

# The Sad Story Of The Privately Owned Federal Reserve Bank



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## WE BET YOU DO NOT KNOW

The Sad Story Of The Privately Owned Federal Reserve Bank

"The money powers prey upon the nation in times of peace and conspire against it in times of adversity. It is more despotic than a monarchy, more insolent than autocracy and more selfish than a bureaucracy. It denounces, as public enemies, all who question its methods or throw light upon its crimes. I have two great enemies, the Southern Army in front of me and the bankers in the rear. Of the two, the one at the rear is my greatest foe."

PRESIDENT ABRAHAM LINCOLN - 1866

"We have given the People of this Republic the greatest blessing they have ever had-their own currency to pay their own debts." (No privately owned Federal Reserve or other central bank)

PRESIDENT ABRAHAM LINCOLN - 1867

"The high office of the President has been used to foment a plot to destroy the Americans freedom and before I leave office I must inform the Citizen of his plight."

PRESIDENT JOHN F. KENNEDY(10 days before he was murdered)

"Like it or not, you are a slave. You admit you are a slave every April 15th! That's when you sign forms that "voluntarily" lay bare to the government the most private details of your life! And few people realize the income tax is a slave tax. It can never be compatible with the life of a free people.

ALAN KEYES - Republican Nominee for President

YOU OWE IT TO YOURSELF AND YOUR COUNTRY TO LEARN HOW EASILY

AND QUICKLY MOST  
OF AMERICAS PROBLEMS COULD BE SOLVED.

WHO OWNS THE PRIVATELY OWNED FEDERAL RESERVE?

The privately owned Federal Reserve is not a government agency. The privately owned Federal Reserve Bank (The Fed) is privately owned by a group of primarily foreign bankers. In 1913, Congress sank America into eternal debt by giving the power to issue currency and control the American economic system to the privately owned Federal Reserve Bank. Who are the owners or chief shareholders of the privately owned Federal Reserve? Originally, there were reportedly 203,053 shares of privately owned Federal Reserve stock, of which approximately 65% were owned by foreigners and approximately 35% (72,000 shares) were:

1. Rockefellers' National City Bank = 30,000 shares
2. Chase National = 6,000 shares (currently Chase Manhattan and owned by David Rockefeller)
3. The National Bank of Commerce = 21,000 shares (now known as Morgan Guaranty Trust)
4. Morgans' First national Bank = 15,000 shares

Interestingly, the total shares owned by Rockefellers interests equal 36,000 shares and the total of Morgans' equals 36,000 shares.

Although the privately owned Federal Reserve Act of 1913 provided the names of the owner banks be kept a secret, R.E. McMaster, publisher of the newsletter "The Reaper" discovered, through confidential Swiss banking connections, that the following banks have controlling interest in the privately owned Federal Reserve

1. Rothschild Banks of London and Berlin
2. Lazard Brothers Bank of Paris
3. Israel Moses Sieff Banks of Italy
4. Warburg Bank of Hamburg, Germany and Amsterdam
5. Kuhn Loeb Bank of New York
6. Lehman Brothers Bank of New York
7. Goldman Sachs Bank of New York
8. Chase Manhattan Bank of New York (Controlled By Rockefellers)

In his impeccably researched book "Secrets of the Privately Owned Federal Reserve", Eustace Mullins states: "Because the privately owned Federal Reserve Bank of New York sets interest rates and controls the daily supply of price of currency throughout America, the owners of that bank are the real directors of that whole system. These shareholders have controlled our political and economic destinies since 1913." Those shareholders making up Mullins' list are almost identical to the one compiled by the Swiss banking source.

1. The Rothschild's
2. Lazard Freres (Eugene Mayer)
3. Israel Sieff
4. Kuhn Loeb Company

5. Warburg Company
6. Lehman Brothers
7. Goldman Sachs
8. The Rockefeller family and J.P. Morgan interests

Sounds like a real group of American Patriots, doesn't it!

#### THE INVISIBLE GOVERNMENT

The day before the privately owned Federal Reserve Act passed, Congressman Charles Lindberg Sr. said: "The money trust deliberately caused the 1907 money panic and thereby forced Congress to create a National Monetary Commission which led to the ultimate creation of the privately owned Federal Reserve Bank. The Federal Reserve Act establishes the most gigantic monetary trust on earth. When the President signs the bill, the invisible government of the Monetary Powers will be legalized. The people must make a declaration of independence to relieve themselves from the Monetary Powers, by taking control of Congress!... The worst legislative crime of the ages is perpetrated by this banking bill. The caucus and the party bosses have again operated and prevented the people from getting the benefit of their own government!" How did the monetary powers manipulate the passage of the Federal Reserve Act?

Senator Nelson Aldrich was named as chairman of the Monetary Commission, which was like naming a cat to design the canary cage. Aldrich was the maternal grandfather of Nelson Aldrich Rockefeller of Standard Oil and Chase Manhattan Bank, through the marriage of his daughter, Abby Greene Aldrich to John D. Rockefeller Jr. The Rockefellers have been the largest beneficiaries of the privately owned Federal Reserve Bank. The chief architect of the plan was Paul Warburg, a Rothschild agent who was salaried at \$500,000.00 a year (equivalent to about 5 million dollars today).

Another member of the monetary commission was Jacob Schiff of Kuhn-Loeb and Co., who helped finance the Bolshevik revolution in Russia with a \$20 Million contribution. Schiff was born in a home shared with the Rothschild's in Frankfurt, Germany.

On November 22, 1910, Aldrich and the rest of the Monetary Commission met at a private hunting club of J.P. Morgan on Jekyll Island, Georgia, to draft a bill that would put the economic future of the United States into the hands of a few private Money Powers. The original bill was the highly unpopular Owen-Glass Bill. The name of the bill was later changed to the Federal Reserve Act. The timing of the vote for the Federal Reserve Act was engineered by its promoters. It was passed hastily in effort to break for Christmas on December 23, 1913, while the majority of opposing Congressmen were on Christmas vacation. Then, when elected, the banker financed Woodrow Wilson immediately signed the Federal Reserve Act.

Within months of starting the privately owned Federal Reserve, individual Income Taxes were created to pay for this new bankers' interest expense. The taxes of American Citizens pay the interest on all new "debt certificate" currency and credit issued by the privately owned Federal

Reserve. Where does the privately owned Federal Reserve spend the mass profits it extorts from the labor of our People? Dr. Antony Sutton, author of "Wall Street and the Bolshevik Revolution" (Arlington House Publishers, Rochelle, N.Y., 1974), provides some insight. He conducted exhaustive research through American, Canadian and German government archives and discovered solid evidence, which he painstakingly documented, proving that many American Capitalists, primarily the JP Morgan (US Steel) interests provided financial support for the Bolshevik Revolution in Russia.

Also, William B. Thompson, Director of the US Federal Reserve Bank of New York, provided the Bolsheviks significant monetary support. Dr. Sutton stated "If Thompson had not been in Russia in 1917, subsequent history might have followed quite a different course. Without the financial, diplomatic and propaganda assistance given by Thompson and his associates to Trotsky and Lenin, The Bolsheviks may well have quickly withered away.

#### MONEY FROM NOTHING

Ask yourself this question, "If you were given a monetary printing press and a legal contract to print and issue all the money you would ever need to run your household at no cost to you, would you, instead, give that printing press and contract to a banker and agree to borrow your money from him, to be repaid in full with interest?" I don't think so. The government has done exactly that. The most awesome power America has is the power to CREATE, using as collateral the future productivity of its Citizens, all of the currency and credit we would ever need to run our government, prosperously! Instead, America has legislated away this priceless power of monetary and credit creation to a group of primarily foreign, self-serving bankers! According to the Supreme Court, this transfer of power is in direct violation of the law.

"Congress may not abdicate or transfer to others its legitimate functions" Schechter Pultry v U.S. 29 U.S. 495, 55 U.S. 837.842 (1935) Following is a simplified explanation of the inane method in which currency and credit is currently created in the United States. This system benefits a few elitists at an exorbitant cost to We the People! The average American contributes one third of his hard earned dollars to support this corruption!

Let's say, for example, that to carry out its legitimate functions, the United States needs \$300 billion in credit and \$100 million in currency :

1. The U.S. Bureau of Printing and Engraving at the U.S. Treasury is instructed to print \$100 million in Federal Reserve Notes, as currency for the privately owned Federal Reserve.
2. The privately owned Federal Reserve System pays the U.S. Bureau of Printing and Engraving \$20.60 per 1000 bills it prints! That is approximately two and a half cents for each bill, regardless of their face denomination, ie. \$1, \$5, \$10, \$20, \$50, \$100 bill. WHAT A DEAL!!
3. Next, the United States orders the same U.S. Bureau of Printing and Engraving to print \$300 billion, \$100 million worth of U.S. Treasury Bonds.
4. The privately owned Federal Reserve then purchases \$100 million of U.S. Treasury Bonds (redeemable at full face value plus interest) from the United

States. To pay for these, the Fed uses the privately owned Federal Reserve Notes that they just purchased for two and a half cents per bill! Next, the privately owned Federal Reserve purchases the other \$300 billion in U.S. Bonds with a simple ten second computer entry that transfers \$300 billion in "credit" into the United States' Treasury account. Where did the privately owned Federal Reserve System get the \$300 billion? It created it from NOTHING.

The People are then obligated to repay the privately owned Federal Reserve, with their tax dollars, at full face value, plus interest (which is converted to gold at par, through the International Monetary Fund). The privately owned Federal Reserve Notes and federal government credits were created for virtually nothing.

Conversely, the repayment of just the interest on these bonds requires a Citizens' physical labor from approximately January 1st until May 1st and giving 100% of their substance to the privately owned Federal Reserve. What does the privately owned Federal Reserve or the federal government give back to We the People in exchange for the sweat of our brow? NOTHING! ZIP! NADA!

That constitutes servitude without just compensation.

COST TO WE THE PEOPLE: \$300 Billion, \$100 Million, plus continuously compounding interest.

COST TO THE PRIVATELY OWNED FEDERAL RESERVE: About \$26,000

"PERMIT ME TO CONTROL THE CURRENCY OF A NATION AND I CARE NOT WHO MAKES ITS

LAWS!" Baron de Rothschild

THE POWER OF MONETARY AND CREDIT CREATION

Where does the privately owned Federal Reserve get its money? IT CREATES IT FROM THIN AIR!

The privately owned Federal Reserve has created a debt based economy. It creates nothing. Every dollar that America spends, it borrows from someone else. Every privately owned Federal Reserve note in your wallet is nothing more than a debt certificate. America has given its greatest power, monetary creation, to the privately owned Federal Reserve.

MONEY FACTS: House Banking and Currency Committee, 1964, pp. 9, states:

"The privately owned Federal Reserve Banks create Federal Reserve Notes out of thin air to buy government bonds from the United States

Treasury by lending into circulation at interest and by bookkeeping entries of checkbook credit to the United States Treasury. The Treasury writes up an interest bearing bond for one billion dollars. The privately owned Federal Reserve gives the Treasury a one billion dollar credit for the bond, it has created from nothing. This is one billion dollar debt which the American people are obligated to pay full, with interest."

A publication called, "PUTTING IT SIMPLY", by the Boston Federal Reserve Bank, sums it up as:

"When you or I write a check there must be sufficient funds in our account to cover that check, but when the privately owned

Federal Reserve writes a check, it is CREATING money."

#### LOGIC ECONOMICS

In reality money is not created from thin air. The backing or value of the dollar does NOT exist at its creation, but by its redemption. It is not gold or silver that backs our currency but the willingness by the American people to exchange that currency for raw materials, goods, services, manpower and brainpower! In other words, the REAL collateral behind the dollar is the American Peoples productivity. This is a commodity in which America is extremely rich in! If you use currency to buy food, it is the food that gives the currency value. The food has value without the currency, but the currency has no value without the food or other valuable substance or service. The creator of the currency merely prints "Notes" that we exchange among each other for goods and services. Currency is, simply put, barter certificates. Although gold and silver, because of their intrinsic value, are an excellent hedge against FED engineered inflation. It is the productivity of the American people that gives currency its purchasing value. If we all refused to use privately owned Federal Reserve notes for our exchanges, the Feds currency would have absolutely NO VALUE. Someone has to create currency if we are to have a medium of exchange other than direct bartering. The biggest mistake in American history was to give this awesome creative power to the privately owned Federal Reserve! Because it is the productivity of the people that is collateralizing the currency, it should be

the people that benefit by its creation. the Congress should immediately take back the power of legislative monetary and credit creation, with safeguards, for the benefit of prosperity of the American People!

#### THE LINCOLN ASSASSINATION

John Wilkes Booth, who assassinated Lincoln, was a member of the Knights of the Golden Circle which was controlled by the bankers. Bismark, the Chancellor of Germany, made the following comments about the death of Lincoln. "The death of Lincoln was a disaster for Christendom. There was no man in the United States great enough to wear his boots and the bankers went anew to grab the riches. I fear that foreign bankers with their craftiness and tortuous tricks will entirely control the exuberant riches of America and use it systematically to corrupt modern civilization."

#### THE NATIONAL BANKING ACT OF 1863

After Lincolns' unborrowed Greenbacks were sufficiently and falsely discredited by inflation creating shenanigans of the bankers, the Greenback Act was revoked and replaced by the National Banking Act of 1863. Americans, once again, became the servants of the monetary powers! The National Banking Act of 1863 was passed after Salmon P. Chase, Secretary of the Treasury, and the Congress succumbed to the pressure of the bankers.

Initially, the Greenbacks and Bank Notes were both utilized as currency. However, after President Lincolns' assassination, the end of the Greenback came with an Act passed on April 12, 1866. This banker supported Act authorized the Secretary of the Treasury to sell bonds and use the

proceeds to retire all United States currency, including the Greenbacks. At a time when the money supply should have been increased to reconstruct the United States after the civil War, the money powers, instead contracted it over the next ten years, as more and more money was destroyed and not replaced. Bankruptcies and business losses soared! this was because when money is scarce, banks loan fewer and fewer businesses the money they need to stimulate the economy. Then the businesses lay off workers, who lose their homes because they can't make their mortgage payments. The bankers then make a clean sweep with property foreclosures, picking up businesses and citizens property for pennies on the dollar. They have created credits out of thin air and converted them into real property! This is exactly what is happening today, on an even more disastrous scale. Now the bank goes bankrupt, the FDIC (a federal government agency) seizes the bank. Then when the federal government can no longer make its interest payments, the privately owned Federal Reserve and International Monetary Fund will seize the assets of the federal government. Businesses and private homes ultimately end up in the hands of the International Government..... no private ownership, no free enterprise... instant socialism without a shot fired! Like others who sold out their Country to the bankers before him, Secretary of Treasury, Chase, had a stab of conscience before dying stating: "Promoting the National Bank Act, through my agency, was the greatest financial mistake of my life! It has built up a monopoly which effects every interest in the country. It should be repealed." Without a doubt, if America is to be saved, the Federal Reserve Act must also be repealed! It is more corrupt and detrimental to America than any Banking Act in history!

How have the monetary powers managed to buffalo the Congress and the People for so long? Following is an example of the smoke-screen propaganda created by the bankers and fed to Congress. This is the type of ridiculous rhetoric that has kept banking vultures in power for over 80 years!

House of Representatives 88th Congress, 32nd Session ".....it has long been one of the political facts of life that private banks must be able to create the lions' share of the money, if not all the money. Thus there is little opposition to the government's printing bonds and then permitting the banks to create the money with which to buy these bonds; but proposals that the government itself create the money instead of the bonds have always set off tremendous political upheavals (among who? Other bankers!) Bankers are politically very powerful. For example, Abraham Lincoln set off a political furor when he insisted upon having the government issue \$346 million dollars instead of issuing interest-bearing bonds and paying interest.

A free thinking American might ask, "Why is this ridiculous policy of giving the banks power to create money out of thin air to buy U.S. Treasury Bonds at full face value plus interest a political fact of life!" It is the American workers tax dollars that must pay the interest and eventually the full principal on these bonds! Who was setting off these political upheavals? Certainly not the Americans who would no longer have

to pay income taxes... not the Americans who would no longer have their hard earned dollars eaten away by the rampant inflation we have experienced since the FED took over our monetary system in 1913...It is not the American People who have had all their gold and silver stolen by the FED and who would, without a doubt, be the greatest beneficiaries of a debt free currency. Of course, it was and still is, the ulterior motivated FED banking powers themselves and the corrupt pockets they are filling who are creating this furor.

Why are they so "furious"? The answer appears in this editorial which appeared in the London Times, a paper controlled by the Rothchild banking dynasty. It was written at the time Lincoln was taking action to create an un-borrowed currency. READ THIS MORE THAN ONCE.. Its "arguments" summarize the magnificent benefits of creating Americas' own debt-free un-borrowed currency! These are the exact reasons that our Country SHOULD create a currency and credit of its own.

QUOTE: If this mischievous financial policy (of creating a debt-free currency), which has its origin in the American Republic, shall become permanent, then that government will furnish its own money without cost! It will pay off its debts and be without debt. It will have all the money to carry on its commerce. It will become prosperous without precedent in the history of the world. The brains and the wealth of all countries will go to America. That government must be destroyed or it will destroy every monarchy on the globe! END QUOTE.

A debt-free American Currency would be a sad day in the history of the monetary powers. However, it would be the happiest day in the history of America! Logic confirms that America must have its own debt-free, un-borrowed currency. Ultimately, to be lawful money, it must be backed by gold and silver: but even un-backed debt-free American Currency is superior to un-backed privately owned Federal Reserve debt Notes!

**LINCOLN DEFIES THE BANKING VULTURES!**

When the civil war was instigated, the Union originally looked to the European Bankers to loan them money to finance the war. Thinking they had Lincoln at their mercy, they overstepped themselves by demanding 24%-36% interest. This was Lincoln's opinion of bankers: "The money powers prey upon the nation in times of peace and conspire against it in times of adversity. It is more despotic than a monarchy, more insolent than autocracy and more selfish than a bureaucracy. It denounces, as public enemies, all who question its methods or throw light upon its crimes. I have two great enemies, the Southern Army in front of me and the bankers in the rear. Of the two, the one at the rear is my greatest foe."

Angered at the bankers, in Acts of February 25th and March 4th, 1862, Abraham Lincoln persuaded Congress to authorize the U.S. Treasury to issue \$450 million dollars in United States Notes (currency) to finance the Civil War. These issues of currency were full legal tender and debt-free and interest-free. Because of the green ink used on the back of these bills, they were called "greenbacks." Lincoln not only [ as an aside action ]

freed Black Americans from human slavery, he temporarily freed all Americans from monetary slavery!

After the Congress passed this powerful law, Lincoln said this:

"We have given the People of this Republic the greatest blessing they have ever had, their own currency to pay their own debts." A debt-free currency was a blessing for Americans and the "kiss of death" for the world bankers. The bankers fought back furiously with incredible amounts of money!

It is a fallacy to think, as many do, that the greenbacks were inflationary. This was propaganda, again used by the money powers to erroneously convince the people a national currency was destructive. Following is a summary of their tactics. Within four days of the issuance of the greenbacks, outraged bankers met to propose a scheme to lobby Congress to strip the Greenbacks of their full legal tender status. They succeeded by influencing Congress to add an "Exception Clause" to the law. This clause required that duties on imports and interest on the public debt (owed to the bankers) could be paid only in gold. The bank then added a 185% surcharge on the price of gold purchased with Greenbacks! This meant importers had to exchange \$285 dollars in greenbacks for \$100 dollars worth of gold! This exchange, in itself, made the People think that Greenbacks must be inflationary. Of course, the

importers then had to take this 185% increase and add it to the cost of their goods. This resulted in dramatic price increases causing People to falsely believe the Greenbacks were inflationary. It was the bankers and their outrageous surcharges on Greenbacks that created the price increases. **NOT THE GREENBACKS!**

The Prosperity Of UnBorrowed Currency and Credit. There were a few times in history that nations used the power of creating an unborrowed currency to eliminate their debts and bring their country into prosperity. However, when the nations stopped borrowing money from the world bankers, a furor was always created, not among the People but among the banking vultures. The bankers would use their vast sources of money and power to artificially engineer problems that they could blame on the unborrowed currency!

When Henry I became King of England in 1100 A.D., he found the treasury completely empty. England's entire supply of gold and silver had gone with the Crusaders to Palestine. Rather than borrow money from world banks, he issued into circulation England's own unborrowed currency called "tallies". That was the richest time in England's history. There was no debt, no interest, and no inflation. For almost 700 years, England used this unborrowed money created and issued by the King. This caused a prosperous utopia for the working people of England. This is the unprecedented period in the history of creative genius known as the Renaissance. The death toll for the prosperous Renaissance era came in 1694 when King William of Orange granted a charter to William Paterson and his world banker associates to establish the Bank of England as a fractional reserve central bank. The Bank of England has had a direct bearing on banking in America.

The roots of our War of Independence can be traced back to the Kings objection to the creation and issuance by the colonies of their own paper money, beginning with 7000 pounds issued by Massachusetts in 1690, and culminating with the issue of 'Colonials' as an unborrowed currency by the Continental Congress. In 1763, Benjamin Franklin was in England and was asked to explain why the colonies were so prosperous, while England was suffering. He said "That's simple. It's only because in the Colonies we issue our own money called 'Colonial Script'.

When this conversation got back to the Bank of England, they forced England's Parliament to pass a Bill prohibiting the Colonies from issuing their own money. Franklin said "Within one year from the date Parliament passed this Bill, the streets of the Colonies were filled with unemployed Americans." Later he stated that the War of Independence was caused by taking away the Citizens' unborrowed Colonials. In Franklins' words "The Colonies would gladly have borne the little tax on tea and other matters, had it not been that England took away from the Colonies their money, which created unemployment and dissatisfaction." During the war, a new unborrowed currency called "Continental" was issued.

#### THE DEBAUCHED CONTINENTALS

The English then debauched (corrupted) the Continentals by bringing in massive shiploads of counterfeit Continentals to the colonies. This caused a significant "overabundance" of money in circulation, which created inflation. Although who creates the currency has no effect on inflation, too much currency in circulation, competing for identical goods and services can competitively increase prices.

The People did have 73 years of debt free prosperity before the English bankers and their engineered inflation succeeded in debauching their debt free currency! Thomas Jefferson once stated that if he could change just one part of the Constitution, it would be to prohibit the United States from borrowing!

#### THE BOAZ TRUST

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Canton, North Carolina 28716

<http://www.1040taxfree.com/FederalReserve.htm>

Subject: JFK vs. The Federal Reserve.

"The high office of the President has been used to foment a plot to destroy the Americans freedom and before I leave office I must inform the Citizen of his plight." PRESIDENT JOHN F. KENNEDY(10 days before he was murdered)

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 Common Law Institute has exhaustively researched this matter through the Federal Register and Library of Congress and 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.

In the illustrations below, a "Federal Reserve Note" issued from the private central bank of the United States (the Federal Reserve Bank a/k/a Federal Reserve System), is compared 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 real value worth something.

Again, 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 (Vietnam); 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.

Subject: DOLLARS ??????? Date: 09 April, 2002 5:01 PM

The following are excerpts from "MONEY FACTS 169 Questions and Answers on Money - A Supplement to A Primer on Money", prepared by the Subcommittee on Domestic Finance, House of Representatives, 88th Congress, 2d Session:

Question 1 - "Who has the right to create money in the United States?"

Answer - "Under the Constitution, it is the right and duty of Congress to create money. It is left entirely to Congress."

Question 2 - "To whom has the Congress delegated this money-creating right?"

Answer - "To the banking system, that is, to the Federal Reserve System and to the commercial banks in the country."

Question 6 - "Does Congress supervise Federal Reserve policymaking?"

Answer - "No. In practice, the Federal Reserve is "independent" in its policy-making. The Federal Reserve neither requires nor seeks the approval of any branch of Government for its policies. The System itself decides what ends its policies are aimed at and then takes whatever action it sees fit to reach those ends."

Question 7 - "What problems are raised by an "independent" Federal Reserve?"

Answer - "There are two major problems. One is the problem of political responsibility for the country's economic policies. The other is the problem of final control over the Government's action in the economic sphere."

Question 8 - "What is the problem of political responsibility?"

Answer - "Since the Federal Reserve is independent it is not accountable to anyone for economic policies it chooses to pursue. But this runs counter to normally accepted democratic principles. The President and Congress are responsible to the people on election day for the past economic decisions. But the Federal Reserve is responsible neither to the people directly nor indirectly through the people's elected representatives. Yet

the Federal Reserve exercises great power in controlling the money-creating activities of the commercial banks."

Question 35 - "Has the United States gone off the gold standard?"

Answer - "Yes, except in its international transactions."

Question 38 - "To whom does the Constitution give the power over money?"

Answer - "The Congress. The Constitution provides "the Congress shall have power to coin money, regulate the value thereof." The Supreme Court has interpreted this clause, again and again over a period of 150 years, to mean that "whatever power there is over the currency is vested in Congress."

Question 41 - "What is fractional reserve method of banking?"

Answer - "The fractional reserve method of banking originated with the goldsmiths - the predecessors of our present bankers. It is the method of banking used today. Briefly, it is a system whereby bankers maintain as reserves only a fraction of the amount needed to meet all claims against them. (The vast bulk of the claims against the banks are the deposits you and I hold. These are obligations which the bank must pay on demand.) The goldsmiths struck upon this method by noticing that the people who deposited gold with them for safekeeping only claimed a small portion of this gold at any one time. Therefore, the goldsmiths realized that they could lend out a good portion of the gold left with them. They then made loans, which in fact were not gold but warehouse receipts for gold. These receipts circulated as money. Notice, the gold - actually certificates of ownership - being loaned by the goldsmith was not his to lend. He did not own it, In other words, the goldsmith wrote receipts to people who were not depositing gold, i.e. to borrowers. So receipts for more gold meet the claims against him. This is the fractional reserve system. When the banks of the United States kept their reserves in gold, their reserves amounted only to a small fraction of the amount of money they had issued, all of which was guaranteed to be redeemable in gold."

[Editor's note: Could this be the reason many goldsmiths were taken out to a tree and hung, when the people discovered the fraud that had been perpetrated upon them?]

Fraud - "A false misrepresentation of a matter of fact, whether by words or by conduct, by false or misleading allegations, or by concealment of that which should have been disclosed, which deceives or is intended to deceive another . . . A generic term, embracing all multifarious means which human ingenuity can devise, and which are resorted to by one individual to get advantage over another by false suggestions or by suppression of the truth, and includes all surprise, trick, cunning, dissembling, and any unfair way by which another is cheated . . . `Bad faith' and `fraud' are synonymous, and also synonymous of dishonesty, infidelity, faithfulness, perfidy, unfairness, etc. . . ." (Black's Law Dictionary, 6th Edition)

Question 47 - "Where does the Federal Reserve get the money with which to create bank reserves?"

Answer - "It doesn't `get' the money, it creates it. When the Federal

Reserve writes a check, it is creating money . The Federal Reserve is a total moneymaking machine. It can issue money or checks. And it never has a problem 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 Printing and Engraving to print them."

Question 69 - "If the Government can issue bonds, why can't they issue money and save the interest?"

Answer - ". . . There is little opposition to the Government's printing bonds and then permitting the banks to create the money with which to buy those bonds; but proposals that the Government itself create the money instead of the bonds have always set off tremendous political upheavals. For example, Abraham Lincoln set off a political furor when he insisted upon having the Government issue \$364 million in money, the so-called "greenbacks" instead of issuing interest-bearing bonds and paying interest on the money."

Question 70 - "If the Government issued more money instead of Government bonds, isn't there a danger that the Government would issue too much money and cause inflation?"

Answer - "No. It is no more or less inflationary for the private banks to create \$1 billion of new money than it is for the Government to create \$1 billion of new money . . ."

Question 91 - "What are the sources of revenue of the Federal Reserve?"

Answer - "By far the largest is interest on its holdings of U.S. Government securities. This accounts for almost 99 percent of the Federal Reserve income."

Question 125 - "Do private banks enjoy a special relationship with the Federal Government?"

Answer - "Yes, a very special relationship. The business of banks is to lend money. The profits comes from the difference between the cost of creating money and the price they charge borrowers for that money. Now the cost of creating money is negligible . . . The banks do not pay a license fee or a payment charge for their reserves. Thus the raw materials the banks use cost them nothing . . . Further, the Federal Government provides private banks with the protection from competition and the hazard of failure."

Question 131 - "Do private banks perform a service in buying Government bonds?"

Answer - "No, because they create the money - an obligation of Government - simply to buy bonds guaranteed by the Government. There is no risk involved . . . Their reward for buying bonds with money they create is the "subsidized" profits they enjoy."

Question 132 - "What is the burden of U.S. Government bonds, held by the private banking system?"

Answer - "The burden is the heavy bond interest payments, borne by the taxpayers, that go to private bankers when the same amount of money could be created by an agency of the government. Then the taxpayers would not bear

this tremendous cost on Government bonds purchased with the reserves given to private bankers."

Question 161 - "Are the effects of money policy so unique that the monetary policymakers need to be free from all accountability?"

Answer - "No. It is hard to see what is so mysterious about monetary policy. Everyone is affected by tax and expenditures and by foreign policy. In both areas, the Government must take `unpopular action.' Raising taxes is unpopular. Sending men to fight in Korea is unpopular. No one suggests that we should have an independent `defense policy board' or an independent `tax policy board.' Why then an independent money policy board?"

Question 163 - "Is the Federal Reserve independence inefficient?"

Answer - "Absolutely . . . It is pure luck if the motor is not constantly stalling. We have not always been lucky. This is no way to run economic policymaking . . . Controlling the economy should come from one, and only one source - which must be the Congress in our democracy."

The following are excerpts from "MONEY FACTS 169 Questions and Answers on Money - A Supplement to A Primer on Money", prepared by the Subcommittee on Domestic Finance, House of Representatives, 88th Congress, 2d Session:

Question 164 - "Is the trustee notion of monetary policymaking alien to America democracy?"

Answer - "Of course. The claim that the people do not know what is good for them, and therefore a small group of men should be given the power to make decisions and then to take action without being held accountable to the people is 100 percent undemocratic. The essence of democracy is that the people decide for themselves, through their elected officials, what is good or bad for them. Further, to give monetary control to a group like the Federal Reserve is to hand over enormous power unfettered by responsibility to anyone. In a democracy, especially the American form, the holders of power, almost without exception, are responsible to the people, through their elected officials in the use of this power. The Federal Reserve's ideas that they should be considered trustees rather than stewards runs counter to anything that Americans have believed about power and responsibility since the founding of the Republic."

Question 165 - "Who favors Federal Reserve independence?"

Answer - "The private banks who control the System, together with some allies - notably, Wall Street newspapers and other members of the financial community."

If you think you have money in the bank, check this conversation out.

Note: [ Of special interest to our Brothers in England ] As goes our nation in the push by the Socialist Council on Foreign Relations, so goes the rest of the "free" world. The CFR through its enforcement arm, the Communist United Nations, will eventually eliminate all freedom in this world. Only you and I can stop it. Removing the funding provided directly by the US Taxpayer (all of our income taxes go out of the country) will be a huge blow to the Elitists who seek to be the world dictator thru the UN.

We have a Constitution and our Bill of Rights (the first 10 amendments) that makes us free. Right? Then visit:

<http://www.trimonline.org> <http://www.getusout.org>  
<http://www.thenewamerican.com> <http://www.givemeliberty.org>  
<http://www.jbs.org> <http://www.getawarrant.com>

Then take a look at these sites: <http://www.dixierising.com>  
<http://www.dixienet.org> <http://www.palmetto.org>  
<http://www.southerncaucus.org> <http://www.spofga.org>  
<http://www.southern-style.com> <http://www.nca.mybravenet.com>

{ Only Notes 1 & 2 are duplicates of previous messages text. All text preceding these notes is new. }

NOTE # 1: This is the TWENTY SEVENTH doc in a string of about 38 regarding the Income Tax, How it was illegally forced upon us, the collusion of various nation banks, including The Bank of England, the Banks of Europe, the Banks of the USA that make up the Non-Government organization known as the Fed and the bankers themselves dedicated to making this a Socialist Nation. As David Rockefeller reportedly said in 1973 when he and others formed the Trilateral Commission, "We will have this a Socialist Nation by the end of the year 2000." Well, with the help of our past Communist President, he damned well nearly did it. If Comrade Gore had been elected, it would be now! The last doc in this series is a plan that was presented to President Bush when he visited Florida recently. It was put directly into his hands. He has not acted upon it. We The People must initiate a campaign of letters, faxes, e-mails, and phone calls to him and others in our otherwise corrupt government letting them know of our displeasure. For God and Country, Chet.

NOTE # 2: [ Should you wish to be removed from my mailing list, please send a message with the word remove in the subject line. If you got this from a mail list, such as [xxxxxx@xxxxxgroups.com](mailto:xxxxxx@xxxxxgroups.com) or something like that, then it is up to the moderator or owner of the list to remove my access based upon complaints of my material, abuse, or removal of your access if you request it. ] Should you wish a copy of a numbered message (this is the 27th one) that you may have missed, please e-mail me off net for a copy of it and I will be very happy to provide it. Chet.

You may forward this to every member of Congress by using a Mail Blaster application available on the Internet as follows:

Step 1. Access your web browser. Step 2. Type in the search block:

<http://www.mailblasterdot.com>

Step 3. Click on Send Batch E-Mail which is on the left end of the screen.

Step 4. Type in your E-mail Address. Step 5. Click on Subject: Type in the subject of your document.

Step 6. Click on Message: Now here you can type in your message or you can paste a previously copied file here. You can also edit your message after

you finish with the message and before sending it.

Step 7. Then click on select a file. Here you may click on:

demhouse.txt (Socialist Democrat House Members) or,  
democsen.txt (Socialist Democrats Senate Members) or,  
newsorg.txt (Many of the "anchor" news folks have their email address here  
for you to use) or,  
rephouse.txt (Republican House of Representatives Members) or,  
repubsen.txt (Republican Senate Members) or,  
senators.txt (All Senators).

Step 8. After selecting the group to receive your message then click on  
send batch. It will go to everyone listed in the batch.

Remember: Nothing beats a letter AND a phone call.

A

Chester L McWhorter Sr, c/o 504 N. Brighton Rd, Lecanto, Occupied Florida.  
C.S.A. 34461. Ph: 352-344-9073. Fax: Same. E-mail:

[robertthebruce@naturecoast.net](mailto:robertthebruce@naturecoast.net)

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"Beware the leader who bangs the drums of war in order to whip the citizenry into a patriotic fervor, for patriotism is indeed a double-edged sword. It both emboldens the blood, just it narrows the mind. And when the drums of war have reached a fever pitch and the blood boils with hate and the mind has closed, the leader will have no need in seizing the rights of the citizenry. Rather, the citizenry, infused with fear and blinded by partiotism, will offer up all of their rights unto the leader and gladly so. How do I know? For this is what I have done. And I am Caesar."--Julius Caesar.

## Part 28

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AMERICAN PATRIOT FRIENDS NETWORK APFN

**"...a network of net workers..."**

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