

The Federal Reserve: 100 Years of “Financial Terrorism”

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December 23, 1913 will live in infamy. Three days before Christmas, House members passed the Federal Reserve Act (FSA).

On December 23, Senate members did so. President Woodrow Wilson was a tool of big money. He was JP Morgan's man in Washington. He signed FSA into law straightaway.

So did Congress. It passed FSA in the middle of the night. Most congressional members hadn't read it.

They wouldn't have understood it anyway. It was cleverly worded to deceive them. Only its creators knew its purpose. Ellen Brown explained what happened as follows:

“In plain English, the Federal Reserve Act authorized a private central bank to create money out of nothing, lend it to the government at interest, and control the nation's money supply, expanding or contracting it at will.”

Weeks before FSA was enacted, the 1913 Revenue Act became law. It imposed a federal income tax. It did so to pay bankers interest on America's money. It let taxpayers do it.

The University of Virginia's [Miller Center of Public Affairs](#) calls itself a “nonpartisan research institute.” It claims to seek “to expand understanding of the presidency, policy, and political history.”

It calls the Federal Reserve Act “one of the crowning achievements of President Wilson's New Freedom program.”

It lied claiming it helped “safeguard America's financial institutions, the American economy, and the supply of US currency.”

It turned truth on its head saying it let “a level of governmental control...monetary supply that was unprecedented in American history.”

It went further claiming it continues to provide “the framework for regulating the nation's banks, credit, and money supply.”

Truth is polar opposite what the Miller Center's narrative suggests. Privately controlled Fed policy has been hugely destructive for 100 years. It's a financial weapon of mass destruction. More on this below.

In 1910, seven powerful figures met secretly. They did so on Jekyll Island. Nelson Aldrich and Frank Vanderlip represented Rockefeller financial interests.

Charles Norton and Benjamin Strong represented JP Morgan. Paul Warburg represented Rothschild family interests. No one represented popular ones.

Rockefeller/Morgan/Rothschild representatives planned the Federal Reserve System. Three years later, it became the law of the land. Congress acted unconstitutionally. So did Wilson signing FSA into law.

Doing so violated the Constitution's Article I, Section 8. It affords Congress sole power to coin (create) money and regulate the value thereof.

In 1935, the Supreme Court ruled Congress can't constitutionally delegate its authority to another body or group.

Congress and Wilson defrauded the public. They did so by granting Wall Street money creation power. They gave powerful bankers absolute monetary control.

US and world economies changed. They did so for the worst. Former law professor Woodrow Wilson understood full well what he did. He acted lawlessly anyway.

When it was too late to matter, he lied saying:

"I am a most unhappy man. I have unwittingly ruined my country. A great industrial nation is controlled by its credit system. 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 one of the worst ruled, one of the most completely controlled and dominated Governments in the civilized world no longer a Government by free opinion, no longer a Government by conviction and the vote of the majority, but a Government by the opinion and duress of a small group of dominant men."

Wilson irresponsibly signed into law the 1917 Espionage Act and 1918 Sedition Act. Both measures targeted free expression.

The Sedition Act specifically prohibited anti-government "disloyal, profane, scurrilous, or abusive language." It applied when America went to war. It was repealed in December 1920.

Both measures never should have become law in the first place. Nor FSA. Congress and Wilson bore full responsibility. Subsequent lawmakers and administrations did nothing to change things.

James Madison knew the dangers of letting bankers create money.

"History," he said, "records that the Money Changers have used every form of abuse, intrigue, deceit and violent means possible to maintain their control over governments by controlling money and its issuance."

Thomas Jefferson stressed:

"I sincerely believe that banking institutions are more dangerous to our liberties than standing armies."

"Already they have raised up a money aristocracy that has set the government at defiance."

"The issuing power should be taken from the banks and restored to the people to whom it properly belongs."

The Bank of the United States was its first national one. In 1791, it was established. It was based in Philadelphia.

At the time, it was America's capital. Andrew Jackson called it a "hydra-headed monster." He called bankers "vipers and thieves."

Lincoln expressed angst during America's Civil War, saying:

"The money powers prey upon the nation in times of peace and conspire against it in times of adversity."

"It is more despotic than a monarch, more insolent than autocracy and more selfish than a bureaucracy."

"It denounces, as public enemies, all who question its methods or throw light upon its crimes."

"I have two great enemies, the Southern Army in front of me and the bankers in the rear. Of the two, the one at the rear is my greatest foe."

He signed into law the 1862 Legal Tender Act. It empowered the Treasury to issue greenbacks.

Lincoln refused to pay bankers 24 - 36% interest. They demanded usury to fund his war on southern states.

Treasury issued currency was interest free. It would be today if Washington issued its own money.

After Lincoln's assassination, new legislation rescinded greenback currency. Washington again paid bankers irresponsibly. It still does so today.

It benefits bankers. It enriches them. It does so at the expense of popular interests. Wall Street and Washington conspire against them.

Wealth is transferred from Main Street to powerful financial interests. Bipartisan complicity permits it.

Monied interests run America. They wage financial war on humanity. They do so by controlling money, credit and debt. They manipulate markets for private enrichment.

In his book titled , [“Tragedy and Hope,”](#) historian Carroll Quigley said:

“(T)he powers of financial capitalism had another far-reaching aim, nothing less than to create a world system of financial control in private hands able to dominate the political system of each country and the economy of the world as a whole.”

“This system was to be controlled in a feudalist fashion by the central banks of the world acting in concert, by secret agreements arrived at in frequent private meetings and conferences.”

Money power is supreme. It’s omnipotent. It assures controlling economies, commerce, politics and imperial adventurism. House of Rothschild founder Amschel Rothschild said:

“Permit me to issue and control the money of a nation, and I care not who makes its laws.” He didn’t care what laws were passed provided he retained money power.

Former Bank of England director Josiah Stamp said:

“Banking was conceived in iniquity and was born in sin. The bankers own the earth.”

“Take it away from them, but leave them the power to create money, and with the flick of the pen they will create enough deposits to buy it back again.”

“However, take it away from them, and all the great fortunes like mine will disappear and they ought to disappear, for this would be a happier and better world to live in.”

“But, if you wish to remain the slaves of bankers and pay the cost of your own slavery, let them continue to create money.”

The Fed isn’t federal. It has no reserves. It’s one of four dominant central banks. Others include the Bank of England, ECB, and Bank of Japan.

The Basel, Switzerland-based Bank of International Settlements (BIS) functions as a central bank for central bankers.

It’s an unaccountable boss of bosses. It’s final solution plan calls for establishing a global currency it controls. Achieving it assures ultimate money power.

Ellen Brown calls its headquarters the “tower of Basel.” It’s been “scandal-ridden” from inception. It’s called “the most exclusive, secretive, and powerful supranational club in the world.”

It’s run by a handful of powerful private central banks. They can make or break world economies.

Their tactics include lowering or raising capital requirements. Doing so permits greater or lesser amounts of lending.

Economist Henry CK Liu said Basel Accords force national banking systems “to march to the same tune. (They) serve the needs of highly sophisticated global financial markets.”

It’s done “regardless of the development needs of their national economies.”

A century of Fed power was hugely destructive. America lurched from one crisis to another. A 1913 dollar isn’t worth a plug nickel today. Artificially manipulated inflation eroded its value.

Fed policy caused booms, busts, inflation, deflation, instability, crises, and today’s protracted Main Street Depression.

Growing poverty, unemployment, underemployment, homelessness, hunger and human misery reflect it. Money power in private hands is responsible for:

- economic instability;
- wrecking world economies for profit;
- waging wars for it;
- rising consumer debt;
- record budget and trade deficits;
- an out-of-control national debt;
- record numbers of business and personal bankruptcies;
- millions of home foreclosures;
- loss of America’s manufacturing base; and
- an unprecedented wealth gap between America’s privileged class and all others.

Ostensibly, the Fed was established to stabilize the economy, smooth out the business cycle, maintain healthy sustainable growth, create price stability, control inflation, and work for the betterment of everyone.

It didn’t turn out this way. Fed policy is polar opposite. It spurned its mandate. Wall Street control prioritizes self-interest.

The 1978 Full Employment and Balanced Growth Act (aka Humphrey-Hawkins Full Employment Act) was enacted to fulfill the 1946 Employment Act’s mandate.

Doing so requires pursuing “maximum employment, production, purchasing power,” price stability, and balanced trade cooperatively with private enterprise.

It involves Fed policy prioritizing sustainable, minimal inflation growth. It called for

unemployment not exceeding 3% for persons aged 20 or over, not over 4% for those over age 16, and inflation held under 4%.

In 1988, a zero inflation target was set. Pre and post-Humphrey-Hawkins Fed policy produced polar opposite results.

It wasn't happenstance. It was orchestrated by design. It was done to shift wealth disproportionately to Wall Street, other corporate favorites, and super-rich elites.

It was done to circumvent America's anti-trust laws. It let Wall Street and other corporate giants eliminate competition. Doing so let them consolidate, become huge and more dominant.

It let money power in private hands more than ever run America. It let Wall Street and other major central banks rule the world.

They transformed global economies into an unprecedented money making racket. Government collusion facilitates it.

In America, it's at the highest federal, state and local levels. It permits scamming ordinary people for profit.

Growing millions lost jobs, incomes, benefits, savings, homes, and futures. Today's contagion is global. Billions suffer. Economies, communities and households are wrecked for profit.

Washington is Wall Street occupied territory. Profits are privatized. Losses are socialized.

Casino capitalism is the coin of the realm. Grand Theft Wall Street reflects it. Markets are manipulated for profit.

Other tactics include front-running them, pumping and dumping, scamming investors, buying politicians like toothpaste, bribing them for control, placing banking officials in high administration posts, and getting open-ended low or no interest bailouts and other special benefits when needed.

Whatever bankers want they get. Social America is being eliminated to benefit them. Money is made the old fashioned way. Business as usual reflects it.

Publicly controlled money could change things. Former congressman Ron Paul tried several times. He sponsored the Federal Reserve Abolition Act. No co-sponsors joined him.

Paul responsibly tried putting money power back in public hands where it belongs. Doing so works as intended. Inflation-free prosperity follows.

Ellen Brown calls it a "practical, proven approach." It works the same way everywhere. It worked for 25 years in colonial America.

It can work the same way again. It's the antidote to corrupted, dysfunctional privatized banking. For 100 years, it worked wonders for Wall Street.

It created dystopian harshness for growing millions. It's worse than ever today. What better time than now to change things.

Doing so is responsible. It's sensible. It's essential. It's sorely needed. It's an idea whose time has come. Ending business as usual depends on it.

A Final Comment

[Ron Paul](#) addressed the Fed's 100th anniversary, saying:

"(S)ecret negotiations (established) a banking cartel. (It's) grown ever stronger through the years." It operates "independent(ly)."

"Rather than preventing financial crises, (it precipitates) new ones."

"Talk about putting inmates in charge of the asylum!"

"Now we are reaping the noxious effects of a century of" Fed policy.

"(O)ur economy remains mired in mediocrity."

"A century ago politicians failed to understand that (19th century) financial panics (were) caused by collusion between government and the banking sector."

Today we know more. "(W)e know better," said Paul. "We know that the Federal Reserve continues to strengthen the collusion between banks and politicians."

"We know (Fed) policy continues to reap profits for Wall Street while impoverishing Main Street."

"One hundred years is long enough. End the Fed." Put money power back in public hands where it belongs!

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Listen to cutting-edge discussions with distinguished guests on the Progressive Radio News Hour on the Progressive Radio Network.

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