PAPER NOTES CANNOT DEPRECIATE!

Stop! Hold it! Wait! Just a minute! Step back! Those of you who've read any of my essays know that's not the real me talking! It was someone else. It seems to be time for another monetary article on the subject of silver money (and gold money) as opposed to irredeemable unbacked fiduciary currency---printing press funny money. As the Committee on Finance and Mines of the Mexican Congress said in a report dated August 9, 1824, reprinted in The North American Review, October 1825, page 430---

"Till a comparatively recent date, it has been the faith of individuals and governments that money, or gold and silver, constituted the only true wealth."

Spoken truly; but the paper money creators were gaining ground, even if slithering like snakes! Interestingly, although London is the center of fiat currency, the bankers there have long been concerned with resource control; hence the reference on page 433 to the founding in London in 1820 of the United Mexican Mining Association. As for paper money, when you go grocery shopping, you notice various items are priced higher; or the weight of the contents is a half-ounce less! So-called "vend bars" are candy bars that are a touch smaller than usual. In recent years vending machines are equipped with bill acceptors, eventually a $50 may be necessary for a Mars bar! "Zero" bars are still sold, evoking notions of the dollar going to "zero!" Then there's the gimmick of "full serving to this line" on disposable beverage cups, well below the rim, often used by fast food restaurants. Whoops! ConAgra Foods just downsized their ersatz Salisbury steak frozen dinner by making the "meat" portion smaller---it was already mostly breadcrumbs and textured soy protein. They raised the price without increasing the dollar amount! The same thing happened to the "Duchess" pecan pie brand I buy from vending machines at work---the layer of pecans on top is thinner than previously! Next I look for the aluminum mold that holds it to become more crinkly (thinner). That's the depreciation of the purchasing power of the insane "notes" we are being forced to use as "money!" The "inflation tax" is often called "the cruelest tax of all," throttling the elderly on fixed incomes. Donald H. McLaughlin, president of Homestake Mining Company had an article in the Mining Congress Journal, February 1960, which contained a paragraph header, "The Immorality of Soft Money" (referring to paper currency). He wrote on pages 96-97---

"Under current monetary procedures, the nation is virtually off the gold standard at home, but on it abroad where dollars may be converted into gold at the prewar rate of $35 per ounce through foreign central banks. This strange perversion of the gold standard removes the restraints that gold in the hands of the electorate could ordinarily place on inflationary practices on the domestic scene, and yet abroad preserves the illusion that the dollar is a "hard" currency. Devaluation is an ugly word and has connotations that can well be regarded as immoral. But under the present pattern of monetary management, the devaluation of the dollar in purchasing power, which is its real measure of worth, has already been brought about to a degree that the 1940 dollar is now worth only about 40 cents. The devaluation of the dollar to this extent is indeed a fait accompli. What is now being attempted is actually the devaluation of gold itself by forcing it to conform to a fixed price measured in a depreciated and depreciating currency. The immorality of the procedure is the inflation that has already been accomplished which has effectively confiscated 60 percent of the savings of people held in pensions, insurance and bonds."

A similar view was expressed in the Mining Congress Journal, May 1962, page 30---

"Like a drunken driver, government plunges heedlessly through red lights, be they statutory debt limitations, its solemn obligation to protect its bondholders, budgetary imbalance, or the integrity of its statutory gold reserves. During the past 30 years it has callously swindled the country's savers by leaching away the value of their savings through continuous inflation."

How many old folks are on cheap pet food---some made from euthanized corpses--- because of paper currency deterioration? Summer accounts of elderly passing away at home due to inability to pay for running the air conditioner are commonplace. McLaughlin complained (page 96) about harm being done to shareholders of his gold mining company due to the $35 price ceiling on gold while paper inflation was taking place. It would be helpful if more mining executives today would go public in support of the Gold Anti-Trust Action Committee, and endorse the silver manipulation findings pioneered by Butler. The Mining Congress Journal, February 1962, page 96, featured this statement from the Idaho Mining Association---

"In the interest of producers it must be recognized that silver has for many years been grossly underpriced in relation to other commodities, and this has been due largely to political decisions."

See "Michael Gorham's Paper Money Mob" (Archives) if you are new here and require understanding of the hatred of paper money creators for an increased silver price. Perversely, the same fiends behind the Federal Reserve are linked to the pharmaceutical industry, tightening the screws on Americans by working to raise prices and seeking to cartelize vitamins, minerals and herbs---CODEX. Martin Feldstein (CFR), paper money mob economist, director of silver antagonist AIG, druggie patent holder Eli Lilly and Hospital Corporation of America (134,000 employees), could be next chief at the FED---he was president of the anti-silver American Economic Association in 2004. Feldstein is on the executive committee of Rockefeller's Trilateral Commission, from which he knows Zhou Xiaochuan, governor of the People's Bank of China and undoubted source of much silver leasing or dumping! Feldstein is George F. Baker professor of economics at Harvard (Baker was a banking and industrial monarch, charter member of The Pilgrims whose brother in law Grant Schley was a director of Croesus Gold Mining; American Smelting & Refining; El Potosi Mining; and Tintic Mining, silver in Utah—Who's Who, 1916, page 2170)---

Feldstein is also current president of the anti-silver National Bureau for Economic Research (founded 1920) at Cambridge, Massachusetts. Arthur F. Burns, once chairman of the Fed and member of The Pilgrims, previously headed this Bureau. Burns chaired the anti-silver American Economic Association in 1959. Marina Whitman of the Trilaterals is a director; Andrew F. Brimmer, Federal Reserve Governor, 1966-1974, ex-DuPont director, and COMEX governor in January 1980, is a director; also we find as a director, Peter Aldrich, of the same Aldrich family associated with the founding of the Federal Reserve! A quotation from the Mining Congress Journal, February 1962, page 97 is in order---

"Money is our most important commodity, and anything which affects the value of our money affects every one of us. Any time we give the power to any group within our community to control the value of money we are giving them the power to control our lives in all of its social operations."

Since you are wondering who it was that said "paper notes cannot depreciate," we will now solve the question. In his 1928 book "Money" by Frederick A. Bradford, then a professor of Economics at Lehigh University (published by Longmans, Green & Company, New York), he stated on page 221---

"Since the paper notes of the government are legal tender and so must be accepted at par, they cannot depreciate, technically."

Have you ever heard a geologist say, "earthquakes cannot cause damage, technically," or this from a meteorologist, "lightning strikes cannot cause forest fires, technically," or "an elephant cannot crush you, technically" from a zoologist, or "mercury cannot poison you, technically" from a chemist, no, for real malarkey, listen to economists! If only we could ask Bradford, "can paper notes combust, technically?"

Many of us in precious metals have seen tables, graphs and charts showing that since 1913, the purchasing power of the dollar has depreciated by around 95%. I guess what is supposed to get the country off the poison hook of "created" money is Bradford's use of the adverb, "technically." Do any of you care to go into any retail business and try to tell them that they should let you spend a one-dollar bill for a $20 item? All you have to do is quote the university economist Bradford and his use of the word "technically!" We could look at the 1913 dollar's purchasing power as---

Having lost 95% of its purchasing power through inflationary depreciation it now appears---

Bradford had other drivel to inflict on the reader (page 222)---

"Some of the quantity theorists would have us believe that the quantity of irredeemable money is chiefly responsible for the increase in the price level."

And Bradford's comment would have us conclude that if the reservoir spilled over, it could not have been because the rain wouldn't stop! If you pay attention to monetary propaganda, you've noticed a trainload of examples from economists, in books, magazine and newspaper articles and television commentary, blaming inflation on commodity producers; on labor unions; on consumers; on investors; on many parties, except for the sole culpable group---the Federal Reserve. According to economists like Bradford, irredeemable money created by the Fed has nothing to do with increases in price levels. We are "quantity theorists" and must be terribly misguided. The Federal Reserve isn't to blame for currency erosion; someone else is to blame. We are too small-minded to grasp complex monetary theory, scrawled across blackboards in university classrooms; and ahh, those impressive looking algorithms are after all more valuable than gold and silver! (You see, the economist sometimes uses multicolored chalk! Those soft sticks could also be money if they say so! Other sticks, such as lipstick, used by lady economists, could also be money!) Speaking of colors, fiat economists would have us believe the colors added to FRN's in recent times validate them as "money"---

"Paper is poverty; it is only the ghost of money, and not money itself."---Jefferson

The North American Review, October 1852 featured an article titled, "The Decline In The Value Of Money" which commented on page 395---

"The general principle is, that the value of money falls in precisely the same ratio in which its quantity is increased. If the whole money in circulation should be doubled, prices would be doubled."

This is the effect of fiat currency, and 76 years later, Bradford argued against reality. Those were words spoken by Senator Hunter of Virginia on the Senate floor in debate over the Coinage and Seigniorage Bill of 1852. This article noted (page 405) that after the Bank of England suspended specie payments in 1797, currency depreciation ensued. Yes, we would have predicted as much, about as certain as forecasting an ice cube melting in a hot oven.

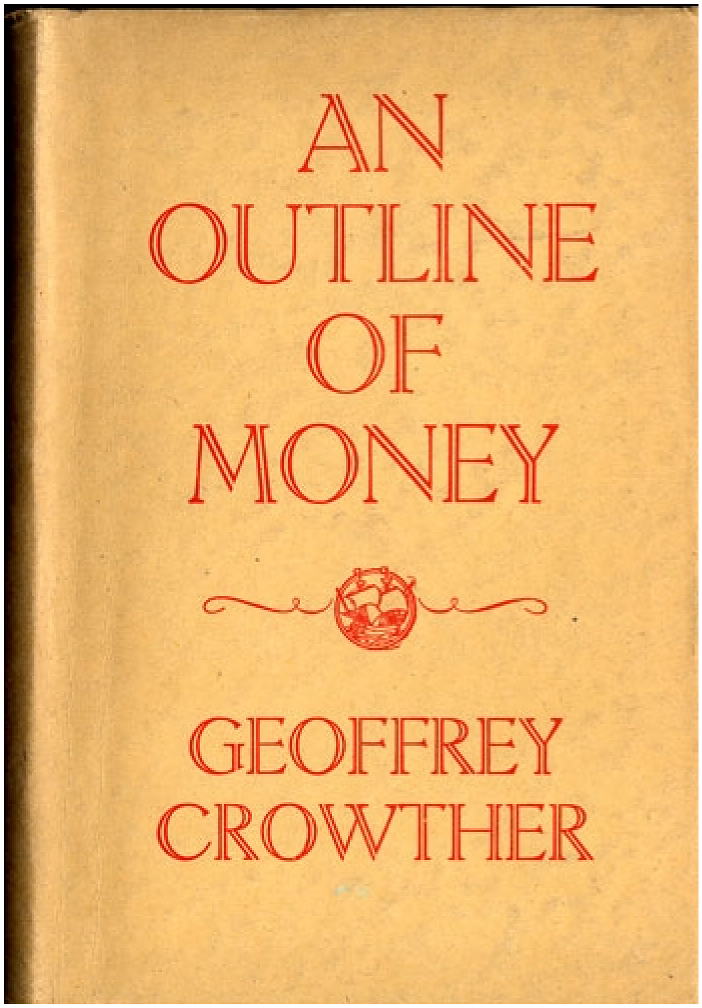
Also we "bullionists" (see term later on) cannot grasp the difference between theories and theorems; and we must be clueless as to the significance of M1, M2 and M3! We need university economists such as Bradford to explain things to us; but even then, it would only be as our limited mentality makes possible! The subversion is pervasive. Founder of Lehigh University in 1865 was Asa Packer, of the Lehigh Valley Railroad and coal interests. Packer was associated in business with Edward Biddle, of the same paper note purveying Biddle family who were part of the management of the second United States Bank (Federal Reserve precursor). The 1950 Who's Who, page 1828, showed Thomas McInnerney of The Pilgrims, chairman of executive committee of Lehigh Valley Railway and a governor of the Banker's Club, New York. Yes, I had to read thousands of pages of text in many volumes to identify members of the Paper Money Mob. In reference to the Fed, you can visit www.freedomdomain.com/bankfed.htm for other details. However, steer clear of certain errors, such as the possible implication that Free Masons per se are in favor of created currency (Pennsylvania Congressman Louis T. McFadden, who delivered a blistering attack against the Fed on Capitol Hill, was a mason (Who's Who, 1929, page 1429) and misspellings "Soloman P. Chase," looks like "Solomon," a Jewish name; the Treasury Secretary's name was actually Salmon P. Chase after whom Chase National Bank was named---money creators are certainly not limited to one religious background). Then again, Oklahoma Senator Robert L. Owen, who helped the Federal Reserve Act in the Senate, was a mason (Who's Who, 1929, page 1609). In "Money Of The World" by Richard G. Doty (Grosset & Dunlap, New York, 1978) he declared on page 230---

"As far as "real" coins of gold and silver are concerned, gold has disappeared and silver is near extinction too. Neither is likely to be resurrected, for other, more easily employed forms of money now hold the field. From the viewpoint of government, paper money has added advantages---it is far easier, quicker, and cheaper to produce than precious metal coinage."

Makes you want to curse, doesn't it, pus-filled statements like that? Not only is paper money cheaper to produce than precious metal coinage, it IS cheaper---so cheap in fact, that the true value is only a micro-degree above zero. In a letter to James Monroe in 1815, Jefferson called paper notes "**bankrupt trash**." The reason for created money is so those who issue it can transfer everyone else's wealth to themselves. As for metals not being resurrected, we see things different than that. The people of Argentina and Mexico appear to be awakening to the need for gold and silver as medium of exchange; and also, many in the Islamic world. I guess that really makes them guilty of terrorism! Doty was curator of numismatics at the National Museum of American History of the Smithsonian Institution, the board of regents of which always contains high-level operators linked to the New York megabanks. The folly of paper currency, not backed by real money (gold and silver; GOLD AND SILVER) jumped out in a line from the 1950 film "An American Guerrilla In The Philippines"---

"Some of our money was printed on wrapping paper!"

How can any of us call ourselves investors, when we have thrown away so much potential money over the years at Christmas and birthdays---wrapping paper? But then to really become money the wrapping paper would need to be certified by a university economics professor, then with an Act of Congress chartering an intermarried financial elite connected to overseas interests to spit out the wrapping paper on the rest of us, the nation would have real money to use! That's what we have---wrapping paper money! Remember also that it comes into existence as a debt we the people owe to the twisted banxters. The craze for fake money even proposed plastic coins (Engineering & Mining Journal, January 1965, page 85). Plastic poker chips are in use; why not use them as "money?" In Reno and Las Vegas that's what they switched to after silver dollars became scarcer. Let's consider some statements by a mouthpiece for the London banking community, Geoffrey Crowther (1907-1972), who was editor of The Economist, 1938-1956. In his book "An Outline Of Money" published by Thomas Nelson & Sons, London, in 1940, he made some good statements, which gradually mutated into bad statements.



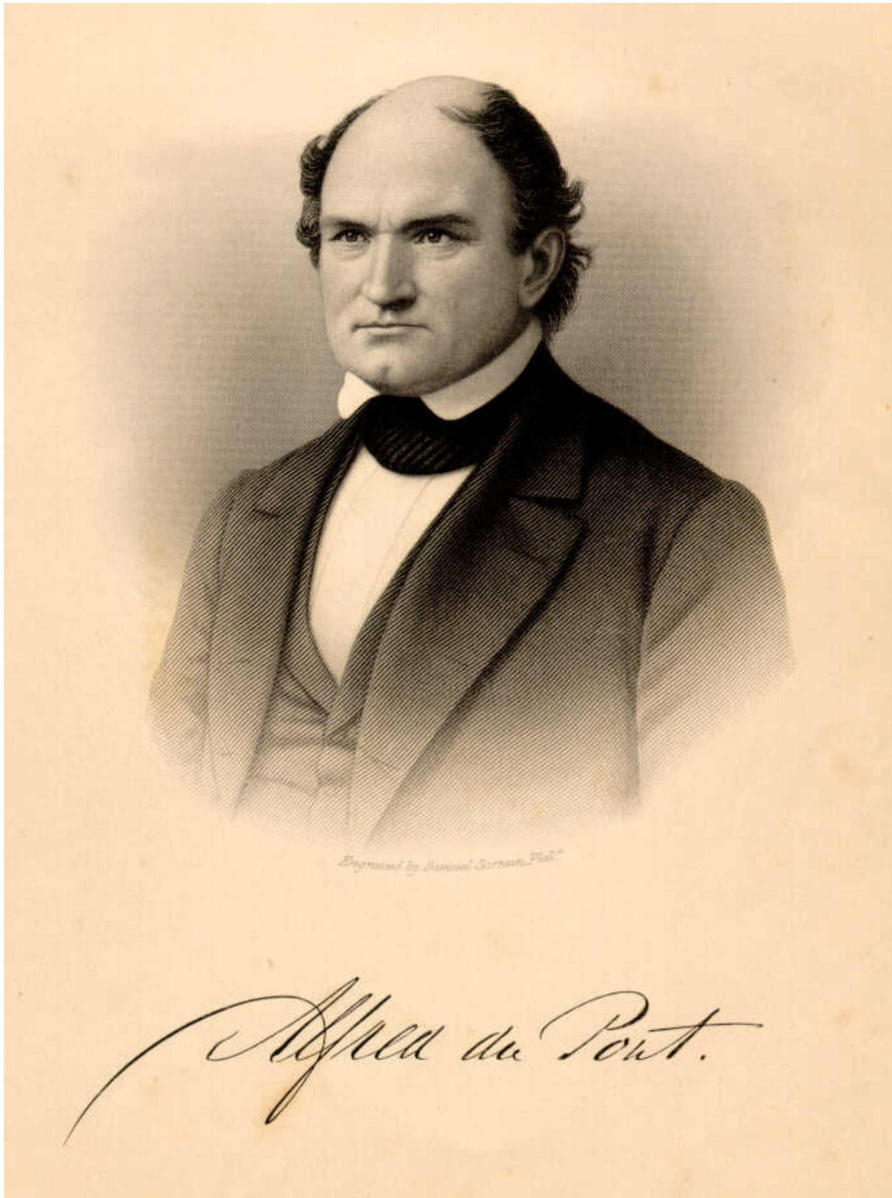
In effect, Crowther espoused the view that if the people believe gold and silver are the only real money, it is so; however, if the banking community can convince us that times have changed and all we need is fiat currency, then that is the new definition of reality and we are ignorant churls if we balk!

"An almost worthless commodity can serve perfectly efficiently as money, as we who use bits of printed paper ought to know. If the average man were asked how it is that we accept worthless bits of paper, he would reply that they are backed by the gold in the Bank of England. The belief that money must either consist of, or be backed by, something of value is sometimes carried to great lengths. For example, in 1923, when the great inflation in Germany had entirely destroyed the German people's faith in its money and there was an urgent demand for a "good" money, the authorities produced a new currency, the Rentenmark, which was said to be backed by the land of the country. But the Rentenmark note was not itself land, nor was there any method by which the holder of a Rentenmark note could possess himself of the land that was supposed to be behind his note. But the elaborate bluff worked, and so strong was the belief of the German people that any money which either consisted of, or represented, a valuable commodity was an efficient money, that the Rentenmark was accepted." (pages 18-19)

The history of governments is that they cannot be trusted to hold fast to stable monetary policy, the likes of which the framers of the United States Constitution insisted upon. As soon as a banking elite worms its way into influence, the influence becomes control; control over the "creation" of money. Land is indeed wealth, though much land is nearly worthless (toxic dump grounds in the desert) while land in big cities can be extremely expensive. Other forms of wealth are agricultural produce---wheat, beans, rice, cotton. But neither land nor produce is adapted to serve as medium of exchange. Land is neither portable nor fungible and produce spoils. Natural laws of finance can be defied for only as long as a created currency endures. They always steadily become worthless due to creation of more "notes" from nothing of substance. The editor of the Economist raved on---

"We have invented a money substance in the form of paper money, which is scarce without being valuable. Laws against forgery prevent notes from becoming too common, but the paper on which they are printed is almost worthless. Their scarcity makes them an efficient form of money and their lack of value does not hinder them. There is no overruling reason why money should be made out of either a precious metal or of any other precious substance." (pages 20-21)

Could any of you make such statements and keep a straight face? Economists can, and they do it round the clock! Paper currency is scarce he said (actually, no); and while it is in reality worthless, it functions nicely as money! Just keep in mind that those who issue the created currencies do, in fact, benefit; whereas everyone downstream is harmed! To make the fraud last as long as possible, bribe lawmakers, appoint corrupt judges, and bankroll thousands of economists to reassure us that created currency is "wealth;" and that those who advocate a precious metals exchange system are looney. Crowther was born in Delaware---the state run by the DuPonts, leading Silver Users Association members who have been involved with central banking since the 1820's---



Crowther got bolder still---

"The great development in the history of money is that of paper money. Paper money, with all its potentialities, did not by any means spring at one bound from a single fertile brain. The banker's promise to pay developed from being merely a claim on money to being money itself." (pages 24-25)

Consider the admission he made! A promise never fulfilled is not a promise, it is a fraud! Whereas originally paper money, or notes, functioned as receipts for actual money---gold and silver---stored in a "bank," today we are living in the enlightened age in which the unrealized "promise to pay" becomes actual money itself! A swindle now functions as “money!” Therefore, no gold or silver is needed in money systems! We have Federal Reserve Notes, not Silver Certificates (not since 1968), and FRN’s, which used to be fractionally backed by gold, and certainly are no longer; have become REAL WEALTH! Paper money systems all appear to progress towards full-fledged rackets. Please allow me to suggest that gold and silver are divinely created money and have been placed in the earth primarily to be used as medium of exchange; and that anything bankers attempt to “create” as money (paper) is as inferior to the divine idea of wealth, as we mortals are inferior to the Almighty! The only people capable of taking the world to fiat currency systems are persons capable of gross dishonesty---liars! More from the lying Londoner (member of the anti-silver Royal Economic Society)---

“As banknotes became more familiar they came to be not merely used instead of money, but regarded as money. This had a most important consequence for the banker who issued the notes. If they continued to circulate from hand to hand, it followed that they did not come back to him to be cashed. Some of the notes he issued would, of course, be presented for payment in hard cash (i.e., coin) but bankers found by experience that---once they had acquired a reputation for solvency, without which a bank cannot do business---only a small fraction of their notes ever came back to be cashed. If any did come back, the banker (always assuming a continuance of public trust in him) found it possible to issue many new notes. This made it possible for the banker to issue more notes than he had received deposits of hard cash. When he receives 10 extra in cash, he can issue 100 more in notes. Banknotes emerge from the position of being mere substitutes for money. They constitute a very real and very large addition to the total supply of money.” (pages 26-27)

This is the well-known banking story of the fractional reserve system. The main purpose of this report is to take another look at the deception that has people believing that ink slapped on paper is a valid substitute for real money, or worse, has become money!

“The Bank of England note is legal tender, that is to say, recognized by the law as full discharge of a debt. Not only is it customarily used as money, it is declared by the law to be money.” (page 29)

That's the situation we have here due to the legal tender laws, by which the bankers forced acceptance of Federal Reserve Notes. When I was in elementary school, I wrote a lot of notes, not so much to classmates, but of what I was learning. In junior high I continued to write numerous notes concerning what I wanted to memorize. I continued writing such notes in high school, and still on into college. Never once did it occur to me to attempt to try and tender any of my paper notes to others for lunch, school supplies, gasoline or anything else. But a group of "Someone's" creates "notes" of paper, issues them based on us going deeper into debt to them, and the illusion of value persists till the purchasing power attains zero. The idea that a "note" of any sort, printed on a piece of paper is in and of itself "money," is wild insanity! Maybe if I said I was "issuing" notes, rather than writing them, they would have been a bit closer to money---except I am not related to the proper parties! During the California gold rush of the late 1840's, no one used paper notes as money because under mining law, the only valid currency was precious metal. The miner and the lumberjack alike produce commodities, but even the timberman, if honest, would agree that gold and silver coins are far better as medium of exchange than lumber, or paper that can be made from trees. As the Idaho Mining Association statement on silver in the Mining Congress Journal, February 1963, page 82 said---

"Silver producers are confidant their product could give a good account of itself in any objective evaluation of its capacities to serve effectively and with distinction in the monetary field."

The editor of the Economist Mr. Crowther had more to say---

"The truth at long last was coming out. The early banknotes were trusted because they could be converted into gold. But after two centuries of Bank of England notes the public had come to accept them for their own sake. The ordinary man was perfectly content with Bank of England notes, because he knew that they would perform every service he required his money to perform. In 1931, when the gold standard was suspended, the change was completed, for since then Bank of England notes have been wholly inconvertible. The promise to pay is now utterly meaningless. The note is no more than a piece of paper, of no intrinsic value whatever." (page 30)

Here we see the principle of gradualism. If you wish to transfer the wealth of nations to yourself, begin a slow process by which paper currency is totally divorced from linkage to gold and silver, with accompaniment of legal tender laws; then inflate, inflate, INFLATE! What Britain did in 1931, Roosevelt did here in 1933-1934; following their lead, for the Americans are the junior partners in papering the globe with funny money. We appear in the forefront with dollarization, but Greenspan has a Knighthood from The Crown, Patron of The Pilgrims Society! As Jefferson predicted---

"The ultimate object of all this is to prepare the way for a change from the present republican form of government to that of a monarchy."

In his farewell speech in 1837 President Jackson declared---

"The paper system being founded in public confidence, and having itself no intrinsic value, is liable to great and sudden fluctuations, rendering property insecure, and the wages of labor uncertain. The corporations which create the paper money cannot be relied on to keep the circulating medium uniform in amount. Recent events have proved that the paper money system of this country may be used as an engine to undermine free institutions."

While Geoffrey Crowther of The Economist admitted that paper currency has no actual worth, he still said---

"An inconvertible paper currency is a perfectly satisfactory form of money. Money can consist of things as worthless as a scrap of paper or the scratch of a clerk's pen in the books of a bank." (pages 32 and 36)

But WHO gets to issue it---Crowther's buddies! Considering the history of the Assignats in France; the Continentals in the U.S.; the Weimar Republic currency in 1923; and the Hungarian Pengo in 1946; it has to amaze the thoughtful person that Crowther could be so bold as to claim that inconvertible paper is "a perfectly satisfactory form of money." The Mining Congress Journal for February 1965, page 118, noted that countries such as Italy, Austria, Germany and France, who demonetized silver, subsequently suffered "the most drastic experiences in currency devaluation." Crowther, who was listed as Lord Crowther in "The International Year Book And Statesman's Who's Who" for 1969, was also a member of The Links club and Yale club in Manhattan---both paper money mob roosting grounds. An essay by Ignatius Donnelly in 1892 was reprinted on page 30 of "The Money

Changers---Currency Reform From Aristotle To E-Cash" (David Boyle, editor; London, Earthscan Publications, 2002). One line reads---

"The fruits of the toil of millions are boldly stolen to build up colossal fortunes, unprecedented in the history of the world, while their possessors despise the republic and endanger liberty."

He was referring to the league of financiers who later fastened the Federal Reserve Act on this country. Their senior partners in London worked their plans to pervert financial systems away from honest money for many years, to bring in the system by which they create money and loan it to the world. In "Metallic And Paper Currency" (1857, London, privately printed), we find on page 299 The Right Honorable Lord Overstone proclaiming---

"Silver is a commodity and must be treated as any other commodity."

The propaganda has been at work for generations as The Wrong Dishonorable Lord Overblown demonstrated. Overstone was behind the Bank Act of 1844 and ran Jones Loyd & Company, bankers, that later merged into the London & Westminster Bank, connected to royalty including the Duke of Westminster and the Duke of Cornwall. These are the same jokers and their pals who sent Redcoat troops to keep us under Crown control years earlier and ran most of the Paris Monetary Conference of 1867, where plans were advanced for demonetizing silver in Europe and America. London is the nerve center of attacks on real money! "The International Gold Problem," put out in 1931 by the Royal Institute for International Affairs in London, page 166, said silver metal could not generate any "confidence in treating it as the basis of a note." That's why the Federal Reserve opposed our Silver Certificates! If silver cannot inspire any confidence, why would Englehard Industries pick up "nearly 200,000 ounces of Treasury silver" for presenting silver certs for redemption? (Engineering & Mining Journal, October 1963, page 23).

"A New Monetary System" by Edward Kellogg (1790-1858, posthumously published, 1861) advocated the banker view that wealth can be created out of nothing, provided that such "policy" has the sanction of law. They have always wanted to overthrow natural law, or divine law that instructs us to understand---gold and silver are the best forms of exchange which are suitable as money; and that unbacked paper notes eventually reach a value of zero. Kellogg noted the bankers' power over other occupations in society---

"The paper material of a note good for a thousand dollars, is not as valuable as an ounce of flour; but it has a legal power which makes it capable of being exchanged for two hundred barrels of flour, worth five dollars each. A trifling labor will provide the representative note, but a great amount of labor is required to produce such a quantity of flour, or actual wealth. Money has a legal power or value as much superior to the natural value of its material, as a paper which secures authority over property has a value superior to blank paper. It is a popular error that the value of money depends upon the material of which it is made. This misconception of the nature of money is of long standing." (pages 50-51)

While title to a piece of land is printed on paper, the title has value because the land has some value. But Kellogg was outright saying, that paper notes are money provided that the law says they are money, and the misconception we "quantity theorists" as Bradford called us, that money should be made of the materials, gold and silver, is a hallucination that has been around a long time; thousands of years, in fact! As the purchasing power of world currencies goes on the skids, we will witness the eternal power of gold and silver to serve as money, and we will see which group espouses monetary misconceptions. It would be much better to hold some land titles conferring ownership over some real estate, than to hold Federal Reserve Notes as they race toward worthlessness. It would be better still to buy land with silver and gold after prices crash. Friends, the bankers are afraid of us. They are afraid we might gain tremendous wealth and power by holding the precious metals we have. They are afraid the gold and silver mining companies could become monetary agencies of issue, so to speak. Since they want no one else to gain wealth and power, they will be frantic enough to attempt any legal measures in the courts and Congress to stop us. Additional remarks---

"Silver is no longer a legal representative of actual value; it is no longer money, for IT HAS CEASED TO HAVE THE PROPERTIES OF MONEY, which are creations of law. The mere metal is, consequently, not a medium of exchange, nor a tender in payment of debts. The worth of money to exchange property does not reside in its material, but in its legal power to represent value." (pages 52-53)

Kellogg was saying, all we need is any Act of Congress to say that unbacked paper money is wealth, and that makes it so. Silver isn't money if law says it isn't! Does that mean Congress could pass a law saying air is no longer necessary to life, and that would make it so? Reality can be distorted and people can be beguiled, for only so long, then the truth teaches another severe lesson. Out of the ruins of dollarization and IMF torment the present Argentinean republic aspires to ascend on precious metal wings, to a healthier economy and more secure future for its residents. Silver has ceased to have the properties of money, he said! An oceanographer will never say, "The Pacific has ceased to have the properties of an ocean;" leave it to paper money economists to make brazenly false declarations. The nature of de facto money cannot be altered by any irrational act of Congress. Many leading Mexicans recognize the disaster of created money; therefore we behold the drive to remonetize silver in Mexico. Gold and silver have never become worthless---we cannot say the same for paper currency. Kellogg's book was written 52 years before the Federal Reserve Act. If he is in hell as I would assume based on advocating lies and thievery, it would be nice to hear him admit that the unbacked notes he advocated are failures as money---FAILURES!

"A. hires B. and C. to work for him at ten dollars per week each. At the end of the week he pays B. a ten-dollar gold piece, and C. a ten-dollar bank note. B. is now the actual owner of the gold, and C. the actual owner of the paper in the bank-note. C. can buy in the market just as many of the necessaries of life with his paper money as B. can buy with his piece of gold. B. gave no more labor for the gold money than C. gave for the paper money, and can buy no more products with the gold than C. can buy with the paper. If there be any intrinsic value in gold which does not exist in paper money, B., when he parts with his piece of gold, loses all the difference between the intrinsic value of the gold and the intrinsic value of the paper money. But all the difference in the intrinsic value of the gold and paper disappears when both are used as money; hence it is evident that it is its legal authority, and not the intrinsic value of its substance, that establishes the market value of the money. They both labored for the same object, which was to procure the necessaries of life; and they both knew that either kind of money was legally competent to pay for these things. Bank bills fulfill every purpose for which money is designed as well as silver would." (pages 53-54)

America has indeed witnessed such scenes countless times. Notice however, Kellogg mentions nothing as to the depreciation of created paper currency. That was by intent; his intent was to mislead. Bankers hate money they can't create. That's why they hate gold and silver if used as money. Next

Kellogg mentioned the greed of the bankers, hoping his readers wouldn't notice their motive---

"If a bank have $100 in coins and issue $600 in bank notes, the amount of money is as much increased as if $600 in specie had been issued. Each dollar of the bank notes will pay for as much labor and for as many of the necessaries of life as any one dollar in specie; and so long as these bank notes continue to circulate and to be on a par with specie, they continue to hold the same power and value in the market that are held by gold and silver money. Hence, if the value of money is inherent, this must prove that it inheres in bank notes as well as in coins. The fact that it takes many thousand times more labor to mine the gold and silver and coin them into money, than it does to make the paper and engrave the bank notes, makes no difference in the market value of the money, because the value of the money depends upon its legal authority, and not at all upon its material substance. It takes as much labor and material to make a one-dollar bank bill as it does to make a one thousand dollar bill; yet the latter is worth in the market precisely one thousand times more than the former. It is clear that gold and silver have no special inherent value which makes them naturally money." (page 55)"

This Kellogg must have had corn flakes for brains, or he was corrupt. He advocated the fractional reserve banking system. He claimed that $600 in paper notes was equal to the real thing---gold. According to him, if gold and silver coins have real value, the acceptance of bank notes must prove that those also have real value---linked to nothing but law! He felt like banking, or money creation, should be the most profitable of all enterprises. Contravening all rationality, he intentionally, again said nothing about depreciation of created currency. In the early 1840's Kellogg became associated with Horace Greeley, New York newspaperman who was in turn associated with the Roosevelts, who gave us so much monetary corruption in 1933! According to www.factmonster.com Kellogg's aim was "to create a new currency not manipulatable by banking and financial interests." Yeah, right; say one thing, mean the opposite, just convince the simple folks to take what you say at face value! "The Money Question" by William A. Berkey (W.W. Hart, Grand Rapids Michigan, 1876) was another banker-sponsored tirade against precious metal money---

"It is a disadvantage to money to possess an intrinsic value. Gold and silver are not the proper substances out of which to make the circulating medium of a nation. Gold and silver money are objectionable for many other reasons. It is incorrect to speak of gold as the money of the world. It frequently has happened that a person may be unable to obtain money for gold or silver. Another claptrap name given to gold and silver, now in common use, is "honest money." It may be well, too, to notice another pet name which is much relied upon by the bullionists to deceive and influence a large and intelligent class of people. In the memorable fight between the people, under the fearless and patriotic leadership of President Jackson, and the money power, represented by the United States Bank, the term "hard money" became popular. Gold and silver coin were then the people's money---the "honest money" of the country, as the greenback is now; and the gist of the controversy was then, precisely as it is in the pending struggle now, whether the people should retain control of the circulating medium of the nation in their own hands, where it is placed by the Constitution of the United States, or should permit corporations to usurp the functions of the government and, in its stead, make and regulate the medium of exchange of the country." (pages 32-33, 35-37)

Berkey, another economist (someone who understands money and monetary theory and craves for us to agree with delusions, so that we may be correct), called "hard money" or "honest money" advocates, "bullionists!" Okay, you can call me all those names, for my wish is to be correct, and to not be a liar. I don't want to burn when the paper money flickers out. Berkey said gold and silver have been "the basis of all the rascally systems of money ever founded" (page 36). Where he said that people have often been unable to obtain "money" for gold and silver, he wasn't dining entirely on manure (page 36)---

"In England in 1847, it was impossible to borrow a 5 pound note on thousands of dollars worth of silver, because silver was not a legal tender for an amount over forty shillings, and was, therefore, practically useless for the purposes of money."

London, being the leading center of paper money creators, is the wellspring of attacks against silver as money. Just make silver illegal for purchases over a certain amount, as happened here in February 1873. Demonetize silver in as many nations as possible, to increase the power of the British Empire! The Americans, the old East coast robber barons, guided the plan here, and created the Federal Reserve, which prints the "wealth" of the nation. Problem is, it's fake money. Stability? If you want money that can't fail, never look beyond gold and silver. At least, not in this physical world. In the Report of the Comptroller of the Currency for 1884, pages 20-21, we find Henry W. Cannon, who held that office until 1886, accusing Congress of "folly" for allowing coinage of silver! Guess where he went in 1886 after leaving office? He became president of the Chase National Bank (Who's Who, 1916, page 390). He was a delegate to the International Monetary Conference in Brussels in 1892; (his brother James was a director of Metropolitan Trust Company)---

Cannon's views on silver were an insult to history. A statement by the Idaho Mining Association appeared in the Mining Congress Journal, February 1962, page 95 which said---

"Since the earliest recorded history of metals, silver has been highly prized and for centuries, until as recently as 100 years ago, it served as the principal metal of money throughout most of the civilized world. Although the original monetary system of this nation, adopted in 1792, was a bimetallic standard of gold and silver, the basic unit of that system was the silver dollar."

"Golden Avalanche" by Frank D. Graham and Charles R. Whittlesey (Princeton University Press, 1939) had some attacks on sound money---

"Gold is today far less useful in a monetary way than it was in the past. In the course of years we have learned to look upon silver as simply another commodity, with no peculiar claim to reverence. GOLD ADDS TO THE DANGER OF INFLATION." (pages 90-92, 94)

Eighty-two years after Lord Overstone, British financier, threw his dart at silver, his co-thinkers in America were still knocking silver. But by then they had started faulting gold also. Transition to a full fiat currency had to be gradual; else the mesmerized public would have rebelled. Gold adds to the danger of inflation? Were it not for some honest individuals, the word economist could become a synonym for liar. Frank Dunstone Graham received a Guggenheim fellowship, 1927-1928. This is one of the family dynasties represented in The Pilgrims Society, paper money mob I have been describing since last December. Graham was a member of the American Economic Association (Who's Who, 1946, page 907) which as I have claimed many times, is opposed to silver used as money. He was economics professor at Princeton University starting in 1930. Charles R. Whittlesey was also a Princeton economics professor, 1928-1940, and a member of the anti-silver American Economic Association, and the Royal Economic Society of London (sponsored by the Crown and most definitely, opposed to silver money!) In 1940 Whittlesey was hired by the University of Pennsylvania, where he chaired its Wharton School of Commerce and Finance, with which many leading businessmen over the decades have been associated. He was also associated with anti-silver economist Walter Kemmerer, also of Princeton University, from whom we shall hear shortly. Graham and Whittlesey had this to say later in their attack on metals---

"The question arises as to whether the glory of gold, like that of silver, has not passed, perhaps forever. A rehabilitation of the gold standard seems altogether unlikely. Now that gold performs so few of its former functions and is offered in a volume that is not only excessive but positively menacing, the expense of retaining the metal has grown out of all correspondence with the benefits it still confers. Indeed, it may be held that, from a social point of view, new supplies are definitely harmful." (pages 220, 221, 222)

What is harmful to the monetary system is the swarm of paper currency, the deluge of ink-impregnated cellulose bearing the seals of the Federal Reserve banks, which is inflating the dollar towards the point of nullity. But according to these learned economists, all we need for money is paper currency. It is wealth, value, and medium of exchange, provided that some Act of Congress says so. And the British and their American co-conspirators got that Act in 1913. Problem is, this "note" continues to lose purchasing power, while gold and silver are on the brink of a value explosion. Get a load of what Graham and Whittlesey said on page 221---

"Throughout history there has been a persistent effort to reduce the cost, to the issuer at least, of the material from which money is made. The final stage is that in which the issuer not only pays practically nothing for the money material but does not assume even a future obligation in the matter."

So there we are! The ultimate in criminality---of which they approved, since their sponsors were the beneficiaries of that system. An intermarried financial elite, which I have identified as The Pilgrims Society of London and New York, creates fiat paper money and has no future obligation in the matter; but the taxpayers of this country are obligated to pay the national debt that has been created! Just think how much easier it is to print unbacked paper notes than it is to mine gold and silver! And you can inflate nearly to infinity with the subversive paper, which would be impossible to do in a strict gold and silver based system! The most important role for paper in the economy is probably---

Edwin Walter Kemmerer was also a Princeton economics professor, 1912-1928. He authored "The ABC of the Federal Reserve System" (1918); maybe ABC could stand for "Alien Banking Conspiracy." In "Kemmerer On Money" (John C. Winston Company, Philadelphia, 1934), the economist also attempted to tell his readers that silver isn't money, paper is money by itself---

"The silver dollar may be circulated by proxy through the silver certificate, which is backed dollar for dollar by silver dollars in the Treasury. In this form we had in circulation at the end of November 1933, about $394,000,000 of silver. The silver held in reserve for these certificates performs no useful function whatever. The silver which is now tied up in silver certificate reserves is a sheer waste, and sound monetary policy would counsel the substitution of Federal Reserve notes for these silver certificates, the breaking up of the silver dollars in the certificate reserves, and the gradual sale by the Government of the silver bullion thus obtained. The public would not present their notes for redemption in silver." (pages 106-109)

These economists keep telling us, across generations of time, that silver has no place in the money system; that it is dangerous to stability; that it causes inflation; and also they attack gold. We need nothing but Federal Reserve notes, and notes issued by other central banks! Now that we are in an enlightened age and with the wonders of technology, we should progress towards a World Currency, possibly issued by the International Monetary Fund, and go all electronic, so they can say, there was a power failure and all credits held by nonmembers of approved organizations, were wiped out! Such viewpoints are an affront to the accumulated wisdom of thousands of years of history. Had these economists been present at the signing of the Constitution, they would have been placed under arrest and deported to some British colony, or hanged. When the silver certificate program was ended in 1968, there was a frenzied rush to redeem certs for metal, to the contrary of the dead S.O.B. Kemmerer! Kemmerer called the silver backing the certs "dead" (page 114), and on page 115 he insisted that the peanut crop was more important than the miners silver output! I never tried using peanuts as money, anyone care to try? It's what the fiat paper money economists should be paid in---just make sure their peanuts are always rancid. Reader's Digest, April 27, 1935, page 15, also insisted the peanut crop to be more important than silver coinage! Continuing his tirade (page 116) Kemmerer said---

"Silver will perform no useful monetary function in the United States."

The dishonesty never stops! That's not the way it is, just they way THEY want things to be. Kemmerer continued advocacy of funny money and base metal coins---

"Paper notes and coins of nickel, copper and bronze are usually much cheaper than silver coins." (page 120)

He must have figured his readers for morons, to think he had to tell them that paper notes are "usually much cheaper than silver coins." Yeah, that appears to be the case! So what he was advocating was the use of something as money that is far cheaper than real silver; in fact, so much cheaper, that in reality it's only value is as paper itself (household paper products, newspaper, etc.). It doesn't bother fiat economists to deal in unconstitutional absurdities. As for the base metal coins---he forgot to mention the aluminum coins many nations went on. An extremely commonplace industrial metal has no business being a fictitious impersonator of real money; yet, even aluminum comes closer than paper! Lastly, Kemmerer referred to the "vast supply of dead silver in the United States Treasury" (page 133). That Kemmerer was deeply in league with financial conspirators who wanted silver OUT of the U.S. monetary system in order to let Federal Reserve notes run wild, there can be no doubt! According to his listing (1946 Who's Who, page 1265) he was president of the American Economic Association in 1926; member Council On Foreign Relations (public subsidiary of the intensely concealed Pilgrims Society, always boiling with subversion); member of the Bankers Club, New York; and director, U.S. & Foreign Securities Corporation and U.S. & International Securities Corporation.

Douglas Dillon, who as Treasury Secretary was the Pilgrims Society member who took us off 90% silver coins as of 1965, later ran these two securities corporations! The Wall Street Journal, January 31, 1963, page 6 ran a feature entitled, "Campaign to Get Congress to Sever Silver's Link to Paper Currency Is Opened By Dillon." The Mining Congress Journal for February 1965, page 121, said---

"In September 1961 French Finance Minister Baumgarten warned Secretary Dillon that we would lose control if we continued turning toward softer and softer money. On January third just past, General de Gaulle made it official by an announcement that gold would replace dollars."

Kemmerer undoubtedly knew Dillon Senior (The Pilgrims). Kemmerer was associated with Pilgrims Society member Calvin Bullock (listed in the 1944 Who's Who) as he was a director of Bullock's Dividend Shares; Carriers & General Corporation; Bullock Fund; and American & Foreign Power Company. Bullock's son Hugh became president of The Pilgrims of the United States, and was a member of the Order of the British Empire (October 1957) and the Gargoyle Society of Williams College of which he was a trustee (Who's Who, 1960, page 406). Yes, many universities have Skull & Bones counterparts as shown in Glenn Ford's 1970 classic "Brotherhood of the Bell." Hugh Bullock was called a "pioneer of investment company movement" (Who's Who, 1994, page 477). He was president of the Calvin Bullock Forum, 1945-1985, which introduced dignitaries and business executives to Wall Street financiers; meaning, to members of The Pilgrims, because Hugh Bullock was president of the U.S. branch from 1955-1996. He was also a trustee of Roosevelt Hospital; numerous members of the Society have been active with Roosevelt interests and organizations over the years, tracing not only to FDR but also to Theodore Roosevelt. Arthur Burns, another member who later headed the FED, was a director of Bullock's investment companies as of 1966.

The Wall Street Journal, January 24, 1968, page 4 reported---

"Washington---The Johnson Administration began its drive to end the gold backing of U.S. currency with a warning of "dreadful" consequences if Congress takes very much time about removing the requirement."

This was at a time when Federal Reserve Notes were still backed 25% by gold. Get rid of all precious metal in the monetary system so you can go full blown with money "creation." An indignant view of government fiscal mismanagement was expressed in the Mining Congress Journal, May 1962, page 30---

"Mr. Average Citizen is confused enough to feel a certain vague reassurance from the knowledge that there is some gold behind our currency despite its unavailability to him. He does not seem to realize that this reserve has no significance beyond a remote symbolism when it is insulated from claimants. This becomes particularly evident when the trustee is dishonest."

The North West Mining Association called for "the removal of all restrictions on the ownership and trade in precious metals" (Engineering & Mining Journal, January 1961, page 18) from which source we learn the NWMA also called for---

"Revision of the Federal Reserve structure to require an increasing metallic reserve against note and deposit liabilities, with the ultimate object of achieving a fully backed currency. A fractional reserve system, as designed in 1913 for a domestic monetary system, is obsolete for the times. A fully gold and silver backed currency would withstand the shocks to which the dollar is subject."

Other nations that severed the link between gold and their currencies before the U.S. were France and Italy (1935) and Denmark (1939). Having had its nose bloodied, France reinstituted some respect for gold in 1961, no doubt remembering failed fiat money ventures from the 1790's. Currency debasement struck at China in November 1935 when Finance Minister Kung, having sent over a half-billion ounces of Chinese silver to Pilgrims Society member Henry Morgenthau Jr., Treasury Secretary, announced an unbacked paper currency for China and gave silver holders until May 3, 1936 to exchange their real money for the new "notes."

Some of the most outlandish statements ever to appear concerning the financial system were spit out by Thomas Wilson in "The Exercise of Monetary Powers By Congress" (M.E. Sharpe, London, 1992). Consider some of his outlandish whoppers---

"The monetary powers so conceived may be drawn from numerous provisions of the Constitution, which constitutes the construction underlying the legitimacy of the Federal Reserve System." (p. 4)

The Constitution absolutely made NO provision for anything resembling the Federal Reserve. Monetary powers were supposed to be reserved to Congress, as the representatives of the people (the House of Representatives) and of the States (the Senate). WHERE did Wilson dredge up the notion that the Federal Reserve has legitimacy conferred upon it by the Constitution? Right, from the sewer at the bottom of hell.

"The Great Depression prompted emergency measures, including steps to relegate gold to a commodity status, as the governing role of gold was replaced by the management of a fiduciary currency. In upholding these steps, the Supreme Court recognized the full power of Congress to preside over the monetary system." (page 5)

So what the financiers did was to create a Crash and Depression, made possible by the Federal Reserve creating credit at full throttle for a period of years, then slamming on the brakes starting in fall 1929. That was another move towards a full fiat currency basis and made possible the transfer of vast wealth to those who knew the Crash was coming (Warburgs, Mellons, Rockefellers, Du Ponts, Stillmans, Cullmans, Lehmans, Astors and other Pilgrims Society dynasties). Let's complete his last thought---"the Supreme Court recognized the full power of Congress to act like it presides over the monetary system (as long as Congress does as its told), while the Federal Reserve is actually presiding." Wilson then declared---

"The powers exercised by Congress in certain respects resemble the practices of the states proscribed by the Constitution---the use of monetary policy as an instrument for redistributing income to special interests." (page 6)

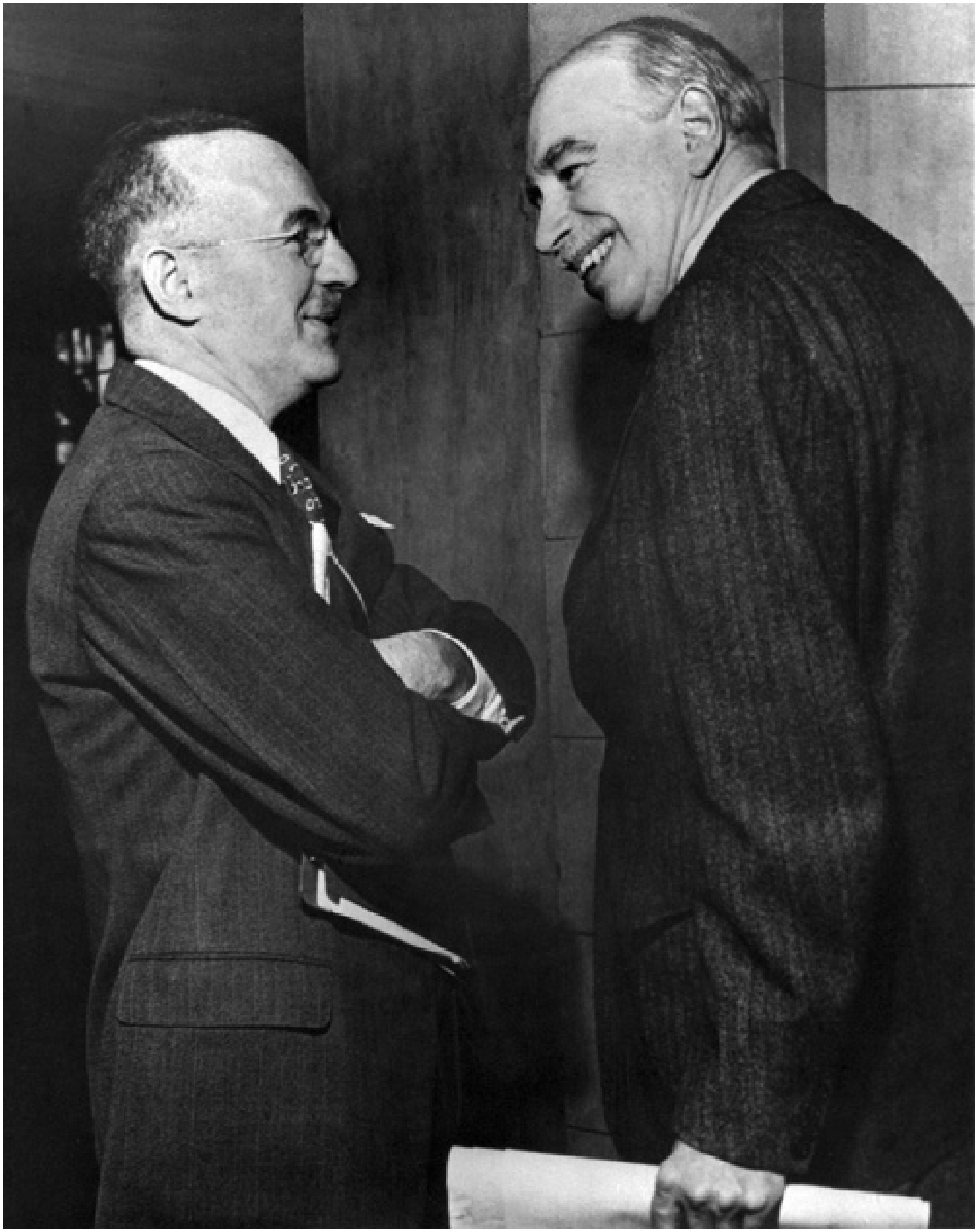
Get that! Wilson speaks of Congress causing redistribution of income to special interests (people who contribute to them, that is, pay bribes) as if there is nothing whatever for any citizen to be ruffled about. The silver giveaways to the Silver Users Association from 1967 through 1970 are prime examples of Congress redistributing income. There are many other examples such as foreign aid, but the biggest one of all remains the Federal Reserve Act of 1913, which made possible the gradual elimination of the middle class, and the transferal of their wealth to the interests back of the "Reserve." Next Wilson tells the reader---

"Monetary policy in a conventional sense refers to the policy of the central bank, presuming an institutional setting formed on constitutional principles---control of money as a requisite of sovereignty, profit from the issuance of money, and income stabilization and redistribution---Keynesian attitudes toward money and monetary policy." (page 6)

Wilson again asserted that the Federal Reserve is based on Constitutional principles. I guess that's similar to a crime family claiming to be based on the Ten Commandments. Notice he mentioned British economist John Maynard Keynes, leading fiat currency advocate of the 20th century. The Engineering & Mining Journal, June 1963, page 100, called Keynes the "inspiration of today's denigrators of gold." Yes, the Fed profits from issuing money and it causes the redistribution of money into the greediest of hands---but it stabilizes incomes? It outrages the reasonable mind to read so many brazen falsehoods in one book, but there's much more---

"Subordination of the central bank to the executive branch clearly runs against the constitutionally prescribed structure of the government." (page 11)

Wilson could lie as many times as there are grains of sand on any beach. The Constitution does NOT authorize any fourth branch of government, much less one that the other branches cannot exercise checks and balances against! Also on page 11 he said the Federal Reserve should be the "Supreme Court of Finance." Then on page 12 he mentioned "the removal of gold as an impediment to expansive policies." We have all heard about the discipline that gold imposes on governments; that explains the link between war and fiat currencies. Observe that he spoke of expansive policies, not of "inflationary policies," but the meaning is identical. It's natural that Wilson would like Keynes (below, with Harry Dexter White, Assistant Secretary of the Treasury, on the left, at the first meeting of the International Monetary Fund in 1946)---



At www.freerepublic.com/forum/a38f8c37f72b2.htm you can read about how White (1892-1948) assisted the strengthening of Communist regimes.

The Crown created his tall associate Baron Keynes of Tilton in 1942, and he became president of the Royal Economic Society. He was bursar of King's College and a director of the Bank of England. Was Keynes a member of The Pilgrims, the financier society I continue to bring up? Most likely so; however available facts leave many members, in fact most of them, unidentifiable. Even Bilderberg issues a list, but not this one. Get the whole picture to know who's throttling our finances. As for the IMF, it declares, "gold and silver are non-monetary assets." The most memorable quotation attributable to Keynes comes from his 1920 book, "Economic Consequences of the Peace" (1920)---

"By a continuing process of inflation, governments can confiscate, secretly and unobserved, an important part of the wealth of their citizens. There is no subtler, no surer means of overturning the existing basis of society than to debauch the currency. The process engages all the hidden forces of economic law on the side of destruction, and does it in a manner which not one man in a million is able to diagnose."

Keynes is known to have been associated with the Rothschild banking dynasty, financiers of Cecil Rhodes, out of whose wills sprang The Pilgrims Society; which is apparently, a hidden alliance of the world's great money powers in their drive to eliminate the middle class and restore feudal monarchy over the world. Any move towards use of real money---gold and silver---runs counter to their plans! At www.worldbank.org you can locate a speech by Lord Nathaniel Charles Jacob Rothschild, the 4th Lord Rothschild, at a meeting of the World Bank, where he mentioned "my friend Jim Wolfensohn" (then president of the World Bank) and where Rothschild spoke of Keynes as a "great British economist." This is the same Lord Rothschild seen in a photo conferring with California Governor Arnold Schwarzenegger, with "silverite" Warren Buffet on Schwarzenegger's right at www.newsmine.org

Is Warren Buffet "one of us," since he, through Berkshire Hathaway, bought so much silver? No, Buffet is with Rothschild and those who run with him. In fact Buffet might not have much if any silver left, since he had enough to cover the deficit for quite a few months, and would be called on to do so, to prop-up fiat currencies longer; what Buffet's father said about precious metal isn't key to the situation. Former ambassador Felix Rohatyn of the allied Lazard interests and Lord Guthrie of Craigiebank (personal friend of Donald Rumsfeld) are directors of Rothschild Continuation Trust, London. Rohatyn and Guthrie are identifiable as members of The Pilgrims. Buffet is popularly known as the world's second wealthiest individual. More likely, there are several dozen ahead of him and Gates. As for Arnold, he advocated on the August 14, 2005 telecast of 60 Minutes that an amendment to the Constitiution should be created so he can become President! We would elect him; the paper money mob would control him. In films he fights the bad guys, in life he's one of them.

Resuming the review of Wilson's remarks on economic matters, we find on page 93---

"It is notable that the Bank of the United States, while providing a national paper money, devoid of legal tender standing, was organized beyond the direct control of Congress. The Bank of the United States was an early predecessor of the Federal Reserve System. The granting of a charter of incorporation to establish the Bank, despite no expressed power in the Constitution to charter corporations, obviously sparked heated debate."

Paper currency is devoid of a lot of things. It isn't payment in itself as are gold and silver coins; it started out as a promise to pay. As time went on, financier trickery increased, until paper currency mutated from a promise to pay, into the claim that it was in itself payment. Recall the editor of the Economist, Geoffrey Crowther, assured us that legislation has the power to invest worthless paper with the LEGAL attributes of wealth! He conveniently sidestepped the problem of inflationary depreciation. Remember in earlier statements Wilson assured us that the Federal Reserve System was based on Constitutional principles; yet notice at this point he admits there is no expressed power in the Constitution for Congress to create such an entity---and one beyond their oversight! Nowhere in the Constitution is there any provision, or hint of provision, that a fourth branch of government could be created with monopoly powers over money! According to Wilson, what established the Constitutionality of the Federal Reserve was the McCulloch versus Maryland Supreme Court decision in 1819 that upheld the legality of the second United States Bank or Bank of the United States (terms used interchangeably). The state of Maryland wanted to levy taxes on the U.S. Bank branch there, but the Supreme Court said no. In other words, Wilson's view (page 94) is that if the Supreme Court says something is Constitutional, then it is so! Fiat currency rests on fiat declarations. Chief Justice at the time was John Marshall (1755-1835, tenure 1801-1835) who undoubtedly was a British agent in that he ruled in favor of the U.S. Bank. Marshall's pro-British leanings surfaced earlier when in 1807 he presided over the trial of Aaron Burr, accused of treason. According to www.bartleby.com/65/ma/MarshalJ.html ---

"Burr escaped conviction because he had engaged only in a conspiracy."

Good God, isn't a conspiracy to commit treason the equivalent of treason? Just because an attempt fails, that excuses intent? This decision increased the antagonism of Thomas Jefferson towards Marshall. Jefferson, like Andrew Jackson, was a hard money patriot. Jackson was damaged by the Panic of 1795, another event set in motion by the British with their American collaborators. In 1791 when Jefferson was Secretary of State, he recommended a veto of the proposed charter for the Bank of the U.S., as did Attorney General Edmund Randolph. Probably because sufficient members of Congress were bribed, the legislation succeeded. Wilson had this to say about the Bank---

"Hamilton's argument in support of the bank rested in part on the provision of capital conducive to economic development. Banks in good credit, he observed, can issue money in a multiple of two to three times their specie reserves. A national bank could prove helpful in administering the government's financial affairs, providing credit and collecting taxes. Hamilton commented at length on **THE CHARGE THAT BANKS BANISH GOLD AND SILVER FROM A COUNTRY**. He contended that a "well-regulated paper credit may more than compensate for the loss of a part of the gold and silver of a nation." (page 94)

Issue money in a multiple of up to three times their specie reserves? How about, issue unlimited "money" in the absolute absence of ANY specie reserves? That's the nightmare we have today! Hamilton mentioned losing "part" of the gold and silver of the nation. What did the British agent mean by "part," 5 to 10 percent? How about "virtually all of it!" Page 96 has Wilson noting that Hamilton advocated that the board of the U.S. Bank should be "composed of respectable and well-informed citizens" and that the bank should be "conducted by disinterested persons," meaning, those without a conflict of interest! Stephen Girard, main domestic power in the first U.S. Bank, worked with the British in commercial pursuits, even during the War of 1812 ("History of the Great American Fortunes" pages 76-77). Hamilton saying the operators of the Bank were "disinterested persons," and Wilson acting as if that were fact, is exactly in the same spirit as what took place on October 3, 1979, when the board of governors of the Commodity Exchange called for a "Special Silver Committee" to look into the silver situation. In "Beyond Greed—The Hunt Family's Bold Attempt To Corner The Silver Market" (Penguin Books, New York, 1982), Stephen Fay claimed on page 141 that the chairman of the Special Silver Committee, Andrew Brimmer, was even more "disinterested" in the silver market than the other Commission members, who were also "disinterested in silver."

Andrew Brimmer was a governor of the Federal Reserve System from 1966 to 1974. Afterwards he got on the board of Bank of America and Du Pont, Silver Users Association members. Hamilton's attempt to quell the fear that "banks banish gold and silver from a country" was another case of cover-up, as this is exactly what the Federal Reserve has done its best to do. Fed employees scoured through coins from member banks in order to turn silver coins over to the Silver Users Association, once it became known that our coinage was about to be debased! Incidentally, Eleuthere DuPont was a director of the second U.S. Bank, whose leading director was John Jacob Astor, British collaborator whose descendant Lord Astor was president of

The Pilgrims of Great Britain, 1977-1983. The plan to ruin everyone outside their circles with paper money continues across generations. Some of their members trace their ancestry to the Plantagenets whose rule over Britain started over 800 years ago. James Gwaltney Westwarren Maclamroc, Pilgrims U.S., was a land and radio broadcasting kingpin in North Carolina and member of the Plantagenet Society, Order of the Crown in America, Society of Americans of Royal Descent (Who's Who, 1980, page 2108). Alexander Hamilton's father in law was Philip Schuyler of New York, who was a Senator who voted for the Bank's charter! Fletcher, the Royal Governor of New York, granted a fifty-mile long tract of land in Mohawk territory to the Schuylers, of which Gustavus Myers in "History Of The Great American Fortunes" (page 44) said---

"This was a towering fortune for the period; it ranked as a power of transcending importance."

Many members of The Pilgrims over the years appear with the name Schuyler in their genealogy! In July 1854 Robert Schuyler--- grandson of Philip Schuyler just mentioned, printed $2 million of fake railroad stock certificates, sold them, and also ran off with $600,000 from another source and $200,000 in bonds; a giant sum in 2005 dollars, the funds were never recovered ("Panic On Wall Street," 1968 page 90). Another Senator who voted for the Bank in 1791 was Robert Morris of Pennsylvania, owner of a high seas shipping fortune. Robert Morris Associates was founded in Philadelphia in 1914, after the same man. In 2000 its name changed to Risk Management Association, dealing with derivatives, which boasts some 3,000 institutional members. However, credit unions do not appear in the list of those eligible to join. Don M. Wilson III, a director of Risk Management Association (dealing with credit and lending policies), is chief risk officer for JPMorganChase, the most hyperleveraged bank in derivatives. Caleb Strong (1745-1819) was a Senator from Massachusetts who voted for the charter of the U.S. Bank. Strong was opposed to Jefferson's views on gold and silver money (see discussion at)--- www.odur.let.rug.nl/~usa/B/strong/strong.htm Benjamin Strong of The Pilgrims was governor of the New York Federal Reserve Bank, 1914-1928, perhaps a direct descendant of Caleb Strong, as this financial conspiracy of fiat paper money, as we have seen numerous times, is passed down through intermarried generations. Pierce Butler (1744-1822) was a Senator (1789-1796) who voted for the Bank's charter. His father was Baronet Sir Richard Butler, member of Parliament. Pierce Butler was a major in His Majesty's 29th Regiment, sent to Boston in 1768 to put down unrest among the colonists. Other examples could be considered, but the point has been made. Sympathizers of the British Crown backed the U.S. Bank, and collaborators ran it and its successor institution.

Wilson summarized Thomas Jefferson's opposition to the United States Bank (page 98)---

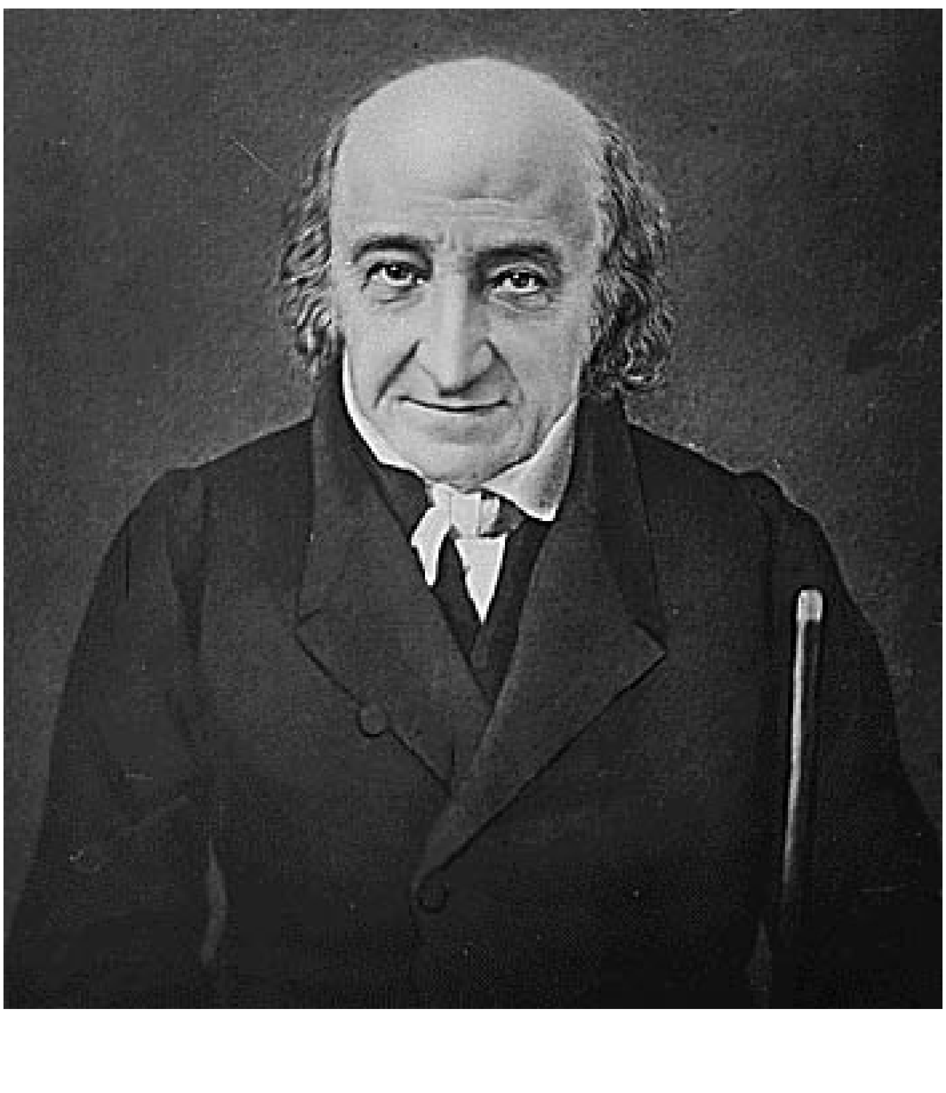
"He argued that the foundation of the Constitution rested on the Tenth Amendment---then known as the Twelfth Amendment, since it had yet to be ratified. To take a step beyond the boundaries thus specifically drawn would open a boundless field of power. The incorporation of the bank, and the power assumed by the bill, have not been delegated by the Constitution. They are not found among the enumerated powers, the power to lay taxes, to borrow money, or to regulate commerce. Nor are they found within either of the general phrases "to provide for the general welfare of the United States," or "to make all laws necessary and proper for carrying into execution the enumerated powers." Jefferson concluded by suggesting that a veto would be appropriate to protect against invasions of the legislature, of the executive, of the judiciary."

President Washington, who originally asked his vice president, James Madison, to prepare a veto message to the charter of the Bank, changed his mind after receiving a letter from Hamilton, then Treasury Secretary. Washington signed the bill on February 25, 1791, almost exactly 82 years before Congress demonetized silver at the behest of the British in 1873! Perhaps part of the original letter was censored from historical records, and contained the threat of another British invasion should the charter not be granted. Or perhaps they managed to confuse Washington. But Jefferson and Jackson were not in any state of confusion as to the subversion. Page 105 has Wilson commenting---

"President Jefferson tolerated the Bank, deferring in fiscal matters to Treasury Secretary Albert Gallatin, who supported the Bank. Gallatin also served in that same capacity under President Madison, who switched positions, favoring continuation of the Bank."

Gallatin, born in Geneva, Switzerland in 1761---where his family had been prominent since 1536---had a grandmother who was personal friend of the Landgrave of Hesse (Germany), who was raising a force of mercenary troops for King George III to send against the Colonies! Evidence is extremely strong that Gallatin was another British operative. He was among the founders in 1831 of New York University, where in 1956 the Albert

Gallatin Associates were founded. Assorted members of The Pilgrims over the years have surfaced as members. New York University also has the Elmer Holmes Bobst library, named after the Pilgrims Society member who was known as Richard Nixon's mentor and headed the Warner-Lambert Pharmaceutical Company, known to have harmed its share of Americans with drug side effects! The 1928 Who's Who, page 832, has a listing of Albert Eugene Gallatin, identified as the great-great grandson of Albert Gallatin, Treasury Secretary, 1801-1814, thereafter Minister to France. The 1928 Gallatin, born in 1881, identified himself as secretary of The Pilgrims---the paper money mob! He arranged the celebration to commemorate the 4th anniversary of Great Britain's entry into World War I and was a member of the council of New York University. The "Hell 666 Plan" (total monetary control) continues through intermarried generations! The original Gallatin, a supporter of the central bank, after whom Gallatin County, Montana, is named, was president of the National Bank, later Gallatin Bank (1848 image, tricky looking character, huh?)---



On page 102 Wilson quoted John Marshall from his 1819 decision upholding the validity of the U.S. Bank. Marshall spoke thus---

"Among the enumerated powers, we do not find that of establishing a bank or creating a corporation. But there is no phrase in the instrument which excludes incidental powers; and requires that everything granted shall be expressly and minutely described."

Marshall sidestepped the Constitution by saying that if something wasn't prohibited, it could be done. Still there was nothing in the Constitution providing for the creation of a central bank, which Wilson admitted (page 103) was modeled after the Bank of England! It's as if you have a land title, and there is nothing in it concerning timber rights, so some judge rules that others can come in and harvest your trees. Crooked economists and corrupt judges are necessary accomplices in the created paper currency system, where a few predators control a monopoly that creates "money," by which people are paid literally nothing for their land, labor and products; money which ultimately goes to zero. That's why Treasury Secretary Levi Woodbury, on orders from President Jackson, issued the "Specie Circular" on July 11, 1836, which directed land agents to accept only gold and silver in payment for public lands. Working with Woodbury in drafting the document was Senator Thomas Hart Benton of Missouri, opposed to any paper money. Part of the U.S. Bank corruption was the purchase of land by its directors with the fraudulent "notes" it issued. In 1836, when the Bank's charter was up for renewal, Jackson vetoed it, and Congressional attempt to override his veto failed. For that affront to the money powers, they organized the Panic of 1837, in which the big New York and Philadelphia banks, acting collusively and in unison, all suddenly halted redemption of bank notes in specie (gold and silver coin) on May 10, 1837. The initial test of the telegraph wasn't conducted by Samuel Morse until September 2, 1837, and it covered less than half a mile; how did banks many miles apart all suddenly stop redemption of paper notes in gold and silver coin on the same date? By coincidence, or because it was planned as a conspiracy at least months in advance! Please drop any interest you may have in following professional sports and focus instead on the grave monetary problems we are confronted with; DO something!

The various financial panics were linked to the assorted Coinage Acts during the nineteenth century in terms of influence on legislation that wasn't healthy; however that's a topic for another lengthy essay with hundreds of archived references.

As for the Specie Circular, financial historian Robert Sobel (soon to be discussed), pointed out that Nicholas Biddle of the dissolved Bank of the U.S. (it reincorporated as a Pennsylvania state bank in 1837 with much smaller powers) demanded to know of the new President, Martin Van Buren---who had been Jackson's vice president---when the Specie Circular would be repealed! Van Buren did not repeal it! Biddle wanted to get busy and inundate Pennsylvania with funny money. Instead, his revolting intentions were hampered! Friends, if the well-intentioned people of the nation can get a Jackson and a Van Buren and a John Tyler elected, we can get someone similar to them elected today! We must not fail due to laziness or expecting that "someone else will take care of it."

Presidential successors to Jackson, his vice president Martin Van Buren and after him John Tyler, both vetoed attempts to create a third U.S. Bank. Therefore we had the Panic of 1857, followed by the Civil War. The Panic of 1857 started when British investors withdrew funds from U.S. banks. What, did Rothschild or the Crown tell them to all act at the same time? "History of the Great American Fortunes" (page 556 tells us)---

"The Rothschilds long had a powerful influence in dictating American financial laws."

Making the year 1857 worse was the weather related sinking of the Steam Ship Central America that went down in the Atlantic on September 12, 1857, with some 30,000 pounds of California gold. The loss of the gold increased fears of the public that notes couldn't be backed by specie. Too bad they didn't have an educated economist to reassure them that an Act of Congress is all that's needed to make money worth anything. With such a view, we could never run out of money---anything bankers want as money, with assurances from economists, can become money, so long as Congress authorizes it (junkyards and waste landfills contain abundant materials such as old tires and rusted appliances!) As for the first and second U.S. Banks, "History of the Great American Fortunes" (page 78) commented---

"No business institution in the first three decades of the nineteenth century exercised such a sinister and overshadowing influence as this chartered monopoly. The full tale of its bribery of politicians and newspaper editors, in order to perpetuate its great privileges and keep a hold upon public opinion, has never been set forth. But sufficient facts were brought out when, after years of agitation, Congress was forced to investigate (1831) and found that not a few of its own members for years had been on the payrolls of the bank. With its control of deposits of government funds and by the provisions of its charter, this bank swayed the whole money marts of the United States and could manipulate them at will. It could advance or depress prices as it chose."

The history of central banks in the United States is a record of greed off the scale of measurement. It is a witness to fiat paper currency running wild and harming millions like the Biblical plagues on Egypt. It is an affront to Constitutional money---gold and silver. It is a history that must be brought to an end in order that the banker stranglehold on our national destiny be broken. In "Panic On Wall Street---A History Of America's Financial Disasters" by Robert Sobel (Macmillan, New York, 1968) we read on page 36---

"The Jacksonians responded by saying that the BUS had aided only a few important merchants and foreigners at the expense of most Americans. Through its manipulations, it enabled directors and their allies to stifle the economy when it suited their ends, and free it when they desired a change in policy. Jackson himself favored an end to all paper money and the establishment of a simple gold standard, which would end speculation and provide the nation with the only currency he believed had intrinsic value---gold. Jackson never trusted banks, which he felt caused depressions and disasters. The bigger the bank, the more evil its actions. The fight against the BUS had become a moral as well as economic contest for the general."

Sobel (page 71) referred to Albert Gallatin's support for a central bank. Many attacks against gold took place after silver was beaten down, such as "The Gold Standard And Other Diseases" (1932, D. Harmsworth) by Arthur Heygote Mackmurdo (1851-1942), an Englishman with a wacky name who attended lectures by John Ruskin in 1873. Ruskin was a mentor to Cecil Rhodes, who helped Lord Rothschild plan creation of The Pilgrims Society. Mackmurdo also wrote "Money and Credit of the Future" (1929), an appeal for a full created money. You could say, this "goat" (Heygote) was out to harm your net worth (Harmsworth) with printing press currency. Examples abound of the Treasury being seized by the paper money mob. The Engineering & Mining Journal, September 1963, page 73, said---

"The administration and the Treasury were dead set against a free gold market and a higher price for gold."

William E. Simon of The Pilgrims, who was "Energy Czar" in 1973-1974 (administrator, Federal Energy Office), then Treasury Secretary 1974-1977 (reintroduced the $2 bill, big deal) and a COMEX governor who acted to crush the silver price in January 1980 (probably massively short beforehand), told some Congressional staffers in 1974---

"**I reject your theology of gold**!"

Go to www.lewrockwell.com/north/north398.html for details. Evidently Simon adhered to a "theology of paper." Simon was also a trustee of the University of Rochester, whose main corporate sponsor for generations has been Eastman Kodak, Silver Users Association members. One of the suppliers of cupronickel material for coins (Business Week, June 12, 1965, page 58) starting in 1965 was Olin Chemical, dominated by John Merrill Olin of The Pilgrims; William Simon later headed the John M. Olin Foundation! Simon was also a member of the Mont Pelerin Society, an elite group of anti-precious metals economists. Simon addressed the International Monetary Conference of 1975 in Amsterdam. He authored the valueless book, "A Time For Truth" in 1978. Simon endorsed the International Emergency Economic Powers Act of 1977, which allows Federal seizure of physical gold and silver and mining shares! In addition to this, we have other statutes and Executive Orders authorizing such seizures! As demonstrated last December, the President is always a member of The Pilgrims, who exist "to seize the wealth necessary." In 1965 the American Bankers Association, some of whose presidents have been members of The Pilgrims, called for outlawing of silver "hoarding." The U.S. Mint, as of late August 2005, seized ten 1933 double eagle gold coins from a jeweler who came in seeking authentication. Market value of those coins could exceed $80 million! Secretary Snow, will you please send us a 2005 roster of The Pilgrims? On the subject of emergencies and government seizures of precious metals, we find this from the Engineering & Mining Journal, September 1962, page 108---

"Judge Throws Out Gold Hoard Case, No Crisis Exists. A Federal Judge recently threw out of court a gold hoard case because, he claimed, the national emergency no longer exists. Two California businessmen were charged under the anti-gold hoarding presidential decree dating back to FDR's bank holiday of March 1933---with possessing 21 oz. gold bullion. The men were engaged in what they thought was a perfectly legal plan to bring Mexican gold into the U.S. Federal Judge William Mathes dismissed charges, explaining that the "gold reserve" presidential order was issued in a time of national emergency. President Truman later kept it on the books because he said the Communist threat constituted a national emergency.

Judge Mathes said, "If we use the Communist menace in this fashion as an emergency and declare ourselves in a crisis, I think it improper to act like a Communist just to fight the Communists. In Communist countries, the executive can declare a violation to be a crime and it is a crime; but here it is up to Congress to declare an act to be a crime." Attorney for the two men read the court a recent newspaper article quoting President Kennedy as saying in effect that we have no national crisis."

Judge Mathes was a Mason (Who's Who, 1966, page 1371). We must use this instance of case law to build our security.

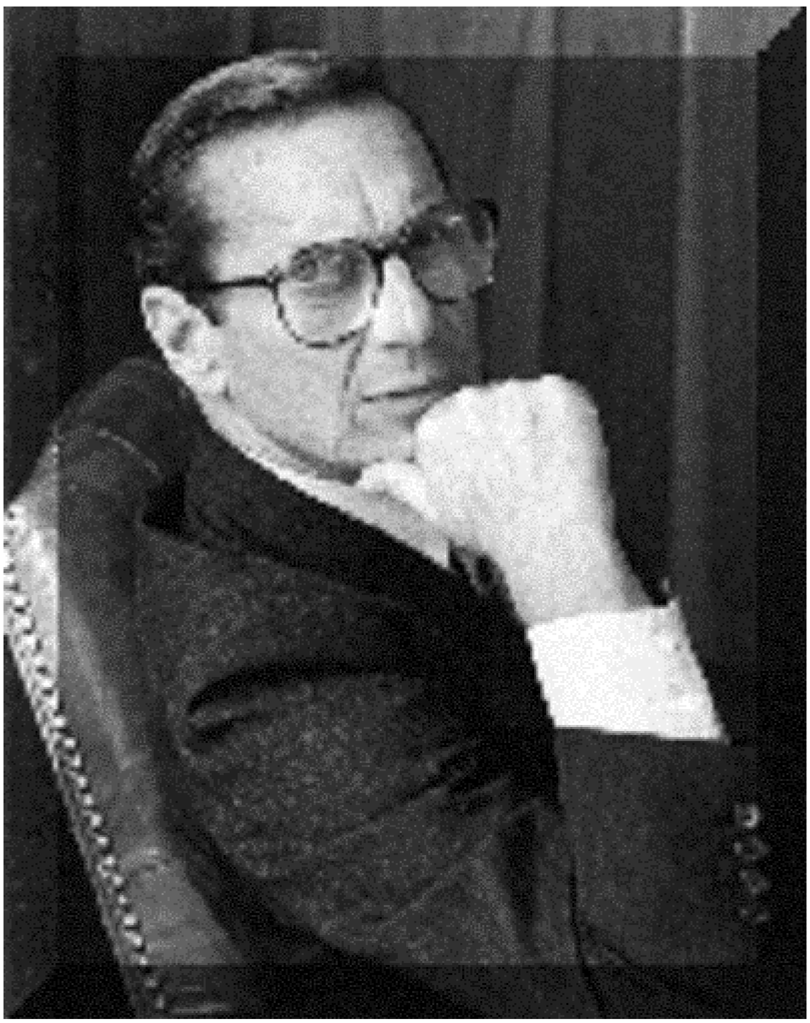
In "Our Monetary Crisis and Gold," Percy L. Greaves Jr. wrote in the Mining Congress Journal, February 1962, page 115---

"They want to achieve national economic goals by keeping interest rates below free market rates where savings equal borrowings. They thus create a greater demand for borrowing, which is promptly met by printing more dollars or opening more accounts in the banking system. There you have it. We are heading into a controlled economy---one in which politicians control our money. They do not want Americans to be free to own gold, and we're not free unless we can own gold. If we are to remain free, we must regain the right to own and use monetary gold and never again let politicians print money. That would quickly put an end to the spending policies. But that is probably not the way we are going to go. Nobody knows the future, but **HISTORY INDICATES THAT THEY WILL CREATE AN EMERGENCY OF ONE TYPE OR ANOTHER AND GO INTO CONTROLS**."

The Engineering & Mining Journal, April 1965, page 22, reported that the Johnson administration was considering "controls on hoarding" of silver coins, not remarkable since the same publication reported (February 1962, page 94) that administration's goal was the "ultimate demonetization of all silver in the Treasury."

Simon held dozens of high level positions (National Commission on Supplies and Shortages; Cabinet Committee to Combat Terrorism; Oil Policy Committee; Trade Policy Committee; Agricultural Policy Committee; Development Loan Committee; Organization for European Cooperation and Development Ministerial Council; Cabinet Committee on International Narcotics Control; U.S.-Japan Joint Economic Committee; National Council on Organized Crime; East-West Foreign Trade Board; Emergency Loan Guarantee Board; Inter-American Development Bank; Asian Development

Bank; World Bank; International Monetary Fund; Citigroup; Advisory Committee on Reform of the International Monetary System; Halliburton; Energy Resources Council; Dart Industries; Xerox; Power Corporation of Canada, etc.) Simon's investment firm Wesray Capital conducted leveraged buyouts, one of which personally netted him $66 million on an investment of about $350,000, see www.applet-magic.com/LBO.htm for details. One of his partners was Henrik K. Vanderlip, once with silver antagonist Lehman Brothers; he appears to be a grandson of Federal Reserve plotter Frank Vanderlip of The Pilgrims. Altogether the firm netted over $1.5 billion in profits and did LBO's of Six Flags Amusement Parks ($488 million); Avis Rent A Car; Infinity Broadcasting; Outlet Communications; Gibson Greeting Cards and others. Wesray yielded returns of over 26 times capital invested www.yalepec.com/john_howard.html Simon (below)---



Simon's son Bill (ex-of J.P. Morgan & Company), running as a GOP candidate for the California governorship in 2002, was embarrassed among other revelations by courtroom disclosure that the man whose telephone firm was pushed into insolvency by William E. Simon & Sons, Paul Hindelang, had at least $50 million in Mexican drug trafficking loot in 1981, made still more bizarre by the fact that Simon Senior as of that year was a member of the Cabinet Committee on International Narcotics Control. Judgment against the Simon firm in the 2002 case was fixed at $87 million, under appeal www.sfgate.com/cgi-bin/article.cgi?f=/c/a/2002/08/01/MN216008.DTL Bill Jr. also had connections to the Enron scandal www.the-catbird-seat.net/SimonSays.htm Pilgrims Society members and their relatives are associated with the biggest financial frauds in history. Someday all paper profits may be at risk absent a foundation of gold and silver.

Simon was one of many members of The Pilgrims Society on record as opposed to gold's role as backbone of the world's money system. David Rockefeller was another. Still another was Lewis W. Douglas, ambassador to Great Britain, 1947-1950. This shows the problem again. The Crown and its secret society of financiers opposes gold and silver as money, because they cannot create them; because they are honest money, and because they are highly dishonest people bent on wrecking and controlling the rest of us. In an article with a laughable title, "The Case for Monetary Reform" that appeared in the Mining Congress Journal, December 1965, Douglas said (pages 52 and 54)---

"There seems to be and probably ought to be, resistance on well-taken grounds to a sufficiently substantial increase in the price of gold. (page 52) No one, certainly not I, would denigrate the role which the IMF has played."

Douglas (Order of the British Empire and honorary chairman of the English Speaking Union of the United States) at this time was a director of Newmont Mining! Shareholders, I suggest you inquire of the Newmont directors of 2005, whether any of them are Pilgrims Society members; for if so, they cannot be trusted! Albert H. Wiggin of The Pilgrims was a Newmont director before Douglas arrived. The IMF today says, "gold and silver are non-monetary assets," see, because these Pilgrims cannot create gold and silver. Created money---fake money---is what they deal in. Force return to real money and their power should be broken! His daughter Sharman married a London member, Andrew M. Hay. Douglas was a director of Western Bancorporation, International Nickel Company of Canada, General Motors, Mutual Life Insurance, Empire Trust Company and others. Douglas favorably mentioned John Maynard Keynes and Robert Roosa (The Pilgrims), Dillon's Undersecretary of the Treasury, who made decisions favoring the Silver Users Association. Roosa was a Rhodes Scholar---same as The Pilgrims but less elite. Incredibly, the Engineering & Mining Journal, August 1961, page 107, published by McGraw-Hill (paper money mob owned) said---

"Handy & Harman endorsed the Silver Users Association and its historic advocacy of a free market for silver."

You have to wince like with a mouthful of crushed aspirin at the SUA's definition of a free market in silver, especially since James Newsome (ex-of the CFTC), one of their puppets, presides over COMEX silver "trading" now as of 2005. Handy & Harman played its role in depleting taxpayer owned Treasury silver, for example, by taking 900,069 ounces in July 1961 alone (Engineering & Mining Journal, November 1961, page 98). In the February 1965 issue of that journal, page 123, Francis Wemple, treasurer of Handy & Harman, Silver Users Association members said in a barefaced display of self-interest---

"Silver should be treated as a commodity and not as a monetary metal."

To the contrary, the North West Mining Association, in a declaration appearing in the Engineering & Mining Journal, January 1962, page 18, stated---

"Silver can and should serve both as a monetary metal and as a commodity. Therefore, our present stocks should be held inviolate to provide both a monetary reserve and a strategic stockpile."

In the January 1965 E & MJ, the North West Mining Association suggested a strategic military reserve of "a minimum of 500 million ounces of silver" (page 84, article titled, "Northwest Miners Zero In on Government Policies and Urge New Metal Legislation"). The NWMA called for gold to be---

"Revalued in terms of the already depreciated world currencies, including the dollar."

The Silver Users Association supports funny money by which Americans are robbed! Donald Ramsey, once SUA legislative director, said (Commercial & Financial Chronicle, April 30, 1953, page 1872)---

"Just print paper money and spend it."

We should mention the Stable Money Association which was formed under the leadership of Wall Street financiers connected to the Federal Reserve, and staffed by economists trying to flim-flam the public against silver and gold, but silver especially. Many books, articles and pamphlets came out against silver as money, such as the rotten one by Srinivas Ram Wagel put out in 1933 at New York (Wagel & Associates, 23 pages) titled, "Silver---A Menace And A Racket." This wasn't the first or last person of Indian origin to knock silver money. Just ask DuPont's Alex Patel, of the Silver Users Association's executive committee how he feels on the subject. Srinivas wrote another bad item "A New Declaration of Independence" (year undetermined).

Edwin Walter Kemmerer (CFR), who as we abundantly saw, was strongly opposed to silver, became president of the Stable Money Association in 1927. Just the year before he was elected president of the Vanderbilt family's American Economic Association---anti-silver. In 1937 he became president of the Economists National Committee on Monetary Policy, also opposed to silver. In the Commercial & Financial Chronicle, July 18, 1946, page 348, this committee issued a declaration against silver, signed by 66 prominent economists. These economist organizations are like fleas running through a dog's fur, bedeviling the hell out of him. The dog is a patient; the fleas are vermin. Kemmerer was probably the leading economist in America at the time. In "Stable Money—A History of the Movement" by Irving Fisher (Adelphi Company, New York, 1934), professor of economics at Yale, berated the proponents of silver (pages 47-48). Fisher was a member of the British Crown's Royal Economic Society in London! The last portion of his book, pages 443-484 lists members of the Committee for the Nation and the Stable Money Association---organizations so identical in purpose as to be twins. Among the names we encounter are Nicholas Murray Butler, president of The Pilgrims; Richard T. Ely of The Pilgrims, anti-silver economist; John Rovensky of The Pilgrims and the Bank of America; various other Pilgrims Society members including John Foster Dulles of American Bank Note Company; James Speyer of The Pilgrims and Bank of Manhattan; Otto Kahn of The Pilgrims and Equitable Trust; Charles G. Dawes of The Pilgrims, former vice president of the U.S., author of the

Dawes Plan, put into effect September 1924, having to do with ongoing German reparations from World War I, and the creation of the "Rentenmark," author of "The Banking System of the United States" (1892); Frank Vanderlip and Paul Warburg, Pilgrims Society members associated with the Federal Reserve Act; John Hays Hammond of The Pilgrims, associated with Cecil Rhodes in mining and personal friend of the King of England; and others, some of whom I cannot identify due to fragmentary documentation (Charles Hayden, founder of Hayden, Stone & Company, director of 58 corporations, was in Fisher's list). For those who haven't seen it, here's The Pilgrims emblem known to the big-shots in the global banking system---

"A Secret Society gradually absorbing the wealth of the world."---Last Will & Testament of Cecil Rhodes

"The bank mania is raising up a moneyed aristocracy in our country which has set the government at defiance."----Thomas Jefferson

"That we are overdone with banking institutions which have banished the precious metals and substituted a more fluctuating and unsafe medium, that these have withdrawn capital from useful improvements and employments to nourish idleness, for the emolument of a small proportion of our society who prefer these demoralizing pursuits to labors useful to the whole, the peace of the whole is endangered and all our present difficulties produced, are evils more easily to be deplored than remedied."---Jefferson (1810)

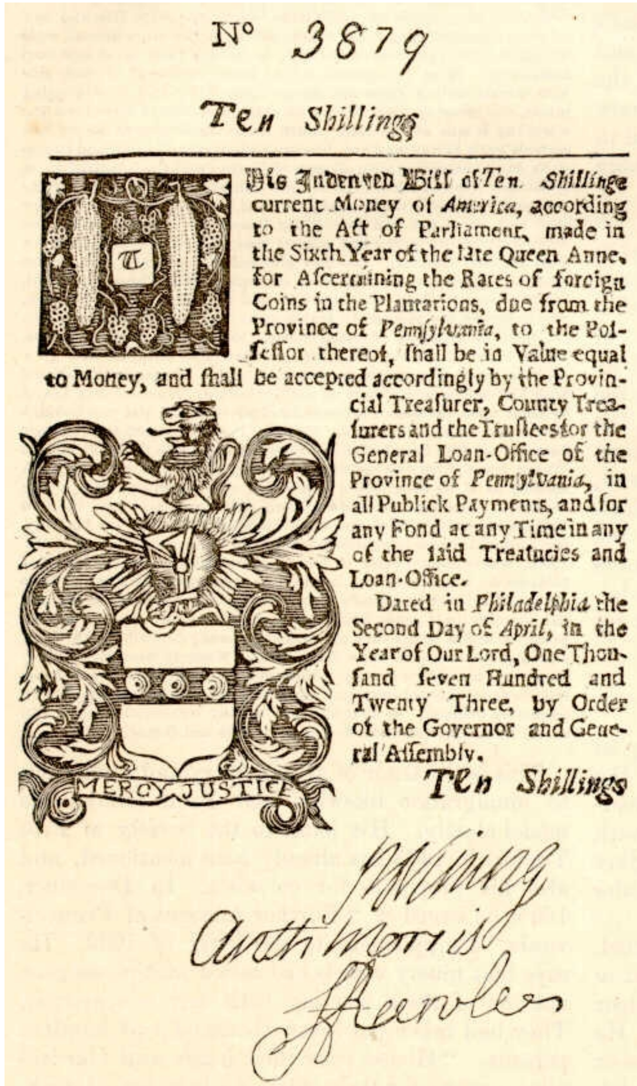
James Speyer, international financier with banking interests in France, Germany (personal friend of Kaiser Wilhelm), Britain and America, member of The Pilgrims, was a supporter of the so-called Stable Money Association, and once president of the Economic Club of New York (documented to be another anti-silver organization, see "The $150 Cufflinks," Silver Investor archives.) Speyer, J.P. Morgan, the Stillmans, Rockefellers and Rothschilds (all Pilgrims Society interests) formed a syndicate in 1894-1895 which emptied the U.S. Treasury of $129 million in gold, then compelled the U.S. to issue interest bearing bonds to them in return for supplying gold; it was a Treasury raid ("History of the Great American Fortunes" pages 578-579). Speyer was penetrating banking circles in South America (executive committee, Pan American Society of the U.S.) and Mexico (vice president, Mexico Society of New York)---

Another official of the Pan-American Society of the U.S., Latin-American front for the big banks, was IBM founder Thomas Watson Senior of The Pilgrims and Order of the British Empire, decorated by 32 nations, string-puller in over 125 organizations, chaired the Inter-American Commercial Arbitration Commission and was a governor of the Bankers Club, New York (Who's Who 1951, page 2882); Watson was also president of the Commerce & Industry Association of New York, of which anti-silver economist Walter Spahr (which see afterwards) was a committee member---

Others appearing in Fisher's list of the Stable Money Association and the Committee For The Nation included Pierre DuPont and George Eastman (Eastman Kodak)---silver users who were elite enough to have been members of The Pilgrims; Milton Erlanger, whose family had ties to the Rothschilds at least since Civil War times; William Hoxton of the Federal Reserve Bank of Richmond; Morgan Rice of the Dallas Federal Reserve Bank; prominent anti-silver economist Walter Spahr, author of "The Silver Scandal" 1942 and member, American Economic Association. The names of hundreds of prominent people appeared in Fisher's list---all ganging up on silver, and to a lesser extent, on gold. Those who weren't directly connected to the Federal Reserve appeared to be "on the take." To suggest that having silver as a pillar of the monetary system was contributing to instability, whereas fiat currency is "stable," is a rank distortion of the first magnitude. This lobby fought against the "Silver Bloc" in Congress. The paper money mob has plenty of organizations working against silver and gold money. The fact that many of us click on several precious metals websites several times weekly does not mean that we have an organization fighting for Constitutional money. However, a site such as Silver Investor could function as the starting point we need, as a link to a PAC site. How are the bad laws upon which bad money rests going to be overturned without legislative action? A highly positive note is Jason Hommel's efforts to encourage state governments to "silverize" their payrolls, as recently announced at Gold Eagle www.gold-eagle.com/editorials_05/hommel082205.html This is a huge danger to the paper money mob; and we are obligated by conscience to do our best to dethrone their treacherous influence. Expect the paper money monster to attempt retaliation! Banking, the magazine of the American Bankers Association, August 1964, pages 46-47 commented--

"In Nevada the Carson City Chamber of Commerce wanted to produce its own silver dollars but was stopped by Treasury agents before it could do so."

With such lifeless currency being promoted by the government, no wonder the same magazine said (page 47) that the 1964 Kennedy half-dollar is "now extensively hoarded." However they stated that government plans would "result in considerable dishoarding." No one with any sense wants to exchange real money for paper when they don't have to, or spend real money when something lifeless is available. The bankers also suggested (page 46) the Treasury direct the Mint to not change the dates of coins year to year as a means of discouraging collectors. It would be delightful to see regulations aimed at corralling the bankers, rather than have them hatch laws aimed at having the rest of us under their thumbs. Gold and silver coins from ancient empires still command undying value, unlike the many experiments in paper notes from our own history---



PROVINCIAL CURRENCY.

In "Gold, Silver and the Monetary Problem," which appeared in the Mining Congress Journal, February 1961 by Elgin Groseclose, who was treasurer of the nation of Iran during 1943 (on loan from U.S. government) and with The Pilgrims Guaranty Trust, 1927-1930, must have been a renegade from the paper money mob, because he referred (page 88) to central bank issued notes as "**dirty and continually depreciating paper**." In the Engineering & Mining Journal for January 1961, page 18, Groseclose mentioned "**the uncertain seas of fiat money**." Take a look at something that can't go broke---

Bankers, silver users, money creators, step aside! We demand real money again! In "Gold, Silver and the Monetary Problem," appearing in the Mining Congress Journal, February 1961, Elgin Groseclose said---

"Supplies of both gold and silver are insufficient to meet mounting demands for monetary and industrial purposes, but the existence of a real shortage is stoutly denied in official quarters. Through a cloud of monetary statistics, a jungle of economic verbiage, and a smoke screen of official denials, the fact of a world shortage of the precious metals is becoming visible. Both gold and silver are in short supply to meet a voracious demand both for monetary and industrial use. (page 86) Silver that was kicked out the back door by the money managers has been coming back in through the front door. Silver is more important today as a medium of payments than ever in history. This is due in large part to the use of coin vending machines. It is significant that other countries are gradually resuming coinage of silver after a long hiatus during which such undesirable substitutes such as cupro-nickel, aluminum and paper were made to serve. Governments are (page 87) rediscovering that only the precious metals are acceptable as money, that only gold and silver appropriately reflect the dignity of sovereignty."

WHERE WERE THE GOOD GUYS?

While all this, and far more, financial propaganda was being spit out by economists, bankers and bribed politicians in favor of paper currency without precious metal backing, the good guys were not silent! Read about them in other essays at the Silver Investor archives, such as "Silver Wars And Silver Surprises," "The New York Boys" and "Monetary Madhouse." Groseclose was not a lone voice in the wilderness. Let's consider some additional cases in which voices of honesty spoke out on financial matters. Henri Cernuschi (1821-1896) was a Frenchman who came to testify at hearings of the United States Monetary Commission in 1877. His book "Legal Tender" was published in 1877 by Appleton & Company, New York. On February 8, 1877, his testimony at the hearings, presided over by Senator Jones of Nevada, and attended by other "silverites" such as Richard Bland of Missouri, included the following (pages 92-93)---

"Q. Did the countries using paper money, such as Russia and Austria, suffer any evil effects so far as relates to the internal commerce of those two countries? A. Yes, sir. My answer is based not merely upon any argument of theory, but upon matters of fact. A great crisis has taken place, principally in Vienna, this being a consequence of the great fall in silver on the London market. The public debt of Austria is stipulated in silver, and the bondholders were ruined by the event. The paper paying country suffered by the derangement of the relative value between gold and silver much more than did the metallic paying country. There is no way in which to escape the precepts of science. **Paper money is a bad money**, and no argument can be invented for inducing a country to prefer paper money to metallic. My evidence should be construed as being in defense of bimetallism."

The British coordinated attack on silver money damaged people in many nations. The hearings and testimony continued (pages 93-94)---

"Q. Is it your opinion that, if the legislation of Germany demonetizing silver were not counteracted by the legislation of other countries of equal standing, the depreciation of silver would be permanent, and would be increased? A.

Certainly. I hope that a salutary reaction will induce many countries to adopt a bimetallic law, and so counteract the action of monometallism; but if this step is not taken, the price of silver will fall to a low level, and in any case never recover the old fix that it possessed relatively to gold. Paper money has no other guarantee than the goodwill of the Government, which has the sole power of increasing and decreasing the volume circulating. Gold and silver, on the contrary, are issued by Nature herself, and it is not within the option of kings or congresses to change the natural production. Gold and silver have all the physical qualities for good money, and you explain why they are adopted by the legislatures of many countries, and so become an international money."

"With reference to paper money, another great error prevails. Many people believe that its value depends upon the promise of the Government to repay them in metal one day or other. This promise does not add to the purchasing power of paper money. A promise to execute, without date for executing, is not a promise. The only reason why paper money has a value is that it is legal tender; that nobody can refuse it; that the Government accepts it for payment of taxes. It is for this reason that it circulates in the same way that gold and silver circulate. Paper money is an enforced standard. Gold and silver possess qualities which paper money does not." (page 95)

"Q. As I understand you, the objections to the permanent use of paper money in any given country are found in its lack of universal appreciation, in the uncertainty of legislation on the subject, and in the tendency to unduly increase the issues and thereby cause disastrous fluctuations in value. A. I can only repeat what I have said, preferring, if you consent, to use my own terms rather than those made use of by yourself. Let me add, that the two political parties have inscribed on their programmes, "Resumption of specie payments"---a proof that the inconveniences of paper money are acknowledged in every quarter." (page 95)

"Q. Has not the legislation of Germany relative to the precious metals been sufficient, according to the opinion you have expressed, to produce a crisis all over the world, especially in countries on the specie basis, and debarred silver from being offered in payment in all the principal countries, thus placing it in that regard on a level with paper money? A. We saw in 1871 a monetary revolution without precedent, when Germany in one day declared that the whole of her money was without value, and that it was necessary to have gold in place of it. This revolution is a lesson for her and for other nations. Bimetallism will remedy all the evils. But I cannot admit that, because Germany has committed so great a fault, it should be possible to compare the metallic system to the paper system." (page 96)

Just because governments demonetized silver did not, and does not, signify that paper and silver are of equal inherent worth; or that, still more audaciously, fiat paper has a value while silver does not. Witness now the Mexican movement to restore silver, the sole current fault of which appears to be the notion that their central bank must be involved. As that bank opposes silver as money, it should be excluded from the movement; anyway, its main interest in silver is to export the metal to Silver Users Association companies (Wall Street Journal, September 12, 1963, page 3). Cernuschi continued (page 99)---

"For reviving the value of silver, you must not rely on the exportation of the metal, but on the adoption of bimetallism by yourself and Europe."

"Q. Is the value of gold and silver governed by the law of supply and demand, as is the case with commodities generally? A. No, sir. Gold and silver are not merchandise where they are money, and the one or the other are money somewhere. **WE OUGHT TO CONSIDER THE MINERS NOT AS PRODUCERS OF COMMODITIES, BUT AS PRODUCERS OF LEGAL TENDER.** All the bullion is money, and really the miners extract from underground dollars, francs, pounds sterling, marks, rupees and so on. The superiority of bimetallic money consists in this, that it is the soundest national and international money, and that its value, its purchasing power, is more stable than all other money." (pages 99 & 101)

Cernuschi concluded his testimony (page 107)---

"Silver is still the principal money of Europe and South America. Silver is the only money of Asia. Silver has always been money. Gold monometallism is a ruinous revolution. To suggest a European and American gold monometallism is an inadmissible claim in favor of barter. Directly or indirectly, before 1871 bimetallism existed everywhere. Universal and uniform bimetallism will bring to perfection the old monetary constitution of the world."

Remember this was at a time when Britain engineered the demonetization of silver in several important nations, including here. The British Empire had large gold production but little silver. Military force was hardly the only tool of British meddling in other nations affairs. That's why they fastened central banks on many nations. Lord Montagu Norman, Governor of the

Bank of England at the time of the Crash of 1929, refused to visit any country not having a central bank. When during the 19th century these bankers were attacking silver, they promoted gold; by the time they squelched silver, they started in on gold also, in order to deluge the world in "created" currency. Yet vast numbers of people continued to hold fast to silver as money, in spite of the mantras of misinformation. Pages 89-91 of "Currency and Coercion" by Jonathan Kirshner (Princeton University Press 1995) mentions several amusing facts for the fiat economist to consider. As 1916 came to a close, an acute shortage of silver struck India due to high wartime demand. The government was confronted with the prospect of inconvertibility of the Rupee. German agents spread word across India that the paper Rupee would soon become inconvertible. Silver Rupee coins were hoarded, adding to liquidity fears. By April 1918 a run took place on the Bombay Currency Office and silver reserves were depleted to 40% of "safe" levels. Kirshner mentioned the government tried to stem the drain of silver by "bureaucratic interference" (what did that mean, that only those who could hold their breath for 5 minutes could convert paper into silver), and nickel coins were issued. Suspension of convertibility appeared inescapable. Of course, in today's times, if you mention convertibility of the currency into specie, you will be looked at like you're crazy. The masses have been "educated" away from viewing paper notes as mere representatives of precious metal money. Kirshner admitted the consequences of paper Rupee inconvertibility would be "general economic panic," "prevent further expansion of note issues," and cause a run on savings banks. He noted the political consequences could have been even worse---an undermining of British control over India. Lord Reading of Erleigh, member of The Pilgrims of Great Britain, was sent to America to solve the problem. He became Lord Chief Justice in 1913; created Viscount in 1916 and Earl in 1917. He served the Crown in the U.S., 1918-1919 and played a strong role in the Pittman Silver Act, in which U.S. silver was transferred to the British so they could quell the monetary unrest in India. The Treasury melted 259,121,554 silver dollars, converted them into bullion, and sold it to the British. Proceeds from the sale were used to buy more silver for the Treasury, much of it from Nevada producers. Silver money Senator Pittman of Nevada (32nd degree mason, Who's Who, 1916, page 1955)---

The Earl of Reading became British Viceroy of India in 1921, and he imprisoned Mahatma Gandhi in 1922. The Mining Congress Journal, February 1962, page 96 noted that during World War II, the U.S. loaned 411,000,000 ounces of silver to allies “to shore up their monetary systems.” At some point in currency debasement people realize the necessity of metals. It will be instructive to see the Forex markets disintegrate as the world returns to gold and silver money.

Another good guy on the money subject was Charles J. Bullock, no relation to Calvin and Hugh Bullock of The Pilgrims mentioned earlier. “Essays On The Monetary History of the United States” authored by Bullock in 1900 (Macmillan, New York) featured worthwhile commentary. He quoted Daniel Webster on page 80---

“The framers of the Constitution, and those who enacted the early statutes on this subject, were hard money men; they had felt, and therefore duly appreciated, **the evils of a paper medium**; they therefore sedulously guarded the currency of the United States from debasement. The legal currency of the United States was gold and silver coin.”

Silver coinage was debased starting with 1965 mintings due to collusion between the Silver Users Association, the Federal Reserve System, the Treasury and Congress---

Bullock also (page 80) referred to a member of Congress, Mr. Benton, who "argued strenuously that the government of the United States was intended to be a hard money government." That was in 1834. Benton fought with Jackson, Van Buren and Supreme Court chief Justice Roger Taney to get rid of the U.S. Bank. Bullock had much to say about banking abuses---

"In 1784, banks were founded in Boston and New York; and before long a banking mania spread in all directions. In 1791 the first Bank of the United States was founded, and began to issue circulating notes. The view seemed to be that **A BANK WAS A MYSTERIOUS AND MAGICAL MEANS OF CREATING WEALTH OUT OF NOTHING**; and it was supposed that, since a banker secures interest on his notes, the banking business offered a unique and beautiful opportunity to secure interest on one's debts. **BANKS WERE OFTEN FORMED FOR THE SOLE PURPOSE OF ISSUING THEIR PAPER**; and the privilege of emitting such promissory notes, which were intended to circulate as currency, was claimed as a common law right. It was with reason that Hugh Williamson complained in 1812 that the Constitutional prohibition of the issue of bills of credit by the states might be practically nullified "by a deluge of bank paper." The people of the United States had embarked once more on the enterprise of substituting a cheaper medium, paper, for gold and silver, which they regarded as "dead stock."

It wasn't the people of the United States who embarked on the enterprise of creating fiat money; it was the British allied financiers, which is what he intended to say, while the average man considered paper currency as "dead stock." On pages 83-85 we note some interesting details---

"The abuses perpetrated by the banks during the first half of the century appear almost incredible. Notes were issued in such small denominations as five cents in the expectation that it would never be worth any one's while to collect such infinitesimal currency and present it for redemption. One notorious bank, which broke down in 1809, was found to have $580,000 of notes in circulation, and $86.46 in its specie reserve. Banks were located in inaccessible places, on some bottomless prairie road, or in the depths of forests, where it would prove as difficult as possible to find the "offices" at which the notes were payable. When a Boston bank sent a batch of currency to New York for redemption, the collector of the port seized the bills upon the pretext of preventing a run on the New York banks. A messenger sent to South Royalston to demand the payment of $10,000 in notes issued by the local bank, was arrested upon a frivolous charge in order to avoid such a request. **NOTHING WAS MORE COMMON THAN A STATE OF OPINION WHICH CONDEMNED EVERY ATTEMPT TO OBTAIN SPECIE FROM THE BANKS.** To ask one of these institutions to fulfill the promise printed on the face of its bills was a disgraceful act, which indicated a lack of public spirit, or was proof positive of a desire to start a "run." In Ohio, Indiana and Missouri, between 1855 and 1859, certain persons who presented notes for redemption were threatened with lynching or a coat of tar and feathers."

The nature of paper money is that it lends itself to massive fraud and dishonesty. Its existence culminates in a total loss of public confidence through incessant inflation. Considering corruptible human nature, there is no escape from the view that gold and silver are the only possible forms of honest money---of stable money! Bullock continued (pages 86-89)---

"The consequence of the spread of this mania for unsound banking was that from 1800 to 1860, an inconvertible paper currency continued to vex the United States. Bank notes were often at a discount of sixty percent, and the issues became so large as repeatedly to cause inflation. Then a period of liquidation would ensue, and prices would fall to extremely low levels. Men who had speculated on a rising market, and had been caught "long" when the reaction commenced, would cry out loudly for more currency in order that prices might be sustained until it should be possible to unload upon other people. Prodigality and dishonesty always attended every era of inflation; and when the false prosperity thus created collapsed, debtors clamored for legislative relief. In 1820, a committee of the Pennsylvania legislature depicted the results of the issues of inconvertible currency in the following words---"In consequence of this most destructive measure the inclination of a large part of the people, created by past prosperity, to live by speculation and not by labor, was greatly increased; a spirit in all respects akin to gambling prevailed; a fictitious value was given to all descriptions of property; specie was driven from circulation, and all efforts to restore society to its natural condition were treated with undisguised contempt." Six years later the Governor of Connecticut wrote---"It is amidst explosions of credit, principally occasioned by the conduct of banks, that every class of industrious citizens, and all our enterprising young men, are exposed to repeated losses, against which no vigilance can guard."

He mentioned the problem of inconvertible paper currency, and how large issues of it caused inflation. According to the fiat economist Bradford in 1928, Charles Bullock must have been a "quantity theorist;" and any of us are dense who believe that growth of the invented money supply causes any price inflation! Bullock told the reader (pages 90, 92-93)---

"In 1819, the president and directors of the Bank of South Carolina submitted to the state legislature a frank plea for inconvertible paper money. The South Carolina address raises the query whether a sufficient metallic medium is not unobtainable, and whether it would not be better to dispense entirely with the use of gold and silver. There was practically no convertible bank money in the Mississippi Valley; and **THE NOTES OF DEAD OR DOUBTFUL BANKS WERE HAWKED AT NINETY PERCENT DISCOUNT**. In 1859, a bogus Ohio bank started in business by investing $165 in a plate, and paying one quarter of a cent for having its notes printed. From the best data obtainable, it has been computed that in 1860, the specie held by the banks of Illinois amounted to only 4.25 percent of the circulation and deposits."

It would appear that the business of banking features more temptation to dishonesty than any other. Remember Bradford's statement from 1928 that "paper notes cannot depreciate," then WHY were those bank notes offered at a 90% discount? It also appears that Bradford ignored the lesson from Germany five years before he made his criminally asinine statement. The bogus Ohio bank Bullock mentioned sought an immediate return of 400 to 1 on its capital, at the expense of those who were to accept its "notes." Specie was not part of the fraudulent plan. Fiat paper is a withering plague in every nation that has ever allowed it. In Belarus, inflation hit 50% per month in 1999, and as the travelers at the following link noted **www.fullpassport.com/Trip2002/Diary/sept-02.html** the government couldn't print currency fast enough. Though the currency was already trash and became garbage later, the minimum wage in Belarus, former Soviet republic, was only $4 per month in 2002! According to the fiat economists we heard from in this essay, the lawmakers of Belarus should have been able to impart real value to their currency just by their say-so! What went wrong? Reality is what went wrong, a false system was offered as factual money! Natural law cannot be overruled by legislatures! Too bad Bradford couldn't have told those folks his views as to how "paper notes cannot depreciate." Someone would have worked him over real bad. The inflation in Belarus was tame compared to the German hyperinflation, which peaked at 3.25 million percent a month in 1923---see www.imf.org/external/pubs/ft/fandd/2003/06/pdf/reinhard.pdf for details at the International Monetary Fund. The IMF spoke of more recent events as if they had no connection to the problems---Peruvian hyperinflation rate peaked at 12,378% in August 1990; in Argentina, the peak was 20,266% in March 1990; and in Bolivia, 23,447% in August 1985. The Pacific Northwest Metals & Minerals Conference, warning about a gold crisis, mentioned the U.S. discrediting gold, and that the world has no need for the IMF (pages 100-101, Engineering & Mining Journal, June 1963). Hyperinflationary events have NEVER occurred under hard money systems! Behold a universe of depreciation---

As Alexander Del Mar, director of the U.S. Bureau of Statistics from 1866-1869 and mining commissioner of the Monetary Commission of 1876 said---

"Paper notes are not money."

See his article in the North American Review, November 1885, in the series on pages 491-507. He was also director of the United States Bureau of Statistics, 1866-1869 and a noted economist with books such as "History of Monetary Systems" (1895) for more details see www.coin-newbies.com/articles/theories.html

The Engineering & Mining Journal, November 1961, page 93 remarked---

"Silver has historically been the paramount metal of money in the Southern hemisphere and in Asia, and has played a significant role in two world wars, both as a monetary and as a strategic metal."

The Mining Congress Journal, May 1962, pages 29 and 31 featured this commentary in an article titled "Gold and the Welfare State"---

"The proponents of honest money have gained little attention in recent years from either the public or the group we call money managers. Nevertheless, the honest money advocates continue to hold the position that profligacy will run its course and that a defrauded, disillusioned public will then demand money redeemable in gold and silver. Most people will probably agree that our improvidence will meet a day of reckoning but there is cause for wondering if at that time the discipline of honest money will be faced. Congress has been a full participant in the policies which have caused national insolvency. (page 29) The piling of weak currencies into a central coffer assuming that they make each other valuable has serious logical defects and only has virtue in case elements do not lose confidence on a broad basis. The substitution of currencies for gold is a dangerous proceeding unless the subscribing countries will discipline themselves economically when necessary. On this basis, the dollar and the Brazilian cruzeiro are leading competitors for the cellar position! Gold is firmly identified with honest government and self reliance in national affairs"

In "Gold and Money," by W. J. Busschau, chairman, Gold Fields of South Africa, which appeared in the Mining Congress Journal, February 1964, we consider his comments from pages 109-111---

"Paper money is fiat money. Even though accounts are kept in dollars or money of account, whose theoretical relationship to proper money has varied over the years, what is termed money in day to day conversation is not money proper, i.e., gold. In many countries today, though fortunately not all, citizens are prohibited by law from having access to gold, a serious restriction of individual freedom. The list of these countries includes both the United States and Republic of South Africa. In these countries, what the citizens mean by money is the total of bank credit and bank notes held by them and is used in payment of debts. It consists of paper money, which is exactly described by the term fiat money; it is acceptable only because a state says it has to be. (page 109) There can be no doubt that the gold accessibility of currencies in the international monetary system taken as a whole has seriously diminished (fallen by more than half) as compared with that before World War II, nor that there has been the same serious decline in gold accessibility of most currencies and particularly of the so-called key currencies, the United States dollar and the English pound. What do the figures show? The over-all world picture is that, measured in dollars, the total of domestic monies since 1939 increased to four times the previous figure while the total of monetary gold reserves also measured in dollars has increased by only about 40 percent. While the ratio of gold to paper money before the war was on the order of 40 percent, it is now only about 15 percent. The really shocking thing about these figures is that the disproportionate increase in paper money arose not only from war finance but has deliberately been continued in the post-war years on an alarming scale. (page 110) One of the **CRANK PLANS TO SUBSTITUTE PAPER FOR GOLD** is the swap arrangement under which countries are to hold each other's currencies. If these holdings were not to be drawn upon, there would be no sense in raising the bookkeeping entries to express their existence. If they are to be drawn upon, it is clear that the unthrifty will lean still more heavily upon the thrifty, who will run the risk of a loss in terms of gold of the paper they have taken. If the thrifty suggest a gold guarantee, the unthrifty hold up their hands in horror."

Leland Howard, who was director of the Office of Gold & Silver Operations at the Treasury Department in the early to mid-1960's, and who rendered decisions favorable to the Silver Users Association, had the insolence to tell the 500 plus participants at the National Western Minerals Conference at Denver that the gold price should remain capped. Had I been him I would have feared for my safety. (Engineering & Mining Journal, March 1963, pages 88-89)---

"Our basic policy has been---and remains---one of centralizing the gold reserves of the country in the hands of the Government under the jurisdiction of the Treasury and maintaining a fixed price of $35 an ounce for gold. (page 88) After World War I, the dollar evolved as a key currency of the world; and since World War II, the world has accepted the dollar as a supplement to the gold supply in furnishing liquidity to the trade between the countries of the world. THE DOLLAR HAS BECOME THE KINGPIN OF INTERNATIONAL FINANCIAL STABILITY. This has been possible for a number of reasons. But a fundamental aspect has been our policy of buying and selling gold at a fixed price to foreign governments, central banks and, under certain conditions to international institutions, for the settlement of international balances and for other legitimate monetary purposes. The Treasury intends to adhere firmly to our policy of continuing to buy and sell gold at $35 an ounce; and we firmly intend to oppose all attempts, whether direct or indirect, to change the $35 price for gold. This has been our policy since 1934. It must continue to be our policy."

Galled by the affront of being told their product will remain price capped---while the "value" of the dollar sank (some 60% from 1934 to 1963), and their mining costs increased, the delegates response was---

"The conference condemned by resolution the Government's insistence on pegging the price of gold at $35 an ounce. The resolution followed the talk to the conference by Dr. Howard. "Stable money is indispensable to our country and will not long remain possible without a change in the value of gold, unless fiscal responsibility is demonstrated by our Treasury."

The attack on the gold price by the Treasury was for the support of money "creation," paper money. They could point to the flat gold price and tell the voters, "see, there's no inflation, the gold price proves it!" Price rigging in metals is seriously disgusting criminality. We still see it today in many forms, such as 1-ounce Canadian silver maple leafs being stamped as $5 coins! Six months before Howard's insults to the mining delegates, gold traded in Bombay for $57.50---over 64% higher than the manipulated price (Engineering & Mining Journal, August 1962, page 192). By the end of 1962 the gold price in Bombay reached a dollar equivalent of $75 (E & MJ, February 1963, page 96). Price capping, especially in an inflationary fiat currency system, causes shortages, as many mines were mothballed, while others were high graded, dissipating the shareholders future (page 96)---

"Mining costs are a matter of great concern for an industry which must work at a fixed price for its product."

Jefferson and Jackson were well informed as to the miserable performance of fiat currency in France issued by the leaders of that Revolution, and why the Continentals here went broke. The note seen below, dated 1793, along with all the other Assignats, fell to less than 1% of its previous value by 1796---

The figure on the right of the note holds a metals scale, a bitter joke since there was no precious metal behind them!

“Paper money eventually returns to its intrinsic value---zero.”---Voltaire, 1694-1778

“Of all the contrivances for cheating the laboring classes of mankind, none has been more effectual than that which deludes them with paper money.”---Daniel Webster, 1782-1852

“The exportation of our silver coins will flood the country with paper money to which there are **MANY GRAVE OBJECTIONS**.”---Merchants Magazine, May 1852, page 600

In The Mining Congress Journal, September 1926, William M. Ferry, who at the time was a director of Silver King Coalition Mines and president of the American Silver Producers Association (yes, new fact to me also; it’s an organization that should return to the scene, except include the Canadians, Mexicans and South Americans) had worthwhile things to say about silver money. Ferry was president of the Utah State Senate, 1911-1915, then mayor of Salt Lake City until 1919. His comments included---

"The ramifications of this silver problem are extensive. They immediately run into International finance and economics. Silver, while it is properly regarded as a commodity, is also very definitely a money metal. Civilized countries of the world are on a gold basis, it is true, but silver is recognized and used as subsidiary money throughout the world. Indeed, 700,000,000 people in the Orient know no other medium of exchange. This money attribute of silver makes it difficult to consider it in the same way as other commodities are considered. The quality which attaches to silver as it does to gold has made it so ideal for money purposes throughout the ages. (page 636) Uncounted millions of people know of no metallic money but silver and demand it for their use." (page 637)

This is what we need a great deal more of---mining executives having the courage to call silver money, and to back up their talk with action. Shareholders, bombard your managements with demands that the company websites declare silver to be money, not in some obscure area but at the top of their start pages; and that they have no apologies to make to anyone about promoting that recognition for silver. Let the gold and silver mining companies decline pressure from their primary banks to remain silent about silver as money, and about the contemptible silver price manipulation. Speaking of the COMEX short problem, the Committee of Finance and Mines of the Congress of Mexico, in a report dated August 9, 1824, reprinted in The North American Review, October 1825, stated on page 436---

"The value of gold and silver in Mexico must be regulated by their value in other parts of the world."

But they were referring to the free market principle of supply and demand, and would have been shocked could they have gazed across the years to find the prices for their precious metals chronically stunted by "naked short derivatives," like fiat money, worth nothing, yet having devastating effects.

The American Mining Congress, in their Journal for January 1960, page 25, called for---

"The Administration to recognize the historical and traditional confidence in gold and silver as monetary metals throughout the world, and as part of its foreign policy aid other governments in restoring gold and silver coinage---and currencies convertible into gold---as a standard of value and as a circulating medium."

The American Mining Congress as of 2005 appears to be dominated by coal interests. As an organization it now appears unconcerned about restoration of gold and silver as money. Part of the problem, you see, is "infiltration!" The 1966 Who's Who, page 2253, showed Clyde E. Weed as head of copper producer Anaconda Company, and president of the AMC, and a member of The Pilgrims. I am certain there is no faction within that Society which favors restoration of honest money. It's a case of a once good organization being taken away from us. Weed was a member of Federal Hall Memorial Associates, where the original Federal Reserve Bank of New York was located at the corner of Wall and Nassau Streets. Chairing the AMC in 1980-1983 was Charles F. Barber of The Pilgrims, Lehman Brothers, Salomon Brothers, Rockefeller University, former chairman of ASARCO---American Smelting & Refining, and another Rhodes Scholar (Who's Who, 1994, page 172).

Next time you deal with a bank teller, ask for a definition of "specie," they will come back with something relating to biology; four did where I bank! Another one asked a vice president to come over. He looked at the word "specie" written on paper and asked me if I was in the right place! I told him yes, I'm in silver. This was the same fellow who had a copy of "Foreign Affairs," publication of the Council on Foreign Relations, on his desk. When I asked my college economics professor to give a lecture on specie, his eyes rolled back in his head as if pierced by a spear. His comments on the phasing out of silver coinage was "good riddance!" When I asked him which foundation gave him an educational fellowship, he evaded by saying the next student was due in his office. When I alleged Federal Reserve currency to be bogus, he became red faced with hysteria. On exam papers, I placed an asterisk after certain answers, indicating I knew it would allow me to pass the test, but that I knew facts to the contrary. There is a worthwhile essay from 2001 on central bankers fear of rising gold prices at www.skolnicksreport.com/pingmkts.html

Fiat currency systems generate greater poverty than hard money systems. While shopping in various supermarkets in my area over the last several months, I see an increase in fruit such as apples and bananas left out of place, having had portions bitten out of them. Upon inspecting egg cartons for product breakage, I noticed small eggs had been placed in containers designated to contain “jumbo” size eggs (the larger eggs apparently could be fit into cartons designated for small eggs)---evidently someone’s Federal Reserve Notes were losing purchasing power! Pint size milk cartons and other easily opened items are sometimes seen in restrooms, the contents hastily consumed. Attempts are being made to remove barcodes and superimpose these on barcodes of pricier items. Stories are more frequent about people attempting to get free meals at restaurants by placing undesirable objects in their food, then accusing management. Employee theft of products from janitorial to office and industrial supplies is up. People who work nights sometimes find a neighbor has been connecting a garden hose at their faucet to steal water. Locking gas cap sales are up sharply in response to the spurt in pump prices. All these are manifestations of the rottenness of this currency system. There will never be a rush to own paper money. But gold and silver, being finite and having value not depending on any edict of man, are different. As the E & MJ, April 1964, page 22 said---

“Coin collectors are mobbing the Treasury for silver dollars.”

One of Jefferson’s earliest remarks on paper money dates to 1779---

"It is a cruel thought that, when we feel ourselves standing on the firmest ground in every respect, the cursed arts of our secret enemies should effect, by depreciating our money, what the open arms of a powerful enemy could not.”

Suburban libraries have homeless persons seeking heat relief, whereas I used to see them only in downtown libraries, along with the occasional drunk on benches outside, dead from drinking Vitalis hair tonic substituted for liquor. The Associated Press, August 16, 2005, reported that Indianapolis, Atlanta and Orlando Florida have banned begging near tourist attractions. Not a day passes that I don’t see poorly dressed men foraging for aluminum cans on the roadside. Among those better off, home foreclosures and auto repossessions are at epidemic levels due to catastrophic medical expenses (40% of foreclosures) and job exportation. As real estate valuations collapse, taxing authorities such as school districts will be underfunded to the point of chaos. Commercial real estate is frequently unsound; there are too few takers. The dollar is losing its rank as the world’s reserve currency; linked to this is the grim prospect Mr. Bush

(Pilgrims) will attack Iran. Scenes of street people in Third World countries seem destined to materialize here, as tens of millions discover their pensions are gone, and that Social Security can only be "funded" by a revved-up printing press, causing the currency to fall to bathroom tissue status. These people may have to be rounded up and sent to "agricultural internment facilities" shoulder to shoulder with many unable to speak English, to work for an agribusiness giant like ConAgra to prevent their starvation. Attempts by elitists to bring about Andrew Carnegie's dream of a "North American Union" have already resulted in border states flooded with Mexican nationals seeking a better life in "El Norte," now unable to provide a decent living for millions. Burglaries are up sharply there as these people forage for food. Border states such as Arizona and New Mexico are at risk of plummeting tax base due to mass migration of native-born residents towards the north.

Those with the foresight to set aside some precious metal will have a currency invested by the Almighty with unfailing worth, and could acquire prime real estate on a huge scale. This, provided they are able to hold on to their metal. We will have no security other than in besieging Congress over our rights. Punishing those who acted prudently to protect their future is not the spirit of the Founding Fathers. On the topic of securing protection for our metals investments, a significant Plan was put into effect starting on August 21, 2005. I have not seen this Plan referred to on any website. It is extremely simple with costs under $1,000, yet we are convinced it will help us all; it doesn't even consist of forming the political action organization I've called for. I played the supporting role of formulating it and supplying address data; therefore, the gentleman who took the lead in implementing it will supply the details you need when he decides it's time. As paper currencies become undisputed failures, economists who vilified gold and silver as money will find themselves at serious personal risk from an outraged public. Jefferson's warning on inconvertible paper was---

"It is said that our paper is as good as silver, because we may have silver for it at the bank where it issues. This is not true. One, two, or three persons might have it; but a general application would soon exhaust their vaults, and leave a ruinous proportion of their paper in its intrinsic worthless form. Everything predicted by the enemies of banks, in the beginning, is now coming to pass. We are to be ruined now by the deluge of bank paper. Bank paper must be suppressed, and the circulating medium must be restored to the nation to whom it belongs."

Having terminated Silver Certificate redemption in 1968, with FRN's we are remotely distant from Constitutional principles of gold and silver money. Leading up to that ominous landmark event was a barrage of media propaganda, such as the allegation in Business Week, March 23, 1963, page 148 that silver would "debase the currency." Lying was never more necessary to any system than to fiat currency. Lies about silver have been told for generations! Century Magazine, New York, August 1893, page 636, called silver "debased and uncertain currency." It seems as if the only way to return to the use of real money, is for the public to become convinced of such necessity. The only way of convincing most people is for them to experience monetary cataclysm---financial nightmare in real life destitution. Will we have to witness a cup of coffee at Starbucks costing $75 before Americans understand the Federal Reserve is the basis cause of monetary decay? It is a very late hour in United States monetary history, but the more Americans begin to view gold and silver miners as money manufacturers---legitimately so---the more pressure will mount to first audit the Federal Reserve, then revoke its charter and incarcerate those associated with it. As more people come to understand that unbacked paper money is not wealth, currency panic mounts. They will realize what Americans understood on October 13, 1857, when Treasury Secretary Howell Cobb halted redemption of paper and disbursement of gold---"news of this led to new panic in the cities" ("Panic On Wall Street," page 104). This volume also mentions in connection with conditions before the Panic of 1857 (page 93)---

"Expansion was due to increases in gold, and not to any wisdom of New York bankers. At no point did bank notes sell at par with gold; even at the height of the boom, market prices showed distrust of paper money."

We must follow the lead of Mexico in restoring metallic money. It is the only honest and stable money available to mankind. On August 16, 2002, Hugo Salinas-Price, leader of the Mexican silver movement, sent me a book by Salvador Borrego (1987) entitled "Puzzling Neighbors---A Historical Guide To Understand Modern Mexico." The author mentions U.S. meddling in Mexican internal affairs and complains about various Presidents having been Free Masons. Apparently that is supposed to be the root of the problem. We have had Senators and Congressmen in favor of silver, who were Masons; and Senators and Congressmen who were Masons, opposed to silver. More to the point, the problem with our Presidents is that since 1903 every one of them has been a member of The Pilgrims Society of the London/New York paper money central banking mob. Mexico too has a central bank, and the Federal Reserve System and the Bank of England directly control it like a dog on a leash. On page 111 Mr. Borrego gave examples of currency depreciation in the purchasing power of the Mexican paper peso. One pound of sugar went from .73 peso (73 centavos) in 1968, to 130 pesos in 1987. A pound of tortillas went from .14 to 114 pesos---an increase of 81,450 percent! A Volkswagen beetle went from 26,000 pesos to 11,500,000 pesos. A gallon of gasoline went from 3.04 pesos to 1,011 pesos. Meantime Mexicans on fixed incomes, as everywhere else, became steadily poorer in a country well endowed with silver resources and gold, which previously served as the basis of their monetary system. When the battle over our silver coinage was raging, the American Bankers Association in their publication for April 1965, said (pages 46-47)---

"The DuPont Company has a patented process for making clad coins. Alcoa recommends coins of aluminum, a metal light, plentiful, and cheap. Also proposed for coinage have been glass and ceramics. Germany used some ceramic coins during the big inflation after World War I. During World War II some consideration was given by the Bureau of the Mint to plastic coins. It might be feasible to produce plastic coins with enough metallic content to provide the conductivity necessary for their use in vending and other electrically operated coin machines, but plastic money seems unlikely to meet with public approval."

I don't see any of you metals investors rushing to buy plastic, glass, ceramic or aluminum coins! It's just what the bankers wish we'd accept! But we did get clad coins, from which DuPont, Silver Users Association members, has benefited. Paper money, debased currency and fake money is a disease, a profanity spread by bankers who want us on a bastardized system. Hey bankers---since you are opposed to us using any Idaho silver as coined money, we wish to ask you a related question---since you think so many lousy things like paper, glass and plastic could be used as money---and that peanuts are more important in the economy than silver---can we start paying you in Idaho potato peels? Like plastic, these potato peels are abundant and cheap. And we would like you to be paid in these potato peel "notes!" After all, Jack Simplot, of a famous Idaho potato brand, once had a stake in Bunker Hill Mining Company at Kellogg, Idaho! You may come to processing plants in Idaho and collect your payments in authorized legal tender potato peel notes, and receive the balance by foraging like the vermin you are through restaurant garbage dumpsters!

Dear friends in precious metals, we must remain brave in our efforts to reinstitute real money, for the banking system will lash out at us with a berserk ferocity that could appall the troops of Genghis Khan, who scaled the walls of cities under siege by climbing atop the stacked-up bodies of victims of the previous siege.

"Specie is the most perfect medium because it will preserve its own level; because, having intrinsic and universal value, it can never die in our hands, and it is the surest resource of reliance in time of war. Certainly no nation ever before abandoned to the avarice and jugglings of private individuals to regulate according to their own interests, the quantum of circulating medium for the nation -- to inflate, by deluges of paper, the nominal prices of property, and then to buy up that property at 1 shilling on the pound, having first withdrawn the floating medium which might endanger a competition in purchase. Yet this is what has been done, and will be done, unless stayed by the protecting hand of the legislature. The evil has been produced by the error of their sanction of this ruinous machinery of banks; and justice, wisdom, duty, all require that they should interpose and arrest it before the schemes of plunder and spoilation

desolate the country. If the American people ever allow private banks to control the issue of their currency, first by inflation then by deflation, the banks and corporations that will grow up around them will deprive the people of their property until their children wake up homeless on the continent their fathers conquered."---Jefferson

Paper notes cannot depreciate!
Federal Reserve Notes are God's gift!
Old folks in bad physiological state!
All on fixed income are cast adrift!
As prices rise they get stiffed!

Money is whatever we say it is!
Today it's Federal Reserve Notes!
What's profitable? Central banking biz!
We have you by your throats!
On Capitol Hill we buy off votes!

Money comes from mines, not banks!
Paper money will go up in smoke!
Mostly liars within economist ranks!
Federal Reserve Act is a filthy joke!
Defrauding all the simple common folk!

Real money of gold and silver coin,
Is what we fear the most!
Fiat paper is how we purloin,
Your savings, home & pot roast!
Federal Reserve is our command post!

Plastic, peanuts, paper and glass,
Are all better than silver and gold!
FRN's are multiplying en masse!
U.S. suffers from lies economists told!
Our gold reserves are gone---sold!

Morgan, Sanders, Hommel and Price,
Charlie too in his highly researched way,
Warn of fiat money detonating device,

Leaving world in state of disarray;
Silver remains **MONEY**, forever & a day!

Count Dracula fears the sunrise,
Return to specie is our nightmare!
So our economists tell lots of lies!
Metals could rise like a solar flare!
Mauling us like an Alaskan brown bear!