

**LINDSEY  
WILLIAMS**

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**Syndrome of**



**Control**

**Featuring a startling chapter . . .**

**. . . by Congressman George Hansen**

# Syndrome of Control

Another revealing book by Lindsey Williams destined to be another best seller!



- **Congressman George Hansen for the first time in print tells the true story of the Iran crisis.**
- **Lindsey Williams reveals the mental plot of the international financiers.**
- **Anyone for a dynasty? Here's how you can build one!**
- **An enlightening comparison of a Republic vs. a Democracy... Freedom vs. Slavery**
- **This easily could be the most controversial book of our time.**

This unique book includes contributions from a number of outside sources.. each with a specialized area of expertise, making this publication all the more fascinating, in many cases alarming, and certainly enlightening. If this book does not make you want to wake up "the sleeping giant" and do something to stop the slipping away of our freedoms... probably nothing will!

Lindsey Williams, author of the bestsellers, THE ENERGY NON-CRISIS and TO SEDUCE A NATION, and for over 30 years an ordained minister, is in great demand as a speaker in the freedom movement in America today, and a popular guest on radio talk shows. The man who had executive status with the nine major oil companies of America, and dared to tell the story about the energy crisis that didn't exist, now exposes the international world controllers.

*"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

Author of the Declaration of Independence

Co-Author of the U.S. Constitution

# About the Author



Lindsey Williams is best known for his first book, *The Energy Non-Crisis*. The Trans-Alaska Oil Pipeline began its construction phase in 1974 and because of Mr. Williams' love for his country and concern for the spiritual welfare of the "pipeliners," he volunteered to serve as Chaplain on the pipeline without any pay from the oil companies.

In 1978, Chaplain Williams began the preparation of the manuscript for *The Energy Non-Crisis*, which was to become a best seller and sold over 150,000 copies.

After speaking engagements all across the nation and scores of radio and TV shows, Chaplain Williams decided he could keep silent no longer and wrote *To Seduce A Nation* and *Syndrome of Control*.

Because of the outstanding public response that has been generated by *The*

*Energy Non-Crisis* and *To Seduce A Nation*, Lindsey Williams is in great demand as a lecturer, author, and radio and TV personality. He may be contacted at P. O. Box 91, The Dalles, Oregon 97058.

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## Chapter 1

# A Mental Plot— The Mindset Of The Internationalist

There is a small group of super-rich people whom I refer to in this book as "The Internationalist."

Volumes have been written explaining who these people are and what organizations they control, therefore, I will not attempt to add to these great works.

In *Syndrome of Control*, I wish to reveal the mind-set of these people. By *mind-set* I mean how they think, why they do what they do, what their thought patterns are, and who controls them.

I first came in contact with the mind-set of the Internationalist when I had executive

status with the nine major oil companies of America and worked as the Chaplain on the Trans-Alaska Pipeline for three years. Briefly, I will explain my background so you will understand why I was so startled at what I learned. For over twenty years I have been a clergyman and in 1973 I was a missionary in Alaska. That was the year of the long lines at the gas pumps and the alleged "energy crisis." I decided I wanted to help America out of the problem it was in, and what better way to do it than to help build the Trans-Alaska Oil Pipeline. In 1974 that big, four-foot diameter pipe was to start winding its way eight hundred miles across Alaska from the huge new oil field called Prudhoe Bay, on the Arctic Ocean. I went to the oil companies and asked if they needed a Chaplain on the pipeline. At first they laughed at me. Then they said they would allow me in the work camps but didn't have any money in the budget to pay me. I said, "If you don't pay me, you can't tell me what to preach, so when do I go to work?" I had heard that pipeliners were supposed to be the roughest, drinkin'est, cursin'est bunch in the world and probably needed some spiritual guidance. When I arrived in the work camps in July of 1974, I found that to be the understatement of the year.

After about six months on the pipeline, the oil companies realized that we chaplains were saving them thousands of dollars in counseling fees, and it was costing them nothing. The personal relations representative, Mr. R. H. King, one day suggested that our life as chaplains should be made easier by giving us executive status. This did not bring any pay, but it gave us many privileges. I was asked to sit in on meetings in an advisory capacity, and I could move about the pipeline as I wished.

When elite individuals visited the pipeline, I often helped to host them. Through talking with these top executives and "super-rich" in positions of power, I came to realize that they do not think in the same thought patterns as the ordinary American. Their mind-set is in a completely different realm.

## THEIR THOUGHT PATTERNS

Why did the Internationalist intentionally deindustrialize America (move our industry off-shore)? What did they have to gain by creating the phony energy crisis of the early seventies? What advantage is it to them to destroy the economy of South Africa? How do they profit by breaking the farmers of America... putting the

privately owned banks of America into bankruptcy... and financing both sides of every war?

At one point in life I thought that most people were decent and honest, and thought about doing what was right to help their fellowman. Then I came into contact with the Internationalist and found few of these traits. They had a mind-set that was totally different from anything I had come across before. The men "at the top" do not think like you and I think.

Needless to say, I was shaken out of my clerical way of thinking. I often remark that I will never be the same man again after being on the Trans-Alaska Oil Pipeline.

After the pipeline experiences I decided to write my first book, *The Energy Non-Crisis*, and tell the truth about the alleged gasoline shortages.

For many years I have lectured across America and studied very carefully the workings of the world-wide manipulators. In 1985, for instance, I traveled for seven months and averaged two speaking engagements per day.

I have come to the conclusion that one of the greatest frustrations in the mind of the average person is that they do not understand why world events are happen-

ing as they are. The reason they do not understand what is happening is because they do not understand how the world manipulators think or what motivates them to do what they do.

The reason for *Syndrome of Control* is to attempt to explain, in everyday language, the mind-set of the Internationalist and give the reader enough information to understand what is happening to them.

The events taking place in our world today are not occurring by chance. Almost every "headline" is planned in advance. Our lives are being controlled intentionally by the Internationalist.

## THE NAME OF THE GAME IS CONTROL

Congressman George Hansen's chapter in this book vividly depicts the mind-set of these world-controllers. The hostages in Iran were taken by a designed plan and kept for a predetermined time. The Panama Canal was given away to bail out a big bank. Viet Nam was a bankers' war.

## EXAMPLES OF THEIR THINKING

### **Deindustrialization of America**

At one time America was the leading industrial nation of the world. Our steel,

electronics, and automotive industry was thriving. Then America's industry was moved off-shore to other countries. Japan became the world's leader in automobile production, etc. Did all this just happen by chance? No. When industry is not in debt, then there is no interest paid and the Internationalist cannot drain the assets and capital. When American industry was thriving, it did not need to borrow.

By inflating the American dollar sky high in comparison to other nations' currencies, American products became so expensive to produce that industry moved the factories off-shore to other countries, produced the products, and then imported these products back into the U.S. This was the method of deindustrialization. Moving American industry off-shore.

Why was America deindustrialized? Who profited by it?

America was deindustrialized intentionally so that new industry and manufacturing plants for that industry could be financed in other nations. Through this financing of new industry outside of America, interest was charged and money made.

The Internationalists had succeeded again. They were back at their old game of money-making and control. Who cared if Americans lost their jobs and went hungry?

Not the Internationalists. They only care for money and control. It was to their advantage to deindustrialize America... even if they had to break us.

Fifty years from now the Internationalists might move industry back to America, finance new plants here, and break other nations... after the interest-earning potential has leveled off in foreign countries.

## **Your House**

Suppose you purchase a house and have a thirty-year mortgage at, say, twelve percent interest. Over thirty years, including principal and interest, the house will have cost you about three-and-one-half times its original purchase price. That means that a \$100,000 house actually costs the buyer \$350,000 over thirty years, including principal and interest. For the sake of illustration, let us suppose that you have made payments on the house for twenty years ... then a financial collapse occurs. When the collapse takes place, you cannot make mortgage payments for six months because you lost your job. The lending institution comes to repossess the house. Do they pay you anything when they repossess it? No! Remember that after twenty years you

have already paid over twice the original value of the house. The lending institution resells the house on another thirty-year mortgage and gets paid for it three-and-one-half more times. Was it to their advantage to repossess the house? It sure was, because they were paid for it five times. Some day Americans will no longer own their homes—but will only be able to rent—if the international money manipulators have their way.

## Banks

As I travel, I hear almost weekly of some bank closing its doors. Let's think about most of these small, privately-owned banks and analyze their situations. Most small banks are stockholding companies. Individuals purchase stock in the banking company. If the bank goes broke and is declared insolvent, what happens? First of all, the stockholders lose their investment. Then the FSLIC or FDIC takes over the bank and gets their building and all their assets without paying anything for them. Examine the abbreviation FDIC... Federal Deposit Insurance *Corporation*. Is a corporation an agency of the federal government? No. A corporation is a stockholding

company established under the laws of some state. Who owns the FDIC? In a round about way the FDIC is owned by the same people who own the Federal Reserve. The Internationalist. When the bank is taken over by the FDIC, they get its building, assets, etc. free of charge. They either can sell it or *control* it. What did it cost them to take over the bank? Nothing. Who gets it free without paying for it? The Internationalist. **Was it to their advantage to bring about a banking collapse and take over the bank? Yes!** I predict that nearly every privately-owned lending institution in America will eventually go under and will be taken over by one of five major conglomerates.

## Farms

One-tenth of one percent of the farms in America are going into bankruptcy every thirty days. Recently, a farmer in South Dakota told me the following story. He said that his farm had been in their family for three generations. His great, great grandfather had homesteaded it. It has been successfully and profitably tended for three generations. A few years back when land values increased considerably, the

bank persuaded the farmer to purchase more land and equipment by borrowing from the bank, using his land as collateral. Then the bottom dropped out of land prices because of the economy which had been intentionally manipulated by the Internationalist. The bank came to the farmer and said that because land prices had fallen, he no longer had enough collateral to cover his loan, and even though he was current in his payments, he must pay the difference between the amount of his loan and the amount of collateral which he had to back the loan. The farmer could not come up with the amount of money the bank was demanding. Later the bank came to the farmer and announced that they were going to repossess, but the bank asked the farmer if he and his family would stay on the farm as **Tenant Farmers**. **Was it to the advantage of the Internationalist to bring about a financial crisis for the farmers? Yes!** They got the farm for the price of the combine. If a farmer can't afford to farm *without* borrowing money, then he surely can't afford to farm *borrowing* money and paying interest. I predict that the majority of the farms of America will be corporate farms within a few years, if the Internationalists have their way.

## South Africa

Is the South African crisis really a race issue? Let's take a close look. At one time South Africa was the only completely self-sufficient, free-enterprise, Christian nation in Africa. South Africa—because of its gold, diamonds, and natural resources—did not need to borrow from anyone to stay solvent. But when a nation is not a "debtor" nation and does not need to borrow from the international bankers, the Internationalist doesn't earn the interest to which he has grown accustomed. What would be a successful way to make South Africa a debtor nation? Initiate a race issue so that the rest of the world would place economic/trade sanctions on South Africa. By so doing, they could collapse their economy and cause them to bow at the doorstep of the international bankers (banksters) for loans. **Was it to their advantage to destroy the economy of South Africa? Yes! Did it work? Yes!** Now they collect interest from them every year. South Africa is not a race issue, it is a banking issue.

## The Arabs

An oil company official dared to tell me the plan the Internationalists have for the

Arabs. Those who are Arab Sheiks today were nomads roaming the desert on camels thirty years ago. Oil was discovered on their soil. Then a plan was devised to use the Arabs to the advantage of the Internationalist. High taxes were placed on American oil so that our private enterprise oil companies had to move off-shore to produce. The Internationalist financed the Arab oil fields and got their principal and interest. Then the oil "crisis" of the early seventies was created to boost oil prices in order to make the Arabs rich. The Arabs then built their golden cities in the desert and developed a welfare/military type of a higher standard of living for their people, with their few Sheiks living like kings. For instance, in the Arab country of Dubai there are less than three hundred Sheiks, but about four million people who are held in a veritable military dictatorship and welfare state. When the Arabs were selling oil for thirty-two dollars per barrel and becoming wealthy over night, the Internationalist persuaded them to invest in American treasury bills, long-term securities, and gold and silver. At that time gold was selling for the intentionally inflated price of seven and eight hundred dollars per ounce. The Arabs bought it by the carload. Now, by an intentionally manipulated plan, the

people who control the prices of oil from the financial centers of the world have plummeted the price of oil to as low as below ten dollars per barrel. How can the Arabs maintain the current standard of living for the millions held in a welfare state under their few rulers living in their ivory palaces? When candy is taken away from a baby, there is an uprising. After creating the economy, they can't take the welfare away. So what do the rulers do? The Arabs must cash in their investments. They can't cash in treasury bills, America is broke. Long-term securities and investments can't be cashed in. What can they sell? Gold and silver. What is the price of gold now? Not seven and eight hundred dollars per ounce, but a little over three hundred dollars an ounce. By an intentionally manipulated plan, which I was told about and spoke on in my lectures before oil prices fell, the Internationalist sold the Arabs gold at eight hundred dollars per ounce and are now buying it back at three hundred-plus dollars per ounce. **Who controls the Arabs?** OPEC did not plummet the price of oil, neither did the private enterprise oil companies, but rather the international financiers who control the Arabs through the financial centers of the world where the price of oil is determined.

**The Internationalists made the Arabs and they will break them intentionally by a designed plan.** My prediction is that the Internationalist will break the Arabs, re-finance their economy, and control them. **The banksters always win in the end.**

### **Every War A Bankers' War**

Number one Red Square in downtown Moscow is Chase Manhattan Bank. Did you know that a Russian citizen cannot even do business in the bank... neither checking nor savings. The bank is not there to service the Russian people, but rather, as we have discovered, to finance the Russian war machine. Chase Manhattan Bank also finances America's war machine through financing American industry. I actually believe the big bankers love every summit conference between Russia and America because every time there is a military buildup they finance both sides and make money. **The Internationalists create war and finance both sides.** When you read Congressman Hansen's chapter entitled "Congressman George Hansen and Iran" you will hear the story first hand.

## The Federal Reserve

Did you know that the Federal Reserve, which controls and issues America's currency, is not an agency of the Federal government, but is a privately-owned corporation established in 1913 by an act of Congress? Don't let the word *Federal* fool you. The Federal Reserve is no more a part of the Federal government than is Federal Express. Over one-half of the controllers of the Federal Reserve are not even citizens of the United States, yet they control our currency, interest rate, and individual lifestyle. The international bankers cannot make money on a nation that is not in debt to them. They manipulated the Federal Reserve Act through Congress just prior to Christmas in 1913, when most congressmen were gone home. Through the Federal Reserve, America's finances were brought under their control.

Do you have a \$1.00 bill handy? Look on the front of the bill. It says, "Federal Reserve Note." Now look up the word *note* in Webster's dictionary. Webster says that in order for a note to be a *legal* note, it must have a promise to pay on it in some amount... in gold or silver or something. Is a "Federal Reserve Note" a legal note? Is it money? What is it? I call it a

*"Federal Reserve Green Stamp."*

What does the Federal Reserve call it? Let me quote directly from their own official publication. "Neither paper currency nor deposits have value as commodities. Intrinsicly, a dollar bill is just a piece of paper. Deposits are merely book entries." (*Modern Money Mechanics Workbook*, Federal Reserve Bank of Chicago, p. 3, June 1975.)

There was a time when you could take a one-dollar bill into a bank and request a silver dollar for it and get it. Can you do that today? No! What changed in purchasing power, the silver dollar or the one-dollar bill? A silver dollar will still purchase exactly what it purchased twenty years ago. Its purchasing power has not changed. A \$1.00 Federal Reserve note will purchase only approximately 13c worth of the goods that it would have purchased twenty years ago. What changed in purchasing power, the silver dollar or the one-dollar Federal Reserve green stamp? The green stamp, of course. Now we are a debtor nation to the Internationalist.

**Tip O'Neal—Speaker of the House of Representatives**

Just after President Reagan was elected, Tip O'Neal remarked that we didn't think

he was going to allow President Reagan to undo in four years what it had taken him forty years to do, did we? The people of America had just sent an ultimatum to Washington, by the election of President Reagan, that they wanted a change. The Speaker of the House was in actuality saying, "I don't care what the American people say, I am going to do what I want to anyway."

### **THE MIND-SET OF THE INTERNATIONALIST—CONTROL**

These people do not think like ordinary people. Their thought patterns are different. More money is not their motivation. They almost appear to be obsessed with the desire for power and control over people.

When we understand their mind-set, then we can understand what is going on in the world and why.

It is to the advantage of the Internationalist to break the farmers of America, deindustrialize our nation, collapse the banks, destroy South Africa's economy, and own your home and your car.

Someone asked me if after they have brought about a collapse, will not the world be in complete turmoil. My reply was, "No, it will be business as usual. The

farmer will still live on his farm, only he will be a tenant farmer. The airlines, railroads, and trucking lines will be operating, only they will be controlled by the Internationalist. The banks will be doing business, but they will be owned by a few conglomerates. You will live in your house, only you will rent it. We will still be alive and well, but we will be slaves in the land of 'We The People.' "

The chapters to follow will continue to show the mind-set of the Internationalist. One chapter is a letter from one of the inner-core himself, written to his son, explaining the thought patterns his son must possess to enter the ranks of the elite super-rich Internationalists.

In my book *To Seduce A Nation*, I describe from the Bible the satanic Mystery Babylon system. Satan, being one, advises a small group of probably not more than twelve very elite individuals. This small group forms and influences a much larger group, who, in turn, make up the bureaucracy which intentionally (in many cases) misadvises our elected officials who affect the control of the citizens and their everyday life style.

I liken the order of command of the Internationalist to a multilevel pyramid.

In my first book *The Energy Non-Crisis*,

Senator Hugh Chance tells how he was intentionally misbriefed by an agency of the Federal Government when they briefed him in the Senate of Colorado.

You and I, as American citizens, are responsible for the well-being and future of our nation. Only by opening our eyes and learning the issues can we save our nation. As you study the following diagram,



I liken the order of command  
of the Internationalist to a  
Multilevel Pyramid

consider thinking free rather than being programmed mentally with the thought patterns of humanism and the way today's media and the democracy would have us think.



## Chapter 2

# Congressman George Hansen And Iran

Congressman George Hansen could have freed one-half of the hostages in Iran within one week after they were captured, but because of Chase Manhattan Bank, Mr. Rockefeller, Henry Kissinger, and President Carter, the hostages were held for a pre-determined period of time.

Chase Manhattan Bank's interest in the Shah's money was satisfied while America was held hostage.

This chapter tells Congressman Hansen's story in a moment-by-moment account, just as he lived it.

Throughout the chapter, the mind-set of the Internationalist can be seen plainly. The greed for power—and concern only

for the well-being of self—is evident.

## ABOUT CONGRESSMAN GEORGE HANSEN

Mr. Hansen represented Idaho's 2nd Congressional District as a senior member of the House Banking Committee and the Ranking Republican on the Domestic Monetary Affairs Subcommittee.

The Hansens have five adult children and Mrs. Hansen (Connie) is a former elected member of the Pocatello City Council and served unpaid as the Congressman's Administrative Assistant.

George Hansen is a leading Congressional troubleshooter who:

- Led efforts to get Christians out of jail in Nebraska and founded the national Coalition for Religious Freedom.
- Led efforts to open doors to the American hostages in Iran and prevent war or Soviet takeover of the area.
- Led the fight to stop the Panama Canal giveaway and prevent Castro-Soviet takeover of Nicaragua and Central America.
- Led the first U.S. Friendship Delegation to repair relations with Taiwan and save vital trade and defense.
- Led efforts to secure release of Americans jailed in Bolivia and paved the way

for return of U.S. citizens jailed in other countries.

- Led the effort to defeat OSHA and their warrantless inspections with U.S. Supreme Court victory, and get America on the road to deregulation.

## **THE STORY**

The following account is written word for word as Congressman George Hansen related it to Lindsey Williams.

### **Iran Was A Banking Problem All the Way Through**

*The hostage crisis began over a banking crisis and it ended when the banking crisis was resolved by the bankers, not the State Department.* That is a matter of public record. The bankers did the negotiating. The State Department sat back and watched the bankers get their satisfaction and then the crisis was over. Four hundred and forty-four days after their capture, the hostages came home—when the bankers were satisfied and wanted them released. This is documentable and not even arguable. I have letters to the Secretary of State both before and after the Reagan administration began, detailing this whole scene. These letters to Secretary of State Al Haig and to President

Reagan are a matter of public record. You must remember that I was a senior member of the Banking Committee at the time. I was the one who got a study in the Banking Committee and laid this whole thing out.

In order to understand why all this happened, you must understand the background.

When the Shah fell in Iran, they had a resurgence of religion, not so much because of any religious fervor but because of the fact that the Mullah for a long time had been the substructure of the political apparatus of Iran. The Mullah was the bishop or priest of the local area. I think a person must know the structure of most of those eastern governments. They are more of a tribe or a family than they are a government. They have a religious structure in the kind of government they have.

When the Shah went down in the fifties, the CIA came in and gave money to the Mullahs. This was a payoff to get them to let the Shah be reinstated. Through paying off the Mullahs the CIA solicited their cooperation in reinstating the Shah. The Mullahs needed money, just like anybody does, to maintain their position. When money was made available to them, they were happy to cooperate and to influence people

to that persuasion. By doing this the CIA helped to set the mood for the Shah's return after they had the uprising in the fifties. The CIA set a trend by paying money to these people, and this is how they set the political climate to get the Shah back in and to maintain the climate.

The Shah was modernistic-minded, and he was trying to get people off of nonproductive land and move them to towns. He did not have much sympathy with subsidies or briberies in order to maintain a political structure.

The CIA maintained their presence in Iran year after year on that basis. This same action was going on in a number of other middle eastern countries. The Shah kept the American financial presence involved in Iran and other countries.

Some of President Carter's advisers mentioned to him that this was going on in Germany, and he bristled at this and said, "I want it stopped." Someone on his staff later counseled him that it was going on on a much grander scale in such places as Iran, and President Carter remarked that it is still wrong. His advisers remarked that there is no hate like the hate of a lover spurned or like taking candy away from a baby. At that point the Carter Administration either cut back or cut out this financial

assistance to the substructure of the Iranian church government.

Khomeini, who was in exile, was able to appeal to the Iranian religious substructure and say, "You put me in and I will be able to put you back in power. I will give you the financial resources through a new religious type government to maintain your power base." Khomeini, by making promises that he would have an Islamic revolution and a resurgence of religion to control the country, and have the financial resources to do it, was able to get the support of the religious groups.

Out went the Shah and in went Khomeini. He marched in without virtually any trouble. There were some people who had been outcast during the Shah's regime, people like Abol Hassem Bani Sadr, who were political theoreticians and were in exile. Bani Sadr came back as a right arm to Khomeini and Bani Sadr was a socialist. A nice person, but a socialist. Bani Sadr came back to establish a new economic order.

There were also others such as Ghotsbedeh who played a big part in the early days of the revolution, but they are now gone. When Khomeini went in, there were a lot of elements who went to the forefront, in particular the young people were

caught up in the radical elements, some of them being communist.

Our State Department did its typical thing, as it usually does, and misinterpreted what was going on. The overthrow of the Shah was an anti-American move... not a pro-Soviet move.

The Iranians border the Soviet Union and have had a distaste for the Russians in general and communists, over the years. There is quite a group of Muslims in bio-russia and southern Russia. Most people do not realize that these people are not happy and therefore the people around the border reflect this unhappiness also. These people distrust the Soviets.

People along the border began calling America the great Satan and all these ugly terms. It wasn't because of the Russians that they did this, but because we had spurned their Mullahs. It was the Mullahs who were in control, and if you took money away from the church or the religion, of course you would be the Devil. That is why America became the great Satan.

Some of the people in our American government do not have enough religion in their souls to understand that this was a religious revolution and had very little to do with the Soviet Union, but had all to

do with love or hate for the United States. The Iranians had mixed emotions. Some loved the United States because so many people had come here and attended our institutions and had gotten their military training here. They loved the American people. They hated the elements which had cut them off, which was the government, the Carter people, the bureaucracy, the elected officials and the people behind them, such as the international bankers. You must understand that Mr. Carter was very close with the Rockefellers and the Trilateralists. This contrivance was more than political, it was a part of the international financial manipulation.

### **The Embassy Was Captured**

**I**n February of 1979, the embassy was captured by dissidents for a brief time and then released. It showed that it could happen and would happen. The elements were not bashful about doing it. The United States had every warning to know that the Iranians might take over the embassy again, because they had already done it.

About this time there was a movement in America to bring our old friend, The Shah, into this country. The Charge d'affaires, Bruce Laingen, in Tehran, kept complain-

ing that if you bring the Shah into the United States, you are going to have a capture of the embassy again and hostages taken. We have copies of these wires which were sent to the Secretary of State and to the Iranian desk of the State Department.

I don't think the United States has to kowtow to terrorists and hostage-takers. If you have warnings that tragedy can happen, then that ought to be sufficient to warn people to try to avoid it. One of the things we could have done was to close the embassy or phase back so that there was hardly anybody there until the crisis was over. But the United States did virtually nothing.

These telegrams warning Washington that a takeover of the embassy was a probability were flying with intensity for the best part of a year and especially during July and August before the takeover in October. None of this was known by the American public. It was all kept top secret.

I [Congressman George Hansen] ended up being investigated by the FBI, and so was President Reagan and his counsel Ed Meese because of the fact that I passed those documents to President Reagan when he was running for election. I wanted to be sure that he was not sandbagged by the politics of the problem. Some of the

opposition was trying to say that the Carter papers were pilfered and were top secret documents, and that somebody had committed violations of the Logan Act, which is interfering with foreign policy or releasing top secret documents. This was preposterous because the Iranians had published this in their newspapers and in European newspapers, and I decided to put it into the Congressional Record so that the people in this country would know. It was a matter of public documentary record. However, when you interfere with the establishment, you get yourself investigated or possibly prosecuted.

Henry Kissinger and David Rockefeller allegedly brought the Shah into the United States for medical treatment, treatment which was later proven he could have received in Panama or Egypt or a number of other places. It did not need to happen in the United States.

Secondly, if you are going to bring the Shah in, at least we should have taken precautions with the embassy so that we did not leave a great host of Americans hanging in the wind personally while the Shah was brought in. There is no need to tempt them to do something in the face of their warnings. Precautions should have been taken at the embassy to protect the

Americans.

Nelson Rockefeller and Henry Kissinger worked with the Chase Manhattan Bank to bring the Shah in. Henry Kissinger has previously been the director of foreign policy as the national security advisor. Of all people, they should have known better. It appeared that they were trying to create a crisis.

The real truth was that the Khomeini had gone in and disturbed the financial climate of Iran. He was creating a socialist situation. The big thing that he had done was to interrupt the benefits the Chase Manhattan Bank was receiving from the Shah.

The Shah was a good friend with the Rockefellers and the Chase Bank is very political. It is involved in politics both at home and abroad.

The Chase Bank had been on the Federal Reserve troubled list for years. They must keep manipulating foreign policy in order to bail themselves out of big problems. In this particular case, when Khomeini came in, the Shah had been giving the Chase Bank the oil deposits from oil sales every day. This gave the Chase bank a float of about \$80 million dollars per day. That is a big cash flow for the Chase Bank that can help them shore up their

weak base.

When Khomeini came in, he cut out the favoritism. He chopped off the Chase Banks oil float. That got them in some trouble. Chase Bank was saying that Iran was owing a lot of money to western banks, but the truth was that they had contrived some illegal loans. Iran, like every country, operates on debt, and they did have about \$12 billion dollars of debt to the big banks, but they had resources to pay it. They had big oil deposits and they were paying on time. They were not in arrears in their debts.

The thing that made the big banks nervous is that the Chase Bank, which is the flagship or the lead bank for some of these bank loans, had contrived some illegal loans. Normally, when it comes to taking out a loan like that, they must have some basis for approval. In Iran, the constitutional thing to do was that the Shah's proposals for loans must be approved by the Iranian parliament. There were several billions of dollars of loans which had not been properly confirmed and, hence, were considered to be illegal loans. This story was on the front page of the Wall Street Journal. These loans were hanging out there, and Khomeini could possibly challenge them as being illegal, and not pay.

## **Khomeini Threatens Chase Manhattan Bank**

To this point in the conflict, Khomeini had not challenged them. The big bankers were nervous and they knew they had to act at the proper time. The big bankers brought the Shah in, aggravated the situation, and contrived the takeover of the embassy, then complained that the Iranians had these big loans and that they were going into default, and in so doing force President Carter, or at least get public support, to freeze the assets. They then had those assets under their control and would not release them until there was an agreement from Iran that would satisfy them as far as their financial problems were concerned. *It was a big bank scam from the beginning.* The bankers precipitated the crisis.

## **Congressman Hansen Went to Iran**

I [Hansen] picked up the phone and called the Iranian embassy in America and asked the Charge d'affaires, Mr. Ali Aliagah, if I could come and talk with him for a minute. I did not want to go to Iran alone and look like I was engaged in a sellout or something. I asked the journalist Lee Roderick, who was the head of the Scripts

news desk, to come along as a fellow witness. Mr. Roderick currently was the president of the National Press Club. He is a very distinguished individual. I told him this was not just a story, but was serious business.

I said that I had a problem...Here is Ramsey Clark, who can illegally get into North Viet Nam with Jane Fonda, etc.—he is the emissary of Jimmy Carter to Iran, and he can't get beyond Turkey, he can't get into Iran. People over there are shaking their fist in the air and saying, "*People yes, Carter No!*" I thought that was very interesting. Does it mean that they like the American people but they don't like the government or Mr. Carter. Maybe if they won't let Mr. Ramsey Clark in because he represents Mr. Carter and the government, maybe they will let an ordinary citizen in—like me—because the Iranian people like the American *people* but not the *government*. Mr. Roderick said that he didn't know why not. I suggested that I could go in and he suggested we try.

A couple of days later I received a phone call saying it was approved for us to go to Iran, but just don't expect to see Khomeini. I thought, here it is Thanksgiving, my family is coming home, and in Iran Carter has the Navy coming in, there

could be war going on on the doorstep of the Soviet Union, the Arabs have control of our oil... should I go over there? One of my staff members said that it would look like a grandstand play and could hurt me politically.

I felt that I must go or I would never forgive myself, because something might happen if I didn't try. Of course, by the time I got there some of the hostages had been released, such as the minority groups and part of the women.

When I called the airlines, I found out that I had four hours to get to the airport to catch the next plane. Then I called Mr. Roderick from the Scripts League paper and said that up until that time he had only been a witness, but now this might be a story and did he want to go? He said he would call his boss. He got permission but didn't have time to get his press clearance; he could only go with me. We had to personally walk our papers through the Iranian embassy. I picked up a pair of Levis and we barely made it to the airplane.

When we got to the Tehran airport, we found that the Associated Press had been kicked out because they had written something that the Iranian people didn't like. As I got off the airplane, the new Associated Press people were coming in to take

the place of those who had been kicked out. I rode in the Associated Press car to the Continental Hotel and we got a place to stay. That was not a nice place to stay, under the circumstances, and it was a cold cloudy year in Tehran. Tehran is high, like Denver, and cold. I got into the hotel the day before Thanksgiving.

Next came the job of making contact. I called the Ayatollah Beheshti, who was the head of the Revolutionary Council with the provisional government, under Khomeini. Beheshti spoke English.

Being an old salesman, I knew *not* to ask someone if I could do something, but rather to ask *which* can I do... so that they must make a choice between two and not turn me down. If they make a choice, at least you get to *do something*. So, I identified myself and said that I was pleased to be in the country, etc. Then I asked if I should see him or see the Foreign Minister, Bani Sadr. Ayatollah Behesti passed me off and said I should see Bani Sadr. The next step was to contact Bani Sadr, who spoke only French and the language of Iran. I spoke only English and "Pig Latin."

When I got to Bani Sadr, I told him that Behesti had told me to talk to him. At four o'clock on Thanksgiving day I got a

meeting with Bani Sadr. He had a press conference just before our meeting and the press conference ran past time, and past our engagement. As Bani Sadr was leaving the room I walked up to him and stuck out my big paw [Congressman Hansen is at least six feet, six inches tall and has a hand like a bear.]. I told him that I would meet with him any time that he had the time. He turned to his aide and said to have me come over to the Revolutionary Council meeting that night at the senate building.

At the senate building that evening, Bani Sadr had Khomeini on the hot line. He had the Revolutionary Council meeting of sixteen people in the other room, and since he spoke French, we wondered how we were going to communicate. Mr. Roderick, the reporter who was with me, was resourceful too, because he wanted a story. He had made friends with Eric Reuleaugh, who was the dean of the foreign correspondents from Paris. Eric was a sixteen-year dinner partner of Bani Sadr in France. Reuleaugh agreed to be the interpreter. Reuleaugh wrote some very glowing accounts of this meeting.

Bani Sadr said they wanted the Shah back. I told them that they were not going to get the Shah back. I told them that we

could make a public spectacle out of him, but that they were not going to get him back, and I said that our people in America want those hostages back. Bani Sadr told me, in so many words, that he would like to get the hostages out of there, too, because they constituted a threat to their stability so long as they were there.

Khomeini, Bani Sadr, and the Revolutionary Council were all quite anxious to resolve this issue and to release the hostages, but they had to find a way to do it and to "save face" at the same time. Leaders of any nation have a political base to protect. If you embarrass them or undercut them too much, then they can't maintain power—and they can't cope with anything like that.

President Carter was bound and determined that we were going to get the hostages back... and that was it. I saw that we had to recognize the circumstances that were responsible in a thing like this. We needed to give some room for negotiation so he could come back to the people of Iran and save face when he released the hostages.

Bani Sadr suggested either a congressional hearing or a hearing before the United Nations so they could air their complaints. He then went into the next room and

spoke to the Revolutionary Council about these two choices and they voted unanimously that they were acceptable. I was in no position to negotiate because I had no credentials. I was only in Iran as an American citizen.

We agreed that the best thing for us *all* to do was for *them* to do the right thing and for *us* to do the right thing. The best thing for them, of course, was to release the hostages. The best thing for us to do, for an old friend, was for us to find out what was bothering them and what the upheaval was all about. My main idea was for us to get the doors open so that the real qualified negotiators, emissaries of the President, State Department, etc. could get in and get doing the job again. All I was there for was a door opener and possibly to use that as leverage to bring the hostages home.

We got along famously and Eric Reuleaugh, who had the inside track, told the story very well. The rest of the press were on the outside and I don't think they really understood what was going on. Some of them never did know what was going on. There was a book written by the *Los Angeles Times* regarding their coverage of the hostage crisis and there was a reporter by the name of Doyle McManus who was in

with the Libyans to be some kind of a go-between.

It was very interesting that while the streets in America were clamoring with people swarming against the Iranians and the university campuses were all in an uproar, President Carter had Ramsey Clark in Turkey trying to get into Iran legally (the very man that got into Viet Nam illegally, could not get into Iran legally). With all this turmoil going on, President Carter's way of solving it was to have his brother making deals in the back of the White House with the Libyans.

*Bani Sadr agreed that if we would start hearings, that he would let me take one-half of the hostages home with me.*

Since I was on the Banking Committee of the House of Representatives as a senior member, I contacted the banking chairman, Henry Royce of Wisconsin. Royce said he thought hearings would be a good thing to hold and he agreed to hold hearings.

When Bani Sadr heard that, he was so elated that he went on national radio in Iran at midnight and announced this first step to releasing the hostages. Iran wanted a way out of the hostage situation. They wanted to release them if they could do so and save face at the same time.

When Jimmy Carter heard that we might hold hearings, he started screaming publicly, "No hearings!", and placing a tremendous amount of pressure on Mr. Royce. Jimmy Carter, who came straight from the governor's chair to the White House, did not understand the congressional process, that when Congress announces that they are going to hold hearings, they do not hold them the next day. It takes a long time to schedule them. We could have had the hostages out before the hearings were started.

Mr. Royce was forced to clarify what he was doing and said that we are not going to hold hearings until we get the hostages out.

When Jimmy Carter said, "No," that the Iranians had to give first, that created a big problem for Bani Sadr, and I did *not* bring part of the hostages home. The Iranians would have given first if only it had been put in a way where it looked like they were *not* giving first.

Jimmy Carter, by his lack of understanding or his politics, ended up botching the whole thing. Things then started to deteriorate and the hostages stayed in Iran 444 days.

Things got so bad that the Iranians did not let those hostages go until five minutes

after Ronald Reagan became President.

After being in Iran for the better part of a week, we had to come home. Because Bani Sadr had stuck his neck out and gotten it cut off, it caused Khomeini to pull him off the front lines as foreign minister and to put Ghotsbedeh in.

It was well known that the State Department was not the prime negotiator in this whole incident. The big bankers moved in and did the negotiating with the Iranians. They decided what the financial stakes had to be, what banking arrangements had to be made, what money had to be transferred, etc., before the hostages could come home. It was totally a big money deal. America was held hostage while the big bankers got their money.

### **Some Additional Color**

The Saturday after Thanksgiving was their Sabbath. It was on Saturday night that I received a telephone call, very formal, from the minister of protocol saying that "The Ayatollah Khomeini and Foreign Minister Abol Hassem Bani Sadr invites you tomorrow morning at eight o'clock to the American embassy to visit with the students and see the hostages."

On Sunday morning the American press

were all in bed. That was their day off. I was afraid if I did any running around to get them out of bed and created a spectacle, I would lose my chance, so I let them sleep. I took Roderick and Reuleaugh with me and the Iranian newspaper and television were there. At eight o'clock when I got there, nobody from the United States was there.

When I arrived at the gate, a long, lanky guy about my size, met me. He was an Iranian reporter. He went and got somebody who opened the gate. There were guards walking back and forth along the front of the embassy. My being an American politician, I reached out my big hand and introduced myself. It really was not all that militant.

That is a mighty lonely feeling when you go behind those big gates and they clank closed behind you... and lock.

When I got inside, then things started happening. A beautiful Iranian woman who was the anchor woman for Iranian TV chatted with me for a few minutes. One of the guards had been educated at Utah State University, so we talked for awhile.

The reception room was not heated and I almost froze as I waited for about an hour for them to set up.

Finally they allowed the journalist Reuleaugh to come in and he got to witness everything. Reuleaugh interpreted for me.

Finally, after talking for awhile, they agreed that I could see the hostages. I was blindfolded and put in a van and driven around the compound just long enough to thoroughly confuse me. Then I was taken up some stairs to a small room where three of the hostages were. About three hostages were kept in each room. There was a writing table and a few other items in each room. The hostages did not have any shoes on (so they could not run away).

I went through a number of the rooms. One guy had the measles and he was hoping I could get him home. Most of the hostages wanted me to take messages back home for them.

The State Department was paranoid about releasing any names, so I deliberately had to be a little evasive about whom I had seen.

When I came out of the embassy, there was a guy up on top of the gate with an American flag which they were going to burn. Outside they were chanting, "Yankee, go home," "Carter, no—people, yes," etc.

Apparently because I had the courage to go in and face off with the people in the

embassy, the man who had the American flag and was about to burn it said, "We have decided we will not burn the American flag again, the American people are our friends." For a long time thereafter they did not throw garbage at the flag or burn it. I felt that was an accomplishment in itself.

When I walked out the gate, I saw thousands of people in the street chanting and shaking their fists. I was wishing a helicopter would fly over about that time and pick me up.

One Iranian started walking along with me and poking me in the chest as he said, "Tell your people what the Shah did to my brother." Finally I turned to him and said, "Tell me about it." When they saw I was willing to listen, hundreds of those people sat down right there in the middle of the street to have a rap session. I could only speak English, so a man stepped forward and said that he would interpret. We had about a fifteen or twenty-minute rap session right there in the middle of the street.

That is quite a feeling to have to walk into a mob like that in order to get to your vehicle.

An Iranian journalist grabbed me by the arm and said, "Come on, Congressman, I have a taxi waiting for you." He took me

to his newspaper and showed me the proposals of the revolution, etc. The thing I thought was quite interesting was when he told me the story about Kurt Waldheim when he had come to Tehran to negotiate for the United Nations. The Iranians took him to the cemetery because they always wanted to show how they had been picked on. When the crowd got a little boisterous, instead of saying, "Tell me about it," he jumped into his car and scooted out of there. The crowd about tipped him over and threw stones at him. The best thing to do is face them down instead of trying to **run** from the problem.

President Carter was about to call out the Navy at that time, but when he saw that an American Congressman could walk the streets of Iran, it took a lot of the wind out of his sails. About the only thing he could do then was that little desert act, which they fouled up royally and got some people killed with no hope of really accomplishing their mission.

### **The Hostages Sat There Until the Bankers Struck Their Deal—It Happened in Viet Nam, Panama, and Nicaragua**

This is not the first time this has happened. Years after the Gulf of Tonkin

Resolution and the Gulf of Tonkin incident in Viet Nam, we found out that these were contrived incidents that the politicians in this country could use to whip up enough public emotion and sentiment to justify increasing American troops to whatever level they want. That is what got us involved in Viet Nam. President Kennedy had screwed up royally in causing the CIA to overthrow President Diem and his brother. They got deposed and killed in the process. Up to that time Viet Nam had run their own country and conducted the war. We were only there as military advisers. When they went out, there was a collapse of the Vietnamese power structure, and the American military went in to fill the void, and we ended up to our ears in Viet Nam. It was all done by American contrivance.

The Panama Canal was also a contrivance by the international bankers. The bankers were absolutely beside themselves with the problem of debt control. They could not get their money and in some cases, not even their interest. The same is true in other South American countries, such as Brazil, Mexico, and Argentina.

Up to a certain point, they could show Panama's debt as an asset. So long as the payments were current on their balance sheet, everything was fine. All at once

Panama was in arrears, and it became a liability on their balance sheet. Then such banks as Chase Manhattan show up on the Federal Reserve troubled list. Then people lose confidence in the bank and the bank could go down.

The first tip of that iceberg was the Panama debt. They owed about \$2 billion dollars. Nelson Rockefeller had gone to Panama and set them up with a so-called free enterprise economy, but what it really was was an offshore banking system, similar to the grand Bahamas, Grand Caymans, etc. Panama gave him a freeport agreement where the banks could operate virtually tax-free without controls, where the banks could wheel and deal in oil, drug money, and everything else without reporting through the banking laws of the United States. For years the "Fed" has encouraged this branch banking offshore for the big banks, so they can get out from under the normal rules under which everybody else must operate in this country. It is a double standard and has caused us a lot of problems. These big banks have gone out there without regulation and have gotten themselves into a whale of a lot of trouble. Then they manipulate foreign policy to get themselves out, at taxpayers' expense... either in money or blood.

## Why the Panama Canal Was Given Away

What happened in Panama was that they gave the Panamanian dictator, Torrijos, about \$2 billion dollars worth of loans. The loans were coming due and he couldn't pay. Panama is a poor little country and all they had was the Panama Canal, except for the tourist industry and the spin-offs. The question was, "How could the big banks use the Panama Canal to bail themselves out?"

They turned the Panama Canal over to Panama as a revenue-generator. It was not for the people of Panama, but it was for the special interest government which the big bankers control in Panama. *The Panama Canal was given away in order to pay the big banks back.*

In the Panama Canal treaty, it also contrived a \$2 billion dollar shift of expense in the Panama Canal Zone which normally had been borne by revenues from the canal, but now the taxpayers of America have to pay for such things as services to all our armed services. The treaty basically turned a multibillion-dollar asset over to Panama, cost-free, plus giving them \$2 billion dollars to take it.

There are over one hundred big banks along the bankers' way in Panama City.

*The Panama Canal give-away was a bankers' scam.*

After the Panama Canal give-away, then the problems surfaced in Brazil and Mexico. We saw the magnitude of this thing as hundreds of billions of dollars of unserviceable debt to the big banks. Panama's \$2 billion was just a little tip of the iceberg.

The Marine Midland Bank was on the troubled list about this time. One of the members of the executive board of the bank was Sol Linowitz, who had been appointed by President Carter as one of the Panama Canal negotiators, along with Ellsworth Bunker. Ellsworth Bunker was the ambassador to Viet Nam when the turnover took place and the war was finally lost. These men were both real losers in our foreign policy and were both big bankers. Sol Linowitz was given a commission by President Carter with a six-month tenure. That meant that President Carter could avoid sending the Panama Canal treaty to the Senate for confirmation and thus clearance of his conflict of interest. Here was one of the big bankers, Sol Linowitz, who was involved with one of the banks which had big loans with Panama, and he was involved in the Panama Canal treaty. This was a definite conflict of

interest.

I called the Marine Midland Bank to ask about this conflict of interest, because Mr. Linowitz was on the executive board of the bank. I was a member of the Banking Committee. The Marine Midland Bank "poo-pooed" me and very arrogantly said, "Panama is just a small bit of business in our big bucket of banking business." The interesting thing is that that big bucket of theirs had drops in it from Argentina, Brazil, etc. Marine Midland got into so much trouble that they finally got taken over by a foreign bank, a Hong Kong bank. These big bankers were really wheeling and dealing trying to save themselves... by giving America's shirt off her back.

The big bankers manipulated the situation in Nicaragua to bring down the pro-western government and turn it over to the communists. Bankers apparently have no conscience as long as "they get theirs."



**"...and to the Republic for which it stands..."**



## Chapter 3

# Freedom Vs. Slavery — Republic Vs. Democracy

"In the beginning..." No... I'm not going to quote from Genesis. I'm talking about "in the beginning" our forefathers created a *Republic*. Was that possibly a slip of the pen?... or did they *mean* a Republic? Just exactly what is a Republic? You don't hear that term much anymore; it seems that everybody proudly proclaims that we are privileged to live in a great Democracy. Well, first of all, is there really any difference? (Most folks today

This chapter was contributed by Keith Anderson.

just sort of assume the terms are about synonymous, and they certainly use them interchangeably.) And second, living in a Democracy may not be quite the "privilege" you anticipated. In this chapter we are going to tackle these questions, and by its conclusion, I think the answers will be obvious, as will be your preference for a Republic, like our forefathers established ...in the beginning!

## BUREAUCRACY — REPUBLIC OR DEMOCRACY?

Among the questions I want to address in this chapter is: How is it possible, in view of the Constitutional restrictions placed against the government in the United States of America, for agencies of the bureaucracy to manufacture multitudes of rules and regulations and to act as enforcement agencies against its citizens.

We want to show those searching for answers to their problems how to use simple, God-given common sense, logic, and reasoning processes. I could stack legal points and authorities from the floor into the sky and not be as convincing as helping others to simply see the obvious. Anti-God and Anti-Christ individuals will have some problems with this, as the only legal

points and authorities will be from the Holy Scriptures.

It is a fact that alleged government agencies operate totally outside the restrictions of the Constitution. They have been empowered (by the bureaucracy... not by the Constitution), to manufacture illegal levies, create fraudulent liens, manufacture their own in-house judgments, making those judgments final, and seize and sell properties, all without any trials by common law jury or any jury. Further, acts by those agencies of the bureaucracy are totally supported by the Judicial branch of the government.

Efforts to subvert the Constitution of the United States of America began almost immediately after it became the supreme law of the land. I am going to discuss a number of significant events that led to the conversion of American citizens from sovereigns over the government and its employees to slaves bound into servitude to government and its employees.

### **Birth Certificates**

**In** 1861, the birth certificate became a formal government registration mode for citizens of the United States of America. This was a simple, innocent registration of

a birth so that one could prove his birth-right. The birth certificate was recorded with the County Clerk. What the government employees failed to mention was that the birth registration was also filed with the Department of Health, Education, and Welfare and/or the Department of Commerce. This registration brings you within Article I, Section 8, Clause 3, for commercial regulation by the Congress of the United States of America. In other words, you have been registered for and made eligible for government benefits as a result of the birth certificate registration. Those include, but are not limited to:

a. Social Security Survivors' Benefits. If your parents pass away, you are eligible to receive their Social Security survivors' benefits, but only if you have a birth certificate.

b. Baby well care.

c. Welfare.

d. Food stamps.

e. Adoption services.

f. Abortion services.

g. Public education.

## U.S. Notes

**In** 1884, the U.S. Supreme Court made an unconstitutional ruling that United

States Notes, redeemable in gold or silver coin, would be legal tender for all debts, public and private. This unconstitutional act converted our money of account to a worthless piece of paper. The significance of that event was that:

a. Formerly the control and creation of the money was left in the hands of the people.

b. The conversion to United States Notes, redeemable in gold and silver coin, transferred the control of "money" creation into the hands of our government employees. This left them the power to manufacture whatever amount of paper currency they wished to manipulate the economy. It is a very dangerous policy to leave decisions of "money" creation in the hands of irresponsible politicians.

## **Federal Reserve**

**In 1913**, the payoff President Wilson made for the support he received from the International Bankers for his presidential nomination was the Federal Reserve Act of 1913. This awesome act did the following:

a. Converted the manufacturing of United States Notes by the United States Department of Treasury to Federal Reserve Notes by the Federal Reserve Board, a

private corporation.

b. Provided for the ownership of the manufactured Federal Reserve Notes to remain with the Federal Reserve, a private corporation. These Notes are loaned — not sold — to the United States government at full face value.

c. Provided that an annual interest/rent charge is to be paid by the United States government, in gold, to the Federal Reserve, a private corporation, for the use of their Federal Reserve Notes.

The Federal Reserve Act of 1913, is the most devastating piece of Anti-American, Anti-Constitutional legislation ever passed by Congress. This occurred 100% by fraud and deceit. This Act allows the Federal Reserve to create enormous amounts of purchasing power off a printing press using paper and ink. The paper and ink is paid for with printing press currency which then costs them nothing. The Federal Reserve then lends the paper currency to the United States government at full face value. This loan becomes part of the National Debt that United States taxpayers owe to the Federal Reserve. The Federal Reserve annually collects interest on this loan from the United States government for this worthless paper currency's life of circulation. More important, it is an axiom of

law that you cannot buy something with something you do not own. You cannot acquire ownership of Federal Reserve Notes as the Federal Reserve has retained ownership. Therefore, everything you have acquired with Federal Reserve Notes reverts ownership back to the Federal Reserve, a private corporation.

## **The Great Depression**

The Federal Reserve policy was intentionally designed from 1913 to 1929 to create the great depression. This produced the climate to sell the American people on the idea that Capitalism does not work in a modern society, we therefore need Socialism. It just goes to prove that anyone can sell a very bad car. All you have to do is produce the circumstances to prove that it is the best car available. The Federal Reserve simply restricted the amount of money available in the economy leaving the people without money. This created enormous business failures and made the people so miserable that they were elated to accept President Franklin Delano Roosevelt's "**new deal.**"

## The New Deal — Cradle-to-Grave Benefits

In 1933, with President Roosevelt's "new deal," people were sold on the idea of cradle-to-grave benefits from the government. Social Security was sold as a cheap government insurance program that would save men and women from the rigors of the poor house when they reached their journey's end. There was never any law passed requiring anyone to register for and receive a Social Security number. However, people were led to believe that in order to get a job, they would have to join Social Security (and, naturally, you can't get a bank account without one). The significance of this act was as follows:

Social Security is a Federal Government contract, whereby you agree to contract for government-offered benefits, and as a consideration agree to be a United States taxpayer. This act physically changes your status from a Sovereign State citizen to a position of servitude to the Federal Government. It brings you directly under the control of the bureaucracy responsible for the administration of the program you registered under for benefits. You, therefore, are left at the mercy of their dictatorial powers.

## **"Voluntary Income Tax**

In 1942, the Voluntary Victory Tax Act was passed, allowing for a voluntary payment of Income Tax by all to help fund World War II. Until that time, there was no basis for leveling a direct tax against the earnings of individuals. This was a temporary measure and was repealed May 29th, 1944. Of course, the government forgot to advise the people. They just kept on sending out Income Tax Returns and allowing people to assess themselves for the Voluntary Income Tax.

## **Federal Reserve Notes**

Have you noticed in the area where your currency used to say "Silver Certificate" (or perhaps you're too young to remember), it now says "Federal Reserve Note"? In 1964, all redeemability of Federal Reserve Notes in lawful money was removed from American citizens, leaving us with a totally debased, intrinsically worthless Federal Reserve Note (or as Lindsey Williams calls them, Federal Reserve green stamps) as the legal tender for payment of debt. The devastating nature of these actions is that it left the control of the manufacture and spending of this currency totally in the hands of politicians. The only responsible

place for wealth creation to rest is with the people.

### **The Cumulative Results**

The foregoing acts are just a few, but are extremely significant in the conversion of our once-great Constitutional Republic when it was "government for and by the people," into a despicable Democracy run by politicians and power-greedy international bankers. One result of this "Democracy" is that no American, having used Federal Reserve Notes and "bookkeeping entries" (checks, etc.) from Federal Reserve Banks, can claim true ownership of anything. Furthermore, all United States (Democracy) citizens now owe to the Federal Reserve their fair share of the national debt, which now amounts to approximately \$67,000,000,000,000 (trillion), by expert economist approximations.

The United States of America on the surface *appears* to be a haven of wealthy people, enjoying the most modern lifestyle of anyone in the history of the world... when, in reality, we are so debt-ridden as a people and a nation that we cannot honestly claim ownership of anything.

In order to have liberty, you must have freedom and property ownership rights that

are to be unrestricted, unless you infringe upon someone else's life, liberty, or property. In order to have liberty, we must learn to be obedient to God's law: "Now the Lord is that Spirit: and where the Spirit of the Lord is, there is liberty." (II Corinthians 3:17)

## **CHARACTERISTICS OF A CONSTITUTIONAL REPUBLIC**

**1. In** order for any society to endure time without internal destruction, it must be a just society. That means it must be honest, fair, and righteous. The Holy Scriptures and the Constitution provide such a foundation for the United States of America, as they provide for very limited government, and what little government is allowed is strictly disciplined to exercise only assigned responsibilities. Many would believe that our present form of Constitutional government has endured almost 200 years, and therefore, it is stable. This overlooks the fact that our founding fathers formed a "Constitutional Republic" which has been overthrown and replaced by an unconstitutional Democracy which has operated under the pretense of a Constitutional government since 1933.

**2. All** rights not specifically delegated to

government are retained by the people. Therefore, there are no laws to regulate travel, work, or property use. Criminal activity is limited to the violation of another's life, liberty, or property. The national government is strictly limited to the punishment of crimes on the high seas, counterfeiting, postal crimes, and treason.

3. Trials are by common law juries, naturally empowered to decide all issues of law and fact in cases brought before them. The judge or sheriff would act as a referee, but could not control the presentation of arguments on law and fact. This is the final and most important check and balance against unconstitutional acts of the Legislative, Executive, and Judicial branches of government. In true common law jury proceedings, the jury has the power to nullify any unconstitutional or immoral law passed and signed into law by the government. (Have you noticed that the Supreme Court, somewhere down the line, has appropriated as its personal right the responsibility for determining what is or is not constitutional?) In other words, the jury in a true Republic has more power than the President of the United States. Unfortunately, we no longer have trials by common law jury. In order for a Democracy to exist, our government had to replace

trials by *common law jury* with *mock* trials by jury, whereby juries are not allowed to decide issues of law, or to hear any evidence that might lead the jury to decide against the government. If you don't believe this, go to a trial. You will hear the Judge of the Court require the jury to take an oath to accept the law as dictated by the Judge of the Court.

4. Taxation would never extend to a person's labor: "And also that every man should eat and drink, and enjoy the good of all his labour, it is the gift of God." (Ecclesiastes 3:13)

5. There would never be any requirements to sign government forms under the penalties of perjury. "And I will come near to you to judgment; and I will be a swift witness against the sorcerers, and against the adulterers, and against false swearers, and against those that oppress the hireling in his wages, the widow, and the fatherless, and that turn aside the stranger from his right, and fear not me, saith the Lord of hosts." (Malachi 3:5)

6. There are no government-issued licenses, as a licensing privilege is a grant of immunity from having broken the law. In a Constitutional Republic, it is the right of all Americans to eat, sleep, work, move about freely, and contract freely without

government intervention or privilege. There is no violation of law in doing what God has commanded us to do. It would be silly to think that we would need government's permission to fulfill one of God's Commandments, to work by the sweat of our brow.

7. The society is based upon the family order, whereby families take care of themselves, and they would not need benefits coming from the government.

8. A Constitutional Republic is a society whereby people are held strictly responsible for their acts. There would be no insurance, no taxes on labor, hence no debts. Once one stops paying insurance and taxes, the ability to liquidate debt will occur and wealth creation will begin.

9. A Constitutional Republic is a society of wealth creation, not debt accumulation.

10. A Constitutional Republic is a society of *justice*, not "*just us*," as some government employees seem to believe.

11. A Constitutional Republic is a society of freedom of religion, not one of state or federal corporate churches. The definition of a corporation is an organization created by a government to fulfill the needs of government. The state incorporated church is famous for using the Gospel to pacify the people and lead them

toward obedience to government. The scriptures are full of examples where we have been taught not to support unrighteous rulers, contrary to what some churches and government would have you to believe.

12. The law is enforced equally against everyone, those who work for the government and private citizens.

The fall from our once-great Constitutional Republic into an unwelcome, unconstitutional Democracy was more than a simple change in the people's relationship to their government. It was an evolution from creative independence, self-reliance, family interdependence, and faith in God, to total faith and dependence on government. You owe your allegiance to those who provide for your daily needs. If it is government with which you have contracted for your cradle-to-grave needs, then lick the boots of your favorite government employee, for he is your slavemaster. If it is God you depend on for your daily needs, then serve Him in righteousness, and you will be filled. It was the people's departure from obedience and reliance on God, and their acceptance of obedience and reliance on government that created the fall of our great Constitutional Republic in 1933. We will not have it back until,

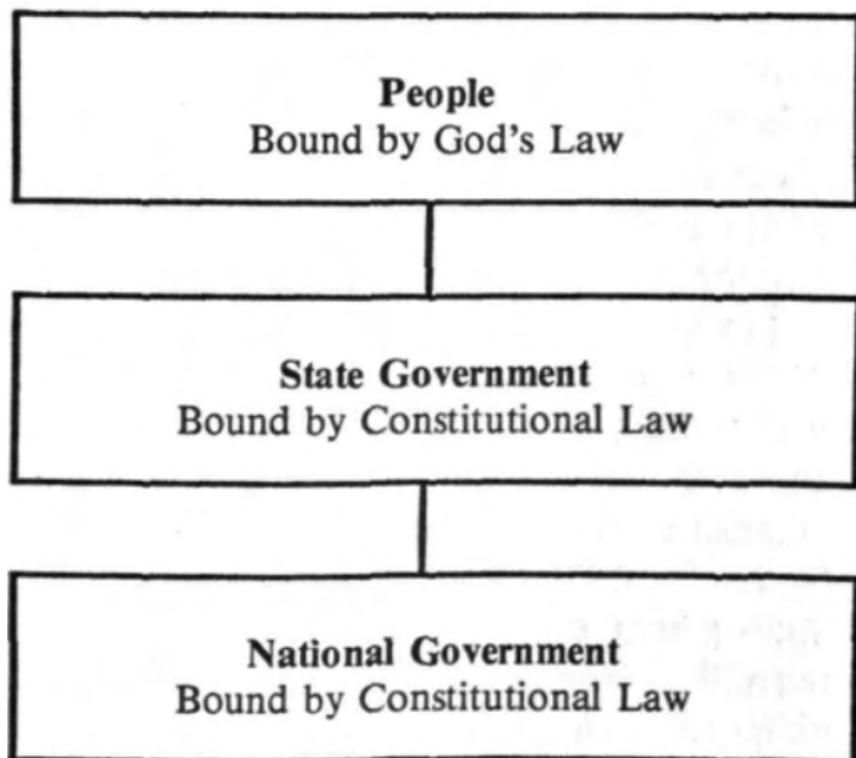
as a nation, we once again regain that lost faith, and take some drastic steps to restore America to her former greatness.

The power structure of our once-great Constitutional Republic was as follows:

## **REPUBLIC**

**GOD**

**God's Law**



The power structure of a Democracy  
(currently in power in America):

## **DEMOCRACY**

**SATAN**

**The Internationalist**

**Bureaucracy**  
Bound by  
Goals/Objectives of Federal Reserve

**Executive Branch of Government**  
Subservient to Bureaucracy  
for  
International Policy

**Legislative Branches of Government**  
Subservient to Bureaucracy  
for  
Appearance of Representative Government

**Judicial Branch of Government**  
Subservient to Bureaucracy  
for  
Enforcement of Rules and Regulations

## CHARACTERISTICS OF A DEMOCRACY

1. A Democracy is probably the most vile form of government in existence today, as it functions 100% on fraud and deceit. A Democracy holds itself out to be a benevolent provider of wealth, when in fact, it robs everyone of vast amounts of wealth to perpetuate its unconstitutional activity. It is a society of debt accumulation, and necessarily so, as the government politicians will respond swiftly to special-interest demands for handouts from the treasury.

2. A Democracy is nothing more than a transfer agent of wealth. The Democracy collects 100% of the taxes they claim they are collecting for the poor and needy. They then retain 70% to cover their costs of making the transfer and send 30% to the poor and needy to justify the taxation in the first place. It stands to reason that if we took care of ourselves, we would have 100% instead of 30% of the tax revenues to take care of the poor and needy. Now which will do a better job? Many people think that the legitimate functions of government are paid out of income tax. Nothing could be further from the truth. The government collects over 60% of its taxes from excise taxes that are for legitimate

government expenditures, i.e., national defense. A legitimate, honest Constitutional government would not need half of the excise taxes they collect. The Constitution prohibits standing armies in times of peace. To get around this restriction, the government uses Executive Order 11490 to declare an ongoing National Emergency.

You must remember that to be a tax protestor is as "American as apple pie." Our founding fathers were the greatest tax protestors of all time.

3. A Democracy is a very irresponsible society. It relies on insurance companies to pay for accident/death losses. It relies on government entitlements to cover expenses that one does not, or is not able to pay.

4. A Democracy controls just about every segment of a person's life, whereby all property is owned by the commune in common, and all usages of the property are regulated by commune members.

5. A Democracy operates by force. If you do not perform as you are told by certain government employees, they have the power to threaten, intimidate, and harass you, and seize *their* property from you, that you thought was yours. They may also file *criminal* charges against you for non-compliance with one of government's regulations. The use of fear, threats, and

intimidation by the government are absolutely necessary. After all, who in their right mind would voluntarily pay so much for so little benefits from government.

One elderly gentlemen I met recently told me that he had already received by far more out of Social Security than what he had put into Social Security. I reminded that gentleman that throughout much of his life he had paid into Social Security with funds that were redeemable in silver coin, which is lawful money of account. The government then pays back in a worthless totally debased paper currency that has its purchasing power cut many times. When you consider the value of the money paid into Social Security and the compound interest you are entitled to, you would be much better off in almost any other kind of a solid investment.

The government cannot *give* you anything, since they *produce* nothing. *The government must rob someone else in order to give you something for nothing.* If you think the government is merely giving you back money you have paid them, consider this. The government spends everything it receives immediately and more. If this were not true, we would not have a daily expanding national debt. People who make themselves eligible for government

benefits are really co-robbers with government, as it takes a lot of citizen cooperation to perpetuate this massive scheme against those unwilling to participate.

6. A Democracy creates within the society the inclination that lying, cheating, and stealing are acceptable practices that everyone does, like on your annual tax return that you sign under the penalty of perjury.

7. A Democracy does not practice "same crime/same punishment." It will sometimes punish people totally differently for the exact same offense, simply because one may beg for forgiveness from the Judge of the Court. I have witnessed beggars getting off with probation, while non-beggars would receive maximum jail sentences. There is no *justice*, only "*just us*."

8. A Democracy believes that it is endowed with the power to control all things. For example, our democratic government has funded over 15,000,000 deaths of unborn babies to date. This is the same government that will jail and fine you if you disturb an unhatched bald eagle's egg.

It is characteristic of a Democracy to provide immunity from prosecution for its government employees who are serving the objectives of the Democracy. There is practically no criminal act these employees could not get by with committing and having

the full support of the Judicial branch of government, as long as they are serving the goals of the Democracy.

Characteristic of a Democracy is that everyone *gives* according to his/her ability and *receives* according to his/her need. *This is the definition of Communism.* The heavy progressive income tax is just one of the taxes being used to accomplish this goal. By the way, heavy progressive income tax is the second plank of the Communist Manifesto.

## THE OBVIOUS SOLUTION

After reading this chapter, the majority of readers will probably view our current circumstances as hopeless and unchangeable. It does appear to be an almost impossible task to regain our Constitutional Republic. When you look at our society as a whole, I agree it does seem to be an impossible task. So, let's look at the problem in a different way. How do *you* feel about the situation? Do *you* wish to be a supporter of the Democracy... or of our Constitutional Republic?

The Democracy is only a government for those who support it, and it must be a *group* of people. There is no such thing as a Democracy for one person. Can you

imagine one person demanding entitlements to be paid to him — by him?!? However, a Constitutional Republic is a form of government for each individual, as this form of government is strictly restrained, allowing for maximum freedom and creativity by the individual. What this means is, the Democracy cannot exist with *you*, but on the contrary, *you* can exist — by far better — without the Democracy.

If you are a businessperson, think of your solution in this fashion. Let's say that you have a bad employee. He comes to work late every day, leaves early, steals money out of the cash drawer, and threatens you if you attempt to discipline him. What would you do with this bad employee? Would you consider firing him? That is what each and every American needs to do with our very bad government "employees," who have overthrown our Constitutional Republic, stripped us of our sovereignty, and elevated themselves to be our slavemasters. It is a matter of fact that we hire the government employees. We pay them, they do not pay us. They work for us, we do not work for them. Unless they strictly obey our organic Constitution, as established by our founding fathers in 1787, the next time you are in the voting booth fire them and hire new ones! You

must choose which form of government you wish to support... and do not support the other

## CONCLUSION

When analyzing the characteristics of our Constitutional Republic, I believe you will discover, as I have, that the Constitutional Republic, in order to survive and flourish, must operate on God's law.

When analyzing the characteristics of the Democracy, I believe you will discover, as I have, that the Democracy operates to serve the objectives of the adversary, Lucifer, himself. The Democracy state order operates to negate the importance of the family unit, and, as a matter of fact, restructures that unit with the government acting as the head of the family.

"No man can serve two masters: for either he will hate the one, and love the other; or else he will hold to the one, and despise the other. Ye cannot serve God and mammon." (St. Matthew 6:24)

"Then Peter and the other apostles answered and said, 'We ought to obey God rather than men.' " (Acts 5:29)

It is time that we cast aside foolish teachings. God-given common sense, logic, and reasoning processes will testify to us

that it is impossible to serve God and at the same time support unrighteous rulers ... so make your decision, then make your stand!

Be warned! "In the beginning..." our forefathers carefully and prayerfully constructed a precious document — the Constitution — to protect the liberty to which we are entitled under our beloved Republic. But there are men and movements afoot today who, under the guise of updating an "antiquated relic," desire to reconstruct that most valuable document. This "new, improved version" would remove all our safeguards and convert all our *rights* into *government-granted privileges*. You can expect a Democratic form of government to create plenty of problems ( a smoke screen) concerning our precious old document, just so the masses will accept ... or welcome... or even demand that it be "revised." So beware, and *be prepared!* If you are reluctant to rise up against every other issue raised in this book... you must take a firm stand, and if necessary become most actively involved, on this one. The integrity of our Constitution must be preserved at any cost... it is our only line of defense against those who would seek to take away our freedom and control us. We have defended it against foreign powers

around the world, and now it must be protected from evil within — **no matter what it takes!**



## Chapter 4

# Anyone for a Dynasty? \*

Non-Christians are often more successful at extending their religion and morals over the generations.

Some of these families have been so successful that they have become dynasties. In recent issues of the *Wall Street Journal* there were a series of articles titled, "Founding Families."<sup>1</sup>

It is an interesting series on the great American dynasties like the Cabots, Astors, and Rockefellers. In many respects, the articles in this series are a case study of

\* This article is a reprint from Vol. IV, No. 6 of the publication *Legacy*, Copyright 1985, Ray R. Sutton, Tyler, Texas 75711. Used by permission.

<sup>1</sup>William M. Bulkeley, "Founding Families," *The Wall Street Journal*, (May 7, 1979).

both the oddities and distinctives of these great families. Yet, I find that this series, combined with further study of dynastic families, reveals definite patterns.

To the degree that a family is able to cultivate these features, it is successful in becoming a dynasty.

What are these features?

### DETERMINISM

First, the belief in *destiny*. The leading successful dynasties have been people of destiny—at least they perceive themselves this way. To believe in destiny means that one conceives of someone, or something, having determined his life for some special purpose. Whether one believes he is destined by fate, God, or chance, he thinks of himself as special.

All great men and women—Julius Caesar, George Patton, Clara Barton—have generally believed in some concept of destiny. They saw that there was some purpose for existence which transcended their lives.

Not only is this true of great men and women, but the major ideologies of the world have all held to some concept of destiny: Christianity, Islam, and Marxism. All three implicitly espouse a doctrine of

destiny. That is, each believes that the world belongs to him, and that some day the world will be dominated by his religion.

The concept of destiny, therefore, is not foreign to either the great individuals or ideologies of humanity. Neither is this idea alien to the great families. Among the famous American dynasties, the belief in destiny surfaces in two ways.

### **The Sense of Calling**

One, the sense of calling. Take the Cabot family of Boston as an example. This dynasty, like most, goes back for centuries. After choosing the winning side in the Revolutionary War—it always helps to choose the winning side in anything—the Cabots built family wealth on the wide variance of calling among their children.

Not just any calling, however, for child after child grew up to become a professional and a pillar in the community. Perhaps no other family has had such diversity—industrialists, merchants, doctors, lawyers, architects, U.S. Senators, ambassadors, judges, and sea captains.

The great wealth of the family did not emerge until the end of the 19th century. At that time, Godfrey L. Cabot founded

his famous Carbon Black industry. Nevertheless, the diversity of calling, and the sense of calling sustained the Cabot family for well over a century.

## Vision

Two, vision. We said earlier that the man (or woman) with a sense of destiny *sees* himself (herself) as special. This *sight* spills over into the ability to visualize opportunity and success.

Almost all of the founders of the great dynasties possessed *vision*. Meyer Guggenheim was a man of vision. In the mid-19th century, he *saw* that the manufacturers made the big profits on the goods he was peddling. So, he started to manufacture a few small items.

One day, he made enough money to buy a few mines in Colorado. When his partners sold out because the mines were flooded, he knew better. He caught the vision for what lay in those mines. That vision gave birth to creativity.

He traveled to Colorado, had the mines pumped out, and founded one of the largest silver mines in Colorado. It produced \$750,000 the first year. What was the difference between Guggenheim and his partners? He had the vision which turned into

creativity and fortitude. He was a man of destiny.

It's interesting to see how many of the great fortunes were a result of supposed "chance."

The famous "Daisy Bradford" oil well in East Texas, the one which made the Hunt fortune, is a case in point. The original site for the well was several hundred feet from the famous gusher. The story is that rain and mud kept the mules from pulling the rig to the original site. The only thing that could be done was stop the rig and sink a well at the point where the wagon could be pulled no further. Was this chance? This was destiny.

The Hunt family is not yet a dynasty, since it takes at least a century to produce one. No doubt, however, they are a family of destiny. To build a great dynasty, they must recognize the fact and reproduce this dynastic mentality in their offspring.

## DISCIPLINE

The second great characteristic of all dynastic families is *discipline*.

Guggenheim had to be disciplined enough to see the job—pumping those silver mines—to the end. He had to be willing to work. Hard work was necessary.

Success did not just happen.

The common man often has a mythical view of dynasties. He thinks the children are lavished with wealth with which they can buy every toy available. Certainly this happens in some cases. If a family was to keep its wealth, however, the children had to learn the value of a dollar.

In fact, many of these large families have had the practice of not leaving large sums of money to the children. The general rule was, *"Don't leave so much money that the children have to devote full time to spending it."*

Many times this rule was implemented by some sort of discretionary inheritance to make the heirs earn their own way. Godfrey Cabot, for example, did not leave his heirs a large amount of money.

Why? He believed that real prosperity should come to them through their own diligence, and not through his death. Therefore, he helped them while he was alive to get started in businesses. If the effort failed, the heir didn't receive any inheritance. In other words, the faithful received the blessing. By doing this, he made them become disciplined.

In the super-dynasties, such as the Sassoon's and the Rothchild's, discipline appears in another way.

## A SECOND KIND OF DISCIPLINE

The apotheosis of discipline was the ability *to use vice without becoming addicted to vice*. Example, the Sassoons. The Sassoons have been called the Rothchilds of the East. Their dynasty goes back to Sheik Sason (his descendants would use the modern variation of Sassoon) in 1778.<sup>2</sup> He had risen from coin collector to the most influential Banker of Baghdad. They were Orthodox Jews, like the original Rothchilds, and quite dedicated to the expansion of Judaism.

"Sheik Sason supervised the secular welfare of his people but also provided funds for religious education. With the rabbis he inspected ritual baths and ensured that the slaughter-houses and dairies conformed strictly to the dietary laws. Door-posts had to be checked every three years to see that the *Mezuzahs*—tiny scrolls of the Holy Law encased in metal strips—were in good repair.

"Orphan girls were given dowries; rabbis, travellers, and pilgrims from the Holy Land, even from distant China, were welcomed in the Nasi's (Sheik Sason's official

<sup>2</sup>Stanley Jackson, *The Sassoons* (New York: E. P. Dutton & Co., 1968), p. 3.

title) house where they took their ease in a walled courtyard shady with orange trees and shrubs."<sup>3</sup> Sheik Sason even made a point to help start a synagogue, if there were none, in every city he traveled to.

It was under this kind of discipline that his son David Sassoon began to learn the trade of his father. From his earliest age, he sat in the counting-house with his father, and learned about money, borrowing, and lending. In his case, he mostly loaned and made money.

Due to a change in local power in Baghdad, the family had to move. David was the first to leave and seek his fortune in another city. With coins sewn in the lining of his clothing, he fled for his very life. Eventually, he ended his search for a new home in Bombay, India.

It was here, through his sons, that the great wealth of the Sassoons was achieved. "The cotton magnate and first Parsee baronet, Sir Jamesetjee Jejeebhoy, once declared emphatically that 'the chief cause of David Sassoon's success was the use he made of his sons.' He trained them to be chorus masters, with himself as conductor."<sup>4</sup> The "conductor" and the "chorus

<sup>3</sup>*Ibid.* pp. 3-4.

<sup>4</sup>*Ibid.* p. 31.

masters" made the family fortunes through real estate, cotton, and opium in the East.

Elias was the son of David Sassoon. He was the black sheep, so to speak, and the one who seized the opportunity in the opium market.<sup>5</sup> Through his travels in China, he perceived (vision) that great fortunes could be made through the drug. He was a rebel and fell out of favor, unofficially, with the family for hiring outsiders (non-Jews) in the family business.

But through all of this, Elias Sassoon displayed the rare ability *to use vice without becoming addicted to vice*.

Italians and Jews who immigrated to this country and became involved in organized crime were able to do the same kind of thing. All their lives, they had been served wine with meals, and learned how to drink without becoming drunkards.<sup>6</sup> How did this help them to become powerful in organized crime? Thomas Sowell explains in the following description of the Italian rise to power among organized crime in the 1920s.

"Organized crime had existed in the United States before Italians became part

<sup>5</sup>*Ibid.* pp. 51ff.

<sup>6</sup>Thomas Sowell, *Ethnic America* (New York: Basic Books, Inc., 1981), p. 74.

of it. The leading gangsters were Irish or Jewish, on into the 1920s.

"The introduction of Prohibition greatly increased the scope of organized crime in the United States, at about the same time that Italians were entering it in force. The bootlegging of liquor and the operation of illicit drinking places (often in conjunction with gambling or prostitution) became big business—and a highly competitive business.

"The Italian gangsters had two decisive advantages in this violent and deadly competition: (1) *they could traffic in liquor without themselves becoming alcoholics*, and (2) family loyalties were as central to Italian crime as to life in general. Sobriety and loyalty were particularly important in life and death business."

The principle of using vice without becoming addicted to vice has proven invaluable to all of the dynastic families, even the families of the Mafia. The principle works because it is a variation of an extremely important Biblical truth which wise Christian parents teach their children.

During one of the worst times in the history of Israel, a wicked centralist king named Ahab was on the throne (I Kgs. 16ff.). God raised up two important Biblical leaders, one on the outside, Elijah, and

one on the inside, Obadiah (I Kgs. 18).<sup>7</sup> Many Christians know about the great prophet Elijah who called down fire from heaven.

But unfortunately, few have even heard about the inside man, Obadiah. He was second in command next to Ahab, so he had a very high and important advisory position with the King. Yet, all the time he was advising the King, he was able to hide out one hundred prophets in caves. He used his position under a statist King to hide the prophets, and did not become addicted to Statism.

What is the principle?

The wise man who lives among unbelievers and their pagan ways is able to build the Kingdom of God by using vice without losing integrity. That's difficult and takes a mature man in Christ, but the great men and women of the Bible did this time and again. To be specific, it means using vice without becoming involved in sin.

<sup>7</sup>Gary North, "Communication, Confrontation, and Caves," *Christianity and Civilization: The Theology of Christian Resistance*, Vol. 2 (Tyler, Texas: Geneva Divinity School Press, 1983), pp. 40-65.

## A MODERN-DAY EXAMPLE

A modern day example is the story behind the *rapid growth of Pat Robertson's television ministry*.

When some of the pagan cable stations like HBO were trying to start up, HBO in particular needed other cable networks to join it to be able to make a special introductory offer. Pat Robertson, being a man of destiny and discipline, saw the opportunity.

Even though HBO was going to show unacceptable movies—movies which Robertson would not have allowed to be shown if he had the power to stop them—Rev. Robertson offered his cable station.

The result: every station that picked up HBO also got the 700 Club as a bonus. Not only did that become the stepping stone to the broad popularity of the station, but many have been converted as a result. This is the kind of discipline that, coupled with destiny and dominion, builds dynasties.

## DOMINION

The ability to dominate is the final characteristic of *dynastic families*. Many have and can make a sudden fortune, either through an inheritance, lottery, hot tip on

the Stock Market, or other ways.

But it is another matter to stay on top.

Moreover, staying on top is difficult, but even harder is the use of wealth to dominate other people and ideas. In other words, have dominion.

Many of the dynasties have built huge monuments in terms of art, politics, education, and corporations. As a matter of fact, sometimes the money has been used to damage others.

And here is where some have tried to argue against Capitalism. Yet, the problem is not with a Free Market economy. The wrong lies in the violation of a good system.

By the way, that is the risk one runs with any system. Someone will abuse it. But freedom is an even greater risk, with, of course, greater rewards. Any time one finds freedom, someone will try to break the law to take advantage of another.

Does this mean that the will and ability to dominate are inherently wrong? No.

## THE UNIQUENESS OF MAN

Peter Berger has made an interesting observation about man's urge to extend himself.

"The 'unfinished' character of the

human organism at birth is closely related to the relatively unspecialized character of its instinctual structure. The non-human animal enters the world with highly specialized and firmly directed drives.

"As a result, it lives in a world that is more or less completely determined by its instinctual structure. This world is closed in terms of its possibilities, programmed, as it were, by the animal's own constitution. Consequently, each animal lives in an environment that is specific to its particular species. There is a mouse-world, a dog-world, a horse-world, and so forth.

"By contrast, man's instinctual structure at birth is both underspecialized and undirected toward species-specific environment. There is no man-world in the above sense. Man's world is imperfectly programmed (not originally, however) by his own (sinful) constitution.

"It is an open world. That is, it is a world that must be fashioned by man's own activity. Compared with the other higher mammals, man thus has a double relationship to the world. Like the other mammals, man is *in* a world that antedates his appearance.

"But unlike the mammals, this world is not simply given, prefabricated for him.

"Man must *make* a world for himself.

The world-building activity of man, therefore, is not a biologically extraneous phenomenon, but the direct consequence of man's biological (created) constitution."<sup>8</sup>

Granted, Mr. Berger does not speak with a completely orthodox understanding of the doctrine of creation and man. My added remarks in the parentheses correct some of his incomplete and erroneous comments.

Nevertheless, he has made a brilliant observation about man's God-given, created urge to fashion and dominate the world.

A cursory reading of Genesis 1:26ff. proves that man's will to dominate originated in God's original fabrication of man's nature.

The advent of sin into the world corrupted man's will to dominate.

*But the Cross of Christ renewed not only the will but the ability to dominate.*

Regrettably, the modern Christian family has forgotten or hidden from what the unbeliever is self-conscious about.

The great dynastic families, without a shadow of a doubt, attempt to dominate.

*They see nothing wrong with dominion,*

<sup>8</sup>Peter Berger, *The Sacred Canopy* (Garden City, New York: Doubleday, 1969), p. 5.

*with wanting dominion, with having dominion, with studying dominion principles, and consequently, they have the dominion.*

For that matter, the basic patterns we have observed in mostly pagan family empires—destiny, discipline, and dominion—have been generally recognized by them.

They may not call these principles by the same names, but the point is that pagan dynasties are self-conscious.

The average Christian family is not even aware that God wants his family to grow and have great influence for *generations*. Not just one generation. Generational influence is powerful.



## Chapter 5

# Revealing Letters of a Banker to His Son

Sy Foster, considered in the 1920's by many to be one of the nation's foremost scholars in monetary affairs, was a man of amazing intensity. His broad interest gave him an unusual and penetrating perspective.

By profession, Mr. Foster was an architect. His interest in national finance grew out of his business needs. During the years of the great depression, he investigated its causes, becoming so interested in financial history that he began to write.

Because of the relevance of his book to today's economics, I have included in *Syndrome of Control* a number of the letters contained in Sy Foster's book, *Ten*

*Letters from an International Banker to His Son.* These letters explain to the banker's son what his mind-set must be if he intends to become powerful and wealthy.

## ON THE MONEY RACKET

Paris, France

May 1st, 1932

My Beloved Son,

I must confess your letters of late have given me no little concern. I perceive in them a spirit of altruism that is most dangerous for a young man of your position and responsibilities.

I fear that you have been associating with young men beneath you — men from inferior professional or working classes — or that you have been reading the wrong kind of books; wherefore, I would give you a few words of timely warning.

Speerpoint, my boy, there are many classes of people in this world, just as we are told that there are many places or levels of accomplishment in the next.

You belong by birth and environment to the moneyed or privileged class. To you has been granted the great good fortune and privilege of having been reared, as it were, in the lap of luxury. Your tender years were carefully guarded and you have been provided with every advantage that money and position could command. You were ever shielded from the nauseating influence of poverty and privations with which those of the inferior, or middle, or working

classes are so disgustingly familiar.

It is time you knew something of how and why this was done. It is time you knew something of the functions and power of money. The time is fast approaching when you will be called upon to assume the responsibility of defending and perpetuating the honor of the family name and conserving the colossal fortune of more than fifty-billion dollars which it now controls.

To properly do so you must clearly know and understand the simple law of money science. You must clearly know and understand the power of money and its malignant influence upon industry and good government, something of which I am going to reveal to you today. I, myself, am going to reveal this to you, for it is that part of your education which you will not be able to acquire in college and schools. Why this is necessarily so, I will also reveal to you at the proper time and place.

Knowledge of money is a dangerous thing in the hands of the so-called lower or industrial classes who have neither the intelligence nor the background to use it wisely. Such knowledge must be carefully guarded that those of us of the privileged class who understand its laws and workings may continue to guide the destiny of civilization to our even greater personal advantage. Wherefore, it behooves us to see to it that such knowledge does not become public property.

In considering the question of money, it is most important to keep ever in mind the fundamental principle that money has three separate and distinct values.

The first and most commonly understood is

the tax-paying value of the dollar. This value is fixed by civic law and never changes while the government lasts.

The second is the legal or debt-paying value of the dollar, which is a matter of private contract.

The third and most important, however, is the purchasing-value of the dollar. The value of the dollar measured in merchandise or labor, i.e., the amount of merchandise or labor you have to give in exchange for the dollar, depends (1) upon the number of dollars in circulation as well as (2) upon the supply and demand for the products exchanged.

Look at it this way, Speerpoint, for it is quite simple. When a bushel of wheat is sold in the market, there are two separate and distinct transactions. One man is buying money with his bushel of wheat — the other man is buying a bushel of wheat with his money.

The value of the wheat and the value of the money are dependent upon the supply of both wheat and money. If the supply of wheat is short, and the supply of money remains the same — men the price of wheat goes up. If the supply of wheat is short, and the money supply diminishes to an even greater extent, then the price of wheat goes down notwithstanding the short crop of wheat.

We have many striking examples of this condition in our recent so-called world-wide economic depression.

The truth was recognized by Ricardo, the great English economist, who said: "... I hold it to be incontrovertible, that if the supply of commodities remains the same and you double the

volume of money, then you reduce all commodity prices."

These are most important factors, Speerpoint, factors which you must ever keep firmly in mind. They were given first consideration and handled most beautifully by the founders of our present banking system, in which movement your now famous grandfather was the leading light. Strict adherence to these fundamental principles is largely responsible for the fabulous fortune which we now enjoy, and we must take good care to see to it that this structure is not materially impaired.

From what I have just said, you will readily perceive that the price of commodities is governed wholly by the law of supply and demand. In this, however, (and this is a point which is generally overlooked) the volume of money in circulation is of infinitely greater importance than the supply of commodities produced, for the demand for commodities in the economic sense, bears no relation whatever to the need for those commodities, but is governed solely by the volume of money that is able and willing to buy.

In considering the volume of money in circulation which is willing and able to buy, you must always keep clearly in mind that in America, you have two forms of money which you must ever watch. You have, first, the visible supply of currency... the bank notes, Federal Reserve notes, treasury certificates, etc., in circulation, and, second, the invisible supply (commonly known as bank credit) which is loaned out by the banks upon the approximate ratio of ten dollars of bank credit for each dollar of visible money on hand. This bank credit circulates as currency in

the familiar form of bank checks.

This is a most ingenious scheme, Speerpoint, and one which you must study carefully, for without it, it would be impossible for us to maintain the superior financial position which we now enjoy.

Your grandfather was a great financier, Speerpoint, a man in whom you may feel just family pride. He had brains, boy, and nerve. It took both brains and nerve to go to the U.S. Treasury and get real money for one-half per cent (plus cost of printing) and then loan that money out ten times to his neighbors and collect interest from each through the great banking house which he formed for the purpose.

The scheme worked great, Speerpoint, and it is largely responsible for building the enormous fortune which I will someday be leaving to you. Therefore, you must thoroughly understand the meaning and manipulation of money in order that you may be able to properly protect it.

Through this ingenious system of bank credit, five billions in round figures of visible money is actually expanded into more than sixty billions of dollars as reflected by bank deposits. With this five billions of visible currency, more than three thousand billions of dollars of business was transacted in America in 1929.

On this ingenious banking system which enables the favored few to exact interest from the masses on this vast sum of invisible money, hinges the divine right by which we, the Kings of Finance, continue to guide the destiny of nations.

On this vast sum of invisible money (bank credit) hinges the prosperity and happiness of

more than one hundred twenty millions of helpless American people.

So you will see, Speerpoint, what I mean when I say that the demand for commodities is in no way governed by the need for those commodities, but is governed solely by the volume of money (visible and invisible) that is ready, willing, and able to buy.

By controlling the volume of money (largely bank credit) in circulation, the banks are able to drive the price of commodities up or down at will and to govern the amount of business that will be done, which is governed by the amount of money that is able and willing to buy... and nothing more.

Not knowing these principles as I have explained them to you, the public is easily fooled about the law of money values and is misled by the clever statements of such brilliant men as our Charley Dawes who gave them a "pipe-full" of mystification in the recent Congressional hearing wherein he showed that the volume of (visible) money had actually increased in 1932 while at the same time, prices of commodities kept going down. He cleverly omitted to mention, however, that the contraction of bank credit had diminished the total volume of money by the scores of billions.

These are the fundamental principles, Speerpoint, that you must understand and be ever alert to protect. By controlling the volume of money (both visible and invisible) through the Federal Reserve Bank and similar institutions, we are able to control and direct to a certainty the general price level of all commodities.

The general price level of commodities

determines to a very great extent the scope and value of our fortunes. When the general price level

is down, we can acquire a correspondingly great volume of commodities and more power and more influence for our dollars, and vice-versa.

During the past century, this power to govern the price level has been systematized and perfected until we, who comprise the little handful of men commonly known as International Bankers, now have the direction and control of over half the governments of the civilized world which are unified today in the Bank of International Settlements.

These are the institutions with which you must line up, Speerpoint. They must be the fundamental basis of your studies. Through these institutions, and these institutions only, can wealth, power, and domination over the laborer, the merchant, and the professional man be maintained.

The sources by which this power is perpetually maintained through successive periods of prosperity and depression, which have come generally to be accepted as periods co-incident with inflation and deflation, must now be given brief consideration. In order to do this, I am merely going to refer you to the now famous letter of the London banker, Hazard, written by him in 1862 to the American bankers in support of the National Bank Act then pending before the American Congress.

The principles set out in this letter are most vital to the continued security of our position. Therefore, you should first carefully study this letter, then memorize it so mat it will never be, for one moment, absent from your conscious recollection. I quote from the letter as follows:

Slavery is likely to be abolished by the war power, and chattel slavery destroyed.

This I and my European friends are in favor of for slavery is but the owning of labor and carries with it the care of the laborer while the European plan, led on by England, is to control labor by controlling the wages.

This can be done by controlling the money!!

The great debt that capitalists will see to it is made out of the war, must be used as the measure to control the money. To do this, bonds must be made the basis of our banking system.

We are now waiting for the Secretary of the Treasury (Chase) to make his recommendation to Congress. It will not do to let the green back, as it is called, to circulate any length of time, as we cannot control that.

The principles outlined in this letter are so clearly defined... its purpose is so clearly evident... that no further comment will be required on my part, nor will I attempt to elaborate on this point at this time.

However, as I have stated to you on so many previous occasions, you were born into this world to rule. That is your God-given right. The power by which you hold that right is wealth. As the first and only creator of wealth is labor, it is clearly necessary that you must be in a position to gradually and persistently increase the amount of wealth under your control, as labor is more generally produced and distributed. Otherwise your power will become relatively less important as time goes on, until it will gradually vanish and eventually disappear.

This undesirable condition of our fortune can

be avoided by scrupulously adhering to the principles advanced by the unscrupulous Hazard in his now famous circular letter mailed to the American banks in 1862, when the survival of the Union was the paramount issue of the hour and depended primarily upon securing adequate funds with which to prosecute the war.

The time was propitious... the need was great ... the bankers adamant in their demands and the National Banking Act became in due time, and still is, the law of the land.

It is your most sacred duty and obligation to see to it that this law is not imperiled. With you, above all others, there can be no compromise in this attitude.

You must also learn to recognize a period of inflation and deflation and know when (just when) the tide turns from one to the other. Until you are able to do this, you must follow the lead of such capable men as our erstwhile Secretary of the Treasury, when he conveys the subtle warning in the cryptic message, "... Gentlemen now prefer bonds."

To such men as Andrew Mellon, Ogden Mills, now Secretary of the Treasury, and Eugene Meyer, Governor of the Federal Reserve Bank, you must look for guidance and instruction. These are the kind of men you must always keep in control of your national finances. These men are of our kind — and we of theirs. By following the advice and counsel of such men, there is no limit to the power and influence that you may eventually attain.

Those who followed such cryptic advice now have the funds or the bank credit sufficient to absorb all the wealth of all the workers of the

world — and much of it has already fallen into their laps.

Of course, Speerpoint, there is a limit beyond which it is dangerous to permit this deflation movement to go. We have now about reached that limit. At about this point in these so-called depression cycles, enough business and professional men awake to the simplicity of the law of money values, which has equally as much effect upon prices as the production of goods. If we force this thing too far, there is grave danger that political pressure will be used and social disturbances may demand reforms that will interfere with our plans and policies and materially reduce our power and influence.

We are indeed fortunate to have such capable men at the head of our Federal Reserve Bank and the National Treasury, men who are not afraid to tell Congress that the Federal Reserve Bank is the proper medium through which to control the volume of money — men who have nerve enough to openly oppose such constructive legislation as that of proposing to print and issue two billions, two-hundred millions in paper money and pay off the bonus debts to the war veterans.

Such a policy would have the effect of virtually depriving us of substantially this amount accruing to us in interest charges on the existing loans between now and maturity of the adjusted compensation certificates. This sum is not to be sneered at, even by the stockholders of the Federal Reserve Bank.

But this is only the beginning of the monetary loss that this ill-advised legislation would cost us. This amount of non-interest bearing paper

money placed into circulation at this time would create, at the rate of turn over of the dollar which existed in 1929, more than sixty billions of dollars in new commerce annually thereafter. This would cause such a rise in commodity prices that our present fortune would not only be materially affected thereby but the procession of foreclosures now going on would be abruptly halted. This must not in any event be interfered with, until all the property possessing potential future value has been taken over and is safely in our hands.

The tribute that we will exact from such a vast volume of business beggars the efforts of the most competent accountants to calculate. This will serve to illustrate by example, rather than precept, the absolute necessity of adhering strictly and scrupulously to the principles laid down by Hazard for the use of bonds in Government financing.

These are your examples of keen political sagacity, Speerpoint. These must ever be your guiding stars.

And always remember that with the growth and progress of the world, there are still greater fortunes to be controlled than ever before and hundreds of millions to be subjected to the will and power of those to whom God has given the talents.

If young men like those in charge of our national finances can carry over the program as now laid out, we have the foundation of a great international hegemony of finance. The power given to the board to remove officers and directors anywhere in the country is a bold and masterful stroke of legislation. Of course, while

these things will be done under the pretence of preventing bank failures, they will in fact, galvanize the central banking power down to the smallest village. Credit can then be so controlled that political uprising will be impossible and credit extension can be used strictly to hold class distinction tightly within bounds.

With one of our men in the saddle of "controlled credit," inflation may then become the order of the day. Business may be then safely lit up, and when hilarious enthusiasm and reckless speculation have again taken firm hold of the assanine public as will be evidenced by another orgy of stock gambling on Wall Street, we may then unload the cheap commodities that we have just acquired with dear money at a handsome profit, when money again becomes cheap through inflation. We may then proceed to loan our exorbitant profits at high rates of interest when high commodity prices again become the order of the day through inflation, and call them in eventually when money again becomes dear through deflation.

So you see, Speerpoint, that it is needful that you study these artificial turns in the economic tide made possible through the "controlled credit" in the hands of our privately owned "Federal Reserve Banking System." Then I will know that you can safely increase the family fortune that I will someday be leaving to you.

The low spot in the present market will be historic for opportunities. I will, perhaps, never live to see it again — while you, on the other hand, will probably live to see many of them. But to insure this, you must keep the inferior rabble ignorant of the basic laws of credit.

For ambitious young men of certain wealthy families, the prospect for increased wealth and power was never greater. The accomplishments of Caesars and Kings pale into insignificance when compared to the realization of what may be accomplished through the power of the wealth-creating machinery of the central banking system now unified through the Bank of International Settlements.

So gird yourself, my boy. The pages of future history are open and white for the writing of new accomplishments, and the population three generations deep in crass ignorance of the simplest laws of commerce!

I am sorry that I cannot write you more fully tonight, but it is already late, and I will have to defer my discussion on some of the lesser issues such as bonds, metal standards, etc., for a later date. Discussion of these subjects will occupy the public attention from time to time, but these issues are relatively unimportant and do not so deeply affect our economic position as the law of money values.

And always remember, my boy, to keep your mind clear and free from the demoralizing principles and theories advanced by such men as Sy Foster.

The revelations contained in his exposes are most dangerous to our plans and purposes. The public must be kept in ignorance of the true condition depicted in these disclosures wherein it is proposed to issue currency direct from the Treasury of the United States in exchange for labor and materials furnished by the government without the intermediary of bonds that exact tribute by the favored few from the uninformed

and ignorant taxpayers in the manner so clearly described in the Hazard letter of 1862.

Noble sentiments and spiritual emotions based upon love, sympathy, and a sense of justice and equality for all mankind are all well enough in their way, but you can do the most in subsequent charity after you first subdue those whom you would rule. After you have done this and the wealth is in your possession, you can then dole it out to those who are friendly to you in such a manner as to do the greatest good.

The people have neither the education nor the sagacity to handle their own affairs intelligently. That is a Divine privilege to be performed by those especially born and trained for the privilege.

But above everything else, always remember to put zest and enthusiasm into your work. It is the spice of life — and never let sentiment interfere with your duties.

The picture which I enclose illustrates what I have been trying to tell you. It is a picture of a great fisherman, in the act of bagging a trout which he is about ready to pull from the water. You can see eagerness, anticipation, and pleasure expressed in his every look and gesture.

It is symbolic of true sportsmanship. But think — my boy — would the fisherman ever get a thrill out of fishing if he stopped to think just how the poor fish felt about it?

As ever, your affectionate father,  
(signed)

Speerpoint Moregain  
Via Rue de Bankruptcy  
Paris, France

## ON THE ADVANTAGES OF DISHONEST MONEY

Paris, France

June 15th, 1932

My Beloved Son,

In this letter I will endeavor to answer for you the question of your former letter, namely: "By what method is this domination peacefully maintained?"

Although I briefly answered this question in my last letter, I will repeat — it is "MONEY."

It has been truthfully claimed that since the beginning of creation, the three outstanding inventions that have contributed most to the evolution of mankind has been (1) the invention of letters, (2) the invention of money, and (3) the invention of gunpowder.

Through the use of letters, man was equipped to crystallize his thoughts and record them in concrete form, and this developed his needs.

Money has been used since the remotest antiquity as a medium of exchange by which the needs of many thus developed could be conveniently satisfied by exchanging money for the things he required.

And the gunpowder was the force that equalized physical inequalities and made it no longer possible for the strong man to impose his will upon the weaker.

But of these three, the invention of money was by far the most potent, for by the control of money, the other forces come easily under his domination. This justifies my statement, then,

that money is the most powerful thing in all the world.

Perhaps it was this knowledge of the power of money that our forefathers possessed that prompted them to admonish us in their sacred writings to "Get the money."

But knowledge of the power of money is a dangerous thing in the hands of the inferior hordes of professional men, business men, statesmen, and laborers who have neither the training nor the intelligence to handle it wisely.

We alone have been given the right to rule. We alone have been endowed with the intelligence to know and to understand the functions of money. And we must see to it that this knowledge does not become public property.

This is not so difficult as you might at first hand suppose. To properly do so, it is only necessary to control the letters which, in our modern times, simply means to control the press.

Time and space do not permit me to go into this phase of the matter at this time, but I promise to do so in a subsequent letter after we have first dispensed with the fundamental propositions of money, without which the control of letters would be useless.

The first factor to be considered in any discussion of political economy is the proverbial dumbness of the inferior rabble, the commercial, professional, and laboring people. Particularly this is true in "pleasure-mad" America where the pursuit of ribald pleasures is the most important object of human attainment.

It may be taken as an axiom that in each 1,000 men you meet, 999 of those in America would sooner labor in the ditch with pick and

shovel for ten long hours each day than to spend ten minutes of that same day in earnest mental concentration for advancement.

And yet there are more "educated fools" in America to the square mile than in any other country in the world. It is part of our job to see to it that this education does not extend to money problems. That we have done this with "honor and credit to the fraternity" I will leave it to you to say, when you are in possession of the information concerning these matters that I reveal to you at a later date.

You know the story of the talents in the New Testament. If you would follow Divine instruction and build your wealth and thereby increase your power, you must confuse your enemies. DEMORALIZE those whom you would control, and appeal to the honor of those whom you cannot demoralize and sway them into your program by appealing to their honesty.

So you will know, Speerpoint, that it is not difficult to keep the people ignorant of the money question. Its very simplicity, coupled with the confusions we have endeavored to have thrown around it, makes it one of the most difficult subjects in political economy to understand.

With these points firmly in mind, we may now proceed to a more intelligent discussion of the subject of money.

It has been said that "the love of money is the root of all evil." We cannot logically dispute this definition, for out of this root have we, the medicine-men of finance, not brewed a concoction by which we have successfully anaesthetized and exploited for generations the hordes of human imbeciles that God has delivered into our

hands?

Yet, perhaps, not more than one person in a thousand knows or understands the definition of money. Most people think that it is a measure or standard of value, or a representative of property. Some even look upon it as wealth.

The truth is, it has none of these qualities. It is worthless until it is exchanged for something desired.

Professor Price defines money thus: "Money is a tool of exchange and nothing more; it is not a measure of value, nor a representative of property; it transfers property from one person to another as a wagon hauls goods from one place to another."

Yet money has created the highly developed division of labor. Money has likewise made possible our highly specialized civilisation.

So you will see, Speerpoint, how essential it is that we, whom God has chosen to rule, should be in a position to control the money.

In primitive conditions, commodities were exchanged directly. But soon it was found of great advantage to use one special kind of commodity, which we call money, as a means of bringing about the exchange between all other commodities.

Thus all commodities are first exchanged for money, and this money is again exchanged for other commodities. To serve in this exchange of commodities then, is the essential and vital function of money.

Money, then, may be simply defined as a medium of exchange.

Money thus becomes the life blood of the economic world organism. Its free and unimpeded

circulation corresponds to the free and unimpeded circulation of blood in the sound and healthy human organism.

But it must be ever remembered, Speerpoint, that our existing money has two fatal defects which enable it, in any exchange with other commodities, to levy an unfair tribute.

All other commodities wear, i.e., become less in value with the passing of time. Money, alone, has been artificially endowed with the fictitious property of keeping its value always unimpaired.

Thus in any business transaction between money on the one side and commodities on the other, money can wait; it is in no hurry to buy, whilst commodities are always in a hurry to sell.

MONEY can thus dictate the conditions of exchange, and business today has no legal comeback, because our legislation has overlooked this tribute-taking power of money which changes it from a useful servant, as it should be, into a dangerous master.

The true function of money is to serve in the circulation and exchange of commodities; it was never meant to tie up the market. But this is exactly what it can do today, in a perfectly legal way. And it can do this when its owners simply refuse to buy until their terms are met.

Thus money has become a gigantic monopoly and wields today an enormous power. If, for instance, all lines of industry are flourishing, goods are being produced everywhere, the mere insufficiency of the production of money, to keep pace with increased production of other commodities, has a tendency to bring prosperity automatically to a standstill and bend it over into a period of depression.

By withdrawing vast sums of money from circulation, the simple law of supply and demand increases the buying power of the remaining money correspondingly.

And that is why we hear so much talk today of overproduction; whilst the truth of the matter is, that production has always been insufficient to satisfy a nation's needs.

And that is the reason the total demand for commodities, in the economic sense, is governed wholly by the amount of money in circulation whose owners are able and willing to buy, and nothing more.

Money control thus determines, completely, how much business there will be, and where business ends; namely, when there is no more money able and willing to buy.

But perhaps the still greater advantage that money has over other commodities is its ability, through hoarding and other schemes and devices, of avoiding its just share of the burden of taxation.

This is a most important factor, Speerpoint, and one which you must carefully watch, for upon this factor, more than any other, depends the continuance of the advantage which the moneyed or privileged class holds over the masses.

You see, it is like this, Speerpoint: When the owner of a bushel of wheat exchanges that bushel of wheat in the open market for money, the purchaser of the wheat becomes a ready target for the tax collector because his wheat is bulky and cannot be easily concealed. Furthermore, the wheat is at all time subject to constant deterioration, and for that reason must be sold

or used within a reasonable time, or it will eventually lose its value altogether.

But not so with the seller of the wheat who is now in possession of the money, and this money can be easily hoarded or withdrawn from circulation, and never depreciate in the manner in which other commodities depreciate. In fact, the more it is hoarded, the more valuable it and the remaining money in circulation becomes. Furthermore, the holder of such money can and almost always does, avoid the payment of taxes on the money in his possession or under his control.

So you see, Speerpoint, why it is so necessary to understand the laws and functions of money and why it is so necessary that you should keep clear of such demoralizing theories as those advanced by that obscure young up-start, Sy Foster, who is advocating the issuance of "Amortizing Free Currency" direct from the Treasury of the United States in exchange for services rendered or property conveyed to the Government.

While it is probably true that the adoption of this plan would result in an immediate resumption of business and greatly lessen the great numbers of unemployed now living at this time, it would soon demonstrate its practical utility and ultimately lead to its universal adoption.

If such a thing as this would happen, Speerpoint, we are sunk — hopelessly sunk. We are now drawing interest on approximately two-hundred-billions of public debt as evidenced by various issues of national, state, and municipal bonds outstanding, to say nothing of the great mass of corporation, farm and private loans

which probably exceed the figures quoted above. The truth of the matter is, we now hold bonds and mortgages far in excess of the present combined wealth of all the physical properties in the United States.

The present banking system has not only been the means by which the greater portion of this wealth has been accumulated, but it, at the same time, constitutes the vehicle through which we control and manage these vast resources, and collect the tribute therefrom. This private banking system has, through careful nursing on the part of our ever-watchful representatives in Congress, become so systemized and perfected that we now control, absolutely, the volume of money in circulation and through this can drive the price of commodities up or down as our interests for the moment demand.

From what I have told you, you will readily see that such small things as unemployment and kindred evils do not affect us in the least. In fact they only rebound to our ultimate benefit. The more unemployment, the more relief. The more relief, the more bonds. The more bonds, the more taxes. The more taxes, the more interest coupons we are able to clip on our bonds.

The only time we need become seriously interested in unemployment and increased industry is that time when our greater interest lies in unloading the cheap commodities which we have bought with dear money. It is then necessary to restore the purchasing power to the ignoramuses who want to buy the commodities.

If the practical utility of such a system as that advocated by this no-account Sy Foster should become generally demonstrated, public opinion

would soon demand the refunding of all national and state debts with this so-called "Honest Money" of his and no longer would we be able to enjoy the "enormous benefits" that our present banking system affords us.

With our vaults full of amortizing (depreciating) free currency instead of tax free government bonds — Oh, Speerpoint, it makes me sick to think about it. I am going right to bed with this hot water bottle for my feet and the arnica bottle for my nose.

Your affectionate father,

(signed)

Speerpoint Moregain  
Via Rue de Bankruptcy  
Paris, France

## ON THE MAGIC PROPERTIES OF GOLD

Paris, France

July 1st, 1932

My Beloved Son,

Oh Gold!.. Beautiful Gold... to thee I sing.  
Symbol of power... Arbiter of Destiny.. You stand like an impregnable fortress at the gates of commerce... the Gibraltar of our world.

More beautiful than the stars of Heaven... more precious than kingly scepters... more potent than standing armies... more sacred than treaties of peace.

To you the Kings of Finance bare their heads in holy worship... to you all mankind bends its knee in humble reverence.

For you nations have exterminated nations... traitors have betrayed their countries... and brothers have murdered brothers.

Through you the humble beggar gets his crumbs that are life-sustaining; through you the Kings of Finance have made beggars of all mankind.

May the splendor of your glory never wane ... may the secrets of your magic power be forever hidden in the unfathomable mysteries of a forgotten priesthood until the last vestige of hope, honor, and national aspirations are leveled to the earth and ground into dust under the relentless heels of international financiers.

Many times before, in the history of the last two thousand years, have the moneyed or privileged class been on the verge of realizing its great ambition for world dominion, but each time it has become drunk with power and in its drunkenness, has overstepped the bounds of reason and has lost the advantage.

Its members have failed to learn the scriptural lesson of the talents.

They have failed to demoralize their enemies. And they have failed to appeal to the honor of those whom they could not demoralize and to sway them into their program by appealing to their magnanimity.

The one factor that lends itself most admirably to this purpose is gold. Gold is the most sought after thing in all the world. It is the magic talisman... now you see it and now you don't... by which the financial magicians have

first amused, then awed and finally hypnotically subdued the uninitiated.

And Speerpoint, the intrinsic value of gold is just about as valuable to mankind as the magician's wand when its true purpose and function is understood.

The use of gold as a standard of value is a trick of the financial wizard as old as the hills from which it came. It has just about the same object behind it as the magician's wand... it serves to keep the public attention focused away from the important movements that are forever taking place behind the scenes.

And yet, strange as it may seem, there are millions of business men in America today who depend upon the uncertainty of some prospector finding enough gold, upon which to base an emission of currency, in sufficient quantity to take care of increased business. There are millions of farmers depending upon Dame Fortune to pilot some obscure gold digger to the veins of the yellow metal in hope of finding sufficient yield to enable an expansion of the currency. There are other millions of manufacturers throughout the land depending upon the volume of gold produced in Australia or South America to back the money upon which the price of their manufactured products depends.

It has been estimated that all the gold produced in the world in the last five hundred years would not make a cube forty-foot square. And yet, with this insignificant quantity of gold in existence, we are enabled to control the price of all commodities and virtually govern the movements of world commerce, to say nothing of world politics.

How is this done, you say? First: by keeping the people ignorant of the laws governing the function of money; second: by using that knowledge to manipulate and limit the volume of money in circulation.

To carry this purpose to a successful conclusion, it is only necessary to get the people to accept the theory that money, to be stable, must have an intrinsic value. When this fallacy is once established, all the rest of the "hocus pocus" relating to money is comparatively easy. And strange as it may seem, this fallacy is the easiest thing in the world to establish.

It may be done in this way, Speerpoint. Show a man a gold dollar in one hand and an "irredeemable" paper dollar in the other and explain to him that the gold dollar will always have "a certain" intrinsic value and therefore can be readily exchanged for other commodities in any country in the world. Then explain to him that the "irredeemable" paper dollar is only the promise of the government to pay and that, in as much as it possesses no intrinsic value, its value is dependent solely upon the faith and confidence in which the government is held... then ask him which dollar he would rather have and your deadly work is done.

No amount of argument that even you can thereafter put forth will ever again make that individual have faith in the "irredeemable" paper dollar, or in the government that issues it.

He loses sight of the fact entirely that money is merely a function of government and that the thing that gives both the value that they possess is the sovereign stamp of the government on each piece, and that government's "promise to

receive" said money in payment of customs, taxes, and other governmental revenues.

This "promise to receive" is a very important factor, Speerpoint, and one which you must carefully study, and thoroughly understand. The omission of this clause on private securities is one of the most fruitful sources of revenue we enjoy today. It enables us to get away with billions annually that we could not otherwise purloin. If we were compelled to put this clause on the billions of dollars of private securities which we unload on the public each year, it would cost us those billions.

I will explain it to you this way, Speerpoint, for then it is quite simple. Suppose a bank or building and loan association with ten million dollars of outstanding certificates of indebtedness, deposits, or what have you, goes into liquidation. None of these certificates which are the bank's obligation (expressed or implied) or promise to pay, ever carry the clause "receivable in payment of debts due the corporation." Oh no! That would be fatal to our purpose.

The bank has invested its money, credit, or what have you, for the most part, in good securities in which there is a real intrinsic property value, put up as collateral security for the repayment of the loan. This security, in most cases, has a collateral value far in excess of double the amount of the loan.

Upon failure or liquidation of the bank, all these loans are immediately called, and if the debtor is unable to pay or refinance, foreclosure proceedings are immediately instituted, and the property is sold at great loss to the debtor and usually at considerable loss to the liquidating

bank. This loss naturally falls on the bank's depositors.

If the defaulting bank's securities outstanding contained the "promise to receive" clause referred to above, the holders of such defaulting bank certificates could get in touch with the bank's debtors and exchange their certificates for a mortgage signed by the bank's debtor, who would then tender the certificates in liquidation of his loan at the bank.

In this way, billions of dollars would be saved annually to both the debtors and creditors of defaulting banking institutions, and this would deprive us of one of the most prolific sources of revenue which we now enjoy.

And what is true of private securities is also true of money. It is the Government's sovereign stamp of approval and its mandate making such money legal tender for the payment of all debts, both public and private, (which includes the Government's "promise to receive") that gives the money its value as a medium of exchange.

The use of gold as money and the attempt to make it equal in value to the dollar, and the measure of value of commodities which that dollar represents, is about as ridiculous and illogical as it would be to insist that a yardstick should be equal in value to the cloth that it measures.

And yet this is exactly what the so-called "gold standard" means.

When once the insidious fallacy of intrinsic values has been accepted by the common people, it is easy to convince them that gold is more or less bulky and inconvenient to handle, and that paper is much less bulky and more convenient to handle, and that the same results can be

accomplished by the use of paper money redeemable on demand for gold upon presentation at certain designated places.

And this is the crowning argument that clinches our strangle-hold upon the world. Only two things are necessary from here on to control the money.. and thereby the commerce... and thereby the prosperity and progress of any nation, and these are (1) to keep that nation on the gold standard, and (2) to monopolize the stock of gold.

Were it not for the activities of such men as this no-account Sy Foster who is always trying to devise some scheme that will break our strangle-hold on the banking monopoly, our voyage would be clear sailing. As it is, we must be ever on the alert to see to it that such theories do not take root.

So far, we have been able to protect ourselves quite successfully in this regard except in isolated cases like Mexico which went off the gold standard and ended the so-called depression in that country forthwith. Commodity prices in Mexico took a horizontal jump of 40 per cent in value overnight following the abandonment of the gold standard, and this should be proof conclusive that the effect of the gold standard is to depress rather than to sustain, commodity value.

Monopoly of the world's supply of gold and the machinery for maintaining this monopoly are quite another thing, however.

Speerpoint, my boy. Every age has produced its great men... great thinkers and schemers, as well as great "executioners." Both these desirable qualities are necessary factors for great accomplishment, and yet, a combination of these

desirable factors are rarely, if ever, incorporated in the same individual. History affords us many striking examples of this apparent weakness in human nature. A combination that brings into action all of these desirable traits in human nature is, therefore, a necessary factor for great accomplishment.

The National Banking System, for instance, would never have been a reality without a Hazard-Hooper genius to plan it... a Chase to present it, and a Lincoln to drive it through. Neither would the Federal Reserve Banking System have become a reality without an Aldrich-Vreeland genius to plan it, a Glass to present it, and a Wilson to drive it through.

Once these bills are on the statute books, however, the rest is comparatively simple. In the words of a famous economist and authority on money: "Every money lender and banker in America will align himself on the side of the new law. Show a man how he can collect a dear dollar for a cheap dollar, and he will be in favor of it every time. Patriotism will cut no figure with them. Money has no patriotism. The combined wealth of the United States will support the law. They will see the direct benefits to themselves but they will not see the general wreck and bankruptcy that will ultimately come, pulling most of them down with it. They will bite at it, like flies do at poisoned molasses. We will set in motion arguments in favor of a single standard, and they will help us devise new ones."

The Federal Reserve Bank, Speerpoint, is the greatest gold separator that was ever invented. It separates the local banks from their gold like

mercury separates the gold from the muck in the miner's sluice box, and as a cream separator separates the cream from the milk that is poured into its greedy hopper.

And like the demonetization of silver in 1873, neither the banks, the people, nor the dumb Congressman who passed the bill, knew what we were playing till the show was all over.

To tell you, in detail, just how this giant octopus works, would be too great a task to incorporate into a single letter, and as it is already getting late, I will not attempt to go further into the matter of the operation of the Federal Reserve Bank tonight but will refer you to the act itself.

I strongly recommend that you study this act very carefully. It is the most vital piece of legislation on the statute books so far as we are concerned, and nothing in America affects our interests more directly than the unimpaired continued operation of the Federal Reserve Bank.

Allow me to remind you that this gigantic private institution is now owned and controlled by five of the largest banking institutions in America with offices on Wall Street. The control of these five banking institutions are matters with which you are entirely familiar and need no further comment on my part.

So long as we have enthusiastic and capable champions as Carter Glass and Eugene Meyer to look after and protect these interests for us, we have no reason for concern for the immediate future safety of these institutions. But we must ever be alert to see to it that the theories expounded by such men as Sy Foster are not seriously considered.

And remember, my boy, what I told you in my previous letter... the pages of future history are white and open for the writing of new accomplishments... with the mass of the population a full generation deep in crass ignorance of the simplest laws of commerce... and that with the development of the world, there are still greater fortunes to be built than ever before and hundreds of millions to be subjected to the will and power of those to whom God has given the talents.

As ever, your affectionate father,

(Signed)

Speerpoint Moregain,  
Via Rue de Bankruptcy  
Paris, France

## ON THE EVILS OF INFLATION

Paris, France

August 2, 1932

My Beloved Son,

I take pen in hand at an earlier date than I thought would be possible. Let us continued the discussion of the National Bank Act.

Let us analyze just how this innocent piece of legislation known as the "National" banking system really operates. To better understand it, let us reduce it to its simplest form. Let us take the case of a National Bank organized in a Country Village where 25,000 dollars meets the capital requirements of the Act.

Five men (whom we will designate as A — B — C — D and E) who hold in the aggregate 25,000 dollars of United States bonds, associate themselves together into a banking association (which we will designate as "X") and make application to the Comptroller of the Currency for a charter to open a National Bank.

When the charter is granted, "X" deposits its 25,000 dollars in Government bonds with the Comptroller of the Currency, but continues, of course, to receive the interest which the Government has agreed to pay thereon... from 2 to 4 per cent.

Accompanying the charter to operate a "National" bank, "X" is handed 25,000 dollars in national bank notes at a nominal cost of one-half per cent per annum plus the cost of printing. These notes "X" may use as currency, as in fact they are considered real money, and are therefore many times more liquid than the bonds which it originally owned (and still does) although these bonds have now been deposited with the Comptroller of the Currency to indemnify the Government against loss in the event it is called upon to make good its guarantee on the bank's notes.

Should "X" decide to rent out this 25,000 dollars in bank notes at interest, it is evident that "X" would then be drawing 2 to 4 per cent on its 25,000 dollars in bonds which are on deposit with the Comptroller of the Currency, and in addition thereto, "X" would be drawing from 6 to 10 per cent on the 25,000 dollars in bank notes which was handed to it by the Comptroller of the Currency when he issued his charter for a national bank.

Not so bad an arrangement, you say. But wait! This is only the first stage in the "inflation" of the currency. And just here, Speerpoint, it is well for you to note the real distinction between "inflation" and "expansion." You will, no doubt, hear much in the near future about "inflating" the currency. Always remember that the banks are the only sources through which "inflation" can now be brought about. They do this by "extending" credit. Only the Government can bring about a true "expansion" of the currency.

We have already noted that the charter to "do" a banking business gave "X" the privilege of accepting deposits and then renting these deposits out to borrowers to the extent of approximately ten times its capital and surplus, or 250,000 dollars.

Most people think that these so-called bank deposits are real money deposits. True, they appear in the statement which "X" issues as such, but in fact, they are really nothing of the kind. They represent, for the most part, credit "extended" in one form or another.

Assuming, for sake of argument and illustration, that there is no other bank in existence but the one which we have been discussing; this bank would then be left entirely upon its own resources, which would be the most severe case that could be anticipated in actual practice.

Assuming again that the 25,000 dollars in bank notes which "X" received are still in its vaults, "X" is now ready to do business.

A friend of "A," whom we will call "U," comes to "X" and asks to borrow 1,000 dollars. His application is regularly received, passed by

the loan committee, and a loan of 1,000 dollars is granted. Does "X" pay out 1,000 dollars to "U" in cash from its 25,000 dollars in bank notes which snugly repose in the vault?

It certainly does not. It merely makes out a deposit slip and credits "U's" checking account with a "deposit" of 1,000 dollars (less the discount or interest which it usually deducts in advance), and hands him a check book which entitles him to write checks against that account.

About this time, customer "I" comes in and in like manner makes a loan of 1,000 dollars which is treated in the same manner.. "X" credits his checking account with a 1,000 dollar "deposit" and gives him also a check book.

A moment's reflection will show you that so long as "U" and "I" confine their business transactions with one another, they can write checks on each other from now on and these checks will be deposited back and forth in each other's account but in not one single instance will one dollar of "X's" resources ever leave its vaults or will the total aggregate "deposits" on "X's" books vary one penny. And yet, both "U" and "I" will be paying "X" interest on the "money" which they have borrowed from it.

Now you know, Speerpoint, what "inflation" of the currency really means. This "inflation" process of "extending" credit is carried on until "X" has loaned ten times of its 25,000 dollar capital, or 250,000 dollars, and still, so long as none of its debtors (depositors) (note the paradoxical fact that its debtors and creditors are one and the same) do no business with outside parties, not one dollar in bank note currency, handed to "X" by the Comptroller of the Cur-

rency when it issued its charter, will have left the vault of "X."

On this 250,000 dollars of invisible money (extended bank credit) "X" will be drawing interest of an average (if it is modest) 8 per cent per annum, or 20,000 dollars plus 4 percent on its original bonds on deposit with the Comptroller of the currency, amounting to another 1,000 dollars per year, or, a total of 21,000 per year in interest on its original investment of 25,000 in Government bonds which has been replaced with 25,000 dollars in bank notes, which are still in its vaults.

And we have made no mention of the 250,000 or more insurance "X" has written in making these loans, and on which it collected an agent's commission, and the thousand and one sundry, other and additional favors, opportunities and emoluments received by it in the process.

If the average loan made by "X" was 1,000 dollars, "X" will now have 250 "good and true" citizens beholden to its magnanimous generosity tipping their hats to its directors in public.

And this, Speerpoint, is how the banks can show approximately sixty billions of dollars on deposit, where there is only approximately five-billion dollars, in round figures, of visible money in circulation.

And this also explains, in large measure, why the history of the larger banks, with a correspondingly larger number of depositors to transact their business with each other, has oft-times proved the larger banks to be more secure than the smaller ones.

Whatever you do, Speerpoint, keep away from

small independent banks. They are dynamite from our standpoint. A little manipulation on the part of a few relatively heavy depositors secretly financed by the larger banks, with the aid and connivance of the bank examiner (who is usually owned by the larger institutions) can put them out of business overnight. In this manner, those that were really worth taking over, have already been absorbed into the chain systems of the larger institutions and those that were in bad shape have been allowed to fall by the wayside. More than ten thousand of them have been eliminated since the advent of the Federal Reserve Bank. A most convenient servant, Speerpoint, a most convenient servant, indeed!

From what I have just told you and from what I have previously told you concerning the law of money values, and how the banks, by "inflating" and "deflating" the currency, can drive the price of commodities up and down at will, you will know what I mean when I make the statement that the demand for commodities has nothing whatever to do with the need for those commodities but is governed by the volume of money we make available.

You will also know what that impudent rascal Sy Foster means when he makes the statement the "financial depressions and panics are neither accidental nor periodic phenomena, but are deliberately and artificially precipitated at periodic intervals by the creditor class who profits from such occurrences."

Former Congressman Charles A. Lindbergh was even more vitriolic in his condemnation of the money monopoly than Foster when he said

in his book on "The Money Trust" that "The banks, through the Clearing House Association use only \$47.80 of actual cash on each one million dollars they handle. This means that the borrowers are paying interest on \$999,952.20 out of each \$1,000,000.00 credit in circulation that does not exist." Fortunately, this work is now out of print, only a few copies remaining in existence, as our agents have bought up the copyright and destroyed all existing copies we could find, but there still seems to be available to such unscrupulous fellows as this Sy Foster, certain well-secreted copies that have escaped our most careful search.

As ever, your affectionate father,

(signed)

Speerpoint Moregain  
Via Rue de Bankruptcy  
Paris, France

## ON THE FUNCTIONS OF USURY

Paris, France

August 3, 1932

My Beloved Son,

I deem it appropriate at this point, to make a few comments on the subject of interest, which, of course, is the first and last purpose of bonds.

You have no doubt, often heard the threadbare story of the traveling men who were discussing the relative importance of great inventors; how one thought Edison was the greatest

inventor because he had invented the electric light bulb; another thought Watt was because he had invented the steam engine; another thought Marconi because he had invented the wireless telegraph, etc., etc., until it came Ike's turn, and he said, "Well, Moses was no slouch, he invented interest."

But Speerpoint, my boy, it is doubtful if even Ike knew the full significance of his assertion. I make this statement from the fact that usury, which up to a very few years ago, when a law was passed defining usury as interest over a certain specific lawful amount, was a well established institution long before the time of Moses.

But let us see, for a moment, what interest can do. Elliott, in his work on Usury, page 182, says: "One cent loaned at interest January 1st, A.D. 1, drawing interest at the rate of six per cent compounded annually, on January 1st, 1895, would amount to \$8,497,850,000,000,000,000,000,000,000,000,000,000,000,000,000,000,000.00 (8,497,850 decillions of dollars). To pay this in gold, 23.10 grains to the dollar, using it in spheres of pure gold the size of the earth, would take as many as 610,070,000,000,000,000 spheres of gold to pay the debt."

It has been similarly estimated that if Methuselah at the age of twenty-one had loaned one dollar at six percent, compounded annually, that single dollar at the time of his death, nine hundred and forty eight years later, would have grown to more than 977 sextillion dollars (\$977,000,000,000,000,000,000,000.00).

Also that one dollar placed at interest, compounded annually at six per cent will in five

hundred years equal all the money in circulation in the world.

These are enlightening figures, Speerpoint. I don't expect you to measure them by any finite comparison you can conjure up in your mind ... I only give them to you to demonstrate the enormous possibilities of interest.

As long as interest is a recognized legal institution, not only countenanced but protected by law, only two things are necessary for the accumulation of enormous wealth: (1) to get yourself on the credit side of the ledger, and (2) do so with a surplus that can be protected against inroads made for living requirements and against loss of principal. Of course, there are times, Speerpoint, when the loss of principal is not important but these must be co-incidental with the opportunity for greater gain in other directions which I will not attempt to go into now, in a discussion of interest. They would only confuse you.

There is one point, however, that you should firmly fix in your mind when considering the subject of interest, and that is... that a dollar never earned a dollar, by itself. Labor is the only true producer of wealth. Many misguided economists and students of political economy have tried to seize upon this fact and have built around it a fantastic and elaborate system of money based upon labor, but all such attempts have been barren of results for the reason that the value is not constant. No two classes of labor require the same skill, and rarely, if ever, is the labor of any two laborers in the same field of activity of equal value. All must inevitably succumb to the immutable law of supply and

demand. How futile, therefore, to try to make labor the yardstick of values.

But that fact does not alter the patent truth that labor, in some form or another, is a necessary factor to every operation by which wealth is produced. In fact, wealth has been many times defined as "stored labor."

The value of labor, in every instance, will be governed by the law of supply and demand... not by its quality or skill.

But what happens when we endow money with the wealth-producing qualities of interest?

Let us look at it this way, Speerpoint, for then it is quite simple. Let us assume, for sake of argument, that there is but one thousand dollars in circulation in all the world and that I, for some reason (it makes no difference what that reason may be), own all the money.

You desire to enter business and not having the necessary money (it being all in my possession), come to me for a loan of one thousand dollars, which I grant and thereupon hand over to you my entire stock of money, one thousand dollars. You agree that you will repay this loan at the end of the year with interest at six percent. You take this money, go into business, are successful and at the end of the year have accumulated a considerable profit on the books or in accumulated goods. The end of the year rolls around, and it comes time for you to repay your loan. You have been successful even in getting all your original money back and into the till.

It is evident that to repay your loan you must return to me the identical money that I rented to you as there is no other money in existence. But how about the interest? Did you not agree to re-

pay the loan with interest in like lawful money? Where can you get this money to pay the interest? You cannot make it for that is a function of Government. Your only recourse is to apply to me for another loan with which to pay the interest.

The conclusion is incontestable that once a chain of borrowing has been instituted on a scale sufficiently extensive to absorb all the money in circulation, the debtors are from that moment hopelessly and irretrievably in the hands and at the mercy of the creditors.

The only way possible for them to ever pay interest is to borrow it from their creditors or pay them in goods or merchandise. This makes me laugh, Speerpoint... It hurts my face. And besides, I don't want to break my sanctimonious expression.

But let us continue the discussion of interest to its logical end, if there ever is an end.

It may be safely stated, without fear of successful contradiction, that every dollar of borrowed money in the world is a debt passed along to the ultimate consumer. This is unavoidable. You may refuse to borrow directly; others are always industriously doing so for you, and you, so long as you are a consumer, will pay the debt and all the interest.

To escape it, you must refuse to consume... starve, go naked, use no conveniences of life whatever; and even then you do not escape it. Your Governments, (National, State, County, and City) are borrowing for you and pledging your labor in payment. To escape payment, you must leave your native land and seek a desert isle... you must renounce the civilized world and

all its ways... you must become an outcast... a hermit, a recluse, and you must do so in a land wherein there is no organized form of Government capable of creating debt.

What, then, is to be said of a great country like the United States, that not only borrows the money for new improvements but borrows the money to pay interest on borrowed debts, and then permits those very debts to become the basis of its money, the control of which it so accommodatingly places in the hands of private interests who make billions by its manipulation?'

Really, Speerpoint, what can be the ultimate end of a Government that elects the brainiest men of the land to Congress and empowers them to make just and equitable laws for their Government, and then permits them to pass legislation that makes such conditions not only possible, but lauds them to the skies and deifies them for so doing?

There is but one answer to such a question ... there is but one logical outcome for such a condition... there is but one logical end for a nation so dumb... and that is the loss of its National Sovereignty. Perhaps this will give you a glimpse of what I but faintly alluded to when I said that there were times when the protection of invested principal was not always essential if the threatened loss of such principal was co-incident with the opportunity for greater gains. But I will not go into this phase of the matter at this time but will reserve my discussion on this subject for a subsequent letter.

But let us, for a moment, go back to the subject of bonds. Bonds, whether issued by Government, State, Municipality or what have you, are

purely and simply the issuer's promise to pay at some future date (10-20 or 40 years hence) a sum of money, with interest at a designated rate of percent stated in the bond. They are an evidence of indebtedness on the part of the issuer to the holder, and not only constitute a lien upon the entire assets of the issuer, but are usually secured by a mortgage on some particular asset of the issuer, pledged as security for the payment of the debt. In every case, they must be paid by the sweat from the brow of the American taxpayer.

Since the acceptance of the innocent looking, though cunningly devised piece of legislation recommended by Hazard, bonds have become the recognized method of financing all public improvements in the United States.

In spite of the warnings issued by such an eminent and patriotic statesman as Jefferson, who, in reference to a similar bill then pending before Congress for a charter to be issued to the Bank of the United States, charged that national banks were "unconstitutional and more dangerous to the liberties of the people than standing armies;" and Hon. P. B. Porter, who declared: "Let the principle of constructive and implied powers be once established, in the extent to which it must be carried in order to pass the bill, and you will have planted in the bosom of the Constitution a viper, which, one day or another, will sting the liberties of this Country to the heart;" and that of Congressman Wright, who declared "the charter to be a cancer upon the body politic;" and the liberal press (not then so completely controlled by the money powers) who referred to the bank "as a great swindle"

...a "hydra," a "cobra," a "gorgon," a "vulture," and a "viper;" the scheme proposed by Hazard and adopted by Congress has been extended, systematized and perfected until today the public debt approaches the staggering sum of two-hundred-billions of dollars for such securities outstanding, most of which is held, for the most part tax-free in the vaults of banks, trust companies, insurance companies, trust estates, and similar organizations owned or controlled by a comparative handful of wealthy families of Americans whose names are identified with-the International Bankers.

At an average rate of five per cent per annum, the interest on this tremendous sum equals ten billions of dollars annually, nearly twice the total volume of visible money in circulation in the United States. Not a snug little sum in itself, Speerpoint, for us whom God has given the talents to glean from the dear public, as a penalty for the crass ignorance which they display in public financing.

But this is only that tribute which we extract from them by direct taxation. To this must be added perhaps another two hundred billions of dollars in corporation, industrial, bank loans, farm mortgages, home loans, and similar obligations which draw a relatively higher rate of interest which, as I have explained to you in a previous letter, is passed on to the ultimate consumer and included in the price of commodities, the production, manufacture, and distribution of which such financing makes possible... and without which financing (under our present system) there would be no production, manufacturing, or distribution. This system we completely control

through the manipulation of the volume of money which we place in circulation.

It's a great game, Speerpoint, a great game. In this great game of dollars, we ride the dear public like the jockeys ride their horses, now letting one industrial horse win, then another, depending upon which horse we have, for the moment, laid the greatest stakes.

Let us see for a moment, just how we groom one of these municipal horses for the race. Let us take, for a moment, the City of Los Angeles which is, perhaps, as representative as any other live American city.

To begin with, we will enumerate the bonds that are blanket mortgage on every parcel of real estate in Los Angeles, and, in those instances where other municipalities have joined with Los Angeles, form a lien of the properties owned by these outside municipalities as well as those of the City of Los Angeles.

We will classify these bonds as follows:

City bonds: (1) water bonds, (2) power bonds, (3) harbor bonds, (4) bridge bonds, (5) major highway bonds, (6) sewer bonds, (7) school bonds, (8) playground bonds, (9) fire department bonds, (10) police department bonds, (11) city storm sewer bonds, (12) library bonds, (13) branch library bonds, (14) sewage disposal bonds, (15) incinerator plant bonds, (16) detention hospital bonds, (17) traffic tunnel bonds, (18) pedestrian tunnel bonds, (19) university site bonds, (20) receiving hospital bonds, (21) city hall bonds, etc., etc.

County bonds: (22) flood control bonds, (23) Hall of Justice bonds, (24) County farm bonds, (25) County highway bonds, (26) County hospital

bonds, (27) County park and recreation bonds, etc., etc.

To all of which must be added local assessment bonds which are a lien upon the properties comprising a local assessment district, known as:

Local assessment bonds: (28) street widening bonds, (29) paving bonds, (30) sewer bonds, (31) storm drain bonds, (32) street ornamental lighting bonds, (33) mosquito abatement bonds, (34) junior college bonds, (35) garbage district bonds, etc., etc.

To all of which must be added such bonds as the Colorado River bonds and sundry, additional State and National bonds, *ad libitum*, *ad infinitum*.

It has been estimated that under 22 legislative acts affecting taxpayers in Los Angeles County alone, we have 1,832 tax-levying agencies in 45 incorporated cities industriously levying and collecting taxes from the dear public who sit up nights trying to figure out how they can earn the money which we have withdrawn from circulation, with which to keep this enormous current of interest flowing in an uninterrupted stream into our boundless coffers.

And if they fail in this, then what? Why a Federal Receiver, of course.

We have a number of communities throughout the United States who are already in the hands of a Federal Receiver who collects the taxes and other income which he pays over to the holders of bonds against these communities where they have defaulted in interest because the taxes were insufficient to meet, over and above the cost of operating these communities, the aggregate interest and principal payments on their bonds.

There are millions of people in the United States today who are fooled into the belief that they have their homes all paid for when, in reality, we are holding liens on those homes in the form of improvement bonds of anywhere from two to twenty in number.

The practice of appointing a Federal Receiver for defaulting municipalities is paving the way for the larger operations which are just "around the corner," by which I allude to the appointment of a Receiver for the United States.

Through that most accommodating servant, The Federal Reserve Bank, and the law which allows that institution to get money redeemable at the Treasury in 100% gold by depositing, in the first instance, "not to exceed 5% in gold," we are already in control of all the necessary guns and ammunition to carry this program into immediate effect.

With only about one billion dollars in gold in the United States Treasury and this in the vaults of the Federal Reserve Bank earmarked for the account of the United States Treasury, and with upwards of three and one half billions of this kind of paper outstanding, which may be presented for payment at a moment's notice, it only remains for our much (AP)preciated Press to pave the way for public acquiescence of such a move, and the rest will be easy.

Once in control of the Government of the United States through a friendly Dictator of our own selection, we can then boldly proclaim the cancellation of the war debts and the transfer of the United States Government to our hands.

But I will not attempt to go into this matter in detail tonight. I will do so however, in my next

letter.

In the mean time... long live the name of Hazard... bonds, on account of their great variety and multitudinous character, have become known as "The Milky Way of Securities."

But Speerpoint, "the way these bonds have of milking" the dear but ignorant public of their hard earned sheckels is truly marvelous.

As ever, your affectionate father,

(signed)

Speerpoint Moregain  
Via Rue de Bankruptcy  
Paris, France

### ON JUSTICE, EQUALITY, AND LIBERTY

Paris, France

December 26th, 1932

My Beloved Son,

I am going to dwell on the most important part of Foster's arguments in this letter, but first I wish to inform you that I am feeling much better and our financial plans for the future are progressing as planned. It is really a Merry Christmas after all.

Now, back to this Foster chap and his ideas which we have once again throttled. Be ever on the alert for these fellows, who are interested in mankind and its betterment my boy, they are most dangerous to our cause.

Foster states:

*"In support of my arguments for the issuance of 'free amortizing currency' for public improvements, I will cite a few typical experiments along these lines.*

*"It is recorded that Daniel de Lisle, for many years Mayor of Guernsey, an island in the English Channel, when approached by the leading townsmen to borrow money from England or France with which to erect a new market house, replied that he would not bond them into servitude to anyone. But the delegates were insistent and urged the great need for the market place.*

*"The mayor, being intelligent and honest, replied: 'I will agree with you on the need for the market place. Will you have to send to England or France for any of the workmen or materials?' He was assured that everything was on the island except the money.*

*" 'Very well,' said De Lisle, 'that is very simple, we will make the money. What amount will be required?'*

*"The estimate was produced and the Mayor issued 'market scrip,' 'full legal tender for all purposes' for the amount of the labor and materials which were paid for with this scrip.*

*"In due course of time, all the scrip thus issued came back to the town treasury as rent from the market place. A general holiday was declared and amid great rejoicing the Mayor dropped the scrip into a bowl of blazing liquid, saying: 'Well done! My good and faithful servants, the market place is as good as if built with gold.'*

*"It is regrettable that we have not a few more De Lisles in America. The conditions might be*

very different from what we find them at the present writing. A hundred and one similar instances could be cited where the issue of 'free currency' *IN ONE FORM OR ANOTHER* has been beneficially resorted to.

"The clearing-house certificates used in the 1907 panic is one example, still fresh in the memory of many, of the use of free currency on a wide scale as a substitute for money. These certificates were of private origin and had nothing whatever behind them but a faint hope that some day the bank or clearing house that issued them would be able to redeem them, and yet they served so well that in spite of their imperfections, many communities were loath to give them up. In that case they were issued by the very interests that now so strenuously oppose them. In that case, they were issued to save the banks who found themselves without funds to carry on, but in the present instance it is the people that are without funds, and the issuance of anything like free currency would be strenuously opposed. Evidently it is a case of whose ox is being gored.

"Whatever the form of the exchange medium considered, that medium should be considered from the standpoint of a medium of exchange only, and, to be equitable, it must be free from interest or usury impediments and on an equal basis with other forms of property, i.e., it must be made to assume its just share of the burden of taxation with all other forms of taxable property.

"By putting money on an equality with other forms of taxable property, and by depriving it of the advantage of hoarding which it now enjoys,

*there would be no motive for holding it back from circulation. Such a provision would abolish the unfair advantage that money now has in any exchange with other commodities, and all motives for holding money out of the market and thus paralyzing business would quickly disappear.*

*"Amortizing 'free currency' offers a ready solution for all these evils. It might be done in this way, for instance:*

*"A \$100.00 greenback, issued by the government for labor and/or materials furnished to the government, and made legal tender 'receivable for all debts, both public and private' could have twenty (or any other convenient number) of blank squares printed on the back, each square corresponding to one of each consecutive years. Each year, one of these squares would have to be filled in with a government frank [stamp] affixed by the post office or other designated government agency upon the payment of \$5.00 by the holder of the bill in order to keep the \$100.00 bill up to its full face value. In the event that the holder of the bill failed to affix the government frank in the manner provided, the bill would have an exchange value at the end of the year of only \$95.00 or the face value of the bill less the amount of government tax remaining unpaid thereon.*

*"And/or repositories, public or private, for the more convenient handling and transfer of such currency by check or other convenient method, could be instructed by appropriate legislation to cover into the General Fund once each year a corresponding amount in order to obviate any advantage that might accrue to the owner*

*from hoarding in either form.*

*"This plan would quickly eliminate the desire and tendency to hoard money and would forever remove the advantage that such hoarding gives, advantage that works such untold suffering and hardship upon society and wreaks its unholy vengeance upon the innocent.*

*"No longer would the hoarders of money be able to avoid their just share of the burden of government by avoiding the payment of taxes on the money in their possession.*

*"In order to get a satisfactory return (or any return at all, for that matter) from a farm, a ranch, a business, or any other form of investment, it is necessary for one to industriously work it and whether one does so successfully or not, one does not avoid the payment of taxes. Why, then, should the owner of money be afforded a greater advantage than the owner of a ranch, a farm, or any other investment of equal value?*

*"Why should it be possible, by subterfuge or otherwise, for the owner of money to avoid the payment of his just proportion of the maintenance of the government? The owner of real property, whether in city, town, or country, produces something of value to mankind. The owner of hoarded money is a menace to organized society. And yet the government, which he refuses to support, grants him privileges which it denies to the owners of real property from whom it derives the principal source of its supporting revenues.*

*"Is this Equality? Is this Justice? Is this Liberty?*

*"Let us next take the condition of our homes.*

*From time immemorial the home has been the most important factor in human society. It is at once the cradle of civilization, the foundation of society, and the cement that binds and holds them together.*

*"The highest ideal, the chief ambition of good American citizens, young or old, is to own their own homes. The home is a man's castle. It should be inviolate from all intrusion. It should be placed beyond the reach of all danger, and of every encroachment, whether of private or public origin. It should be exempt from attachment. Not even the government should be permitted to take a man's home away from him.*

*"No nation rises above the conditions of its homes. Destroy the home, and by that act you at the same time destroy the nation.*

*"Because of unemployment, thousands are daily losing their homes through foreclosures of mortgages and executions for debt and tax sales. And yet nothing is done to prevent this wholesale destruction of the chief asset of the nation.*

*"Is it more important to declare a moratorium on foreign debts than it is to protect the homes of the nation by a similar moratorium? For shame on our great humanitarian leaders who rant and rail about balancing budgets that they cannot even budge, let alone balance; and can find no better way to get out of the dilemma that they, themselves, have precipitated than to propose additional taxes that can but sink the helpless taxpayer deeper in the treacherous quicksands of shifting taxation.*

*"Just where is this insane policy ultimately leading us? We have given the government the power to tax us, and that power, mind you, is*

*the power to destroy. We look to the government to protect us, and suddenly we find it oppressing us. This is nobody's fault but our own, for we are the government, and if we permit it to run wild and pile up unreasonable expenses, we may expect that it will tax us to pay its bills.*

*"But the time has come to call a halt to this policy. We cannot permit the government to eat up our homes.*

*"Foreclosures help no one, not even the lenders themselves, who, in most cases, not only find themselves with an unproductive piece of property on their hands but are confronted with the immediate necessity for additional expenditures for much needed repairs and improvements and the payment of delinquent taxes that have perhaps accumulated against this property considerably under the sum for which they were bid in.*

*"And yet, more than two million farms alone have been taken away thus from their helpless owners in recent years. One insurance company alone has thus foreclosed on more than one million acres of the best farm lands in Illinois and it is reported that one large banking institution on the Pacific Coast has more than 7,000 ranches on its hands which it has acquired by similar tactics. Is it any wonder that the value of its stock is about one per cent of what it was before it started on this rampage of wholesale foreclosures?*

*"The banks, the Insurance Companies, the Building and Loan Associations and Mortgage and Trust Companies are loaded to the point of breaking with farm mortgages and mortgages on homes and other buildings. These mortgages*

*constitute some of the 'frozen assets' that the Reconstruction Finance Corporation has been so desperately trying to help the 'hottest spots in America' to unload upon a long-suffering but indignant tax-payer.*

*"What irony; what an insult to our intelligence! We permit the government to increase taxes to the point of confiscation. We permit these private interests to deflate the currency and restrict the credit of the nation until the value of the dollar is driven up and the value of our products is driven down to the point where production costs far exceed the sale price of our products; then when these same private interests require us to pay a dollar obligation with a ten cent bushel of wheat and our land will not produce the required number of bushels of ten cent wheat to pay the dollar mortgage, we permit these same private interests to foreclose on our lands and deprive us of our homes. And as a final insult to our intelligence we permit the government to add insult to injury by the creation of a Reconstruction Finance Corporation to loan these same private institutions money on the ranches which they have taken away from us and which we will again pay for through taxation.*

*"If, by protecting the home, whether in city, town or country, we strike at the very heart of disloyalty and discontent, then why is this not the most important thing for our law-makers to consider? What avails it if we declare a moratorium on national debts to relieve European nations from us, their creditors, if we, at the same time, permit the spectre of unemployment and poverty, low prices and foreclosures to destroy*

*the nation from within?*

*"I urge upon our Government, first, to declare a moratorium on debts that jeopardize the home, whether in city, town or country, pending the present depression; second, to take definite steps, through the extension of the homestead act, to gradually, but permanently, make the home, whether in city, town or country, forever 'tax exempt and execution free.'*

*"This is not an unreasonable or revolutionary undertaking. It may be brought about in an orderly manner that will hurt no one. The benefits to be derived from such a program would be legion.*

*"Home and farm mortgages have from time immemorial, been considered the safest investments on earth. Could any security be devised that would even approach, from the standpoint of moral risk and physical value, the security that is offered by a farm or home loan? Can it be successfully argued that the notes of a private banking institution even when backed by the guarantee of the Government which in itself has been shown to be in large measure dependent upon the security of its home owners, is superior to the security offered by the home?*

*"Then why should the government not issue its 'amortizing free currency' in sufficient quantity to absorb all the farm and home mortgages now in the hands of the Banks, Insurance Companies, Building and Loan Associations and other similar financial institutions that are daily breaking under the strain of 'frozen assets' in the form of farm and home mortgages?*

*"Such a course would be a decided advantage to everyone. The finance house that exchanged*

*its frozen assets for 'amortizing free currency' would then be holding in its vaults legal tender paper in the place of its mortgages that now jeopardize its very existence.*

*"The Government could then refinance these short term mortgages that it would be holding in consideration for the issuance of its 'amortizing free currency' into new loans running from 30 to 50 years similar to those now made by the Federal Land Bank, the only Simon-pure, co-operative, borrower-owned financial institution in America outside the realm of a few mutual Building and Loan Associations that have managed to escape the trap laid for them by the nefarious methods and legislation prompted by special privilege and crooked building and loan officials.*

*"Such a course would confiscate no man's property, it would summarily stop foreclosures, and the attendant ruinous loss to creditor and debtor alike. It would check the downward trend of realty values due to foreclosures. It would put back into circulation several billions of dollars that have been squeezed out of circulation by that hideous monster, the Federal Reserve Bank, and it would automatically balance the budget which we hear so much about by adding a billion or so to our national income from the 'amortizing free currency' thus put into circulation.*

*"I don't hear you, Mr. Banker. The tragic wails of a hundred million destitute, poverty stricken, hungry, hopeless human beings submerge into utter oblivion the most frantic protests you are able to muster from the comparative handful of human barnacles that threaten to sink our*

*majestic ship of State. Neither do I hear the feeble peep of legislators who have a 'committee appointed for the purpose' of determining the policies best adapted to fit the currency needs of the nation and thus seek to avoid the responsibility of their office.*

*"But let us turn our attention for the moment from our domestic troubles to some of the factors which largely contributed to make them what they are.*

*"The question of Reparations and War Debts has been ever uppermost in people's minds since the close of the World War. Commissions upon commissions have been appointed. International Commissions, Reparation Commissions, International Conferences, Diplomatic Conferences, Secret Conferences, and Conference Conferences have been held, postponed, reconvened, adjourned, and reopened.*

*"And to what end? Are we any closer to a final settlement today than we were ten years ago?*

*"The net result of the whole mess is a profound distrust and hatred on the part of each nation for every other nation. It would require little more than a pistol crack today to set the peoples of any nation at the throats of the peoples of any, or every, other nation.*

*"And above all the noise of arguments, threats, and recriminations, the voice of Hazard, the English banker, rings clear and true as the notes of a trumpet:*

*The great debt that capitalists will see to it is made out of war, must be used as the basis to control the wages. This can be done by controlling the money. To accomplish this, bonds must*

*be made the basis of our banking system.*

*"Hazard clearly shows to capital the way to enslave labor. Does not that same identical message show to labor the way to freedom from capitalistic control?"*

*"The Allied nations of the world have saddled upon Germany the cost of the World War. The real purpose of Reparations is to off-set the debt created during the war. This debt is evidenced by the bonds of the several allied nations which were sold by them to provide funds with which to prosecute the war. These bonds are now, for the most part, in the hands of Banks, Insurance Companies, Trust Companies, and Trust Estates. They represent a part of the frozen wealth held by the moneyed class. They must be paid for through taxation by the sweat and toil of American industry, American labor, and American production.*

*"It makes no difference to the holders of these bonds who pays the interest and principal thereon. They are holding them, for the most part, taxfree and exempt from execution.*

*"If Germany pays, directly or indirectly, then the Government will use that money to retire the bonds. If Germany does not pay, then the Government will retire the bonds out of tax receipts received from the American taxpayer. The holders of tax-free bonds contribute no part of these taxes.*

*"All of which is equivalent to saying that if Germany refuses or neglects to pay her reparations to the rest of the world, then the cost of the World War, and much of the cost of reconstruction that followed it, must be paid by the American taxpayer, American industry,*

*American labor, and American production.*

*"We now know that Germany will not pay. Many of us have always believed that Germany would never pay. In the first place, she cannot pay, and never will be able to pay. In the second place, those in Germany that are expected to pay had no voice in the settlement of the reparations question. They had nothing to do with the creation of the obligations that such reparations sought to settle. They hold nothing in common with the aristocratic bunglers and capitalist nincompoops who precipitated the war. Many of them do not even remember the war.*

*"The prophecy has been repeatedly made by well-informed persons that the finale of the World War would be the repudiation of all debts and the demonetization of both gold and silver. We are not so far from that event, only we are slow to recognize or acknowledge it.*

*"Repudiation by any country would be followed by an attempt to compel that country to make payment through retaliation, coercion, or an appeal to arms, which is war. War, in the minds of those who are now forced to face the necessity of payment and who know little or nothing of the horrors of war, is preferable to the intolerable conditions of submission.*

*"Another war, with its improved methods and materials of modern warfare, will lend to the annihilation of the human race. Must these things come to pass, or, will we take sober counsel with ourselves, swallow our pride and follow the only safe and sane course still open to us to get ourselves out of the muddle without further embarrassment and trouble and the loss of additional untold millions of human lives?"*

*"To this end, I urge upon our Government the refunding of all National obligations with 'amortizing free currency.'*

*"Such a program would injure no one. No one's property would be confiscated and no one would be injured thereby. On the other hand, if another war is foisted upon the world by the capitalists, the bonds which they now hold will not be worth a dollar. If these bonds are now refunded into 'amortizing free currency' they may be exchanged for productive property at their full face value. No loss will be sustained by anyone.*

*"The ultimate effect of amortizing free currency would be magical. The hoarded wealth of the nation now tied up in bonds and other interest-bearing securities of Governmental issue, would soon find its way into active channels of production, distribution, and exchange.*

*"The immense burden of confiscatory taxes that now plagues industry and commerce would soon be reduced to the vanishing point.*

*"How much of this paper would it be safe to issue? Enough to conveniently transact the business of the nation, enough to effectively remove the spectre of poverty and distress and enough to put every able-bodied man in the United States into profitable and congenial employment.*

*"When the people of the nation wake up to the fact that these are the ends to work for instead of the maintenance of a fictitious, hypothetical theory of an antique metal base coinage system that benefits only a little handful of avaricious money lenders, then will prosperity and happiness take the place of poverty and distress. Then and only then will America take its*

rightful place in the sun.

"The bank clearings of 141 of the principal cities of the United States for a certain period in October 1929, aggregated 97 billions of dollars. This represents for the most part, the invisible money (bank checks) in circulation at that time. For the same period in February, 1932, the aggregate clearings in those same 141 cities had shrunk to 27 billions, a net loss of some 68 billions of dollars of invisible money in circulation.

"It has been repeatedly shown by the leading economists of the world that the price of commodities, other things being equal, varies in direct proportion to the volume of money in circulation. Adding to these figures the five billions in round figures of visible money in circulation, we have the basis of some interesting speculation.

"Assuming the general level of commodity prices in 1929 to be one dollar, we have the following formula:

"X" (Commodity prices in 1932) equals

$$\frac{102 \text{ billions}}{32 \text{ billions}} \times \frac{1.00}{\text{"X"}} = .317$$

"Or, in other words, a bushel of wheat that bought a dollar in 1929 would only purchase 31.7 cents in 1932. But can the mortgage of one dollar put on your farm in 1929 be now paid by 31.7 cents? Of course I would not infer that you can get anything like 31 cents a bushel for your wheat. Thirty-one cents is the average of all commodity prices determined by the methods of comparison with the volume of money in circulation and which Ricardo holds to be 'incontrovertible.'

*"Is this justice; is this equality; is this liberty?*

*"Is it more important to triple the value of the dollar and thereby the wealth of the little handful of capitalists that now control, through the immoral, all-consuming process of usury, more than 96 percent of the wealth of the nation than it is to conserve the prosperity and happiness of one hundred and thirty millions of human beings that find themselves the unhappy victims of that falacious system?*

*"If it took sixty-billions of dollars of visible and invisible money in this country to transact the business of the country in 1929, almost every dollar of which huge sum paid tribute to the banking industry, then do you think that sixty billions of free amortizing currency, that paid tribute to no one, would be too much money to put into circulation? If so, then you agree with the bankers that times were exactly too good in 1929, that employment should give way to unemployment, that business should submit to ruin, that farmers should submit to foreclosures, that home owners should be dispossessed of their homes, and that the bloated rich are justified in further adding to their already swollen fortunes by confiscating the property of the poor through their monopolistic control of the most vital function of the American Government, its money and currency system.*

*"Is this equality? Is this justice? Is this liberty?*

*"For shame on our legislators whose incompetence permits these things to happen! For shame on the intelligent electorate whose indifference permits its representatives to let these things come to pass.*

*"One of the most vital functions of the National Government is the power to issue and regulate the value of money.*

*"The framers of our Constitution took due heed of this important function when they inserted in our Constitution the clause: 'Congress shall have the power to coin money and regulate the value thereof, and of foreign coin.'*

*"The power has been consistently upheld by our Supreme Court of the United States (Ling See Fan vs. U.S. of America, 218 U.S. 302-30 L.R.A.-U.S.-1176) in which it said: 'The power to coin money and regulate the value thereof, and of foreign coin is a prerogative of sovereignty and a power exclusively vested in the Congress of the United States.... Conceding the title of the ownership of such coins, yet there is attached to such ownership those limitations which public policy may require by reason of their quality as a legal tender and as a medium of exchange. These limitations are due to the fact that public law gives to such coinage a value which does not attach as a mere consequence of intrinsic value.... Their quality as a legal tender is an attribute of law aside from their bullion value. They bear, therefore, the impress of sovereign power, which fixes value and authorizes their use in exchange.'*

*"This is a memorable decision. It not only confirms the contention consistently maintained by many of our foremost statesmen that the right to 'coin the money and to regulate the value thereof is a power exclusively vested in the Congress of the United States, but it places the stamp of judicial interpretation on that clause of the Constitution that makes it final and conclu-*

sive and forever removes the subject from the realm of speculation.

"By what authority, supported by any law of God, of man, or common decency, did our law-makers delegate this sovereign right of the Nation 'to coin the money and regulate the value thereof by substituting, in lieu thereof, bank notes, bank checks, and what have you issued by a little coterie of thieving, grafting human leeches who 'spin not... neither do they toil'?"

"I have already stated, and the Supreme Court has upheld, that one of the vital functions of Government is the right to coin the money and to regulate the value thereof.

"Fortunately, the machinery for so doing is already in our possession.

"You all know that a steam engine carries a governor, those two revolving iron balls, which automatically shuts the steam flow down if the engine begins to run too fast, and which opens it wider if the engine begins to slow down?"

"A similar governor should be provided for the regulation of the flow of money. The amount of circulating medium of exchange in the country should be carefully adapted to the amount of business to be handled by it. If money begins to go out of the market, the Government should put the same amount into the market. If, on the other hand, money begins to flood the market, the Government should withdraw a corresponding amount out of it.

"Money must be kept flexible enough to follow increasing business. Its volume should be the measure of production, not consumption. When production increases, money should increase in like proportion. In this manner, and in this

*manner only, can there be maintained, through the natural workings of the law of supply and demand, an equitable relationship between commodities and the medium by which they are exchanged, money.*

*"Such a 'governor' already exists in the form of our Departments of Agriculture, Trade and Commerce, and by the many fact-finding bodies which maintain elaborate statistics on production, labor, distribution, and exchange. They have machinery for properly maintaining them.*

*"These statistics have been compiled, or used, for the most part, by market speculators and professional traders contrary to the best interests of the producer who has either been kept in ignorance of their true purpose or has been unable to take advantage of their benefits. These Departments should be made to function beneficially in the interests of production and consumption, not speculation.*

*"Our defective currency system is one thing; our faulty banking and credit system is quite another. Our faulty banking and credit system exists only because of our defective currency system. The chief defect in our so-called currency system is the 'Gold Standard,' a theoretical system by which a fictitious value, entirely independent of intrinsic value, is artificially placed on gold.*

*"This 'intrinsic' costly metal money system is the fountain source of every physical ill now affecting society, and bankruptcy, panics, and subsequent revolutions are ever the fruitage of this vile system of single standard, gold money, sanctioned and maintained by our so-called banker-lawyer-politicians.*

*"No people can be free who permit their wealth to be controlled by a minority of their citizens.*

*"If the stamp of sovereignty can and does make legal tender, why should a great nation like this, with resources and wealth untold and unmeasurable, allow trade and commerce to become literally paralyzed for want of sufficient legal tender with which to properly carry on labor, the first and only producer of wealth? It has been estimated that the loss due to unemployment alone, since this depression was forced on this nation by unjustified deflation and curtailment of credit by the banking fraternity, has been more than sufficient to have liquidated the entire national debt.*

*"Why suffer such dire calamity when we possess boundless resources of vast wealth, resources, when nourished by the co-operative and specialized hands of labor, will yield abundantly all the necessities and luxuries of life that man can reasonably desire?*

*"Arthur Kitson, in commenting in the London Clarion, regarding the collapse of the gold standard in 1914, said:*

*Our bank rates jumped to 10 per cent in one day, higher than it has been in France, Germany or Austria, just before or since the war. Every bank suspended payment, the gold basis collapsed, and but for the common good sense of the Chancellor in supporting the banks with the national credit, the whole financial and industrial structure would have come tumbling down into the mire.*

*The lesson to be driven into the heads of*

*the Community for what has happened is the fact that the so-called gold basis is a delusion and a snare, a legalized fraud used to enable the financial classes to control and tax the industrial classes.*

*"The effect of the gold and silver currency on the prosperity of a country is clearly and forcefully set out by Sir Archibald Allison in his history of Europe, which says:*

*The suspension of specie (gold) payment by the Bank of England in 1797 led to the use of an enormous amount of irredeemable paper money.*

*The result was magical.*

*It terminated in a blaze of glory and a flood of prosperity which has never before or since the beginning of the world descended upon any country.*

*Prosperity, universal and unheard of, pervaded every Department of the Empire. Agriculture, manufacturers and commerce increased in unparalleled ratio.*

*The landed proprietors were in affluence.*

*Wealth to an unheard of extent was created among the farmers.*

*Our exports, imports, and tonnage more than doubled, and the condition of the people was one of extraordinary prosperity.*

*From 1797 to 1819 no financial embarrassment of any moment was experienced, and in vain Napoleon waited for the stoppage of England's financial resources.*

*But with the resumption of specie (gold) payments in 1819, a change of the financial system from legal tender paper money to*

*metal money, was ruinous to all the industries of England.*

*The distress became insufferable, and in Manchester 60,000 men, women, and children assembled, demanding blood or bread; and many of the people were killed and many wounded by the British troops.*

*"Fellow citizens! Men and women of America! When will you awaken to the true forces that are oppressing you? When will you acknowledge the patent fact that you are the victims of the greatest swindle ever perpetrated against a free and enlightened people? Are you going to force this country into a bloody revolution through your indifference?"*

*"Every citizen of the United States of voting age owes it to his country, his neighbor, his family, and himself to rise to the responsibility that is his to oust these foreign usurpers of the people's rights from the halls of our national legislature, from the control of our national industries, and from the Treasury of the United States.*

*"And this you will never do so long as you allow your opinions to be molded and your emotions to be swayed by the insidious propaganda fed you by a foreign-owned or controlled press and you allow yourselves to be disenfranchised by the clever manipulation of political parties.*

*"The utter futility and hopelessness of expecting any constructive legislation from either of the two dominant old-line political parties, or from any party that may aspire to replace them, that will ultimately lead us out of the wilderness of*

*economic chaos that smothers the nation, is becoming increasingly apparent.*

*"No party is ever run in the interest of the whole people. All come, sooner or later under the domination and control of a hegemony of International Bankers and their political cohorts who represent them in the legislative halls of our national capital.*

*"Political parties have been the means through which crafty politicians have been able to effectively disenfranchise the American voter. Through adherence to party platforms, the true voice and will of the people is smothered.*

*"Party platforms, rarely, if ever, voice the will of the majority. On the contrary, they form the vehicle through which the voters are led like so many sheep into the corral of political bunkumb.*

*"Those of us who have been privileged to visit the stockyards of some of our larger cities have no doubt been impressed with the ease with which some long whiskered billy goat has led a band of sheep to slaughter. But we fall in and blindly follow the leadership of some long whiskered political demagogue whose real mission of life is found, upon careful analysis, to be little, if any, different from his four-legged prototype of the stockyards.*

*"Neither the veterans, the farmers, the laborers, the merchants, or any other group of American citizens can expect any constructive legislation from political parties. Legislation, in the final analysis, is brought about by a majority action of the members of Congress, regardless of party affiliation.*

*"In the final analysis, we are all Americans, not Republicans, Democrats, or what have you.*

*"After all, the very existence of our Republic rests upon the honesty and the incorruptibility of Justice. If our officials begin to be more and more for sale, our glorious Republic, our safety, our institutions, and our liberty will soon be sold out to the highest bidder.*

*"He who betrays the principles of unconditional honesty and unbending justice, betrays his country.*

*"We owe to each other the loyalty of man to man, of citizen to citizen.*

*"A business transaction, in the true and ethical sense of the word, is, after all, and must always remain, an equal exchange of equivalent values. In business, also, the true honor consists in doing the greatest service to one's fellow citizen, not in trying to get something for nothing.*

*"We still have many valuable things in common, whether rich or poor. But we must keep the scoundrel out of the game who plays false to his fellow citizens, who will not defend the rights of property, and who will bend the scales of justice to fit his own selfish needs.*

*"To abolish the evils of an inequitable banking and currency system founded in open defiance of prohibitions against the practice of usury, which has been condemned by every religious organization and every system of sacred teachings of which we have authentic record, and which has been persistently fastening its unholy clutches upon the natural resources of the country, its banking facilities, and its medium of exchange, will probably require a considerable length of time.*

*"This abolition must take the form of a free, capitalistic, liberal economy, which will be*

*neither Communism nor Fascism, but free individual enterprise, preserving all the advantages of such, but free from the blighting influence of monopoly and usury.*

*"This purified capitalism will make the noble dream of our Star-Spangled Banner come true. It will put comfortable wealth within the reach of all, whilst the two extremes, enormous wealth and terrible pauperism, will be gradually reduced.*

*"Wealth will tend to remain distributed throughout the majority of the people instead of being more and more concentrated with the minority as today.*

*"But just as true is the statement that there is so much fierce and evil passion piled up today all around us on earth in human soul-life, that any appeal to violent force to bring about the needed readjustment, would be fatal of its consequences and destructive of its ends.*

*"Mankind needs time, and yet more time, and consequently a vast amount of long-suffering patience to undo the wrongs that have developed throughout centuries of bloody warfare and treacherous statecraft. The work of adjustment, according to the principle of eternal right and justice, is too big a job to be done violently and in a hurry.*

*"Let us cure the patient, not kill him. Let us acknowledge existing legal rights, protect and defend them, and develop them steadfastly and in an orderly, legitimate way into the state of ethical perfection and social justice.*

*"Let us go slowly, but let us go!*

*"And let us here and now firmly resolve, forever, to stay out of other nation's affairs. No*

*war, except a defensive war, whether internal or external, is ever justified. And no defensive war was ever fought three thousand miles from home on enemy territory.*

*"Before we are through with our European mess, it will have cost us more than one-hundred-billion dollars. Think of it! Don't dispute these figures until you have investigated the full cost to us of the last war. When you do, you will find that your total will far exceed this figure.*

*"And just what is our reward? Almost every European nation is now our enemy. When Europe has freed herself, when she is able and willing to deal with the Americans on a basis of reciprocity, well, then it will be time enough to consider what form our co-operation will take.*

*"It is not incumbent upon our government to pull our national and International Banker's chestnuts out of the fire.*

*"We entered the war with high ideals. We have reaped nothing but a harvest of disappointed hopes and broken illusions, and because we were idealists, we were justly taken for fools. It is time we knew it. It is time we knew also, that all ideals are illusions, that we may not be caught again in a cage.*

*"We helped make the world 'safe for democracy' (or monopoly), and we now lament that the kind of democracy we got is most unsafe for the world. In Europe we spilled our treasure, and more, there we spilled our very best blood, the blood of those who made the supreme sacrifice, in defense of what they in their loyalty felt was their country's demand. It is now time to think and to recollect, that we may not again*

*voluntarily enter into such a carnage, that we may refrain from spilling the blood of innocent men, under the spell of emotional illusion.*

*"Only the truth, and a clear understanding of it, will save us from another such folly."*

And these, Speerpoint, are the principles that form the backbone of the campaign by which that infectuous germ, Sy Foster, who styles himself a "Liberator" proposes to upset the great banking system by which we exercise our monopoly and control over the American people. How ridiculous! Does this Bonus Army Bum, this poverty-stricken newspaper editor, this infinitesimal speck of protoplasm think that the American people will react favorably to this kind of hooley? Does he think that they will disregard the profound wisdom that our metropolitan press feeds them in their daily editorials and news items, colored to fit the occasion by our ever-accommodating and much (AP)preciated Press news "services," to swallow, wholeheartedly, the insipient ravings of this insignificant nobody?

To properly carry out such a program as this insolent fellow proposes would take much effort and more money. Does he think that the ignorant people, whom he styles "indifferent," will lend him either? Does he expect them to take him seriously?

No! No! Speerpoint, the American people will never do that! Those who are in a financial position to help are too concerned for their own personal safety and too deeply engrossed in the fallacious policies which we have instilled into them since childhood, to venture their purse or their prestige by publicly affiliating with such a move-

ment. And those who have the foresight to see through his proposals and benefits that would ultimately flow from them if put into operation, even though they possess the requisite amount of nerve to publicly proclaim them, have neither the funds nor the physical strength left that will enable them to offer any effective resistance to the financial machine which we have perfected to combat such theories. And do we not control the charitable institutions that feed them?

But these theories are intrinsically invincible just the same and the time will come when we will be no longer able to successfully combat them. It behooves us, therefore, to take good heed of them, resist them so long as we can, and when the time comes that we can no longer resist them, let us adopt such of them as will appease the public demand for social reforms that are inevitable.

Some day, I may endeavor to reveal to you some of the other proposals which this audacious fellow advances, such as, for instance, his proposal for legislation that will automatically repeal all laws that have not been re-enacted by the legislature on or before the expiration of five years after the date of their origin or re-enactment by which he hopes to simplify legislation and reduce the expense of enforcement by removing all laws that have proven ineffectual or contrary to public opinion.

Not so bad, eh, Speerpoint, not so bad. Law-making has become America's chief pastime. It is not unusual to see 3,500 bills introduced at one session of our State Legislature which grinds out laws every so often that make a book larger than Webster's Unabridged by which we can

always hook an unsuspecting culprit whom we find desirable to get out of the way.

Also his proposal to make violation of public trust by any regulated constituted public official treason and punishable with like punishment afflicted upon offenders now found guilty of treason to the National Government, would have a very salutary effect upon some of our friends who violate the spirit and letter of the law in our favor, knowing when they do so that no greater penalty than impeachment, perhaps, may ever overtake them.

In the meantime, Speerpoint, I hope you will study these proposals very carefully so that we may be able to discuss them more in detail when I next see you, which I hope will be very soon.

As ever, your affectionate father.

(signed)

Speerpoint Moregain .  
Via Rue de Bankruptcy  
Paris France

**LEGISLATIVE**  
**HOUSE      SENATE**

**EXECUTIVE**

**JUDICIAL**







## Chapter 6

# Look Op, America!

Congratulations to each of you who is reading this book. If you are shocked or bewildered at the information you have just read, you are on the right track! But you are a concerned and committed American, sincere in your search for truth, and God will graciously honor your sincerity of heart.

The following is an account of events leading to the reason for my writing this chapter, and the reason why I believe Lindsey William's writings on America are vital to each concerned American today.

Five years ago there could not have been a more naive American than myself, originally coming from a rural lake town in

Iowa and having always loved my country. I was the girl with flag in hand leading the Fourth of July parades on my handsome black horse, a member of the marching band in school, and cheerleader in my youth. With great enthusiasm for life in general, sitting around the piano with the family in the evening and singing until the wee hours of the morning was normal. Apathy wasn't even in our vocabulary, nor in that of many surrounding households in those years. We prayed together as a family and considered it a great privilege to live in free America.

Then an event took place which caused me to take a closer look at America. I was given the opportunity to live in Europe from 1975 to 1980 as a result of a modeling contract offered to me. That in itself was exciting, however it does not relate to this story. What is important is the amazing difference I noticed between European and American lifestyles. This difference caused me to do some real hard thinking.

It became obvious after residing in Zurich, Switzerland, for two years that most Swiss people knew more about American politics than many Americans, and their nightly TV talk shows really reinforced that. Not only did they have great national pride, they had something to back it up

with. Every man under the age of fifty in Switzerland is required to be a member of the Army reserves and make a personal time commitment each year to its service. In America we are no longer *required* to do anything... and yet some still want welfare!

Students in Switzerland must take 22 curriculum exams—not including sports or music—to graduate from high school. Many of these same students had evening jobs outside of their homework. Their general education and background knowledge far surpassed my private school education in America.

Europeans pay approximately 23 1/2 % of their annual income for food, compared to our 12-13%. Yet one of the biggest complaints I always heard from people back home was about our exorbitant food prices.

Can you imagine going to buy a home in America and having the realtor ask you for a 50% down payment in advance? But that is what many Europeans are required to pay. Consequently, few own their own homes, and the ones that do purchased them later in life. Our "Buy Now, Pay Later" policy in America is wonderful, isn't it?...OR IS IT???

At any rate, I concluded that I had been

brought up as a very fortunate—but spoiled—girl, and in 1980 I was excited to go home for the Christmas holiday. Suddenly, however, upon arriving on domestic soil, a most curious feeling came over me. Something had really changed drastically; not at all the healthy progress I had envisioned, but rather something for the worse! It was a very frightening feeling. Not only did I sense an economic breakdown, but a spiritual and moral breakdown, as well. A humanistic sort of life seemed to be playing havoc in a once-great nation.

Whatever it was, it snapped me out of my naive world. During this same period my father, mother, and sister were involved in a car accident. A drunk driver with stolen license plates hit them broadside... my mom and my sister were killed instantly. As our family learned the statistics on drunk driving in America—of which we had just become a part—we were appalled! Why are there so many alcoholics in America, when in Europe (where people drink from a much younger age) they have a considerably lower percentage than we do? With this, I immediately moved home. I could think of nothing else but finding out the truth of what was going on inside of me, and what had hap-

pened to our beautiful country.

Surely it must have looked absurd to my family and friends to be giving up everything... my home, career, and even friends in Europe... to follow some undefined path between Bible study and American history. But I believe that it's important to follow the guidance of the Holy Spirit instead of listening to others when it comes to one's course in life.

The first step was to get my own life in order so that it could be used by the Lord when He desired. Since giving my life to the Lord on December 6, 1981, a day hasn't gone by that America's destiny has not been revealed to me in a multitude of ways.

From the reading and studying I did that year... to the different parts of the country I visited and the people with whom I came in contact in the following two years as an American travel agent and tour guide... even the women to whom I have been teaching personal enhancement programs during the past year... the picture became clearer and clearer. A multitude of events had occurred in our country of a magnitude so great that most average citizens could not begin to comprehend what had taken place in their lives. Many were victims of such stress that they didn't even

*want* to know; others could only tell me that for some reason life didn't seem to be what it used to be. Women all throughout the states told me that they had been forced to leave their children and go back to work because one income in the family could no longer support their rising bills. A close friend of mine said our tax structure had gotten so high that he had literally lost his incentive to work. Each story left a bigger cloud hanging in the air than the previous one. Something had to surface, and it did... the truth.

The Bible research I had been doing in conjunction with all this gave me the obvious answer. Exactly as Lindsey stated in his first chapter, and as God's Holy Word predicted, our world has entered into the greatest spiritual battle it has ever seen, and it is taking place right in your and my lifetime. A group of individuals—under the guise of "peacemakers"—are preparing the mind of every American individual for the day that they will be able to completely control our activities, our thoughts, and our lives. These people are direct followers of Satan and his plan; to them the way to succeed as quickly as possible is to see the entire nation (and each individual in it) weakened to the point that they eventually fall to their knees. My heart's desire, from

that moment of realization, was to help American people to see the truth... and as soon as possible. I began to pray for direction.

It was no coincidence that Lindsey Williams' speech on America, during a retreat I attended in Minnesota, was the beginning of a mutual respect—a lifelong friendship that eventually grew into a deep love. For God's amazing grace in our first meeting, directing our courtship, and our marriage, I will be eternally indebted.

The question most often asked in Lindsey's talks around the country is: "What action can I, as an individual, take to assure America's restoration to freedom?" As Lindsey puts it, sometimes it's easier to advise people of a problem than it is to give a solution, since many times people would rather not make a change. After much discussion and prayer, Lindsey decided that American people are really ready to hear some answers. It appears, in fact, that they are hungry for the real truth.

What can one small "insignificant" citizen do to help a nation? In his lectures, Lindsey often relates the story of *Gulliver's Travels* as an example. There was a great giant whom the townsmen feared would destroy them. While he was asleep one night, hundreds of townspeople got together

and tied him up with hundreds of ropes. When morning came, not only was he surprised—but he was defeated. If each of us knows who the giant is in our nation, we will realize that it is not that difficult to defeat him. "Whom resist steadfast in the faith, knowing that the same afflictions are accomplished in your brethren that are in the world." (I Peter 5:9) It very well may be that you were unaware of the facts until now, in which case you may not be held accountable for them as yet. But knowledge requires decision... and decision requires action! When God reveals knowledge to his people, they are required to act on it as if the world could end tomorrow. The 1986 Statue of Liberty Celebration in America was an extraordinary example of the patriotic wave that has finally touched Americans to the point of showing a real commitment toward their country. Lindsey and I were in Calgary, Alberta, Canada shortly afterward, and our taxi driver summed it up. "You put a group of Canadians in a stadium next to a group of Americans and ask them both to sing their national anthems. There wouldn't even be a contest—the Americans would out-sing the Canadians in a minute." We readily agreed! Patriotism is at an all-time high in America right now, and it is a grand feel-

ing! But pure patriotism means more than just waving a flag and singing "America, The Beautiful"! A person who truly loves his country and is patriotic is one who knows what's going on and is willing to get involved. *You* are the hope for our future!

The following paragraphs are seven points of concern that Lindsey feels are of utmost importance to each American at this time. He asked me to share our notes with you, taken from numerous discussions on each point. As you read these pages, we pray that these simple solutions will provide a practical guide in leading each and every reader in a positive and effective direction. Remember, America did not get into this situation over night, and it will take a concentrated, dedicated effort to get her out. But if you are not in control, then someone else is!

## **1. Turn Your Life Over to Him...**

There is no way to mince words on this one. We must look to God for wisdom and courage. Give our hearts, our talents, and our professions to God today and ask Him to use them for His glory and the restoration of America and our world. Mankind has tried to manage his life and

our country on his own... and has failed miserably. Tomorrow may be too late. Only through prayer can we get proper direction for our daily decisions. This is not the time to let human pride get in the way. The powers who wish to control the world have done everything in their power to try to make us forget that God exists. Many of your own children are falsely being taught evolution as a proven fact in our public schools today. Ranks of Americans are waking up to this abomination of our Constitution—the Constitution holds God at the top, not the bottom. *Have you been deceived?*

## 2. Set Family Priorities...

The Bible says that the home is the first institution created by God. That is why Satan cannot stand to see a strong family unit, because he is destroyed by it. If you've been having extreme pressures at home in recent years and you simply think "that's the way it goes," think again! Chances are that you are involved in a much greater battle than you think—namely a spiritual battle.

A strong family unit will be our biggest ally when our world situation becomes even more frightening in months to come.

As Dr. James Dobson, one of America's leading authorities on the family, puts it, "If American men would once again accept the responsibility as head of the household, and spiritual leaders of the family, America could see a real spiritual turnaround in the near future."

Women, whether or not you are working outside of the home, you still have the honor of creating the atmosphere in your home for your family. No one has the right to downgrade or diminish the importance of it. You are a beautiful creature of God and you deserve to be praised for making your home a desirable place to come home to. The world which tries to tell a woman she is not a whole person unless she has a profession, is a world foreign to Biblical principles. Has your self-confidence been diluted by our modern-day humanistic way of thinking? *Set family priorities!*

### 3. Get Out of Debt!

No "ifs, ands, or buts" about this one. Get out of debt as quickly and completely as you can! Until then, you are powerless. The scriptures are very clear on this point. "The rich ruleth over the poor, and the

borrower is servant to the lender." (Proverbs 22:7) As Lindsey says, America can only be free of control when each and every American does his part in the area of debt. You can get a lot of so-called tax breaks by keeping yourself in debt. Beware, things are not always as they seem. Our hard-working, honest American farmers are beginning to see this truth. If and when there is a major financial collapse in America, would you not be happier to have a \$50,000 roof over your head that is paid for, then to be mortgaged to the hilt in a \$150,000 home which you could lose? And citizens, the more handouts you accept from someone, including welfare, the more you will be controlled in the end. Read God's laws on indebtedness and take action today. As Lindsey says, "Not only will you suffocate your adversaries, you will feel ten years younger with the financial burdens lifted." If you feel it is impossible, just think again about our American farmers whose financial situation is probably far more complex than yours or mine. *Take action today!*

#### **4. Beware of Usury...**

Before reading any further, pray for understanding on this point. For us average

Americans, keeping our money in the bank has always been the most logical and safe way to keep our earnings, right? But Thomas Jefferson, the author of the Constitution wrote, "If the American people ever allow 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 property until their children will wake up homeless on the continent their fathers occupied." It is amazing to see the foresight of this great man so many years ago. But what would we do if our money were not in a bank? Are there acceptable alternatives? Of course. As established by Lindsey in chapter one, our Federal Reserve notes are nothing more than green stamps, anyway, therefore it may be to our advantage not to be so worried about them! For a monthly checking account fee, aren't we giving those green stamps a lot more security than they are worth? What ever happened to faith and trust? The Bible says it's God's money, anyway, and He is just lending it to us to use for the good of His kingdom. By placing so much importance on the safety of our dollar, we again may be deceived when our local bank becomes one of America's statistics and closes down one Friday

afternoon... never to reopen. Is our money really safe in a bank? Remember, Lindsey is not condemning our small-town bankers for trying to make an honest living. However, he has seen the corruption which has taken place in the larger banks because of man's selfishness and desire for power. *Consider other alternatives to commercial banking.*

## 5. Get Involved In Your Government...

"**WE THE PEOPLE**" are the first three words of the Constitution. Lindsey was recently on a Canadian tour. During a lecture, one of the men in his audience actually began to weep. Later, he came to Lindsey and explained, "You are so lucky in America to have a document, your Constitution, to protect you. Socialism is taking over our nation of Canada and we don't have anything to fight with. If only we had your Constitution, we'd have something to go on." Let's wake up, America! Don't *run away* from the law-making process, *run toward* it! If we don't take a stand, our adversaries will, and we no longer may have even that document to protect us. Just as the little men with the giant, you have power as an individual. *Get involved* in your local, state, and fed-

eral governments, and *make an impact for the better!*

## **6. Take Responsibility for Your Health...**

One of the very first things that impressed me about Lindsey was the stand that he took concerning his health. Certain people could easily look at his strong convictions about eating naturally, and say that he is fanatic about it; my "cookie habit" soon came under conviction when I met Lindsey, but I wanted to hear the truth anyway. Lindsey's close friends would say that he was a junk food junky when he was young. After a decision to transform, he was amazed about the effects in one area more than any other. Lindsey noticed a sharpness in his thinking that he had never experienced in his whole life. This caused him to research. The facts were startling. Just one example of his discoveries lies in an official document of the Communist Party in the 1930's, the first year that the party had a presidential candidate running for election in America. During the convention, the chairman openly stated that, if elected, one of the intents of the party would be to implement the injection of chlorine and fluoride into the water of every major city of America. Safe

water and less cavities! Now, this sounds like a beneficial idea, doesn't it, but would you like to know the side-effects that have been published on fluoride? Fluoride has been proven to have an effect on a certain part of the brain which causes a person to become very docile, and easily susceptible to influences. Do you suppose there is more to uncover?

AIDS, abortions, cancer, heart disease, hyperactive children, teenage suicides, and stress are so rampant in our country today they no longer make newspaper headlines. Women, if you have taken a lot of antibiotics in your life... beware! In the very near future you will be reading about a very serious stomach condition that has recently been linked to these and has been discovered in thousands of American women. Its name is *Candida Albicans* and is an overgrowth of yeast in the system, since the antibiotics not only killed the bad bacteria, but the good as well! Mothers, if your children are often hyperactive after eating breakfast, try reading your cereal box label... *thoroughly*. As Lindsey would say, "You may be better off feeding them the cardboard box than what's inside it." It may not have any nutrients, but at least it won't harm them—like the chemicals in many of the packed cereals. It has also

been proven that sugar further stimulates an already hyperactive child, so when selecting cereal for your family, you might refer to the following information, reprinted from *InciDENTALLY... Vol. VI, No. 2*, which originally appeared in the *Journal of Dentistry for Children*.

## Candy for Breakfast

We all want to start the day right and what better way than a healthful bowl of cereal? This is true if you are eating a good, whole-grain breakfast cereal which is providing you with protein, fiber, and important minerals and vitamins. Most of us, however, are eating cereals made with refined grains which have been stripped of the most nutritious elements.

In many cases, the cereals which are the most popular (and the most heavily advertised) have sugar added to them to such a point that some are more than 50% sugar. It's just like eating candy!

If you choose a cereal which has less than 20% sugar content (don't dump your sugar bowl into it) and add some milk, you can still have a good breakfast. To help you choose, here is the sugar content of some popular brands:

Cereal	% Sugar	Cereal	% Sugar
All Bran	20.0	Lucky Charms	50.4
Alpha Bits	40.3	Product 19	41
Apple Jacks	55.0	Puffed Wheat	3.5
Bran Buds	30.2	Raisin Bran	10.6
Bran Flakes (Kellogg's)	16.2	Rice Chex	8.5
Cap'n Crunch	43.3	Rice Krispies	10.0
Cheerios	2.2	Shredded Wheat (1g)	1.0
Cocoa Krispies	45.9	Special K	4.4
Cocoa Puffs	43.0	Sugar Frosted Flakes	29.0
Corn Chex	7.5	Sugar Pops	37.8
Corn Flakes (Kellogg's)	7.8	Sugar Smacks	61.3
Froot Loops	47.4	Team	15.9
Frosted Flakes	44.0	Total	8.1
Frosted Mini Wheats	33.6	Trix	46.6
Crape Nuts	6.6	Wheat Chex	2.6
Life	14.5	Wheaties	4.7

One day Lindsey and I were driving down the road and I almost passed out after eating five little dried apricots. The front of the label plainly read: "100% pure and natural dried apricots: NO ADDITIVES." Finally after examining the entire label, word for word, I turned the package completely upside down and on the bottom side, in clear transparent letters, almost undetectable, it read, "sulphur phosphates added as a preservative." Being deathly allergic to sulphur, I understood the sick feeling. **Become a professional label-reader for the health of you and your family!**

God has clearly and lovingly given us the ability to keep our bodies clean. "Know ye not that your body is the temple of the Holy Spirit?" (I Corinthians 6:19-20) Quite simply, He knows we are much happier and more alert when we are healthy.

Let's take a look at another area indirectly related to our health. Initially, when bank loan officers were encouraged to tell farmers to take out large loans and produce more crops, it sounded like an excellent idea, didn't it? Then when local fertilizer dealers encouraged them to use more fertilizers to yield more crops per acre, it sounded like great progress, didn't it?

Then when it looked like the thing to do was to cut a few trees down in order to have larger fields, buy bigger tractors, and produce even more, it looked like a tremendous opportunity, didn't it? Sure it did! (By the way, does it sound a bit like greed might be part of the motivation here?) But then what happened? Nature simply gave out! It couldn't take any more. Droughts started in areas of the country where the trees had been cut down; diseases surfaced years ago which are now being attributed to an overload of chemical intake in our food. Our farmers are now being foreclosed upon daily because they overextended themselves, and now prices are such that they cannot pay back their loans on time (and as we learned in chapter one, even making your payments on time may not be enough to stay the foreclosure procedure). America, wake up!!!

Our adversary clearly knows the weakness of the American people, and his coy plan stops at nothing. How about getting together and putting a *big kink* in that plan, beginning today? With a little effort, exercise, and natural whole foods, we will be one step ahead of him. *Take care of your health!*

## 7. **Stand Up to Our Enemies!**

Have courage and know you are protected! Have you ever known someone with a dangerous profession? I hadn't... before meeting Lindsey Williams. People that meet him cannot resist asking him the question, "Aren't you terribly afraid for your life?" You know what his answer is? A BIG SMILE!

Before he wrote his first book, **The Energy Non-Crisis**, Lindsey asked God to show him where "energy" was in the Bible. Not only did he find it, but the Lord encouraged him to write the book. From that day on, he was no longer afraid. Lindsey looked at Moses in the Old Testament and saw that as long as God wanted to use Moses, no one could touch him. Lindsey often replies, "As long as God wants to use me, I will be protected, and when God is through with me, I don't want to be around anyway. After all, what are they going to do, threaten me with heaven?"

As Lindsey often says, our adversaries had hoped that we Americans would simply roll over and play dead, so they could have us without a fight. Hopefully you will prove them wrong! The Bible says "My people are destroyed for lack of knowl-

edge; because thou has rejected knowledge." (Hosea 4:6) That may frighten us a little, but it's important. Yes, our heavenly Father wants us to be focused on Him *first*, but in order to be a true man or woman of God, He says we must also be knowledgeable. For those of you, like myself, who were brought up to believe that everyone is good, and we should strive for peace at any price, the following verse may be difficult to comprehend. Matthew 10:34 says, "Think not that I come to send peace on earth; I came not to send peace but a sword." Was Christ saying something He didn't mean? Did Christ follow the rulers of the country, or was he civilly disobedient when He threw out the money changers? Christ hated evil and did not allow it to rule Him! *Have courage, Americans, and look your enemies directly in the eye!*

This concludes the seven points that Lindsey and I feel require urgent consideration from Americans in order to see our country turned around in our lifetime. We hope that you will share this with friends and neighbors with whom you are close. May God bless each and every one of you for courageously joining the fight to keep America **"One nation under God, indivisible, with liberty and justice for all."**





## Chapter 7

# Epilogue

There is a small group of super-wealthy individuals who consider themselves to have a destiny to control the world. I have referred to these people as the Internationalists.

They are not motivated by money. The wealth of the world is not necessarily their goal. They only use money and wealth as tools of control. It appears that they are obsessed with the desire for the control of people and nations.

These people do not think in the same thought patterns or mind-set as the average person.

In order to understand what is going on in our world today, we need to understand their way of thinking.

As was seen in the chapter written by Congressman George Hansen, these people

use people as play toys to accomplish their goal of control. The Internationalists were not concerned about the hostages being held in Iran. Their only concern was their big banks and continued control.

What is the mind-set of the Internationalist: control of nations and people... at any cost.

Life means little or nothing to them. If war can accomplish their purpose, then start one and finance both sides in order to gain power.

If a great nation, such as America, cannot be controlled by any other method, then put it into bankruptcy and bring it to it's knees.

## **HOW TO SPOIL THE INTERNATIONALIST PLOT**

The greatest threat to the Internationalist plot is people who think free. Think like a free man, not a slave.

There are certain unalienable, God-given rights which no man can take away from us. We only lose them when we are willing to give them up.

Our Constitutional Republic guarantees us these rights. If we allow a Democracy to take them away, it is our own fault.

A few of our God-given, unalienable

rights which the Internationalist wishes to take away are:

*Life*

*Liberty*

*The pursuit of happiness*

*The right to self-government*

*The right to bear arms for self-defense*

*The right to own, develop, and  
dispose of property*

*The right to make personal choices*

*The right to free conscience*

*The right to choose a profession*

*The right to choose a mate*

*The right to beget one's kind*

*The right to assemble*

*The right to petition*

*The right to free speech*

*The right to free press*

*The right to enjoy the fruit of one's labors*

*The right to improve one's position  
through barter and sale*

*The right to contrive and invent*

*The right to explore the natural  
resources of the earth*

*The right to privacy*

*The right to provide personal security*

*The right to provide, nature's necessities—  
air, food, water, clothing, and shelter*

*The right to fair trial*

*The right to free association*

*The right to contract*

The Bible says, "And ye shall know the truth and the truth shall make you free." (John 8:32.)

Individuals, organizations, churches, etc. which are not working for God's kingdom are working for the other side—Satan, the world system, the Internationalist.

It is God's intent that every person be free. Every person is composed of two parts: (1) physical and (2) spiritual. In order for a person to be completely free, they must be free in both parts.

A person can live in Soviet Russia, under the tyranny of that land and be a slave physically, yet be spiritually free because they know Jesus Christ as their Savior. They are only one-half free.

A person can live in America and be physically free because of the Constitution which guarantees "WE the people" freedom through our Constitutional Republic, yet be a slave to sin spiritually because

they have never recognized that Jesus Christ paid the price to redeem them from sin by His sacrifice on the cross through His blood which washes that sin away. They are only one-half free.

The Constitution of the United States sets a person free physically. Jesus Christ sets a person free spiritually from sin. When a person is free physically and spiritually, then they are a total person... totally free.

If you haven't already done so, stop now and pray and ask Him to save you that you might be free spiritually. This is the most important thing you can do in your life. Trust Jesus Christ as Savior. Repent of sin and believe that He died and rose again to set us free.

Now that you are a new person in Christ, beautifully and wonderfully made, practice thinking free and living free, as the founding fathers of America did when they gave us that freedom through the Constitution. Do not give up your unalienable rights by submitting to a foreign form of government which has seduced our Constitutional Republic and has given us a Democracy. Think free from the inside out.

People often ask me if, as a Christian, do I not believe in obeying government. I

reply that the Bible commands us to obey government, but, which one. We have two governments existing in America today, a Constitutional Republic, which we were guaranteed under the Constitution, and a second government which has seduced our Constitutional Republic and is known as a Democracy. I refuse to obey a foreign form of government which is contrary to Article IV Section 4 of the Constitution of the United States of America.

The Bible teaches Christians not to be lawless, but it teaches them to be civilly disobedient. Daniel, the Apostle Paul, and Christ Himself, were all civilly disobedient, but never lawless. They all defied false, wicked government.

There is not one disagreement between the Bible and the Constitution of the United States. A person can live according to the precepts of the Bible and the Constitution without one conflict. A person cannot live according to the Bible and the modern-day bureaucratic democracy without disagreement.

You may have been totally unaware of this before reading these pages: This is not your fault. God only holds us accountable from the moment we become aware of the truth.

You now have a choice. Of which sys-

tem are you going to be a part?

**I WILL NOT BE A SLAVE.**

America's founding fathers gave us an order of authority. This was reaffirmed in 1954 by the insertion of the words "under God" into the Pledge of Allegiance to the Flag, so that it now reads, "one Nation under God."

## **THE ORDER OF AUTHORITY IN A CONSTITUTIONAL REPUBLIC**

**GOD**

**God created.....**

**MAN**

**Man wrote the .....CONSTITUTION**

**The Constitution ...  
Formed**

**GOVERNMENT**

**Government is in ...  
Three Parts**

**LEGISLATIVE  
EXECUTIVE  
JUDICIAL**

The Constitution was written by Americans to protect us from Government.

Government is only a servant to the people and was never established to control us nor dictate our lifestyles. Government has no authority over us except as it is permitted to exist within the bounds and limits laid down in the Constitution.

Man is responsible to God first and foremost.

Government is responsible to its citizens.

God's cure for slavery is found in Revelation 18:4: "And I heard another voice from Heaven, saying, 'Come out of her, my people, that ye be not partakers of her sins, and that ye receive not of her plagues.' "

*Think free!*

May God bless you abundantly and guide you to His highest calling.