

**bankers for money they planned to lend our government.** In 1984, President Reagan's Grace Commission reported, "**100% of what is collected is absorbed solely by interest on the Federal Debt** ... all individual income tax revenues are gone before one nickel is spent on the services taxpayers expect from government."

## Following The Money

The sum of all the income taxes paid by every working American is an incomprehensible amount. Rather than shake our heads in disbelief and go on, we should stop and ask some questions.

### *To whom is this river of wealth being paid?*

Part of the interest on federal debt is paid to foreign, as well as domestic, owners of Treasury Bills and bonds. However, billions of dollars in tax receipts are paid annually to a relative handful of super-wealthy Fed shareholders, as interest on funds borrowed from the Federal Reserve.

**What is it all being used for?** The Fed won't reveal that. G. Edward Griffin, author of [The Creature From Jekyll Island](#), asserts that our taxes are spent on buying influence or control over the *power centers* of society - politicians, political parties, movie studios, TV networks, textbook publishers, newspaper chains, etc., right down to the least influential of organizations.

## Booting the Bankers

In fact, for nearly 100 years the banksters have had control of the United States Government. Through their ownership of the major media outlets they have kept the public ignorant of the true nature of the power they have over our economy, our government and our lives.

Breaking the banker's grip is the most important struggle of our time. There is no Andrew Jackson to take them on. Just a few brave Representatives have been willing to present the case to Congress. Scattered individuals and groups of aware patriots are part of a growing nationwide "End The Fed" movement that is working to overcome the media's silence. Together, we must take our country back. Together, we *can* win! Will you join us?

*"Let me issue and control a nation's money, and I care not who writes its laws" (Meyer Rothschild)*

**- Join the Fight -**

## **DEMAND MONETARY REFORM NOW!**

*Ask your Representatives to support*

## **H.R. 1207**

### **'The Federal Reserve Transparency Act'**

To amend title 31, United States Code, to reform the manner in which the Board of Governors of the Federal Reserve System is audited by the Comptroller General of the United States and the manner in which such audits are reported, and for other purposes.

## **S. 604**

### **'Federal Reserve Sunshine Act of 2009'**

A bill to reform the manner in which the Board of Governors of the Federal Reserve System is audited and the manner in which such audits are reported, and for other purposes.

## **DISTRIBUTE COPIES OF THIS LEAFLET**

*Download and print from the file at*  
<http://libertyway.net/issues/hoax.PDF>

## **JOIN YOUR LOCAL END-THE-FED GROUP**

<http://libertyway.net/end-the-fed.htm>

### **Sources:**

[The Creature From Jekyll Island](#) G. Edward Griffin

[History of The United States](#) J.C. Ridpath (1891)

[The Money Masters](#) <http://libertyway.net/money-masters.htm>

[The History of the "Money Changers"](#) <http://libertyway.net/money.htm>

[The Biggest Scam in History](#) <http://libertyway.net/scam.htm>

[The Shaping of Modern America](#) Vincent P. DeSantis (1989)

[The Age of Jackson](#) Arthur M. Schlesinger, Jr. (1945)

*An education project of*

*v090704*



The Federal Reserve Building in Washington DC

# A Hundred Year Hoax

On the night of November 22, 1910, a group of financiers met in secret at an elite resort on Jekyll Island, Georgia. The purpose of this meeting was "to come to an agreement on the structure and operation of a banking cartel. The goal of the cartel, as is true with all of them, was to maximize profits by minimizing competition between members, to make it difficult for new competitors to enter the field, and to utilize the police power of government to enforce the cartel agreement. In more specific terms, the purpose and, indeed, the actual outcome of this meeting was to create the blueprint for the Federal Reserve System." (G. Edward Griffin)

**The Federal Reserve Act** was quietly slipped through the Senate during Christmas recess in 1913, and signed by President Wilson. It created a privately owned and controlled central bank and gave private bankers the power to control America's money supply.

Contrary to popular belief, the deceptively-named Federal Reserve Bank operates for the benefit of its owners, not the public. It engineers the transfer of wealth to them by rowing the economy between easy-money and tight-money cycles.

**The current economic crisis is a reaction to the bubble caused by the Fed's easy-money policy of the last decade.**

## Hamilton's Curse

Alexander Hamilton, as first Secretary of the Treasury, lobbied for a private Federal Bank. The measure was violently opposed by Thomas Jefferson, who said,

***"I sincerely believe that banking institutions having the issuing power of money are more dangerous to liberty than standing armies."***

Nevertheless, in 1791 Congress chartered the bank.

In 1811 the Senate tied on renewing the bank's charter. Vice President George Clinton broke the tied vote, ending the first Bank of the United States. Five years later, following the war of 1812, Congress passed a bill to re-charter. President Madison at first vetoed it, but later signed an amended bill. The second Bank of the United States came into existence in 1817, under another 20-year charter.

In 1832 President Andrew Jackson, overriding Congress, refused to renew its charter, commenting,



***"The bold efforts the present bank had made to control the government are but premonitions of the fate that await the American people should they be deluded into a perpetuation of this institution or the establishment of another like it."***

Evicting from the oval office a delegation of bankers whose minions had wormed themselves into powerful government positions, Jackson said: ***"You are a den of vipers and thieves. I intend to rout you out, and by the eternal God I will rout you out."***

After the successful bank veto, Jackson's men championed a policy that would exclude banks from control over the currency. They argued that doing so would prevent periodic depressions; prevent the rise of **independent powers not responsible to the people** and able to defy the government; and prevent **the rule of a moneyed aristocracy** systematically exploiting "the humble members of society." Tragically, these are the very difficulties we endure today.

Jackson's reforms lasted nearly 30 years, until President Lincoln needed money for the war for the North. New York bankers wanted to charge him 24% to 36% interest. Lincoln refused. He was then advised to ask Congress for a bill authorizing the printing of full legal tender *treasury* notes to pay the war expense. Asking if the people of the United States would accept the notes, he was advised,

***"The people or anyone else will not have any choice in the matter, if you make them full legal tender. They will have the full sanction of the government and be just as good as any money, as Congress is given that express right by the Constitution."***

Lincoln recognized the great benefits of this issue. At one point he wrote:

***"The Government should create, issue and circulate all the currency and credit needed to satisfy the spending power of the Government and the buying power of consumers. The privilege of creating and issuing money is not only the supreme prerogative of Government, but it is in the Government's greatest creative opportunity. By the adoption of these principles ... the taxpayers will be saved immense sums of interest. Money will cease to be master and become the servant of humanity."***

Lincoln's "greenbacks" - legal tender *treasury* notes - were authorized by the Legal Tender Act of 1862. However, a year later the National Banking Act created a system of national banks authorized to issue legal tender *bank* notes, backed by war bonds, not hard money. It pressured state banks to join the national system by levying a tax on their notes, and again gave private bankers more control of the nation's currency.

The bankers' economic and political influence increased dramatically in the 1890's, with the rise of financial capitalists such as J. P. Morgan. Speculative booms followed by busts ravaged the economy, putting pressure on Congress to place the banking system under central control.

Finally, in 1913, in a classic deception, the proposed Federal Reserve Bank was touted as a government agency meant to break the grip of the 'Money Trust,'

but which actually consolidated the bankers' power and expanded it. President Wilson signed the act, in return for the financial support he had needed to win the election. Years later, Wilson admitted with remorse, ***"I have unwittingly ruined my country."***

## Since 1913

Why hasn't Congress abolished this central bank in all the years since 1913? To begin with, most Congressmen just don't understand the system. Only a few of those who do have had the courage to speak up. Rep. Louis T. McFadden, Chairman of the House Banking and Currency Committee in the depth of the great depression, said:

***"We have in this country one of the most corrupt institutions the world has ever known. I refer to the Federal Reserve Board ... This evil institution has impoverished ... The people of the United States ... And has practically bankrupted our Government. It has done this through the corrupt practices of the moneyed vultures who control it"***

On October 3, 1936, Congressman McFadden was poisoned to death. This was the third assassination attempt on his life. He had suffered an earlier poisoning and had had shots fired at him.

The battle over who gets the power to issue our money has been the pivotal issue throughout the history of the United States. Wars were fought over it, and depressions caused to acquire it, yet after WW I, this battle was rarely mentioned in newspapers or history books. Why? ***By WWI, the the money masters, with their dominant wealth, had seized control of most of the nation's press.*** After three generations, today's voting public has been conditioned to believe the Federal Reserve System is a necessary and beneficial part of our Federal Government. It is not!

## Advent of the Income Tax

The U. S. Federal Government was financed almost entirely with tariffs for more than a century. Except for Lincoln's wartime tax on incomes and wages, we didn't adopt a federal income tax until 1913, the same year the Federal Reserve banking system was created. **The income tax was only wanted to guarantee interest payments to the central**