# Chapter 1

**Chapter I—In General**

> *"Permit me to issue and control the money of a nation, and I care not who makes its laws."*

That was **Meyer Amschel Rothschild**, father of international banking, talking. That he knew the power of money is evident not only in the control he exercised over national affairs of his own generation, but especially in the evolution of world enslavement by which private individuals with private corporations now usurp for private fortunes the supreme prerogative of any nation—the right to coin and issue its own money for the common good and national welfare.

Under this oppression the world asks: What is wrong with the organization of humanity, especially its Western Sector, America? Why were there two wars within one generation and ominous threats of a third when no one wants to bleed and die in battle? Why destroy one tyrant only to create another even more ruthless? Why do national leaders vehemently reiterate a policy of peace while rapidly plunging us into war? Why is it that the richer a nation becomes the further it sinks into debt? Why is it that nations are existing only because of a bankers overdraft? Why is it that the American state department becomes in effect a branch of the British Foreign Office? Why is it that America, who started out to set everything right in the world, is ending up by losing her own birthright ?

The secrets of the great financial conspiracy furnish the answers to most of the perplexing problems of today. Americans have been asked to seek a solution in almost every conceivable extraneous consideration. They are now asked to consider the conspiracy of money. Knowledge of its aims, its methods and its results will simplify much.

Thoughtful individuals are beginning to realize that world wars were not fought because there happened to be one or two bad men in Europe. Sincere inquiry into the truth is causing many to realize that it was not so much a question of bad men as it was a question of bad money. How this force has reached the extent of making a *catspaw* of mighty Mars is now laid bare page by page with the prayerful hope that the light of Knowledge and the power of Truth will become sufficiently strong to destroy the tyrant of international finance and to the establishment of a sound genuinely American system of society.

Informed Americans whose intelligence has been insulted, whose property has been confiscated, whose independence has been outraged, whose pockets have been picked, whose loved ones have been killed will then turn to the very foundation of their government and for the first time will enforce Article I, Section 8, Paragraph 5 of the Constitution, namely:

> *"Congress shall have the power to coin money and regulate the value thereof; and of foreign coin."*

This unprecedented procedure would insure more stability, liberty and plenty than the UN, the World Court, **Bretton Woods** and all the other monstrous, farcical smoke-screening Utopias of a World Super-government ever promised to do. It is not maintained that a constitutional money system would automatically cure every economic ill it is possible for the human intellect to conjure up, but it is a certainty that this is the basis upon which other reforms must be built. Only with monetary reform can there be any other economic, political or social reform. It is simply a case of putting first things first: of reaching into the cause of the causes.

It is useless, for example, to talk of an adequate wage or a living wage when the costs of living are constantly and unpredictably fluctuating because of the voluntary contraction

and expansion of credit at the whims of the all-powerful bankers. It is useless to talk of peace because there will be world wars so long as these bankers continue to draw interest on increased national debts which follow war, and so long as these bankers with their foreign brothers need the combined strength of weaker nations (made weaker basically because of their vicious policies) to overcome a more powerful nation which became powerful through a financial system operating for the common good of the nation instead of the individual good of a select few….

A convert from the disastrous international banking system to the cause of sound money, **Robert H. Hemphill**, former Credit Manager of the **Federal Reserve Bank** (U. S. branch of the international banking set-up) of Atlanta, Georgia, said:

> *"Money is the most important subject intellectual persons can investigate and reflect upon. It is so important that our present civilization may collapse unless it is widely understood and its defects remedied very soon."*

Death prevented a complete expose and confession of a former Governor of the Bank of England (English branch of the international set-up), **V. C. Vickers**. In his incompleted book, "Economic Tribulation," he wrote among other things:

> *"This national and mainly international dictatorship of money which plays off one country against another . . . cannot be permitted for much longer to render Democratic Government a mere nick-name."*

Many great men of Europe and America, including our founding fathers, our first three presidents, our foremost scientists and inventors, will be quoted to demonstrate the views of intellectual men on the evils of our present monetary system and the necessity of founding it on the Constitutional provision. Unfortunately their wisdom on the subject of money

is all but unknown because the Money Trust largely controls the media of propaganda. When an individual, no matter how famous or patriotic, ventures to present the facts on this all-important topic, the Smear and Suppress Troopers show their might.

The *Great Commoner*, **William Jennings Bryan**, knew of this practice by the Power … who prey upon the nation in time of peace and conspire against it in time of war. His words on this point are as true now as they ever were.

> *"It (the Money Power more despotic than monarchy, more insolent than bureaucracy) denounces as public enemies all who question its methods or throw light on its crimes."*

… When **Charles Lindbergh, Sr.**, father of the *Lone Eagle* and former congressman, charged political and financial interests were leading us into war (World War I) his meetings were broken up, his patriotism attacked and the plates of his book were destroyed by government agents. In his book, "Your Country at War," the elder Lindbergh wrote:

> *"'We have not only been deceived but we have been charged and made to pay the whole cost of maintaining the (monetary) system with which they have done the deceiving…. No one with an ounce of brains unless filled with injustice, or a mere hireling, will defend such a practice."*

**Arthur Kitson**, brilliant financial writer, engineer, inventor with nearly five hundred patents to his name, introducer of the talking film and pioneer in the present technicolor development, first decided to expose this racket when a bank manager showed him instructions from banks in New York which urged the little banks to withhold money from the people, *to explain that this scarcity was caused by the Sherman Bill*, and to get the public to write Congress in opposition to it. Naturally the people wrote, the Sherman Bill was repealed and

the banks got what they wanted—the control of currency. Kitson wrote “The Bankers Conspiracy.” When the contents reached the ears of the money internationalists all copies were suddenly bought up and taken from circulation. The book’s plates were destroyed to prevent reprinting….

Not only a few great minds, but also many common people, could read the signs of the times. The author recalls the evening he was pondering some statistics and discovered that German exports in 1937 surpassed those of Great Britain for the first time since World War I. He looked across the room to his father and said confidently, “That means another world war in about five years.” After a moment’s reflection he added: “If the financial rulers of the British Empire wait ten years Germany will break her up without firing a shot. They won’t let Germany get that powerful.”

The author was no “official spokesman,” “outstanding authority,” “technical adviser,” or “expert on foreign affairs.” He was just a piece of ordinary cannon fodder. Other such bits of cannon fodder knew what was coming before England, after sending frenzied cables to President Roosevelt, backed up Poland against Hitler when everyone knew England had no love for the Poles and cared less for their fate, as later events proved. She did not and will not send as much as a single soldier to fight for Polish liberation.

Ordinary potential casualties deduced many things from simple observation. They knew who would fight the war and who would profit from it by reading items telling of Europe’s powerful families sending their fortunes in idle jewelry to this country for safekeeping and other items about poor English housewives being asked to give up their essential pots and pans in scrap drives. They knew when reading one day of the Allies fining Germany one billion dollars in reparations and the next day of the United States giving Britain four billion dollars (including the cancelling of an under-estimated twenty-nine billion dollars in lend-lease at two cents on the

dollar) that rich America, a beloved and victorious ally, would be hit harder than the hated and defeated enemy, even though her national debt is larger than all the rest of the allies put together. They knew such a course had become an accepted practice but they did not know this policy was adopted because it was to the exclusive advantage of the international banker.

If some modern *Rip Van Winkle* sleeping through the war were to arise today he would believe Hitler won the conflict. All the evils predicted in the event of defeat are rampant. There is less peace in Europe than before the war. There is less Democracy, less freedom of speech, less freedom of religion, less freedom from want, less freedom from fear, more suffering, torture, oppression and crime than there was in 1939. Even the Government of the United States, the last refuge of hope to a suffering world, is in far greater danger of collapse than it was when Hitler was kicking the British into the sea at Dunkirk. This, too, the potential casualties could have predicted. It was a proven fact that modern wars offered no solution to the problems which perplex the brotherhood of nations. The *Kellogg Peace Pact* outlawing war was a farce in view of the numerous "undeclared wars" which followed. America's Allies repudiated their debts and only the bondholders profited on the orgies of destruction. Many had the logic to reason that since only the financiers profited by war it must be they who want wars. They have noticed that no war has ever been left unfought because there was a lack of money with which to fight it. During the *Civil War*, **Abraham Lincoln** showed his understanding of the power of money, and the fears he had then are as evident and all the more to be feared by Americans now because of the increased power of the money men. Lincoln said:

> *"As a result of the war, corporations have been enthroned and an era of corruption in high places will follow, and the money power of the country will endeavor to prolong its reign*

> *by working upon the prejudices of the people until wealth is aggregated in the hands of a few and the Republic is destroyed. I feel at this moment more anxiety for the safety of my country than ever before, even in the midst of the war."*

Much is known of the secret instruments and dealings of the international financier. Much more is known in its effects if not on how they were brought about. For example, in 1933 Congress gave the power and privilege to President Roosevelt for having three billion dollars of money printed for use in necessary transactions to salvage the sinking trend of the Union—the so-called *Stabilization Fund*. The President started to turn out this debt free government money, but suddenly and mysteriously he called it all off. He shut down the presses, turned right around and continued the old method of giving (and we do mean giving) bonds on which the banks collect interest. That much is known: just how it was brought about is not known. No explanation was ever given. It is a matter which needs a Congressional investigation. It would be interesting and informative to see a report of the secret plottings and conferences which shut down the presses.

**Franklin D. Roosevelt**, despite his early pledges to "drive the money changers from the temple," in reality gave the temple over to them for the privilege of a servant's job with room and board. He railed and ranted against the "economic royalists," yet every legislative act he backed, from the Gold Act of 1933 to Bretton Woods of 1945, made these self-same powers even more powerful. He was elected on a program of economy and immediately launched upon the greatest orgy of squandermania the history of the world has ever seen even before the necessity of the "war effort" and the establishment of the four freedoms "everywhere in the world." These unbiased observations are a true indication of the degree to which he was the master of his own policies. It demonstrates again the terrible truth of the Rothschild philosophy among

international financiers; they care not who sits in the president's chair or in Congress as long as they issue and control the money of the nation.

**Senator Elmer Thomas**, addressing a meeting of 500 financiers of New York City, February 6, 1933, said:

> *"Mr. Toastmaster, Ladies and Gentlemen of New York…. Notwithstanding the plain mandates of the Constitution, as a rule financial policies do not originate in Congress. As a rule they do not originate in Washington . . . the financial policies of America originate right here in this great city. The New York Federal Reserve bank is the head and heart dominating and controlling the financial policies of our Government…. Working and cooperating with this financial institution are the great banks of New York City . . . the heads of those powerful banks . . . have, as a general proposition, Washington and the Congress as their agents. Today the Government at Washington is only one of the clients of this unified and powerful aggregation. A nod and a whisper by the powers mentioned can turn the tide, can reverse the process of deflation and depression. . . . The people forming the cities, counties, States and even the Federal Government are bankrupt and prostrate…. Bankers of New York, I plead with you to face the facts, meet the issue, and PERMIT the people and Nation to live."*

Speaking in the Senate on February 22, 1933, the Senator said:

> *"Any time Wall Street wants a Bill passed, they send a suggestion down to Washington, and we are kept here sometimes until midnight to pass the Bill. But if Wall Street is opposed to legislation in Congress, it cannot be gotten out of Committee, and it cannot be gotten before the Senate for consideration, and it has no chance of passing."*

Those who argue that Roosevelt alone took us into the late war

are wrong. Politics and politicians are effects, *not causes*; they are directed by other powers which are the causes. These powers have the habit of being spelled “M-o-n-e-y M-a-n-i-p-u-l-a-t-o-r-s.”

If Roosevelt was so easily controlled by the bankers and their interests how does it happen that they supported his Republican opponents? That is a good question, but it is easy to answer. In tracing the recent history of political parties it will be found that since the enactment of the *Federal Reserve Act* the money interests dominated both political parties, and controlling both, they could be expected to contribute to both. And they did contribute to both: Politically, they are *Republicrats*—or *Demopublicans*.

In 1934 four hundred “economic royalists” contributed to Roosevelt’s campaign with several chipping in to the tune of fifty thousand dollars or more. That they gave to such an extent might have been due to the evidence that F.D.R. could be controlled while his opponents had not yet so extensively demonstrated this submissive quality. Or the reason might have been partly due to Roosevelt’s magnetic personality which gave influence to his speeches (if they can be called his when written almost exclusively by **Raymond Moley**, **Tommy Cochran** and **Ben Cohen**) and even though he frequently oversimiled his points he had the following to put across the directives of the Hidden Power.

This Hidden Power is a world power which, through its permitted control of national money supplies, has plunged every dominated nation into the miseries of irretrievable debt and the world into economic and military strife. This force cannot be underestimated or neglected if the worthy “hope which beats eternal in the human breast” are to be realized. Neglect and indifference must give to action based on Knowledge and Truth. Economic conditions of the present concern the masses more than all else, yet receive the least attention.

The bankers, their subsidized Americans and a group of hyphenated hybrids who would substitute a mongrel flag for the Stars and Stripes say the question of debt and finance are far beyond the average man's powers of comprehension. In debating the four billion dollar loan to Britain Senators Barkley and McFarland, swallowing this bunk, agreed that "this whole question involves so many economic problems it is difficult for any human being to understand them."

Time-serving politicians and professors say that in dealing with these subjects the people are dabbling with the laws of Economics while fundamentally all the nation's ills are really due to the war, or over-production, or Joe Stalin's aggression, or conservative Republicans, or Leftist Democrats or some other convenient evasion. The wise businessman says people simply choose the wrong professions, and might add to his premise by suggesting a few rackets and immoral schemes of oppression which brought him success. The clergy often say these affairs are entirely outside the Church's sphere, that members of the clergy are concerned with spiritual affairs and the religious life of their flocks. With these "explanations" the people sit like a man in blissful ignorance, enjoying a leisurely smoke while sitting on the proverbial powder keg.

John Adams wrote to Thomas Jefferson words which are as true in 1949 as they were in 1787:

> *"All the perplexities, confusion and distress in America arise, not from defects in their Constitution or Confederation, not from want of honor or virtue, so much as from downright ignorance of the nature of coin, credit, and circulation."*

In all truth and fairness the science of money is much more simple than some of the other sciences taught in grade and high schools; it is no more complicated than yesterday's baseball box score. The elements of monetary theory had been

perfectly understood since the time of the ancient Greeks. Not until the eighteenth century did the educational system deliberately impose upon men's minds confusion and neglect of the ABC's of these problems.

The plain fact is America is not now a free nation. like individuals, nations in debt are not free. They are the slaves of the Hidden Power of money makers who are in the business of money making for making money. The people pay with their lives, liberty, and every other noble, God-given gift the tribute their masters exact. Horace Greeley once wrote most appropriately:

> *"While boasting of our noble deeds we are careful to conceal the ugly fact that by our iniquitous money system we have nationalized a system of oppression, which, the more refined, is not less cruel than the old system of chattel slavery."*

On the same theme Woodrow Wilson said in 1916:

> *"A great industrial nation is controlled by its system of credit. Our system of credit is concentrated. The growth of the nation, therefore, and all our activities are in the hands of a few men. We have come to be the worst ruled, one of the most completely controlled and dominated Governments in the civilized world—no longer a Government by conviction and the vote of the majority, but a government by the opinion and duress of small groups of dominant men."*

Senator Barkley once confessed on the Senate floor:

> *"We have no power over money. We cannot pass a law here to conscript it in time of peace, at least, though I favor a law that will put all Americans on the same equal basis in time of war with respect to their lives and property. But we have no power to conscript money . . ."*

How far down the road to corruption national policy has gone is tragically expressed in this statement by Barkley—then Majority Leader of the Senate— when he says we have no power over money. What a confession for a Senator now Vice President—when he says we have no power over money. What a confession for a Senator who has sworn to support the Constitution which says as explicitly as human language can, that Congress has the power to coin and issue money!

The international aspect of this selfish rule, together with charges of the Federal Reserve Banking System being simply the American branch, that it operates in violation of the clear and concise language of our Constitution, that it is the principle cause of strife and wars, and all other points mentioned in this chapter, will become clear as the story unfolds in the course of "Citadels of Chaos."

Only today came a report that indicates the international completion of this domination. Canada now forbids Americans to go from one point in Alaska to Canada, on the Alaskan highway built with American money, or to pass through Canada over the same highway from the Alaskan seaport of Haines to the Alaskan capital of Fairbanks. In this hemisphere where the border relations of Canada and America have been the marvel of the world for more than a century, where the best of relationships prevail, there comes an evil rampant in Europe to the detriment of all concerned. And why? Because the highway started at Haines threatens to take traffic from a parallel railway running from Shagway to Whitehorse in the Yukon which is owned by London financial interests.

Another indication is seen in the official visit of the arrogant and offensive British Field Marshal Montgomery to Washington to "establish a fraternalship among the English speaking peoples." In other words the money monopolists are hard pressed to preserve a rotten Empire and might need for their purpose a few more American armies for incompetent British officers to mix-direct. America, Britain and France

are intertwined in a triple alliance of finance, an accord never ratified by the people of the United States or their Congress. Yet the pact was and is as binding as any military alliance has ever been. In fact, because of the power finance wields, this alliance precludes the inclusion of a military pact. Because Russia, one of the so-called Big Four, is not in the financial alliance there is much talk of war with her.

If anyone dares suggest an American monetary system for Americans he is told that such a course is useless unless the rest of the world agrees to do the same. The simple fact is that money is primarily national, not international debt. It is worthless in any other country until exchanged for that nation's money. In practice it is not exchanged into it, but exchanged for it. Not all the propaganda scares can be investigated in these pages. It is invaluable to learn, however, that there are propaganda scares which attempt to hide the fact that they are the ones who are scared—scared that an honest, efficient money system will make America invulnerable to foreign profiteers with their economic spasms and to foreign prophets with their political "isms." For their own selfish gains they fear the day when America will exist on something besides an over-draft from private bankers.

A circular dated September 19, 1946, was headed: "Federal Reserve Bank of New York." The caption under this heading read: "Fiscal Agent of the United States." Who was ever taught in school or elsewhere any principle of provision of the Constitution by which a private corporation could be conceived as the fiscal agent for this land of millions of free people, the United States of America?

These are the days when "experts" sweat at their desks figuring out the explanation of the next depression…. But all will be heard in the press and over the radio when and after the next bust strikes, because they are a vital link in the chain of deception, lies, confusions and smoke screens needed to cover up the truth about all booms, depressions and

busts—to cover up the fact that they are man made, planned, controlled and timed to fit the financial interests of their creators. The 1920 bust, as will be seen, was made at a secret, conspiratorial meeting of the Federal Reserve officials and class A bankers, held in the Treasury Building in Washington, D. C., May 18, 1920. But the "experts" still prate about the causes of this panic. They blame Labor, Farmers, Communists, Fascists, spendthrifts, hoarders, sun spots, and even Almighty God Himself.

President Truman meets with his Cabinet, composed largely of Wall Street men, to talk in secret about high price so the press reports. That is a sign of depression as surely as a bluebird's call in March is the sign of Spring. They are planning now on how to meet it when the money men name the day, a day that might already be set by the financiers in their secret meetings.

The sole function of money is the exchange of wealth and a measuring unit of value. Money itself is not wealth. Wealth satisfies human wants; money is the means of exchanging this wealth, It is a medium used to avoid the old barter system of direct exchange of goods. It makes easy the interchanging of goods and services, so that when a person parts with anything having value without desiring anything in return he can keep money as a receipt for wealth surrendered. It is an evidence that he has contributed some goods or services which society wants, and is a demand on society for an equal value of other goods or services which he may employ as he so desires.

In the present system Frederick Soddy has graphically defined money as "the nothing of which you must have something before you can get anything." By saying money is "the nothing" he refers to the manner in which ninety-five percent of it is created. When a person makes a loan of a thousand dollars, for example, the bank does not give him a thousand dollars in cash. It credits him on its books with a thousand dollars against which the person may write a thousand dollars worth of

checks. There is a thousand dollars of neither gold, silver, tin, wood or paper. It was created by a flourish of the pen. The bank's books now credit this loan under deposits yet there was not as much as a penny deposited with them. Theirs is purely an ink-pot kingdom.

Marian Eccles, Governor of the Federal Reserve Board, testifying before the Banking and Currency Committee of the House, June 24, 1941, admitted that money is "created out of the right to issue credit money." To say that you must have some of this nothing before you can get anything is the painful daily experience of most people. The fact that the borrower of this thousand dollars signed a mortgage over to the bank does not make the book entry money; it indicates what is back of their "nothing."

When the borrower pays this thousand back, that amount is stricken from the bank's deposits. A person in effect destroys money by paying it back. Marian Eccles, Governor of the Federal Reserve Board, testifying September 30, 1940, on the Price Control Bill said:

**"If there were no debts in our money system, there would be no money."**

Professor Irving Fisher, outstanding monetary authority in America, wrote:

> *"If all the loans were paid, there wouldn't be a dollar in circulation."*

A former Governor of the Federal Reserve Bank of Atlanta, Georgia, Robert H. Hemphill, said:

> *"If all bank loans were paid, no one would have a bank deposit and there would not be a dollar of currency or coin in circulation. This is a staggering thought."*

Henry Ford in “The Dearborn Independent” rightly said:

> *“The one aim of these financiers is world control by the creation of inextinguishable debts! And since gold is a metal which neither laws nor inventions can increase, the supplies of which Nature has so far limited, control has become a very simple achievement. The irony of the situation is in remembering that this instrument of slavery was the creation of a British statesman on the advice of a British banker.”*

The fact that money which is the necessary medium for payment of debts itself comes into existence as a result of a debt is evident in the very nature of the present banking system. This is easily discovered even without the unimpeachable word of top-ranking authorities. And it follows as a logical consequence that since money comes into existence as a result of a debt to the banks, the cancelling of these debts automatically cancels the existence of money.

When depressions strike, people often ask: “*Where did the money go? It didn’t just vanish into the air*!” The plain truth is: That is just exactly where it did vanish—into the thin, very thin air by simply being stricken from the books—thereby making a reality out of one’s wildest imagination.

These debts which create deposits are created out of nothing more formidable than an ink pot at the selfish personal whim of private bankers.

The late Lord Keynes, international monetary authority, a big profiteer in the crash of 1929, Great Britain’s gift to the New Deal, and master mind of the World Bank, admitted:

> *“There can be no doubt that all deposits are created by the bank.”*

R. G. Hawtrey, once a high official of the British Treasury, said:

*“When a bank lends, it creates money out of nothing.”*

(Quoting British officials to prove a point on the Federal Reserve Bank policy might seem to some as being irrelevant and immaterial, but unfortunately that is not the case. It will be seen in the following pages how the British system was secretly and “reasonably inflicted upon the United States….)

Theoretically, if the victim borrowing the thousand dollars demanded cash for that amount he could get it—if too many other people didn’t do the same thing. Thus the bank, while placing this loan under deposits on its books, although not one red cent was deposited, actually owes the borrower that amount in real currency. A banker is the only man in the world who draws money from his debts. He is, under the present system, essentially a leech on society. Money is to the nation’s economy what blood is to the human body. It has truly been called the economic blood of the country….

It is high time the banking profession go into the banking business instead of the business of creating and destroying money. It is also time the banking profession be cleansed and started on the worthy pursuit of constructive commercial habits.

Many bankers are our personal friends whom we know to be honest in intent. The rules of their game have become so universal and accepted they no longer see the immorality with which it is rife. Bankers are more ignorant of the inner workings of their profession than any other professional group. If it is a question concerning the general over-all policy of finance it is generally useless to ask a financier. (Some attempt to distinguish between a banker and a financier. The difference is one of degree, not of kind.) Generally they are the innocent cogs of a destructive machine and would welcome a sound and honest means of earning a modest livelihood.

The little banks are in the same boat as the average American. Ten thousand of them closed during the last panic and ten thousand more will likely close if the Federal Reserve Bank decides on another panic. They have to use the Federal Reserve Bank if they do business, and they have to buy a certain amount of stock. They are needed for political purposes but they do not participate in the management of the Federal Reserve Bank.

Since the banker draws interest on this curious and dubious money, the more debts, the more interest. The more wealth a nation has the more debt the banks can force. Hence the more wealthy a nation is the more it goes into debt. The more it goes into debt the greater are the profits to the banking system. The Federal Reserve System is a mathematical impossibility. It was illogically constructed and predestined to failure and will eventually crush the Government of the United States under a burden of debt. This system supports the nation like a rope supports the hanged.

America's is a Boom-Bust Economy. A man prospers in a business boom, pays off his debt and thereby cancels money which helps bring on a bust. Or the banks lend out their credit to the extent of practicality and thus inflate a boom. When the limits of their inflation (and that is the real inflation which is so dangerous to the nation) has been reached they begin to contract their loans thereby bringing on a bust. These busts are not brought on because mankind suddenly decided to abolish the habit of eating three meals a day. Nor because termites overnight consumed all the gold in the world. Nor because all the crops of the nation were wiped out in one momentary blast. Certainly not because we are obligated to feed Europe. Yet people are evidently supposed to believe these or some other fantasy to be the cause. They must learn that the cause is their … ruinous system of finance.

The remarkable little newspaper, Money, edited and published by John Scott in Craryville, N. Y., has some interesting

material on the great evil of our money system—its interest rates. Interest rates are those little steals which take money from the hands of the producer and deliver it into the hands of the non-producer. By their injustices progress and production are halted as industry suffers the loss of her profits and the laborer is deprived of his wages. It is from these rates that an accepted formula for the expansion and contraction of business is forecasted. An interpretation of future market trends is thereby formulated for the profitable buying and selling of securities in Wall Street.

While Wall Street deals with the abuses of the interest rates, the real deception has its origin with a privileged group of the Federal Reserve Banking fraternity illegally authorized to deal in usury. The economic unsoundness of this aspect of the money system has developed a very much unbalanced budget for which an unprecedented high rate of taxes must be collected. For this, business and labor are forced to give up the better part of their profits while under an OPA law they fought each other for higher prices and higher wages.

Unfortunately management and labor do not object to being left to the mercy of a privately owned banking bureaucracy. Recent increases of these rising rates will have a disastrous effect on progress and production. Yet management and labor remain serene. Their arguments, pro and con, are for higher prices or higher wages. Today paradise is gained with a boom; tomorrow, lost in a crash.

America’s economic history has been stigmatized with the eventualities of the upward-downward spirals of boom and bust. Although she has, and has always had, a super-abundance of wealth for a lasting prosperity, and even though management and labor plan in hopes of sustained prosperity, she shall struggle in vain for this goal as long as the tools of Government for the expansion and contraction of money and credit are used as a means of usurious exploitation for the benefit of a privileged few.

At one time there was a difference between capitalism and “financialism” but today a distinction, if there is one at all, is academic rather than practical. The financial group has absorbed or obtained so much control over the owners of industry that there exists a purely financial economy today.

Formerly a capitalist owned and managed the tools of production and he was a producer, not a money lender. If this country had sound banking and tax laws the ownership of her factories and industrial machinery would be in the hands of those who own and direct their operation. She would have a free and private enterprise system instead of a corporate, absentee owner, financial system. Capitalism today has become financial in meaning, effect and practice. It no longer refers to the private ownership of the tolls of production but refers to the financial ownership and control of the tools of production.

It is an openly hostile element that is shouting, “Down with Capitalism.” The worst of this element claim that science and invention necessitate discarding Capitalism and the adoption of a Socialistic form of government. Their aim is to further entrench the wealth and power of these internationalists. The right of Capitalism, or the right to ownership of private property, has not failed and never will fail. The error lies in the abuses of Capitalism, in allowing a small minority through the malicious operation of the money system to destroy the economic security and peace of the world.

America, the land of limitless resources and learning, has grown rapidly. As human civilization continued to push forward into the face of the setting sun, numerous ports along the Atlantic sea coast became centers of growing commerce. Soon spinning wheels left the homes and factories arose. Carpenters and masons specialized in their jobs. The West was converted into agricultural pursuits. Banks came to be the heart through which the life blood of the nation circulated….

Then the banks which gave rise to increasing progress again came to regulate progress for their own private benefit. In the hands of the government the money system would have operated for the good of the government in all its component parts, the individuals. But in the hands of a few private men it was naturally operated for the benefit of a few private men. Then came rugged individualism for the few and ragged individualism for the many. The words of Lucan again stood unimpeached: “The human race lives for a few.”

World War I submarined world trade, shot international confidence, blasted prosperity and poisoned people’s government. The Armistice marked the temporary end of military strife and the beginning of a world war against the previous social and economic conditions. After the “War for Democracy” came the treaty of peace which brought neither peace nor Democracy. It did not bring Democracy for the governments of the world were one by one formed into the ranks of dictatorship of one form or another. It did not bring peace for never were there more wars springing up here and there, and when the larger one came never were nations more willing and ready to meet it.

The revolt against the old social and economic conditions is universal. It is a war against Capitalism which was, before World War I, in the course of universal development, and has greatly increased in vigor after the outbreak of the second world conflict. As each country is studied, it will be discovered that although the recent developments spring from a common cause—revolt against Capitalism, or rather, against the abuses of Capitalism—the different form which it has assumed in Communism, Fascism, Nazism, Socialism, are but the results of the various conditions in which it found the various countries.

Lenin knew there would be wars as long as flagrant abuses of Capitalism remained. For his own purposes he failed to distinguish between Capitalism and its abuses but predicted:

> *"Imperialist wars will never cease as long as capitalism remains capitalism. As long as capitalism remains capitalism, surplus capital will never be used inside the country to raise the standard of living of the people. It will always be sent abroad to increase the dividends of the money lenders."*

Global loans to anybody and everybody who gets a Communist bellyache is in direct fulfillment of this observation.

From the days of Rothschild and Waterloo International Bankers have shifted their gold from land to land, financing first in one country, then another, inciting an endless series of wars and revolutions. In 1812 they financed England in her wars against America and France. In 1848 their money spread revolution throughout Europe. In 1860 their money was financing the South in our own Civil War. Their money was the power in World War I in 1914, in the Russian revolution of 1917, the German revolution of 1918, the Spanish revolution of 1935, and World War II of 1940.

That all these wars and revolutions were fought in the name of Democracy is a matter of history, but in reality they were started by or used by the International Bankers to destroy nationalistic governments, whether headed by a King, an Emperor, a Czar, a Sultan, a President, a Parliament or a Congress, and to substitute an international government under something like a UN with its component part, a World Bank. This would consolidate and facilitate their rule.

Nearly one hundred years ago Disraeli, the greatest of British statesmen, said boastingly of the International Bankers who made him Prime Minister of England:

> *"The people little realize who their real rulers are."*

It has rightly been said that while civilized brigandage of today is ashamed of its ancestry, its appetite for plunder is

no less ravenous and daring. Modern brigandage is carried on under more euphonious titles, and new methods of robbery are employed. Instead of the “robber king” we have the money king, the coal king, the munitions king, the railroad magnate, the newspaper baron, the automobile czar. Instead of spoils and plunders, we have interest dividends, revenues, rents and coupon clippings.

It is but to repeat a truism to say that changes have taken place in America. The Roosevelt administration brought with it a New Deal. Some shouted “Dictatorship” at the emergency powers granted the president in an effort to ease the worst of all financial panics. Others, with more justification, yelled “State Socialism” at the regimentation of occupations. Under the NRA there was an attempt to regiment industry. Under the TVA public utilities were regimented. Under the AAA the farmers were regimented With these collectivism invaded America. With subsequent enactments it continued to spread. When the land, industry and various interests of the country are regimented there exists pure unadulterated Socialism.

Present-day capitalism, or the functions of our monetary system, is definitely leading the country to bankruptcy and State Socialism, just as it did the older sister democracies controlled by International Finance, namely England and France. Liberty, Freedom, Equality are coming to mean liberty to choose which wing of the same bird of prey will govern (the Democratic or Republican) freedom to move from one uncertain job to another, equality before the guns of an enemy every generation. It is all a case of a government monopoly under the power of a money monopoly—a ten-cent government in a dollar system.

In America the public first realized the danger of the one remaining Democracy when contrary to the wishes of 87% of the people, the country was taken into World War II. Of course, the attack on Pearl Harbor unified the people…. However, this country had been officially declared to be “an arsenal for

Democracy." And even a New Deal diplomat knows arsenals are legitimate military objectives. We had been at war with the Berlin-Rome Tokyo axis; a war fought if not declared, as former Ambassador to England, Joseph P. Kennedy, and others admitted. Anyone knowing Japan had a pact with Berlin and Rome should have expected such an attack as was visited on the Pacific islands.

In fact, if America had followed the wishes of the people, as they supposedly do in a Democracy, and remained neutral the war would have been over before the fatal day of December 7, 1941. The alternative, it is true, would have been the defeat of England. The bankers could not endure the thought of England receiving what she has for centuries imposed on people in every section of the world and tried to impose on us three different times—in 1775, 1812, and 1861. It is not that the bankers love England, but that they love her sources of plunder. But England is as dead in victory as she would have been in defeat anyway, and these men knew such would be the case. Prime Minister Atlee's request for a bigger stick to hold over the nation will not matter because once the lion is dead a big stick will be no more effectual than a tiny one.

This world-wide warehouse of treasures (America) received its severest blow when the superiority of German military leadership, instead of court-marshaling an army man for getting a progressive idea, developed a new type of warfare that completely blacked out all glittering military achievements the history of the world had hitherto recorded, and presented this revolutionized method to a gasping world. Such words as "Blitzkrieg," "Panzer," "V-weapons," will remain for history to so credit German leadership.

Thus the money powers had to enlist the services of America in behalf of the bungling British who could not even win the battle of Lybia after taking all the time they needed to concentrate superior numbers of men, planes, tanks, and choosing the exact moment for their "advance." So superior

were they in everything but fighting ability and leadership (which they tried three times to correct by appointing as many commanders) that England jubilantly announced a few days after the attack that half of Rommel's armed forces were destroyed and Churchill openly asserted that Northern Africa would soon be theirs, "perhaps in a matter of hours."

Churchill was as miserably in error on that score as he was on nearly everything else he said or did. The only advances the British made during the entire war were accomplished by occupying localities voluntarily vacated by the enemy for some cause other than English arms. Rommel retreated in Lybia because he knew America was going to attack his rear when the North African bankers of the international system transferred 25-million francs to Africa.

The big bankers seemed to have sensed the disgusting defeats of the British and the subsequent demise of the Empire. True, assurances are in from England that the Empire is far from extinct. But, as the Grand Rapids Press so graphically observes, for sheer drama, nothing beats a brisk protest by the dear departed, sitting up at its own wake.

The bankers had long ago placed America in a position where war was inevitable. They knew all along that the most precious "Bundles for Britain" were nursed at the breasts of American mothers some eighteen or twenty years previously.

Although concentrating on Germany, they could see the possibility of an "incident" in the Pacific that would do the trick. The United States had frozen Japanese assets in this country, had cut them off from vital supplies, threatened them with war if they attempted to get these supplies elsewhere, and insisted that the Burma Road be kept open in order that munitions destined for the known purpose of shooting Jap[anese] could be sent to China. These were not exactly acts of friendship and placed the last remaining Democracy, whose prosperity under sound finance would subdue every hostile

force post-haste, in peril she was not immediately able to realize and hard-pressed to cope with it when it was realized.

Bankers not only made the war inevitable, but wanted the war they made inevitable. History will identify the men who were responsible for directing New Deal policies which violated its promises and best intentions. Talk of paying no attention to Hitler because he didn't keep a promise causes one to wonder if the big bankers didn't have a man who could meet him on equal terms. Reading the three platforms on which Mr. Roosevelt was elected and comparing them with events that followed would indicate an affirmative answer. The superficial observance that since the bankers are the only ones who gain anything by war they must be the only ones who want war, is as real as it is apparent. No one else gains in war. Everyone loses, one side merely losing more than the other. No one wins a war any more than they win a fire, cyclone, pestilence, plague, flood or any other common disaster.

It is not maintained that the big Banks were the whole cause of every war. There were wars long before there was such a thing as an international bank. In fact, it has been reported by someone who made the plausible effort to look it up that in the last four thousand years there have been only 268 years of peace—and eight thousand peace treaties.

To various people this would indicate various things, such as the pride and greed of rulers, the depravity of human nature, and many others. However, it will be shown that in these days of bigger and better wars international finance is the principal cause, making use of the pride and greed of rulers, the depravity of human nature, and many other human means for their purposes. Some thirty years of their intervention in Europe and Asia have made peace a vagabond, bankruptcy a normal condition and war a natural expectancy. They are now forcing the world into this routine farther and faster than ever before.

Every international device of the present—United Nations, Bretton Woods, World Court, International Trade Organization, and the rest—seek to make all the more secure the powers of internationalism at the expense of true American Democracy, as will be seen. Certainly Democracy cannot remain in its present form beset by the abuses of modern Capitalism, its system of finance.

> *"Democracy is in danger for the very reason that democratic government itself is subservient to the sectional interests which control finance, and which have it in their power to inflict a financial crisis upon the nation should they anticipate legislation inimical to their own particular interests." (Vincent Cartwright Vickers in "Economic Tribulation.")*

Where American Democracy goes depends upon what Americans do about correcting the abuses of the modern Capitalistic system of international finance. This system wanted war because a generation of peace would have left Germany dominating the world without firing a shot. But if Americans arise and abolish this diabolic international system of finance in favor of a sound constitutional system, America will be so powerful internally and externally that the most prosperous and powerful competitors will be just another nation or group of nations progressing more or less on their own ways

One of the most graphic, yet most tragic indications of American greatness is the astronomical debt with which bankers have burdened her. No other nation has been oppressed with even an approximation of this load because only America is rich, powerful and resourceful enough to survive under it. Of course, the internationalist rake-off is proportionately greater in this country although all under banker domination are robbed to their breaking point. It is no mere coincidence that these Shylocks have forced America to pay for two world wars and lay substantial down-payments on the third.

American Democracy given a chance to function freely under a sound financial system would dissolve all revolutions against its system which result in the opprobriums of Fascism, Nazism, Communism, Socialism, all of which declare themselves to be first and foremost anti-Capitalistic. It is the attack on Capitalism (a system of finance) which brings the attack on Democracy ( a system of government.) Anti-Capitalism (a system of finance) brings Fascism, Nazism, Communism, Socialism (systems of government).

Whatever happens to our Democracy (our system of government) depends on what Americans will do towards correcting the abuses of modern Capitalism (our system of finance) controlled by individual interests. The international bankers care nothing about the form of government they steal from, for no matter what its political, racial or economic hue they are the de facto rulers and in the philosophy of their founder, Meyer Amschel Rothschild, care not who makes the laws of the nations as long as they issue and control the money.

But with a successful fight for a completely Constitutional money system based on the knowledge of money and its functions, America, under the dollar sign, will conquer the devastating “isms” of the world and establish inviolable the inherent potential blessings of Democracy.

America will never be destroyed from without though the hosts arrayed against her be ten times the force of a Hitler But she is being destroyed from within by a condition which Americans alone can remedy. Since it is the abuse of the monetary system that is bringing her downfall in circumstances of depression and warfare, the correction of the monetary system will by the same force of logic bring her heights of prosperous stability both internally and externally. Capitalism will not save America; America must save Capitalism. Poverty, fear, debt, and warfare are not essential Capitalism; they are abuses of it. The cure of Capitalism lies in the cure of our thoroughly dishonest and incompetent monetary system.

The Marshall Plan for internationalizing American wealth was not originated by Secretary Marshall at all. In fact it is not even a plan—it is just another planless scheme to raid American pocket books for private interests. The so-called Marshall Plan is a cover, or tries to be one, for the would-be world-straighteners, who have gotten the country and the world in a terrible mess and now are trying to get them out of it by committing a bigger blunder at the expense of the American people. It plays directly into Communist subversive plans in forcing the United States to spend herself into destruction as Lenin wanted. Stalin might well be laughing up his sleeve at this latest stupidity on the part of American Capitalism because it plays as directly into his eager hands as if he had directed it himself. He knows his so-called hatred of the "plan" and the Europe organization of Communists to combat it will only increase American efforts to betray herself into his palms. In fact, Lenin said:

> *"We shall force the United States to spend herself into destruction."*

A look at the crowd behind the "Marshall Plan" reveals the wolf of International finance under the sheepskin of benevolence. There are, among others, Robert Lovett, a former banker to the key position of Undersecretary of State; William Martin, former Stock Exchange president, now head of the Export Import Bank; Charles E. Saltzman—one-time Stock Exchange president to the State Department; Robert Garner of the International Bank; Lewis Douglas, experienced financier, at present Ambassador to Great Britain; and Andrew Overly, a former banker, now representative of the United States on the International Fund.

International Finance, especially its Wall Street branch is as tremendously active in the administration of the "Marshall Plan" as it was in adoption of the abortive scheme.

For every dollar congress votes in foreign aid, Wall Street gets its kickbacks, fees, and commissions, especially since it exercises either direct or indirect control over much of American industry which will supply the capital equipment being given away under the Marshall Plan and other schemes to "rebuild the world." The state department thus has become largely an investment trust through which the insiders profit without risk at the expense of the taxpayers.

In the 16-nation council of donation beneficiaries the private international money racketeer is so potent that it would not be surprising to see this same 16-nation council turn out to be the beginning of a U.S. of Europe. Such a consolidation would, under such an auspice, be of benefit only to International Finance.

Just where the billions necessary for this silly notion are to come from not one of our Boy Scout diplomats has ventured to say. It certainly will not come from the Treasury of the United States because her debt is larger than the combined total of all the nations we are "saving." As Congressman Lemke said: "Our national debt, with future obligations, now amounts to some $643,000,000,000. This is about four times the total indebtedness of all the other nations. It is more than twice the normal value of all of the property in the United States…."

In America Capitalism is identified with Democracy which has suffered immeasurably from the abuses of Capitalism. Democracy has been staggering under repeated body blows in America after being knocked out in every world power on the globe. Britain is no Democracy, because the legislators come from the upper two percent of the population and because the people of the British Isles comprise about one tenth of the Empire's population, yet make laws for the entire Empire. In fact, until the phrase "Make the world safe for Democracy" became so useful, neither Britain nor France ever thought of themselves as democracies. No matter which of the parties, Liberal,

Conservative, Labor or Socialist may win an election, a money aristocracy is really in control.

“Democracy” is a term applied to foreign peoples with whom the propagandists want to engage the sympathy of the American public. Hence, when Italy attacked Greece, presto! Greece automatically became a “Democracy” although she was denounced as a dictatorship and a tool of Hitler a few months previously. Other examples could be cited but each of them makes one fact clear, namely: The time has come to drop the term “Democracy” from the dictionary of political polemics because it now means everything and anything and consequently means nothing. Even Russia was until recently included among the “Democracies” and, in spite of the layers of blood covering her pitch black soul, this world’s capital of anti-religion was named among those fighting for “Christian civilization” by those who spent billions of American dollars to save the Communist regime in Russia and now want to spend $22-billion to check its spread. The money Power needed the Communists to help them destroy Germany and its unorthodox money system. Now they want to get rid of their former pals who also have an unorthodox money system.

Citadels of Chaos presents little, if anything, that is new. The author, however, believes it to be the first work to analyze and synthesize all accessible information on the progressive development of international finance into a logical, step by step pattern. The completed story (if it can be called complete because of its necessarily condensed presentation) reveals that the methods and objectives in all phases of international finance dovetail. They are parts of a great design, the subtle craftsmanship of which were amazing and startling to the author, as indeed they will be to all who read them.