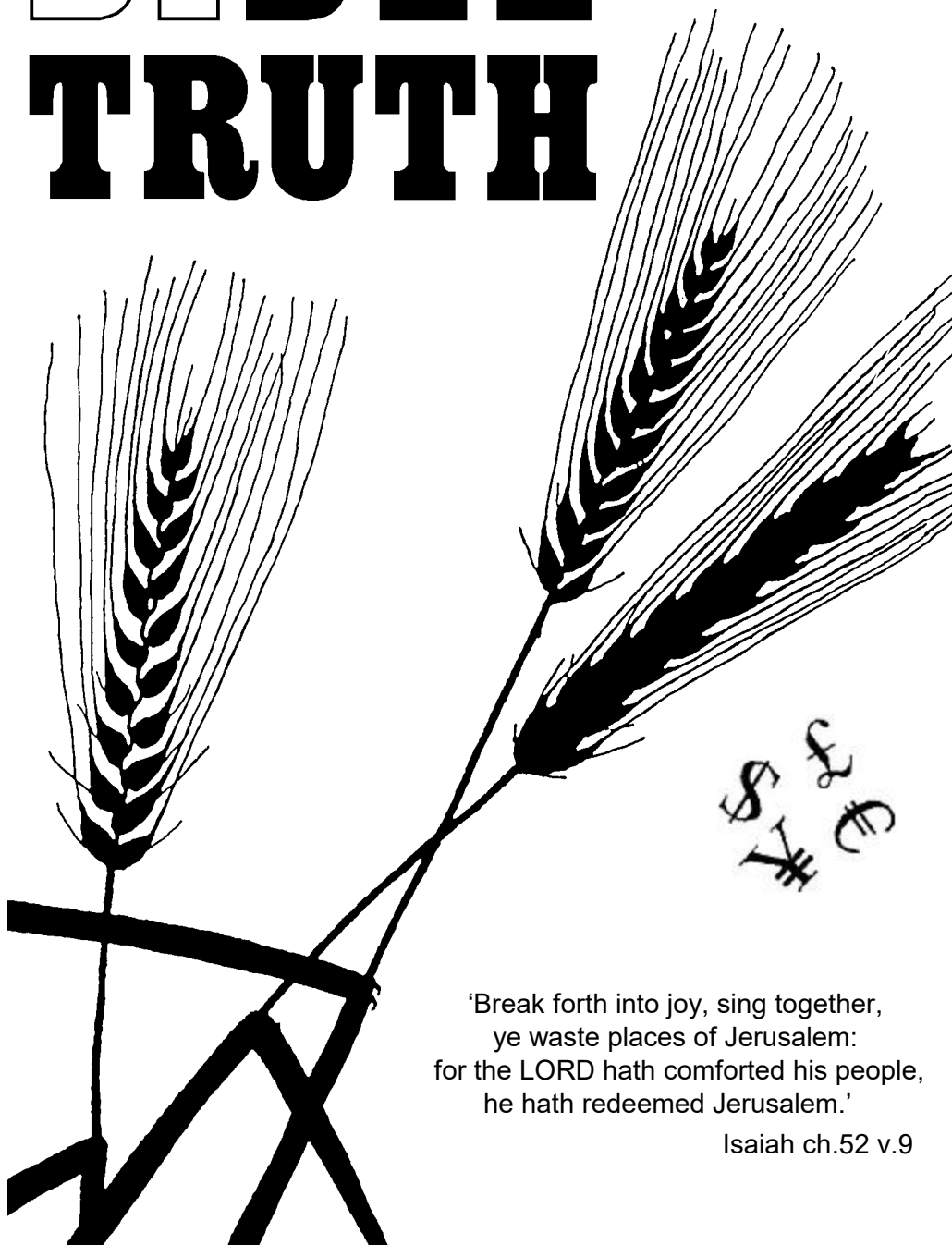


BIBLE TRUTH

No. 306
January / April 2023



'Break forth into joy, sing together,
ye waste places of Jerusalem:
for the LORD hath comforted his people,
he hath redeemed Jerusalem.'

Isaiah ch.52 v.9

TINKER BELL FINANCE AND ALICE IN WONDERLAND BANKING

Part 2



BANKS AND PAPER MONEY

by David Hay

In the latter part of the 17th century people were becoming accustomed to the concept of paper money supplanting the role of true money as a form of currency. It was the acceptance of this false value system, together with the fraudulent manipulations of the goldsmiths which enabled the establishment of the Bank of England in 1694, based on the earlier formed Bank of Amsterdam. The Scottish economist William Paterson hit upon the idea of forming this institution for the purpose of lending money to the King, who was finding that his war with France was both unpopular and expensive. In the plans for the Bank he said, 'The Bank hath benefit of interest on all moneys which it creates out of nothing'. That statement is probably the simplest and most damning indictment of the entire banking system and when the Bank of England received its charter from the Government, with it, began the national debt.

The bank was not established without considerable argument. 'The fear of money power was, indeed, the grounds upon which the Tories and Commons fought so bitterly against the founding of the Bank of England, thinking that the bank would grow into a monopoly. All the money in England would come into their hands, and they would, in a few years, become the masters of the stock and wealth of the nation'. So, the responsibility of minting and distributing the nation's currency was given up by the Crown and handed to a private business monopoly. Since then the banking industry has fought to keep control of and maintain its power base.

When the North American colonies were being established in the 18th century, the British Crown was pleased to have private citizens undertake settlements and granted them charters more or less on their own terms. Each colony was allowed to make its own laws, provided they were not inconsistent with the laws of England. The British Parliament did not have any authority over the colonies at the beginning and the colonies were content to have a close relationship with England but refused to be dictated to in terms of policy. Among the powers granted to the colonies was the right to create their own money - legal tender. Since, at this time, paper money was coming into widespread use the colonial authorities paid it into circulation by way of public expenditure without restraint and without interest having to be paid to private bankers. The rapid increase in wealth and prosperity which resulted from this policy was, however, not allowed to continue. By a series of regulatory Bills imposed by the British Parliament, the colonists were ultimately forced to borrow money at interest, in order to put it into circulation and in 1764 the prohibition by the English authorities against the New England colonies issuing their own currencies was extended to the rest of the colonies.

The reason the British abolished the right of the colonies to create and issue their own money was that the bankers did not want the colonists to be able to trade amongst themselves without paying tribute and this was accomplished through financial manipulation. Exorbitant prices were placed on goods shipped to the colonies and payment in specie (gold or silver coins) was demanded - a commodity which the early colonies were rich in. Consequently, the colonies were drained of these precious metals although supplies of 'specie' were obtained from their trading with other nations. An embargo was then placed upon trade with nations other than England which made it impossible for Americans to obtain the 'specie' with which to pay the British manufacturers.

In this way, Americans were forced to borrow from the Bank of England and to build up bonds and interest in acknowledgement of their debt. In 1774, after an 'Association of various Colonies' was formed for the purpose of boycotting British goods, England retaliated by forbidding trade with her own colonies! This was followed by King George III issuing his Proclamation of Rebellion in 1775 and the Declaration of American Independence quickly followed on July 4th, 1776. It is important to remember that all during this period the fight to control the American currency was the real issue.

Having achieved liberty and sovereignty at enormous sacrifice, the US Congress was soon persuaded to permit the establishment of the Bank of North America, modelled after the Bank of England! Although this institution 'folded' after nine years in 1790, the US Government allowed the formation of the Bank of the United States - a privately owned corporation - with the sole right of issuing currency for the United States. When the charter of this Bank expired in 1811 another 'Bank of the United States' was shortly to follow, also privately owned and with the unconstitutional power to create money for a further twenty years.

In General Andrew Jackson's 1828 Presidential campaign he opposed the concept of a central bank controlled by the International Bankers and said, 'If the people only understood the rank injustice of our Money and Banking system there would be a revolution before morning'. In 1832 he presented to the Senate his veto message on rechartering the 'Bank of the United States Bill' arguing that the fiscal power and resources of the nation must not be given over to the hands of a private monopoly.

'It is maintained by some, that the bank is a means of exercising the Constitutional power "to coin money and regulate the value thereof". Congress has established a mint to coin money and passed laws to regulate the value thereof ... but if they [Congress] have the power to regulate the currency, it was conferred to be exercised by themselves, and not to be transferred to a [private] corporation. It is to be regretted that the rich and powerful too often bend the acts of Government to their selfish purposes In the full enjoyments of the gifts of Heaven and fruits of superior industry, economy and virtue, every man is equally entitled to protection by law; but when the laws undertake to add to those natural and just advantages, artificial distinctions, to grant titles, gratuities, or exclusive privileges, to make the rich richer and the potent more powerful, the humble members of society - the farmers, mechanics and labourers - who have neither the time nor the means of securing favours to themselves, have a right to complain of the injustice of their government. There are no necessary evils in government. Its evils exist only in its abuses. If it could confine itself to equal protection, and, as Heaven does its rain, shower its favours alike on the high and the low, the rich and the poor, it would be an unqualified blessing. In the [Bank] Act before me there seems to be a wide and unnecessary departure from these principles.'

In 1836 the Charter of the Second 'Bank of the United States' expired and under the dedicated leadership of President Jackson a constitutional money supply was established during which time the national debt of the USA was reduced to zero and for decades the nation was free of 'legal tender' paper money and banking monopolies. However, one way of stimulating the temptation for such things is the urgency of financing a war. There were a number of factors which contributed to the onset of the American Civil War but economic issues were high among them. President Lincoln resisted the temptation to form another national bank and resorted to taxation, bank chartering regulations (where several paper issuing banks could operate rather than one), and the famous 'greenback' treasury note issue which circulated as money. But debt, at usury, increased rapidly during the war and the international bankers continued the propaganda against a constitutional money supply. The *Times of London* stated,

'If that mischievous financial policy, which had its origin in the North American Republic ... should become indurated down to a fixture, then that government will furnish its own money without cost. It will pay off its debts and be without debt. It will have all the money necessary to carry on its commerce. It will become prosperous beyond precedent in the history of the civilised governments of the world. The brains of all countries will go to North America. That government must be destroyed ...'.

What an amazing and horrifying statement! If a truly honest money system had been allowed to be established in the USA, no other nation would have been able to maintain a dishonest one. Their peoples would have seen the tremendous blessings flowing from it and one after another would have shed the shackles of the private money manipulators. But once again, Congress succumbed to pressure from the Internationalists and passed the National Banking Act which, in 1863, delegated to a private corporation, the all-powerful right to issue the nation's money, despite protests from Lincoln. Later, realising the implications of this enactment, the Secretary of the Treasury, Salmon P. Chase stated publicly the following.

'My agency in promoting the passage of the National Banking Act was the greatest financial mistake of my life. It has built up a monopoly which affects every interest in the country. It should be

repealed, but before that can be accomplished the people will be arrayed on one side and the banks on the other, in a contest such as we have never seen before in this country.'

In the years since, the one thing which the money powers had schemed for - a central bank in the United States - was finally achieved by the passing of the Federal Reserve Act in December 1913, when the right to control the nation's currency was removed from Congress and placed in the hands of the Federal Reserve Corporation, a privately owned banking monopoly who were granted the privilege of creating money out of nothing and of loaning it to the US government at interest. In 1916 President Wilson, in referring to the oligarchy that controls the Federal Reserve system said,

'A great industrial nation is controlled by its system of credit. The growth of the nation, therefore, and all our activities are in the hands of a few men. We have come to be one of the worst ruled, one of the most completely controlled governments in the civilised world - no longer a government of free opinion, no longer a government by conviction and the vote of the majority, but a government by the opinion and duress of a small group of dominant men'.

Since then the Banking system has only tightened its grip becoming more firmly entrenched.

In New Zealand, the Reserve Bank was established in 1934 'to control the currency', at the suggestion of emissaries of the Bank of England who advised the Government. Elsewhere in the commonwealth similar monopolies were established by banks communicating and operating internationally with single purpose, to completely control finances and therefore populations, by manipulation of the money system.

It should also be noted, that as a consequence of the proliferation of paper money not backed up by gold or silver, the waging of war without overt taxation is enabled - indeed, this was why the Bank of England was set up in the first place. It also gives banks the vast power they presently have in that they can lend - or refrain from lending - to whoever they wish. In this way bankers may back or support one country, political party, faction or group against another.

'Give me control of the money and it doesn't matter who makes the laws.'

Mayer Amschel Rothschild

Today, although modern politico-economic rhetoric is seductive and plausible most thinking New Zealanders know that something is seriously wrong - especially when successive governmental administrations progressively follow each other with the same policies.

- Step one, was to establish monopolistic control of finance (early this century).
- Step two, was to encourage and establish high individual and national debt (war, heavy overseas borrowing, 'think big', Muldoonism).
- Step three, to restrict further credit from international banks, demand debt repayment (selling state assets) and by putting financial pressure on the public and commercial sectors to 'trim up', become 'competitive', 'efficient', and concentrate on 'marketing' and 'market strategies'. The effects are destructive competition between businesses for market share, rising unemployment as industry sheds surplus workforce, increased poverty and state and welfare dependence. As the scramble to establish further business and investment continues - with the sole aim of achieving financial profits - the finite resources of the planet become squandered rather than conserved by judicious use and careful management.
- Step four, the final take-over by collapsing credit and the threat of calling in all mortgages and debt with all properties and indebted countries becoming the property and vassal of the international bankers. Far fetched? Not so. The purpose of the exercise is not a secret any longer. It is the establishment of the New International Economic Order and all Heads of State are making covert and overt references to this pariah.

At the present time New Zealand business heads claim that they are attempting to address the problems created by years of excessive borrowing and massive debt accumulation, which arose particularly during the Muldoon era of New Zealand politics. Even in Britain, our financial imbalance was noted by *The Guardian* referring to nine years of Muldoon's increasingly autocratic rule,

'New Zealand has learned to live beyond its means as it had never done before'.

In New Zealand our welfare state and budget deficits did, indeed, swell enormously under 'this Mr Micawber of the southern hemisphere'. It was stated that,

‘New Zealand will now have to pay for nine years of Sir Robert Muldoon's populism’.

Exactly! Once into the debt mesh there is no relief for nation or individual until every cent of the capital plus the interest is repaid. All of this has little to do with wealth creation - which New Zealanders are extremely good at - but it has a lot to do with population control.

The lessons of economic management currently being promulgated appear sound, namely,

‘To cure inflation, you stop printing money. To stop piling up debt, you balance your budget. If you want economic growth, you keep your government spending and tax burdens low and your economy open and competitive. If you want full employment, you free up your labour market and make sure your welfare safety nets don't turn into hammocks for people to lie on'. It is along these lines that financial policy has been directed - or has been attempted to be directed - since 1984 in New Zealand although recent socialist governments have dominated in such a way that a very high dependence on state support has been created’.

However, although these suggestions may appear to be laudable they are too simplistic because the real question is still not being addressed. This is the issue of attempting to find solutions founded upon the need to satisfy the requirements of the existing underlying system which itself is fundamentally wrong. A sound superstructure can never be built on flawed foundations and all that has happened is that more and more intrusive Governmental regulation has occurred.

Thus, with the continued development of banks and the banking system the fears expressed at the inception of the Bank of England have come to pass in our lands. Never as before, are we so imprisoned and controlled by a system of economic accounting.

This direction of finance reminds one of Revelation ch.13 vv 16-18

‘And he causeth all, both small and great, rich and poor, free and bond, to receive a mark in their right hand, or in their foreheads: And that no man might buy or sell, save he that had the mark, or the name of the beast, or the number of his name. Here is wisdom. Let him that hath understanding count the number of the beast: for it is the number of a man; and his number is Six hundred threescore and six.’
