (which occured on schedule in the year 2000).

It is believed that the plan is to [ultimately] have only three central banks in the world: The [U.S.] Federal Reserve Bank, the European Central Bank, and the Central Bank of Japan. In a June, 1989 hearing of the Senate Banking Securities Subcommittee, Alan Greenspan, Chairman of the Federal Reserve, said that exchange rates could be fixed in order to solve the problem of uniformity between the currencies of various nations.

Many countries have issued new money, such as Switzerland, the United Kingdom, Japan, Canada, France, Germany, Australia, and Brazil. Of the countries that already had, most currencies had a common 1" square, usually on the left side of the bill. Held over a light, a hologram appears on the spot, barely visible to the naked eye, which cannot be reproduced on a copier. It is believed that this spot is being reserved for a central World Bank overprint. They also contain metallic strips that can be detected when they pass through scanners at airports and international borders.

[snip]

The institution of a common world-wide currency may be delayed because of the possibility of moving right to a cashless system, making paper money obsolete. The Visa MagiCard was the first step towards a national debit card. With this card, you could make purchases at any of the 10 million merchants who accepted Visa, and have the amount electronically deducted from your checking account. Financial experts said at the time, that within only a few years, there would be more debit cards than credit cards. Since then, there has been a massive campaign to promote debit cards, and a move to accommodate their use in all areas of life.

More and more banks have decided not to return people's cancelled checks, because of the expense to do so; and it seems likely that there is a plan underway to gradually move away from the use of paper checks. With the existence of debit cards, and the fact that credit cards are so easily attainable, there's no doubt that we"re being pushed into an electronic economy of Direct Deposit and Automatic Withdrawal. When total saturation has been achieved, then the stage will be set. Sure, it's really convenient to whip out a piece of plastic to buy things, and to have all your financial affairs handled through the bank's computer system. But do you realize, that when their plan is complete, you will be nothing more than a number in a computer. Everything you do can be tracked; and with a click of a mouse, or the press of a button, you could be denied access to your own money.

**Conclusion**

In a letter to Edward M. House (President Wilson's closest aide), dated November 23, 1933, Franklin D. Roosevelt said:

"The real truth of the matter is, and you and I know, that a financial element in the large centers has owned the government of the U.S. since the days of Andrew Jackson."

Henry Ford, founder of the Ford Motor Company, said:

"It is well enough that the people of the nation do not understand our banking and monetary system, for if they did, I believe there would be a revolution before tomorrow morning."

In 1957, Sen. George W. Malone of Nevada said before Congress about the Federal Reserve:

"I believe that if the people of this nation fully understood what Congress has done to them over the past 49 years, they would move on Washington: they would not wait for an election ... It adds up to a preconceived plan to destroy the economic and social independence of the United States."

http://www.modernhistoryproject.org/mhp/ArticleDisplay.php?Article=FinalWarn02-3

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The real owners of the Federal Reserve and the Federal Reserve System are:

a) Rothschild Banks of London and Berlin;
b) Lazard Brothers Bank of Paris;
c) Israel Moses Seif Banks of Italy;
d) Warburg Bank of Hamburg and Amsterdam;
e) Lehman Brothers Bank of New York;
f) Kuhn, Loeb Bank of New York;
g) Chase Manhattan Bank of New York;
h) Goldman Sachs Bank of New York; and
i) Approximately three hundred people, known to each other and/or relations of the "owners," who hold stock in the Federal Reserve System. They comprise an interlocking, International Banking Cartel of wealth beyond comprehension.

he Federal Reserve meet behind closed doors and has more power than the Congress and President of the United States; and to top that off, these men who control America through their financial manipulation are not even responsible to the public nor to Congress and has repeatedly shown that it is under the control of the International Jewish Bankers, by raising the discount rate (a deliberate act to destroy small business) they have been able to bring about the depressions which have devastated the American Farmer and Ranchers since the time this Evil Satanic Act was passed.
http://100777.com/doc/17

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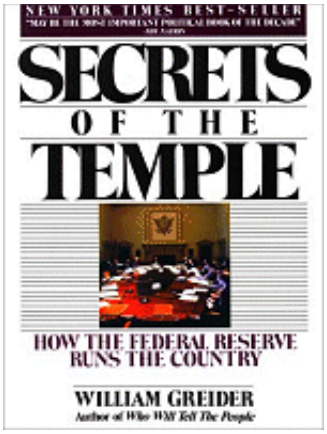


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G. Edward Griffin

**The Creature from Jekyll Island: A Lecture on the Federal Reserve**

"G. Edward Griffin exposes the most blatant scam of all history. It's all here: the cause of wars, boom-bust cycles, inflation, depression, prosperity. It's just exactly what every American needs to know about the power of the central bank."

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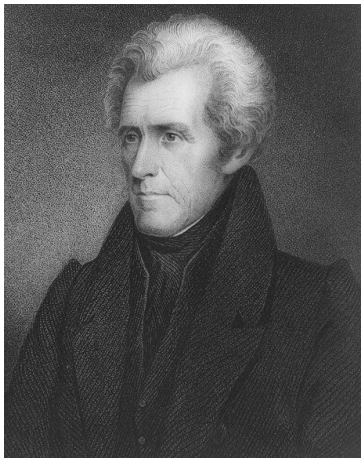

In 1835, President Andrew Jackson declared his disdain for the international bankers: - "*You are a den of vipers. I intend to rout you out, and by the Eternal God I will rout you out. If the people only understood the rank injustice of our money and banking system, there would be a revolution before morning*."

*==========*

# John F. Kennedy vs The Federal Reserve

On June 4, 1963, a virtually unknown Presidential decree, Executive Order 11110, was signed with the authority to basically strip the Federal Reserve Bank of its power to loan money to the United States Federal Government at interest. With the stroke of a pen, President Kennedy declared that the privately owned Federal Reserve Bank would soon be out of business. The Christian Law Fellowship has exhaustively researched this matter through the Federal Register and Library of Congress. We can now safely conclude that this Executive Order has never been repealed, amended, or superceded by any subsequent Executive Order. In simple terms, it is still valid.

When President John Fitzgerald Kennedy - the author of Profiles in Courage -signed this Order, it returned to the federal government, specifically the Treasury Department, the Constitutional power to create and issue currency -money - without going through the privately owned Federal Reserve Bank. President Kennedy's Executive Order 11110 [the full text is displayed further below] gave the Treasury Department the explicit authority: "to issue silver certificates against any silver bullion, silver, or standard silver dollars in the Treasury." This means that for every ounce of silver in the U.S. Treasury's vault, the government could introduce new money into circulation based on the silver bullion physically held there. As a result, more than $4 billion in United States Notes were brought into circulation in $2 and $5 denominations. $10 and $20 United States Notes were never circulated but were being printed by the Treasury Department when Kennedy was assassinated. It appears obvious that President Kennedy knew the Federal Reserve Notes being used as the purported legal currency were contrary to the Constitution of the United States of America.

"United States Notes" were issued as an interest-free and debt-free currency backed by silver reserves in the U.S. Treasury. We compared a "Federal Reserve Note" issued from the private central bank of the United States (the Federal Reserve Bank a/k/a Federal Reserve System), with a "United States Note" from the U.S. Treasury issued by President Kennedy's Executive Order.

They almost look alike, except one says "Federal Reserve Note" on the top while the other says "United States Note". Also, the Federal Reserve Note has a green seal and serial number while the United States Note has a red seal and serial number.

President Kennedy was assassinated on November 22, 1963 and the United States Notes he had issued were immediately taken out of circulation. Federal Reserve Notes continued to serve as the legal currency of the nation. According to the United States Secret Service, 99% of all U.S. paper "currency" circulating in 1999 are Federal Reserve Notes.

Kennedy knew that if the silver-backed United States Notes were widely circulated, they would have eliminated the demand for Federal Reserve Notes. This is a very simple matter of economics. The USN was backed by silver and the FRN was not backed by anything of intrinsic value. Executive Order 11110 should have prevented the national debt from reaching its current level (virtually all of the nearly $9 trillion in federal debt has been created since 1963) if LBJ or any subsequent President were to enforce it. It would have almost immediately given the U.S. Government the ability to repay its debt without going to the private Federal Reserve Banks and being charged interest to create new "money". Executive Order 11110 gave the U.S.A. the ability to, once again, create its own money backed by silver and realm value worth something.

Again, according to our own research, just five months after Kennedy was assassinated, no more of the Series 1958 "Silver Certificates" were issued either, and they were subsequently removed from circulation. Perhaps the assassination of JFK was a warning to all future presidents not to interfere with the private Federal Reserve's control over the creation of money. It seems very apparent that President Kennedy challenged the "powers that exist behind U.S. and world finance". With true patriotic courage, JFK boldly faced the two most successful vehicles that have ever been used to drive up debt:

1) war (Viet Nam); and,

2) the creation of money by a privately owned central bank. His efforts to have all U.S. troops out of Vietnam by 1965 combined with Executive Order 11110 would have destroyed the profits and control of the private Federal Reserve Bank.

xoxox

Executive Order 11110

AMENDMENT OF EXECUTIVE ORDER NO. 10289 AS AMENDED, RELATING TO THE PERFORMANCE OF CERTAIN FUNCTIONS AFFECTING THE DEPARTMENT OF THE TREASURY. By virtue of the authority vested in me by section 301 of title 3 of the United States Code, it is ordered as follows:

SECTION 1. Executive Order No. 10289 of September 19, 1951, as amended, is hereby further amended - (a) By adding at the end of paragraph 1 thereof the following subparagraph (j): "(j) The authority vested in the President by paragraph (b) of section 43 of the Act of May 12, 1933, as amended (31 U.S.C. 821 (b)), to issue silver certificates against any silver bullion, silver, or standard silver dollars in the Treasury not then held for redemption of any outstanding silver certificates, to prescribe the denominations of such silver certificates, and to coin standard silver dollars and subsidiary silver currency for their redemption," and (b) By revoking subparagraphs (b) and (c) of paragraph 2 thereof. SECTION 2. The amendment made by this Order shall not

affect any act done, or any right accruing or accrued or any suit or proceeding had or commenced in any civil or criminal cause prior to the date of this Order but all such liabilities shall continue and may be enforced as if said amendments had not been made.

JOHN F. KENNEDY THE WHITE HOUSE, June 4, 1963

xoxox

Once again, Executive Order 11110 is still valid. According to Title 3, United States Code, Section 301 dated January 26, 1998:

Executive Order (EO) 10289 dated Sept. 17, 1951, 16 F.R. 9499, was as amended by:

EO 10583, dated December 18, 1954, 19 F.R. 8725;

EO 10882 dated July 18, 1960, 25 F.R. 6869;

EO 11110 dated June 4, 1963, 28 F.R. 5605;

EO 11825 dated December 31, 1974, 40 F.R. 1003;

EO 12608 dated September 9, 1987, 52 F.R. 34617

The 1974 and 1987 amendments, added after Kennedy's 1963 amendment, did not change or alter any part of Kennedy's EO 11110. A search of Clinton's 1998 and 1999 EO's and Presidential Directives has also shown no reference to any alterations, suspensions, or changes to EO 11110.

The Federal Reserve Bank, a.k.a Federal Reserve System, is a Private Corporation. Black's Law Dictionary defines the "Federal Reserve System" as: "Network of twelve central banks to which most national banks belong and to which state chartered banks may belong. Membership rules require investment of stock and minimum reserves." Privately-owned banks own the stock of the FED. This was explained in more detail in the case of Lewis v. United States, Federal Reporter, 2nd Series, Vol. 680, Pages 1239, 1241 (1982), where the court said: "Each Federal Reserve Bank is a separate corporation owned by commercial banks in its region. The stock-holding commercial banks elect two thirds of each Bank's nine member board of directors".

The Federal Reserve Banks are locally controlled by their member banks. Once again, according to Black's Law Dictionary, we find that these privately owned banks actually issue money:

"Federal Reserve Act. Law which created Federal Reserve banks which act as agents in maintaining money reserves, issuing money in the form of bank notes, lending money to banks, and supervising banks. Administered by Federal Reserve Board (q.v.)".

The privately owned Federal Reserve (FED) banks actually issue (create) the "money" we use. In 1964, the House Committee on Banking and Currency, Subcommittee on Domestic Finance, at the second session of the 88th Congress, put out a study entitled Money Facts which contains a good description of what the FED is: "The Federal Reserve is a total money-making machine. It can issue money or checks. And it never has a problem of making its checks good because it can obtain the $5 and $10 bills necessary to cover its check simply by asking the Treasury Department's Bureau of Engraving to print them".

Any one person or any closely knit group who has a lot of money has a lot of power. Now imagine a group of people who have the power to create money. Imagine the power these people would have. This is exactly what the privately owned FED is!

No man did more to expose the power of the FED than Louis T. McFadden, who was the Chairman of the House Banking Committee back in the 1930s. In describing the FED, he remarked in the Congressional Record, House pages 1295 and 1296 on June 10, 1932:

"Mr. Chairman, we have in this country one of the most corrupt institutions the world has ever known. I refer to the Federal Reserve Board and the Federal reserve banks. The Federal Reserve Board, a Government Board, has cheated the Government of the United States and he people of the United States out of enough money to pay the national debt. The depredations and the iniquities of the Federal Reserve Board and the Federal reserve banks acting together have cost this country enough money to pay the national debt several times over. This evil institution has impoverished and ruined the people of the United States; has bankrupted itself, and has practically bankrupted our Government. It has done this through the maladministration of that law by which the Federal Reserve Board, and through the corrupt practices of the moneyed vultures who control it".

Some people think the Federal Reserve Banks are United States Government institutions. They are not Government institutions, departments, or agencies. They are private credit monopolies which prey upon the people of the United States for the benefit of themselves and their foreign customers. Those 12 private credit monopolies were deceitfully placed upon this country by bankers who came here from Europe and who repaid us for our hospitality by undermining our American institutions.

The FED basically works like this: The government granted its power to create money to the FED banks. They create money, then loan it back to the government charging interest. The government levies income taxes to pay the interest on the debt. On this point, it's interesting to note that the Federal Reserve Act and the sixteenth amendment, which gave congress the power to collect income taxes, were both passed in 1913. The incredible power of the FED over the economy is universally admitted. Some people, especially in the banking and academic communities, even support it. On the other hand, there are those, such as President John Fitzgerald Kennedy, that have spoken out against it. His efforts were spoken about in Jim Marrs' 1990 book Crossfire:"

Another overlooked aspect of Kennedy's attempt to reform American society involves money. Kennedy apparently reasoned that by returning to the constitution, which states that only Congress shall coin and regulate money, the soaring national debt could be reduced by not paying interest to the bankers of the Federal Reserve System, who print paper money then loan it to the government at interest. He moved in this area on June 4, 1963, by signing Executive Order 11110 which called for the issuance of $4,292,893,815 in United States Notes through the U.S. Treasury rather than the traditional Federal Reserve System. That same day, Kennedy signed a bill changing the backing of one and two dollar bills from silver to gold, adding strength to the weakened U.S. currency.

Kennedy's comptroller of the currency, James J. Saxon, had been at odds with the powerful Federal Reserve Board for some time, encouraging broader investment and lending powers for banks that were not part of the Federal Reserve system. Saxon also had decided that non-Reserve

banks could underwrite state and local general obligation bonds, again weakening the dominant Federal Reserve banks".

In a comment made to a Columbia University class on Nov. 12, 1963,

Ten days before his assassination, President John Fitzgerald Kennedy allegedly said:

"The high office of the President has been used to foment a plot to destroy the American's freedom and before I leave office, I must inform the citizen of this plight."

In this matter, John Fitzgerald Kennedy appears to be the subject of his own book... a true Profile of Courage.

This research report was compiled for Lawgiver. Org. by Anthony Wayne

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What is the Federal Reserve Bank?

What is the Federal Reserve Bank (FED) and why do we have it?

by Greg Hobbs November 1, 1999

The FED is a central bank. Central banks are supposed to implement a country's fiscal policies. They monitor commercial banks to ensure that they maintain sufficient assets, like cash, so as to remain solvent and stable. Central banks also do business, such as currency exchanges and gold transactions, with other central banks. In theory, a central bank should be good for a country, and they might be if it wasn't for the fact that they are not owned or controlled by the government of the country they are serving. Private central banks, including our FED, operate not in the interest of the public good but for profit.

There have been three central banks in our nation's history. The first two, while deceptive and fraudulent, pale in comparison to the scope and size of the fraud being perpetrated by our current FED. What they all have in common is an insidious practice known as "fractional banking."

Fractional banking or fractional lending is the ability to create money from nothing, lend it to the government or someone else and charge interest to boot. The practice evolved before banks existed. Goldsmiths rented out space in their vaults to individuals and merchants for storage of their gold or silver. The goldsmiths gave these "depositors" a certificate that showed the amount of gold stored. These certificates were then used to conduct business.

In time the goldsmiths noticed that the gold in their vaults was rarely withdrawn. Small amounts would move in and out but the large majority never moved. Sensing a profit opportunity, the goldsmiths issued double receipts for the gold, in effect creating money (certificates) from nothing and then lending those certificates (creating debt) to depositors and charging them interest as well.

Since the certificates represented more gold than actually existed, the certificates were "fractionally" backed by gold. Eventually some of these vault operations were transformed into banks and the practice of fractional banking continued.

Keep that fractional banking concept in mind as we examine our first central bank, the First Bank of the United States (BUS). It was created, after bitter dissent in the Congress, in 1791 and chartered for 20 years. A scam not unlike the current FED, the BUS used its control of the currency to defraud the public and establish a legal form of usury.

This bank practiced fractional lending at a 10:1 rate, ten dollars of loans for each dollar they had on deposit. This misuse and abuse of their public charter continued for the entire 20 years of their existence. Public outrage over these abuses was such that the charter was not renewed and the bank ceased to exist in 1811.

The war of 1812 left the country in economic chaos, seen by bankers as another opportunity for easy profits. They influenced Congress to charter the second central bank, the Second Bank of the United States (SBUS), in 1816.

The SBUS was more expansive than the BUS. The SBUS sold franchises and literally doubled the number of banks in a short period of time. The country began to boom and move westward, which required money. Using fractional lending at the 10:1 rate, the central bank and their franchisees created the debt/money for the expansion.

Things boomed for a while, then the banks decided to shut off the debt/money, citing the need to control inflation. This action on the part of the SBUS caused bankruptcies and foreclosures. The banks then took control of the assets that were used as security against the loans.

Closely examine how the SBUS engineered this cycle of prosperity and depression. The central bank caused inflation by creating debt/money for loans and credit and making these funds readily available. The economy boomed. Then they used the inflation which they created as an excuse to shut off the loans/credit/money.

The resulting shortage of cash caused the economy to falter or slow dramatically and large numbers of business and personal bankruptcies resulted. The central bank then seized the assets used as security for the loans. The wealth created by the borrowers during the boom was then transferred to the central bank during the bust. And you always wondered how the big guys ended up with all the marbles.

Now, who do you think is responsible for all of the ups and downs in our economy over the last 85 years? Think about the depression of the late '20s and all through the '30s. The FED could have pumped lots of debt/money into the market to stimulate the economy and get the country back on track, but did they? No; in fact, they restricted the money supply quite severely. We all know the results that occurred from that action, don't we?

Why would the FED do this? During that period asset values and stocks were at rock bottom prices. Who do you think was buying everything at 10 cents on the dollar? I believe that it is referred to as consolidating the wealth. How many times have they already done this in the last 85 years?

Do you think they will do it again?

Just as an aside at this point, look at today's economy. Markets are declining. Why? Because the FED has been very liberal with its debt/credit/money. The market was hyper inflated. Who

creates inflation? The FED. How does the FED deal with inflation? They restrict the debt/credit/money. What happens when they do that? The market collapses.

Several months back, after certain central banks said they would be selling large quantities of gold, the price of gold fell to a 25-year low of about $260 per ounce. The central banks then bought gold. After buying at the bottom, a group of 15 central banks announced that they would be restricting the amount of gold released into the market for the next five years. The price of gold went up $75.00 per ounce in just a few days. How many hundreds of billions of dollars did the central banks make with those two press releases?

Gold is generally considered to be a hedge against more severe economic conditions. Do you think that the private banking families that own the FED are buying or selling equities at this time? (Remember: buy low, sell high.) How much money do you think these FED owners have made since they restricted the money supply at the top of this last current cycle?

Alan Greenspan has said publicly on several occasions that he thinks the market is overvalued, or words to that effect. Just a hint that he will raise interest rates (restrict the money supply), and equity markets have a negative reaction. Governments and politicians do not rule central banks, central banks rule governments and politicians. President Andrew Jackson won the presidency in 1828 with the promise to end the national debt and eliminate the SBUS. During his second term President Jackson withdrew all government funds from the bank and on January 8, 1835, paid off the national debt. He is the only president in history to have this distinction. The charter of the SBUS expired in 1836.

Without a central bank to manipulate the supply of money, the United States experienced unprecedented growth for 60 or 70 years, and the resulting wealth was too much for bankers to endure. They had to get back into the game. So, in 1910 Senator Nelson Aldrich, then Chairman of the National Monetary Commission, in collusion with representatives of the European central banks, devised a plan to pressure and deceive Congress into enacting legislation that would covertly establish a private central bank.

This bank would assume control over the American economy by controlling the issuance of its money. After a huge public relations campaign, engineered by the foreign central banks, the Federal Reserve Act of 1913 was slipped through Congress during the Christmas recess, with many members of the Congress absent. President Woodrow Wilson, pressured by his political and financial backers, signed it on December 23, 1913.

The act created the Federal Reserve System, a name carefully selected and designed to deceive. "Federal" would lead one to believe that this is a government organization. "Reserve" would lead one to believe that the currency is being backed by gold and silver. "System" was used in lieu of the word "bank" so that one would not conclude that a new central bank had been created.

In reality, the act created a private, for profit, central banking corporation owned by a cartel of private banks. Who owns the FED? The Rothschilds of London and Berlin; Lazard Brothers of Paris; Israel Moses Seif of Italy; Kuhn, Loeb and Warburg of Germany; and the Lehman Brothers, Goldman, Sachs and the Rockefeller families of New York.

Did you know that the FED is the only for-profit corporation in America that is exempt from both federal and state taxes? The FED takes in about one trillion dollars per year tax free! The banking families listed above get all that money.

Almost everyone thinks that the money they pay in taxes goes to the US Treasury to pay for the expenses of the government. Do you want to know where your tax dollars really go? If you look at the back of any check made payable to the IRS you will see that it has been endorsed as "Pay Any F.R.B. Branch or Gen. Depository for Credit U.S. Treas. This is in Payment of U.S. Oblig." Yes, that's right, every dime you pay in income taxes is given to those private banking families, commonly known as the FED, tax free.

Like many of you, I had some difficulty with the concept of creating money from nothing. You may have heard the term "monetizing the debt," which is kind of the same thing. As an example, if the US Government wants to borrow $1 million ó the government does borrow every dollar it spends ó they go to the FED to borrow the money. The FED calls the Treasury and says print 10,000 Federal Reserve Notes (FRN) in units of one hundred dollars.

The Treasury charges the FED 2.3 cents for each note, for a total of $230 for the 10,000 FRNs. The FED then lends the $1 million to the government at face value plus interest. To add insult to injury, the government has to create a bond for $1 million as security for the loan. And the rich get richer. The above was just an example, because in reality the FED does not even print the money; it's just a computer entry in their accounting system. To put this on a more personal level, let's use another example.

Today's banks are members of the Federal Reserve Banking System. This membership makes it legal for them to create money from nothing and lend it to you. Today's banks, like the goldsmiths of old, realize that only a small fraction of the money deposited in their banks is ever actually withdrawn in the form of cash. Only about 4 percent of all the money that exists is in the form of currency. The rest of it is simply a computer entry.

Let's say you're approved to borrow $10,000 to do some home improvements. You know that the bank didn't actually take $10,000 from its pile of cash and put it into your pile? They simply went to their computer and input an entry of $10,000 into your account. They created, from thin air, a debt which you have to secure with an asset and repay with interest. The bank is allowed to create and lend as much debt as they want as long as they do not exceed the 10:1 ratio imposed by the FED.

It sort of puts a new slant on how you view your friendly bank, doesn't it? How about those loan committees that scrutinize you with a microscope before approving the loan they created from thin air. What a hoot! They make it complex for a reason. They don't want you to understand what they are doing. People fear what they do not understand. You are easier to delude and control when you are ignorant and afraid.

Now to put the frosting on this cake. When was the income tax created? If you guessed 1913, the same year that the FED was created, you get a gold star. Coincidence? What are the odds? If you are going to use the FED to create debt, who is going to repay that debt? The income tax was created to complete the illusion that real money had been lent and therefore real money had to be repaid. And you thought Houdini was good.

So, what can be done? My father taught me that you should always stand up for what is right, even if you have to stand up alone.

If "We the People" don't take some action now, there may come a time when "We the People" are

no more. You should write a letter or send an email to each of your elected representatives. Many of our elected representatives do not understand the FED. Once informed they will not be able to plead ignorance and remain silent.

Article 1, Section 8 of the US Constitution specifically says that Congress is the only body that can "coin money and regulate the value thereof." The US Constitution has never been amended to allow anyone other than Congress to coin and regulate currency.

Ask your representative, in light of that information, how it is possible for the Federal Reserve Act of 1913, and the Federal Reserve Bank that it created, to be constitutional. Ask them why this private banking cartel is allowed to reap trillions of dollars in profits without paying taxes. Insist on an answer.

Thomas Jefferson said, "If the America people ever allow private banks to control the issuance of their currencies, first by inflation and then by deflation, the banks and corporations that will grow up around them will deprive the people of all their prosperity until their children will wake up homeless on the continent their fathers conquered."

Jefferson saw it coming 150 years ago. The question is, "Can you now see what is in store for us if we allow the FED to continue controlling our country?"

"The condition upon which God hath given liberty to man is eternal vigilance; which condition if he breaks, servitude is at once the consequence of his crime, and the punishment of his guilt." John P. Curran

Source: http://www.roc-grp.org/jfk.html

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**THE FEDERAL RESERVE! ITS ORIGINS, HISTORY, AND CURRENT STRATEGY**
http://iraqwar.mirror-world.ru/tiki-read_article.php?articleId=24940

Few perceive the truth about the Federal Reserve. Rare are those who know its origins. It is right in front of us, but our relative ignorance of economics and history is their protection. A quick history lesson is in order.

On October 14, 1066, AD., King William I (the Conqueror) founded the English monarchy. The Corporation was created by William in 1067 AD. to facilitate trade, and assure the continuation of the wealth of the monarchy. The City of London's legal name is The Corporation of the City of London. The City of London has unique political and economic privileges that do not apply to Greater London, or anywhere else in the British realm. The "City" even has its own police force that is sovereign.

The Bank of England was granted a royal charter on July 27, 1694, by William III to regularize the monarchy's finances. This scheme was invented by a Scot promoter named William Paterson. The scheme was to create a bank with a "fund for perpetual interest". Fractional reserve banking

was created, along with the radical monetary concept of a "monopoly" bank which would create money for loans that would never be repaid. A perpetual money machine for the monarchy was born. The permanent National Debt was born. The Bank of England would finance the emerging empire from its headquarters in the City of London. Never again would the lack of money, or liquidity, hamper the British empire under normal economic conditions. Conveniently, the monarchy also controls the City of London. This assures that the heart of the economic machine will always be protected.

The United States fought a hard and expensive war against England in 1776 to achieve sovereignty. That included the right to have her own currency, control her own tax policies, and the avoidance of involvement in the affairs of other nations.

HistoryCentral.com > > War of 1812> United States Declares War on Great Britain
The United States declared War on Great Britain on June 12, 1812. The war was declared as a result of long simmering disputes with Great Britian. The central dispute surrounded the impressment of American soldiers by the British. The British had previously attacked the USS Chesapeake and nearly caused a war two year earlier. In addition, disputes continued with Great Britain over the Northwest Territories and the border with Canada. Finally, the attempts of Great Britain to impose a blockade on France during the Napoleonic Wars was a constant source of conflict with the United States.

The US did everything in their power to remove British influence and control from this continent. Again and again we defeated all attempts to allow our money to be controlled by a National (Central) bank. When Central banks were established, we abolished them. Times changed, and Thomas Woodrow Wilson was elected. The intellectual who wanted the League of Nations (the progenitor of the United Nations) was elected. Under his leadership, we received the Federal Reserve, and the Sixteenth Amendment (Income Tax) shackling us into slavery to the British Crown forever. In 1917, Wilson made the world safe for democracy by plunging the US into World War I

On December 23, 1913, the Federal Reserve Act, also known as the Glass-Owen Bill, was passed. The Republican controlled Senate rammed the bill through when many members of the US Congress were home for the holiday. The President, Dr. Thomas Woodrow Wilson, signed it into law one hour after being passed by the Congress! Somebody very powerful really wanted this law passed. The Federal Reserve System is an independent central bank. Although the President of the United States appoints the chairman of the Fed, and this appointment is approved by the United States Senate, the decisions of the Fed do not have to be ratified by the President, or anyone else in the executive branch of the United States government. Buried in the legislation was the granting of total power over the monetary policies of all US banks. A very curious statement is found in the original 1913 law. SEC. 30. The right to amend, alter, or repeal this Act is hereby expressly reserved. Reserved expressly to whom, or what? No definition is provided. This is the entire Section 30 statement! "Curiouser and curiouser, cried Alice".

Stock not held by member banks shall not be entitled to voting power. This clause guarantees that no outsider can justify buying shares in the Federal Reserve. "But wait! There's more!"

Sec. 341 Second. To have succession for a period of twenty years from its organization unless it is sooner dissolved by an Act of Congress, or unless its franchise becomes forfeited by some violation of law. The Federal Reserve was only given a corporate life of 20 years! Their time was up in 1933 Who was President at that time? Franklin. D. Roosevelt, of course. Somehow, the

Federal Reserve's termination did not occur. Reader, do I have your attention yet? My research failed to find any reauthorization of the Federal Reserve Act of 1913, other than the tacit approval given by the Sarbanes-Oxley Act of 2002.

No Senator or Representative in Congress shall be a member of the Federal Reserve Board or an officer or a director of a Federal reserve bank. No member of Congress is have access to the inner sanctum! Hello, what is this? Are they afraid that an American might come upon something untoward? 12 USC 3019 Federal reserve banks, including the capital stock and surplus therein, and the Income derived therefrom shall be exempt from Federal, State, and local taxation, except taxes upon real estate. People, I think we are a roll now.

SEC. 25.Any national banking association possessing a capital and surplus of 1,000,000 dollars or more may file application with the Federal Reserve Board, upon such conditions and under such regulations as may be prescribed by the said board, for the purpose of securing authority to establish branches in foreign countries or dependencies of the United States for the furtherance of the foreign commerce of the United States, and to act, if required to do so, as fiscal agents of the United States. Such application shall specify, in addition to the name and capital of the banking association filing it, the place or places where the banking operations proposed are to be carried on, and the amount of capital set aside for the conduct of its foreign business. The Federal Reserve Board shall have power to approve or to reject such application if, in its judgment, the amount of capital proposed to be set aside for the conduct of foreign business is inadequate, or if for other reasons the granting of such application is deemed inexpedient. Wow, the US government has no formal control over the foreign operations of the Federal reserve banks! The Federal reserve banks are exempt from all taxation. These people are very independent. Independent of audits, independent of congressional supervision, and independent of the American voter.

The Federal Reserve claims that nobody owns it – that it is an "independent entity within the government." The Federal Reserve is subject to laws such as the Freedom of Information Act and the Privacy Act which cover Federal agencies but not private corporations; yet Congress gave the Federal Reserve the autonomy to carry out its responsibilities insulated from political pressure.

Each of the Fed's three parts – the Board of Governors, the regional Reserve banks, and the Federal Open Market Committee – operates independently of the federal government to carry out the Fed's core responsibilities. Once a member of the Board of Governors is appointed, he or she can be as independent as a U.S. Supreme Court judge, though the term is shorter. As the nation's central bank, the Federal Reserve derives its authority from the U.S. Congress. It is considered an independent central bank because its decisions do not have to be ratified by the President or anyone else in the executive or legislative branch of government, it does not receive funding appropriated by the Congress, and the terms of the members of the Board of Governors span multiple presidential and congressional terms. (The Fed's financial independence arises because it is hugely profitable due to its ownership of government bonds. (It gives the government billions of dollars each year.) However, the Federal Reserve is subject to oversight by the Congress, which periodically reviews its activities and can alter its responsibilities by statute. Also, the Federal Reserve must work within the framework of the overall objectives of economic and financial policy established by the government.

The only statements of ownership made by the Federal Reserve Board is an allusion to the twelve Federal district banks. This circle puts us back at the beginning, for no information is

provided regarding the ownership of the twelve Federal district banks. However, a 1976 government study commissioned by the Federal Reserve Directors revealed the following:

OWNERSHIP OF THE FEDERAL RESERVE Most Americans, if they know anything at all about the Federal Reserve, believe it is an agency of the United States Government. This article charts the true nature of the "National Bank." Chart 1 Source: ** Federal Reserve Directors: A Study of Corporate and Banking Influence ** - - Published 1976 Chart 1 reveals the linear connection between the Rothschilds and the Bank of England, and the London banking houses which ultimately control the Federal Reserve Banks through their stockholdings of bank stock and their subsidiary firms in New York. The two principal Rothschild representatives in New York, J. P. Morgan Co., and Kuhn, Loeb & Co. were the firms which set up the Jekyll Island Conference at which the Federal Reserve Act was drafted, who directed the subsequent successful campaign to have the plan enacted into law by Congress, and who purchased the controlling amounts of stock in the Federal Reserve Bank of New York in 1914. These firms had their principal officers appointed to the Federal Reserve Board of Governors and the Federal Advisory Council in 1914. In 1914 a few families (blood or business related) owning controlling stock in existing banks (such as in New York City) caused those banks to purchase controlling shares in the Federal Reserve regional banks. Examination of the charts and text in the House Banking Committee Staff Report of August, 1976 and the current stockholders list of the 12 regional Federal Reserve Banks show this same family control.

George Bush presided over a minor change in the Federal Reserve Act. The Sarbanes-Oxley Act was passed in 2002. The American Congress failed again to deal with the Federal Reserve. Bush managed to keep all discussion and changes confined to some reporting requirements for financial institutions. Bush knows very well who he serves, and he really serves his master well. It's amazing how few grasped the significance of Alan Greenspan being knighted by the Queen of England! Greenspan was knighted on September 26, 2002. An obvious reward for preventing any real discussion, or change, of the Federal Reserve during the Sarbanes-Oxley Act debates. Had an American President been knighted, serious questions would have arisen. It was so each easier to reward her manager, Alan! Do you still believe that Alan Greenspan has the power of Dearth Vader? He is only a little man, faithfully serving his queen.

The British Crown, or the British monarchy is the owner of the Federal Reserve. This is their real secret. The strategy of the Federal Reserve is their other secret. Again, it is right of front of us, but no one sees the obvious. The strategy of the Federal Reserve is to accumulate all the wealth through the very slow, but effective, technique of currency debasement. The monarchs of old used to shave or clip the coins as they passed through their treasuries. Now the process is more sanitary (no more clipping and scraping all those dirty coins). John Maynard Keynes clearly stated that at there is no more effective method of destroying a society than through currency debasement.

The primary reason for its success is the inability of most people to understand that more is not necessarily better. A recent conversation highlighted Kenyes's observation. There is some agitation to raise the minimum wage in my state. I listened to a proponent of a higher minimum wage. I attempted to point out that an increase in a large number of people's income would only result in prices going up, along with the obvious tax increases. "What was I talking about?" was the response. I explained that some percentage of people might wind up dealing with tax bracket creep (increases), and all will have with the obligatory tax increases that follow from any price increase. If nothing else, the sales tax must go up because the prices have gone up. I was immediately informed that I was the most negative person they had ever talked to.

The Federal Reserve will always debase the currency to take its cut, and guarantee that the government has a tax base available to feed its bureaucratic family. The government is a total slave of the Federal Reserve. For example, analyze the latest real estate boom. There will be a major boost in property taxes based on the new valuations. Many people will be surprised when they receive their new tax bill. This will guarantee more money for the government coffers. They know that people will do almost anything to keep their homes. What's another job or two per family? Besides, the extra job will provide more tax revenue for the government. This will require more day care, or baby-sitting services for many families, which create more income for the government. This will cause more meals to be eaten out, which creates more revenue for the government Meanwhile, prices will continue to go up, which creates more sales tax revenue for the government. Are you getting the point yet? Deflation is end of the government. The local, state, and federal government will all fail!

This is the strategy of the Federal Reserve. The majority of the people will always believe that more is better. Knowing that, and now having a democracy ensconced in the US, it was time to feed and breed. Prices always go up, and everything is "Wunnerful, Wunnerful" Bring on the Champagne Lady. Alan runs the bubble machine. The illusion of money has destroyed most people since society (goverment) developed socialism. Democracy feeds on the illusion of something for nothing. As each demagogue promises more than his competition, the tax burden becomes oppressive. The monetary illusion serves to conceal the costs through currency debasement. This assures the complete destruction of the society that embraces this perversion. Any attempt to introduce logic into a dialogue will be defeated by claiming you're an elitist devoid of compassion. Envy, hate, and manipulated passions are the hallmark of democracies. While all this destruction is occurring, money diverted by the mechanism of currency debasement is constantly being transferred to the British Crown in the City of London.

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# U.S. NATIONAL DEBT CLOCK

**http://www.brillig.com/debt_clock/**

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JAMES FRANKLIN MONTGOMERY
**THE DEBT BROUGHT ON BY UNLAWFUL FIAT PAPER MONEY**
Sun Oct 3, 2004 12:27
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THE HISTORY OF LAWFUL GOLD AND SILVER LEGAL TENDER
AND THE DEBT BROUGHT ON BY UNLAWFUL FIAT PAPER MONEY

"I believe that banking institutions are more dangerous to our liberties than standing armies." (Thomas Jefferson)

"Governments never do anything by accident; if government does something you can bet it was carefully planned."(Franklin D.Roosevelt)

"The high office of President has been used to format a plot to destroy the American's freedom, and before I leave office must inform the citizen of his plight." (John F. Kennedy at Columbia

University, 10 days before his assassination).

This country which was founded on Godly principles finds itself having some perplexing problems. One of which, is a reported four trillion dollars debt, this debt is actually closer to twelve trillion dollars, that's a twelve and twelve zeros.

"If ever again our nation stumbles upon unfunded paper, it shall surely be like death to our body politic. This country will crash."(George Washington)

How did this country get so far in debt, is it the Americans fault, the governments fault, or is it possible that there are other forces at work behind the scenes, causing the manipulation of the currency of the world? For sure the ultimate blame rests with the people of America. The responsibility of freedom is secured by individuals and can only be given away individually, the minority cannot relinquish the rights for the majority.

Thomas Jefferson said: "If a nation expects to be ignorant and free it expects something it cannot be." God's Holy Word says in Hosea 4:6: "My people are destroyed by a lack of knowledge." Can a country that murders its children through government sponsored abortion expect to prosper or even survive? Can a country escape God's judgement while murdering its children or allowing and promoting homosexuality, drug abuse, usury, and the blatant violation of its people by government? The Word of God and history prove this cannot take place without the moral and finally the physical destruction of its government and its people for allowing the violation of God's Laws. Here is what the Lord says about the violation of His laws in Hosea 7:13-8:4:

"{13} Woe to them, because they have strayed from me! Destruction to them, because they have rebelled against me! I long to redeem them but they speak lies against me.

{14} They do not cry out to me from their hearts but wail upon their beds. They gather together for grain and new wine but turn away from me.

{15} I trained them and strengthened them, but they plot evil against me.

{16} They do not turn to the Most High; they are like a faulty bow. Their leaders will fall by the sword because of their insolent words. For this they will be ridiculed in the land of Egypt.

{8:1} "Put the trumpet to your lips! An eagle is over the house of the LORD because the people have broken my covenant and rebelled against my law.

{2} Israel cries out to me, 'O our God, we acknowledge you!'

{3} But Israel has rejected what is good; an enemy will pursue him.

{4} They set up kings without my consent; they choose princes without my approval. With their silver and gold they make idols for themselves to their own destruction."

How do you destroy a country without firing a shot and without destroying it's infrastructure? You do this by controlling a nation's money, manipulating inflation and the use of non-redeemable paper money instead of gold and silver. This is what the Lord says about paper money in Proverbs 20:23: "The LORD detests differing weights, and dishonest scales do not please him."

Here is a quote from John Adams: "I am firmly of the opinion that there never was a paper pound, a paper dollar, or a paper promise of any kind, that ever yet obtained a general currency [as money] but by force or fraud, generally by both."

Also, a quote from Count Destutt de Tracy: "A theft of greater magnitude and still more ruinous, is the making of paper money; it is greater because in this money there is absolutely no real value; it is more ruinous because by its gradual depreciation during the time of its existence, it produces the effect which would be proration of the coins. All those iniquities are founded on the false idea the money is but a sign."

I'm going to show you some examples in our nations history, of how we have been conquered and enslaved. By the time the Revolutionary War was over the United States government could not pay its war debts, altogether Congress printed two hundred million dollars in paper currency just to operate the government. In a short time they had to borrow money just to pay the interest; does this sound familiar?

William Davie, who was a delegate from North Carolina [1787] said: "Can our general government recur to the ordinary expedient of loans? During the late war, large sums were advanced to us by foreign states and individuals. Congress has not been enabled to pay even the interest of these debts with honor and punctuality. The requisitions made on the states have been every where unproductive, and some of them have not paid a stiver....Many of the individuals who lent us money in the hour of our distress, are now reduced to indigence in consequence of our delinquency.

So low and hopeless are the finances of the United States, that, the year before last Congress was obliged to borrow money even, to pay the interest of the principal which we had borrowed before. This wretched resource of turning interest into principal, is the most humiliating and disgraceful measure that a nation could take, and approximates with rapidity to absolute ruin."

After the Revolutionary War the military almost rebelled, and would have if it had not been for the pleading's of George Washington. In 1787, Shays Rebellion broke out as a result of the financial woes in this country. This caused a great rift between government and the people. Congress decided that the Articles of the Confederation were not sufficient and that a constitution must be written to protect the government and allow trade between the States and other countries. Only then would Congress be able to provide protection for the government and the States, and only then would they, through this commercial enterprise, be able to pay it's debts.

However, the forefathers made a big mistake by allowing the international bankers to operate in this country with their foreign interests unchecked. Who ever controls the money of the world controls the world.

More-
THE HISTORY OF LAWFUL GOLD AND SILVER LEGAL TENDER
AND THE DEBT BROUGHT ON BY UNLAWFUL FIAT PAPER MONEY
http://www.atgpress.com/kifap/monie.htm

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[As a footnote: Jonathan Williams recorded in his book Legions of Satan, 1781, that Cornwallis revealed to Washington during his surrender that "a holy war will now begin on America, and

when it is ended America will be supposedly the citadel of freedom, but her millions will unknowingly be loyal subjects to the Crown." Cornwallis went on to explain what would seem to be a self contradiction: "Your churches will be used to teach the Jew's religion and in less than two hundred years the whole nation will be working for divine world government. That government that they believe to be divine will be the British Empire. All religions will be permeated with Judaism without even being noticed by the masses, and they will all be under the invisible all-seeing eye on the Grand Architect of Freemasonry."

Watch for "A COUNTRY DEFEATED IN VICTORY" to be released in early 1994.

JAMES FRANKLIN MONTGOMERY
SUI JURIS
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# UNITED STATES TIME LINE IN RELATION TO BANKING AND PAPER MONEY

1765: Prior to the establishment of the United States, Blackstone said in his commentaries: "If a man counterfeits the King's money; and if a man brings false money into the realm counterfeit to the money of England, knowing the money to be false." As to the first branch, counterfeiting the King's money; this is treason, whether the false money be uttered in payment or not. Also if the King's own ministers alter the standard of alloy established by law, it is treason."

1781: George Washington wrote to John Laurens and said: "Experience has demonstrated the impracticability long to maintain a paper credit without funds for its redemption."

APRIL 12, 1782: John Adams negotiated with the Netherlands to receive a loan and recognition for the United States.

APRIL 19, 1782: The Netherlands recognized the independence of the United States.

JUNE 11, 1782: Dutch bankers agree to lend two million dollars to the United States.

OCTOBER 8, 1782: A treaty of commerce and friendship was signed between the United States and the Netherlands.

NOVEMBER 30, 1782: A preliminary peace treaty is signed between the United States and England. The most important provisions are the establishment of boundaries and recognition of American independence. All debts due to creditors of either country are accepted as valid debts.

FEBRUARY 28, 1785: Britain threatens to break off the treaty because Americans have failed to comply with the treaty, by having paid the debts owed to Britain.

JUNE-SEPTEMBER 1785: There is a major depression because of unstable paper money resulting in falling prices. This allowed some of the States to discharge their debts on a basis which was sometimes a thousand to one.

1786: The board of Treasury in 1786 condemned paper currency "the revival of a paper currency and the rage for another experiment in this fallacious medium that has so far prevailed as to enter into the system of revenue of several States"

1787: During the federal convention, Roger Sherman made the statement that: "no Government has a right to impose on its subjects any foreign currency to be received in payments as money which is not of intrinsic value: unless such Government will assume and undertake to secure and make good to the possessor of such currency the full value which they oblige him to receive it for."

JANUARY 27, 1787: Shays rebellion took place because of financial depression.

JANUARY 14, 1790: Treasury Secretary Alexander Hamilton says the United States should pay its debts at par value, even though many speculators would profit by this.[As a footnote Alexander Hamilton married into the Rothschild family December 14, 1780, Alexander Hamilton was born Alexander Levine, of Jewish lineage, in St. Croix, the West Indies. After changing his name and his geographical situs, he married Elizabeth Schuyler, the second daughter of Phillip Schuyler, at the bride's home in Albany, New York. The bride's mother was Catherine Van Rensselaer, daughter of Colonel John R. Van Rensselaer, who was the son of Hendrik, the grandson of Killiaen, the first partroon. [THE INTIMATE LIFE OF ALEXANDER HAMILTON, by Allan Hamilton 1910]

[It has been reported that there are documents in the British museum that prove Alexander Hamilton received payment from the Rothschild's for his dastardly deeds. Could this payment have been for his involvement in the establishment of a foreign bank in this country, and for convincing Congress to assume the States debts, which would have created a debt obligation binding the United States government and the States to the international bankers?]

JUNE 20, 1790: Alexander Hamilton convinces Congress to pass the Assumption Act, under which the federal government is to assume the States debts.

DECEMBER 14, 1790: Alexander Hamilton submits a plan for a bank of the United States, mainly as a vehicle for the funding of debts under the Assumption Act and to establish credit.

FEBRUARY 25, 1791: The bank of the United States is chartered.

MARCH 1-2, 1792: Congress debates the propriety of Alexander Hamilton's conduct of his office as Secretary of the Treasury. Nothing irregular is discovered.

APRIL 2, 1792: Congress passes the Coinage Act, which establishes a mint and prescribes a decimal system of coinage.

FEBRUARY 2, 1793: Alexander Hamilton resigns as Secretary of Treasury.

JANUARY 24-FEBRUARY 20, 1811: Congress debates renewal of the charter for the Bank of the United States.

MARCH 4, 1811: The Bank of the United States is closed permanently.

1812-1815: The War of 1812 breaks out with Britain.

DECEMBER 5, 1815: President Madison proposes a second Bank of the United States to succeed the first Bank that failed to be rechartered in 1811.

MARCH 14, 1816: Congress creates the second Bank of the United States.

JANUARY 7, 1817: The second Bank of the United States is opened.

SEPTEMBER 11, 1830: The Anti-Masonic party acquires national status by holding a convention in Philadelphia.

DECEMBER 6, 1830: President Andrew Jackson attacks the Bank of the United States.

SEPTEMBER 26, 1831: The Anti-Masonic party holds a national convention in Baltimore.

MARCH 17, 1832: The Banking Select Committee said: "That the consequences of the present, is that the currency of the United States is bank notes, to the exclusion of the precious metals. The exclusion of gold and silver coins from circulation is a serious defect, which ought not to be tolerated, and which should be speedily remedied. There is not an example on record of the successful issue of a paper currency, and our experiment has been too short and dubious to prove its suitableness as a permanent regulation."

JUNE 11, 1832: A bill to renew the charter of the Bank of the United States is submitted by Congress.

JULY 3 1832: The Bank bill is approved.

OCTOBER 1832: The Anti-Masonic party backs Andrew Jackson, and he is re-elected.

JUNE 1, 1833: The Secretary of Treasury refuses to follow the order of President Jackson to distribute the Bank of United States funds into State banks.

SEPTEMBER 18, 1833: President Jackson reads to his cabinet a paper drafted by the Attorney General as to the reasons why the federal deposits should be removed from the Bank of the United States.

DECEMBER 26, 1833: Senator Henry Clay offers two resolutions of censure against President Jackson for his plan to remove deposits from the Bank of the United States.

MARCH 17, 1834: Representative Gillet, a member of the Banking Select Committee, concurred in the expediency of increasing the circulation of gold coin, arguing that, "under the paper system, banks have broken, and on whom did the loss most severely fall? Upon the poor, who understood little of the condition and credit of banks. The wealthy usually foresaw the evil and protected themselves."

MARCH 28, 1834: The Senate approves the criticizing of President Jackson.

APRIL 4, 1834: The House passes four resolutions sustaining the bank policy of the Jackson administration.

APRIL 15, 1834: President Jackson makes a formal protest to the Senate concerning its resolution of censure.

MAY 7, 1834: The Senate refuses to enter President Jackson's protest in its journals.

DECEMBER 1, 1834: President Jackson declares that the national debt will be paid off JANUARY 1, 1835.

JANUARY 30, 1835: There is an attempt to assassinate President Jackson.

FEBRUARY 18, 1836: The Bank of the United States charter expires, the Bank receives a charter in Pennsylvania.

DECEMBER 5, 1836: President Andrew Jackson said in his message to Congress: "It is apparent from the whole context of the Constitution as well as the history of the times which gave birth to it, that it was the purpose of the Convention to establish a currency consisting of the precious metals. These were adopted by a per-exchange, such as of certain agricultural commodities recognized by the statutes of some States as tender for debts, or the still more pernicious expedient of paper currency."

JANUARY 23, 1840: A bill establishing an Independent Treasury is proposed by Congress.

JUNE 30, 1840: The Independent Treasury bill passes the House.

JULY 28, 1841: A bill re-establishing a National Bank passes the Senate.

AUGUST 13, 1841: The House approves the bill to re-establish the National Bank.

AUGUST 13, 1841: The Independent Act of 1840 is repealed.

AUGUST 16, 1841: President Tyler vetoes the Bank bill.

SEPTEMBER 3, 1841: The Senate approves the second Bank bill for a National Bank under another name.

SEPTEMBER 9, 1841: President Tyler vetoes the second Bank bill.

AUGUST 6, 1846: The Independent Treasury Act is approved.

APRIL 12, 1861: The Civil War starts.

AUGUST 5, 1861: Congress passes the first National income tax.

AUGUST 21, 1861: The United States issues the first paper currency.

FEBRUARY 25, 1863: Congress establishes a National Banking system.

1864: The Coinage Act of 1834 had the purpose of striking a fatal blow at the ability of banks to sustain a circulation of small denomination paper

currencies. The invalid conclusion that the legal-tender acts of the Civil War were constitutional because they effected through a paper medium the same type of "debasement", which no one " ever imagined was taking private property without compensation or without due process of law".

APRIL 14, 1865: A short time after President Lincoln orders the Lincoln greenbacks to be printed; which would deprive the banks from charging interest on the money they would have printed, President Lincoln was assassinated by John Wilkes Booth. It's been proven this was a conspiracy because of the other four men who were involved in the assassination, and it has also been established that these men were on the payroll of the Rothschild's.

OCTOBER 31, 1865: The public debt of the United States stands at over seventy dollars per capita.

MARCH 18, 1869: Congress passes the public Credit Act to pay the public debt in gold, leaving three hundred million in greenbacks and a bitter debate about redeeming them.

JULY 28, 1868: The Fourteenth Amendment is enacted, which not only created federal citizenship, it also made it illegal for federal citizens to question the federal debt. [clause four 14th Amendment]

SEPTEMBER 24, 1869: On this "Black Friday" a financial panic occurs after two stock gamblers, Jay Gould and James Fisk, try to organize a corner on the gold market. The Grant administration dumps four million dollars in gold on the market, the price falls in fifteen minutes from one hundred and sixty two dollars to one hundred and thirty three dollars and many investors are ruined.

1873: The historian, William Graham Sumner explained that: "The popular mind rests on instances like our continental money, as showing the error of paper money where it absolutely perishes. It is thought that, short of this, only alarmists see danger. The story of Austria shows that an irredeemable paper currency is a national calamity of the first magnitude, of which one may indeed find greater or lesser examples, but of which the least is a peremptory warning to statesmen and financiers. It is like a disease in the blood, undermining the Constitution and spreading decay through all the arteries of business. In its measure and according to circumstances it is pernicious, if not fatal."

FEBRUARY 12, 1873: Congress terminates the coinage of silver, because the intrinsic value of bullion exceeds its face value, this Act becomes known as "the crime of 73."

SEPTEMBER 8, 1873: Jay Cooke and Company declares itself bankrupt, this causes a three year depression.

APRIL 22, 1874: President Grant vetoes a bill passed by Congress validating the issuance of greenbacks.

JUNE 20, 1874: Congress passes a Currency Act fixing the maximum amount of greenbacks in circulation at three hundred and eighty- eight million dollars.

JANUARY 14, 1875: Congress passes the Specie Resumption Act, reducing the circulation of greenbacks to three hundred million dollars.

AUGUST 19, 1877: In a speech made by the Secretary of Treasury John Sherman, he said: "There is a large class of people who believe that paper can be, and ought to be, made into money without any promise or hope of redemption; that a note should be printed: "This is a dollar," and be made a legal tender. I regard this as a mild form of lunacy, and have no disposition to debate with men who indulge in such delusions, which have prevailed to some extent, at different times, in all countries, but whose life has been brief, and which have shared the fate of other popular delusions. The Supreme Court only maintained the constitutionality of the legal tender promise to pay a dollar by a divided court, and on the ground that it was issued in the nature of a forced loan, to be redeemed upon the payment of a real dollar; that is, so many grains of silver or gold. I therefore dismiss such wild theories, and speak only to those who are willing to assume, as an axiom, that gold and silver or coined money, have been proven by all human experience to be the best possible standards of value, and that paper money is simply a promise to pay such coined money, and should be made and kept equal to coined money, by being convertible on demand. [emphasis mine]

JANUARY 1885: The Treasury surplus was up to five hundred million dollars.

JANUARY 17, 1894: The federal gold reserves drop to only sixty million dollars. The federal government offers a bond issue of fifty million dollars to make up gold reserve losses.

NOVEMBER 13, 1894: Another federal bond issue of fifty million dollars is offered. Because of poor public response, most of this loan is taken over by New York bankers.

JANUARY 6, 1896: The fourth bond issue in three years is floated, this time in public subscription totaling one hundred million dollars, federal treasury reserves are down to seventy nine millon dollars which is considered so low as to endanger the continuance of the gold standard.

MARCH 14, 1900: Congress passes the Gold Standard Act, under which other forms of money are made redeemable in gold on demand, a gold reserve of one hundred and fifty million dollars is
created, and the sale of bonds is authorized when necessary to maintain the reserve.

MARCH 13, 1907: A financial panic begins with a sharp drop of the stock market.

OCTOBER-NOVEMBER 1907: A run begins on October 23rd on the Knickerbocker Trust Co. that wipes out that bank, many other banks fail, unemployment rises, and food prices soar. Increased bank deposits infused by the United States Treasury restore confidence, supported by loans from such capitalist leaders as J. Pierpont Morgan.

MAY 30, 1908: Under the impact of the financial panic of 1907, the Aldrich-Vreeland Currency Act is passed by Congress, it establishes the National Monetary Commission to study banking.

JULY 12 1909: Congress passes an amendment to the Constitution authorizing the imposition of a tax on incomes.

FEBRUARY 25, 1913: The sixteenth Amendment to the Constitution of the United States is declared in effect. [As a footnote: This amendment did not confer any new power of taxation on Congress and did not extend the power of taxation to subjects previously exempted. Its whole purpose was to exclude the source from which income tax is a direct tax which must be apportioned among the states, and thus remove the occasion which might otherwise exist for an apportionment. [27th American Jurisprudence, Section 17, pages 317, 318.] "The source of the taxing power is not the 16th Amendment, it is Article I, Section 8 of the Constitution." [Penn Mutual Indemnity Co. v. Commissioner, 32 T.C. 1959, CCH at pg. 659.]

December 23, 1913: The Federal Reserve Act is signed, dividing the country into twelve districts, each with a federal reserve bank. The act also provides for a drastic currency based on commercial assets rather than bonded indebtness, mobilization of bank reserves, public control of the banking system [foreign interest], and decentralization rather than centralization.

JULY 28, 1914: World War One begins.

OCTOBER 15, 1915: American bankers, organized by J.P. Morgan and Co., agree to lend Great Britain and France five hundred million dollars, the largest loan floated in any country.

JULY 11, 1916: The Federal Aid Road Act is signed by President

Wilson. The measure provides five million dollars for the use of the States that undertake road building programs, and it establishes a system of highway classification. Almost two hundred and fifty thousand commercial vehicles and more than three million private cars are registered to use public roads.

JULY 17, 1916: The Federal Farm Loan Act is passed by Congress.

OCTOBER 3, 1916: Congress passes the War Revenue Act, increasing corporate and personal income taxes and establishing excise- profits, and luxury taxes.

APRIL 5, 1918: The War Finance Corporation is formed, capitalized at five hundred million dollars to support war industries through loans and bond sales.

1920: Congress abolishes the United States Treasury and establishes the Dept. of Treasury, in the Act of 1920 66th Congress session II ch. 214.

APRIL 9-16, 1924: The United States banks loan Germany two hundred million for reparation.

NOVEMBER 14, 1925: Because of a severe financial depression in Europe, the United States agrees to a sharp reduction in foreign war debts as well as interest rates on them, but still insists on partial payment.

JANUARY-APRIL 1926: War debt agreements are reached between the United States and several European countries, including France, Italy, Belgium,

Czechoslovakia, Rumina, Estonia and Latvia. In the case of France it is agreed that the four billion dollars owed to the United States banks will be paid over a period of sixty two years. Italy, which owes one billion five hundred million dollars is also to be paid back in sixty two years.

MARCH 10, 1928: The United States pays three hundred million dollars to Germany to reimburse them for property taken during World War One.

JULY 10, 1929: The new paper currency, only two thirds the size of the old, goes into circulation.

OCTOBER 24-28, 1929: The stock market crashes as millions of shares change hands and billions of dollars in value are lost.

FEBRUARY 24, 1930: J.P. Morgan and Co. announce that the group formed to halt the market crash on October 24-29, has sold all its shares and is disbanded.

DECEMBER 11, 1930: The largest Bank failure in the nations history takes place when the Bank of the United States closes its doors in New York.

SEPTEMBER-OCTOBER 1931: The bank panic increases as over eight hundred banks are closed in two months. Individuals start to hoard gold to protect themselves.

DECEMBER 8, 1931: The President's Address message to Congress calls for increased taxation to make up for the deficit of nine hundred and two millon dollars for the year 30-31.

JANUARY 22, 1932: The Reconstruction Finance Corporation came into existence with the purpose of loaning money to the banks.

FEBRUARY 27, 1932: Congress passes the Glass-Steagall Act, which authorizes the sale of seven hundred and fifty million dollars worth of the government gold supply and allows the federal reserve system more leeway in discounting commercial paper.

JULY 21, 1932: President Hoover signs the Emergency Relief Act which provides three hundred million dollars in loans to the States and increases the Reconstruction Finance Corporations debtceiling to three billion dollars to make loans to State and local governments.

March 10, 1933: By the continued use of paper money the United States had to be declared bankrupt, which was proven by the bankruptcy procedures that were followed in President Roosevelt's Executive Orders. President Roosevelt declared the United States bankrupt by Presidential Executive Order, 6073 and the subsequent Executive Orders, 6102, 6111 and 6260.[these documents are still publicly attainable in any federal depository library]

MAY 23, 1933: On the House floor, Congressman Mcfadden brought impeachment charges against many of the federal reserve board members, federal reserve agents of many States, comptroller of the currency, and several secretaries of the United States Treasury for high crimes and misdemeanors, including the theft of eighty billion dollars from the United States Government and with committing the same thefts in 1929, 1930, 1931, 1932 and 1933 and in the years previous to

1928, amounting to billions of dollars.

These charges were remanded to the Judiciary committee for investigation, where these charges were effectively buried and until this day have never been answered. [See Congressional Record pp.4055-4058 May 23, 1933]

JUNE 16, 1933: The National Industrial Recovery Act is passed, this allows private corporations to make their own laws and write their own statutes, as applied to the public.

JANUARY 30, 1934: The Gold Reserve Act gives the President the right to change the value of the dollar. The President immediately devalues the dollar to fifty nine cents.

JUNE 28, 1934: The Federal Home Association is established, to insure the loans made by banks in building homes.

MAY 27, 1935: The United States Supreme Court declares that the National Industrial Recovery Act is unconstitutional. Since the federal reserve is a private corporation and passes its own laws; does this not make the federal reserve unconstitutional [illegal]? [Schechter Poultry Corp. v. United States, 295 U.S. 495 1934]

AUGUST 14, 1935: The Social Security Act [Federal Insurance Contribution Act] becomes law, the American people are told this is a insurance policy. This is actually an agreement between you and the United States government where you have agreed under tort law that you have contributed to the national debt and that you are a wrong doer under the definition of the word contribution, as it is used by the government. [see the word contribution and the words tort feasor in Blacks Law Dictionary 6th ed.]

AUGUST 23, 1935: The Banking Act of 1935 is passed, restructuring the federal reserve system to allow for increased control of banking and credit.

AUGUST 28, 1935: The Public Utility Act is signed, the United States takes control of the countries utilities.

AUGUST 29, 1935: Congress passes the Farm Mortgage Act to offset the Supreme Courts decision against the Federal Farm Bankruptcy Act.

JANUARY 4, 1939: President Roosevelt requests one billion three hundred and nineteen million five hundred and fifty eight thousand dollars for defense.

JANUARY 5, 1939: President Roosevelt submits a budget of nine billion dollars to Congress.

SEPTEMBER 1, 1939: World War Two Begins.

JANUARY 3, 1940: President Roosevelt requests one billion eight hundred million dollars for defense.

MAY 31, 1940: President Roosevelt requests one billion three hundred million dollars for defense.

JUNE 22, 1940: Congress raises the national debt ceiling to a record high of forty nine billion dollars.

JANUARY 8, 1941: The Presidents budget calls for a record seventeen billion eight hundred million dollars, of which sixty percent is for defense.

MARCH 30, 1941: President Roosevelt approves a measure that raises the ceiling on the public debt to a record sixty five billion dollars.

JANUARY 5, 1943: President Roosevelt proposed budget for the fiscal year 1943 is one hundred and eight billion nine hundred and three million dollars.

JANUARY 13, 1944: President Roosevelt proposes a budget of one hundred billion dollars for 1944.

JULY 28, 1945: The United Nations charter is ratified by the Senate.

JANUARY 2, 1950: A report by the United States Dept. of Commerce shows that for the period July 1, 1945 to September 30, 1949, the United States spent almost twenty five billion dollars in foreign aid. Military spending for the same years has been one third of the yearly budget.

JULY 19, 1950: President Truman calls for partial mobilization after Korea crosses the 38th parallel and also asks Congress for ten billion dollars for the military.

APRIL 30, 1951: President Truman gets fifty seven billion dollars for defense for 1951.

JANUARY 21, 1952: The President's budget calls for expenditures of eighty five billion four hundred and forty four million dollars for the coming fiscal year. Slightly over three fourths of the budget is to spent on "national security".

JUNE 29, 1955: The Federal Aid Highway Act is signed by the President. It authorizes thirty three billion dollars to be spent over the next thirteen years on the highways.

JANUARY 16, 1957: A peace time budget of seventy two billion eight hundred and seven million dollars is proposed.

JANUARY 13, 1958: The fiscal deficit is up to twelve billion four hundred twenty seven million dollars.

AUGUST 7, 1958: President Eisenhower signs into law an appropriations bill for defense in the amount of thirty nine billion six hundred and two million eight hundred and twenty seven thousand dollars.

1961: President Eisenhower allots forty seven billion six hundred and fifty four million dollars for defense.

NOVEMBER 28, 1961: President Kennedy "reached the decision that silver metal should gradually be withdrawn from our monetary reserves."

1963: Six days prior to President John F. Kennedy being assassinated, he

ordered the Treasury to print United States Notes to be used as legal tender, a limited amount were printed before his untimely death. This action would have put the federal reserve out of business because they would no longer be able to collect interest on the money they would have printed. This would have eventually removed the financial and political control the international bankers had over this country. Ten days prior to his assassination President Kennedy said "The high office of President has been used to foment a plot to destroy the American's freedom, and before I leave office I must inform the citizen of his plight."

NOVEMBER 22, 1963: President John F. Kennedy is assassinated. One of the first acts President Johnson orders is the reversal of the order President Kennedy had made, which had allowed the printing of United States Notes without interest. Was President Kennedy assassinated for the same reasons as President Lincoln?

NOVEMBER 26, 1963: Prior to this date the federal reserve notes were a promise to pay and were redeemable on demand by the bearer for lawful money. After President Johnson's order to remove the United States notes, the Federal Reserve issued federal reserve notes without the promise to pay to the bearer on demand lawful money. Interestingly, the first fifty million no-promise federal reserve notes were shipped out the same day that President John F. Kennedy was buried.

MARCH 8, 1965: The first troops landed in Vietnam.

1967: The deficit is announced to be twenty five billion dollars.

JUNE 1968: Marked the first time in United States history that a paper currency, purportedly designated as legal tender, was not directly or indirectly redeemable in silver or gold coin or bullion.

SEPTEMBER 30, 1967: President Johnson submits a record budget of one hundred and eighty six billion dollars.

JANUARY 29, 1971: President Nixon announces that the deficit is thirty eight billion seven hundred and eighty three million dollars.

1972: President Nixon announces the federal government will share thirty billion dollars with State and local governments.

1974: President Nixon announces a fiscal budget of three hundred and four billion four hundred million dollars.

FEBRUARY 3, 1975: President Ford announces a deficit of fifty one billion five hundred million dollars.

Today the American economy operates under a monetary system which is completely outside the Constitution. Its fiat money is continually manipulated both in value and in quantity. [THE MAKING OF AMERICA 1985]

The definition of fiat money is: "money composed of otherwise essentially valueless things that neither have a commercial use nor constitute a claim against anyone, but do have a special legal qualification. The money is not the material bearing the stamp as authority but the stamp alone."

http://www.atgpress.com/kifap/monie.htm

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Subject: Canada's Gold
Date: Sat, 2 Oct 2004 13:47:48 -0400
From: Joel mrjoel@rogers.com
To: apfn@apfn.org

What does Canada have in common with the US ? All our gold is gone too. In 1980 we had 21m oz in reserve. We now hold 0.2m oz but we have 16bln in US reserve currency. Thanks guys! Where is all this going to take us ?
Stupid fat people, doped up on medication, Hawked to the eye balls with credit card debt & second mortgages, whiling away their time in their GOVERNMENT issued job, secure in their wealth & status on the way home powered on by their SUV that produces nothing, great use of capital. Am I missing something or our we pretty well screwed, blued, tattooed like live stock.
Joel
Ottawa, Canada.

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**PR Newswire: PRESS RELEASE 07/07/06**

**The Federal Reserve: It is Not federal, Does Not Have Any Reserves**

The federal reserve is the enemy of America. "Whoever controls the volume of money in any country is absolute master of all industry and commerce."(Paul Warburg, drafter of the Federal Reserve Act).

(PRWEB) July 8, 2006 -- It was Col. House who hand-picked the first Federal Reserve Board in 1912. He named Benjamin Strong as its first Chairman. In 1914, Paul M. Warburg quit his $500,000 a year job at Kuhn, Loeb and Co. to be on the Board, later resigning in 1918 during World War I because of his German connections.

The Banking Act of 1935 amended the Federal Reserve Act, changing its name to the Federal Reserve System, and reorganizing it in respect to the number of directors and length of term. Headed by a seven member Board of Governors appointed by the President and confirmed by the Senate for a 14 year term, the Board acts as an overseer to the nation's money supply and banking system.

The Board of Governors, the President of the Federal Reserve Bank of New York, and four other Reserve Bank Presidents who serve on a rotating basis make up the "Federal Open Market Committee". This group decides whether or not to buy and sell government securities on the open market. The Government buys and sells government securities, mostly through 21 Wall Street bond dealers, to create reserves to make the money needed to run the government. The Committee also determines the supply of money available to the nation's banks and consumers.

There are twelve Federal Reserve Banks in twelve districts: Boston (MA), Cleveland (OH), New York (NY), Philadelphia (PA), Richmond (VA), Atlanta (GA), Chicago (IL), St. Louis (MO), Minneapolis (MN), Kansas City (KS), San Francisco (CA), and Dallas (TX). The twelve

regional banks were set up so that the people wouldn't think that the Federal Reserve was controlled from New York. Each of the Banks has nine men on [its] Board of Directors; six are elected by member Banks, and three are appointed by the Board of Governors.

They have 25 branch Banks, and many member Banks. All Federal Banks are members and four out of every ten commercial banks are members. In whole, the Federal Reserve System controls about 70% of the country's bank deposits. Ohio Senator, Warren G. Harding, who was elected to the Presidency in 1920, said in a 1921 Congressional inquiry that the Reserve was a private banking monopoly. He said: "The Federal Reserve Bank is an institution owned by the stockholding member banks. The Government has not a dollar's worth of stock in it." His term was cut short in 1923 when he mysteriously died, leading to rumors that he was poisoned. This claim was never substantiated because his wife would not allow an autopsy.

Three years after the initiation of the Federal Reserve, Woodrow Wilson said: "The growth of the nation ... and all our activities are in the hands of a few men ... We have come to be one of the worst ruled; one of the most completely controlled and dominated governments in the civilized world ... no longer a government of free opinion, no longer a government by conviction and the free vote of the majority, but a government by the opinion and duress of a small group of dominant men."

In 1919, John Maynard Keynes, later an advisor to Franklin D. Roosevelt, wrote in his book The Economic Consequences of Peace: "Lenin is to have declared that the best way to destroy the capitalist system was to debauch the currency ... By a continuing process of inflation, governments can confiscate secretly and unobserved, an important part of the wealth of their citizens ... As the inflation proceeds and the real value of the currency fluctuates wildly from month to month, all permanent relations between debtors and creditors, which form the ultimate foundation of capitalism, become so utterly disordered as to be almost meaningless..."

Congressman Charles August Lindbergh, Sr., father of the historic aviator, said on the floor of the Congress: "This Act establishes the most gigantic trust on Earth ... When the President signs this Act, the invisible government by the Money Power, proven to exist by the Money Trust investigation, will be legalized ... This is the Aldrich Bill in disguise ... The new law will create inflation whenever the Trusts want inflation ... From now on, depressions will be scientifically created ... The worst legislative crime of the ages is perpetrated by this banking and currency bill."

On June 10, 1932, Louis T. McFadden, said in an address to the Congress: "We have in this country one of the most corrupt institutions the world has ever known. I refer to the Federal Reserve Board and the Federal Reserve Banks ... Some people think the Federal Reserve Banks are United States Government institutions. They are not Government institutions. They are private credit monopolies which prey upon the people of the United States for the benefit of themselves and their foreign customers ... The Federal Reserve Banks are the agents of the foreign central banks ... In that dark crew of financial pirates, there are those who would cut a man's throat to get a dollar out of his pocket ...

Every effort has been made by the Federal Reserve Board to conceal its powers, but the truth is the Fed has usurped the government. It controls everything here (in Congress) and controls all our foreign relations. It makes and breaks governments at will ... When the Fed was passed, the people of the United States did not perceive that a world system was being set up here ... A super-state controlled by international bankers, and international industrialists acting together to

enslave the world for their own pleasure!"

This release is continued at http://www.apfn.org/apfn/reserve2.htm

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http://www.prweb.com/releases/2006/7/prweb408673.htm

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WorldnetDaily.com
http://www.worldnetdaily.com/news/article.asp?ARTICLE_ID=50935

# INSIDE THE FEDERAL RESERVE

WND unveils comprehensive report on 'fraud of the century'

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Posted: July 6, 2006
1:00 a.m. Eastern



While millions of Americans look with awe to the Federal Reserve to protect the nation's financial well being, millions more mistrust the Fed, seeing it as an unaccountable, private banking cartel siphoning off citizens' wealth and manipulating America's economy for the benefit of a hidden elite.

Where does the truth lie? That's the question that's asked – and answered in-depth – in the July issue of WorldNetDaily's acclaimed monthly Whistleblower magazine.

Titled "THE FEDERAL RESERVE: FRAUD OF THE CENTURY," Whistleblower documents authoritatively and with uncommon clarity how the "Federal Reserve" – which is neither part of the federal government, nor does it rely on monetary reserves – is an unconstitutional, unelected cartel that literally creates the devastating problems it was supposed to prevent.

Today, the entire Western financial world holds its breath every time the Fed chairman speaks, so influential are the central bank's decisions on markets, interest rates and the economy in general. Yet the Fed, supposedly created to smooth out business cycles and prevent disruptive economic downswings like the Great Depression, has actually done the opposite.

"From the Great Depression, to the stagflation of the seventies, to the burst of the dotcom bubble" in 2001, charges U.S. Rep. Ron Paul, "every economic downturn suffered by the country over the last 80 years can be traced to Federal Reserve policy."

While many Fed defenders claim it worked valiantly to prevent or minimize the ravages of the Great Depression, in reality the Fed *caused* the Depression and greatly increased the severity of its effects.

In fact, as July's Whistleblower documents, the Fed's new chairman, Ben Bernanke, *admits* that the Federal Reserve was responsible for the Great Depression. "We did it," Bernanke said, adding, "We're very sorry."

But the Fed's sins go way beyond the Great Depression. "Since the creation of the Federal Reserve, middle and working-class Americans have been victimized by a boom-and-bust monetary policy," said Paul, the congressman best known for his steadfast commitment to the U.S. Constitution.

"In addition," said the Texas Republican, "most Americans have suffered a steadily eroding purchasing power because of the Federal Reserve's inflationary policies. This represents a real, if hidden, tax imposed on the American people."

And that's just the beginning. In this special Whistleblower issue , the crucial subject of economics and money – often *deliberately* made overly complicated and confusing – is laid out in the clearest way possible.

Whistleblower takes readers on a stunning time-travel journey back to 1913, to a train on its way to Jekyll Island, just off the coast of southern Georgia, where America's wealthiest and most influential bankers got together in secret and hatched their plan for creating the private banking cartel that would control the American economy. It would deceptively be named the Federal Reserve to create the impression it is part of the federal government.

Without resorting to financial jargon or doubletalk, Whistleblower explains in plain, commonsense language exactly how the Fed works and how Americans' formerly gold-backed currency has been corrupted and much of their buying power lost, thanks to the Fed, and how this continues into the present.

Although today the governors of the Federal Reserve are literally the gods of the nation's money supply and financial policy, in previous eras of American history, leaders warned specifically against an unaccountable, unelected central bank:

- *"I sincerely believe ... that banking establishments are more dangerous than standing armies, and that the principle of spending money to be paid by posterity under the name of funding is but swindling futurity on a large scale."* – Thomas Jefferson

- *"Of all the contrivances for cheating the laboring classes of mankind, none has been more effective than that which deludes them with paper money."* – Daniel Webster

- *"Whoever controls the volume of money in any country is absolute master of all industry and commerce."* – James A. Garfield

- *"All the perplexities, confusion and distresses in America arise not from defects in the constitution or confederation, nor from want of honor or virtue, as much from downright ignorance of the nature of coin, credit, and circulation."* – John Adams

"For this issue of Whistleblower," said David Kupelian, managing editor of WND and Whistleblower, "we tried to remedy John Adams' concern over Americans' 'ignorance of the nature of coin, credit, and circulation.' So we worked very hard to come up with the most credible, most understandable, yet comprehensive analysis of the Fed possible."

Kupelian added. "This issue will go a long way toward giving you the understanding you need – not only regarding this nation's extraordinarily deceitful banking and money system, but also, to help you make better financial and life decisions for the sake of yourself and your family." http://www.worldnetdaily.com/news/article.asp?ARTICLE_ID=50935

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The History of America's Money System
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