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Governments And The Central Banking System By Design Or Coincidence? - Part One

By Nadir Martello

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Foreword

This writing will delve into some crucial subjects, like international finances, central banking, money and politics. It does not pretend though to be exhaustive, for the focal point is whether the facts or events, which indirectly and directly influence our daily lives, are by design or by coincidence. I am not trying to explain in detail the technicalities of the banking or the intricacies of political systems. I have been inspired in part by G. Edward Griffin's book, "The Creature from Jekyll Island", which I strongly recommend.

Education

Isn't true that, although no Australian child misses out on the education system, yet a new form of illiteracy has sprung up among the last generation: Johnnie cannot read or spell, and doesn't know history or geography, for these two disciplines have been excluded from the school curriculum. The standard level of grade ten students today is equal to grade five or six of

1960. Why?

Media

We know what's going on around the world because we read newspapers, listen to the radio and watch TV; yet what we are given as news is half-truth, sometimes utter lies, leaving us in the dark regarding the most vital occurrences on this planet. Why?

Have you ever noticed that whichever newspaper you read, or whatever radio band you tune into, or whatever TV channel you watch, they are quasi-identical? They speak the same language - there is no competition in news on air - no other interpretation. Why?

Politics

We are told that we live in a democratic society, thanks to our politicians who look after us. Yet the very people who are supposed to serve our interests are nothing but a bunch of professional opportunist crooks. Why?

We have choice in voting, so we believe, for there are two main parties, the Liberals and Labor, then we have a few other minor parties such as the Democrats, the Nationals, the Greens, One Nation and so on. However, the two main parties have been in power, alternatively, and sold Australia to foreign interests in the process. Why?

Economics & finance

We are living in an era where information and knowledge are supreme; yet we know little about money, let alone how the banking system functions. Let

us open our mind for a better understanding in this subject by daring to ask a few elementary questions:

- Are we financially better off today than we were in the past?
- Do we own our own home, or does the bank?
- Are we running our finances in the black or in the red?
- Who owns our money: the bank, the government, or do we?
- Is the government ever free from debt?
- Do we know that every type of money, whether 'legal tender' or electronically created, is based on debt? [See: www.ProspertyUK.com]
- We pay taxes: GST, Council Rates, car registration, car insurance, health insurance, life insurance etc, but do we know about INFLATION, that hidden and deadly tax inflicted on us by the government [the big spender]?

Inflation

If we only knew that the government, any government, enables itself to govern a country solely through a tacit agreement with the central banking system. Since 1913, with the birth of the Commonwealth Bank in Australia - and the Federal Reserve Bank in the USA (coincidence?) - the central banking system was created, and the biggest swindle of the 20th century began.

Most people think that the central banking system is there to help the government's finances, to help people and the economy of the country, to smooth the circulation of its monetary system and ultimately restrain any financial activities, which would and could, in the long or short term, cause inflation. Just the opposite is true.

Oxford Encyclopaedic Dictionary defines 'inflation' as 'an increase in available currency regarded as causing a general increase in prices and fall in the value of money', or in plain English, 'too much money in circulation'. However, a more correct definition for inflation is "imbalance between supply of money and the supply of goods and services" [G. Edward Griffin,

The Creature from Jekyll Island]. In other words, inflation is caused by having more printed money in circulation than goods and services on offer in the marketplace. Therefore, when the prices of goods and services rise, the purchase power of our money goes down in the process. So the first indicator for inflation is the loss in the purchasing power of money, rather than an increase in its availability. But who is causing this money devaluation in the first place, if not the government and the central banking system combined? I will shortly explain what I mean by this assertion. But allow me first to give a brief description of inflation in real terms.

When I arrived in Australia in 1981, a loaf of bread cost about \$0.60, and a two-litre bottle of milk cost around \$0.90. Today we pay three or four times as much - about \$2.60 for a loaf of bread and \$2.40 for two litres of milk. In fractional terms, one Australian dollar, in 1981, is today worth about \$0.25 because of gradual inflation.

The perpetrators

As I stated above, the government and the central banking system create inflation and not the free market, as many people think. Here is how it is done. Government needs money, lots of it, for the creation of infrastructure, such as roads, bridges, buildings and houses, to finance trade, or wars [East Timor, Afghanistan, Iraq], to pay wages and salaries etc. The government issues bonds and passes them on to the Central Bank [in the past the Commonwealth filled this function] and in return the Central Bank issues a cheque for the amount of money requested by the government. This cheque is signed then by the Treasury and delivered back to the Central Bank, which as primary "source" of money starts the creation of fiat money process.

FIAT Money

Fiat money simply means money created out of nothing, that is, money with no backing [redemption] of gold or silver as in the past up till 1973 under Nixon. Coin & banknotes issued through the Mint represent about just 5% of what we know as money, the rest comes in different forms, most of it being created through the stroke of a pen or click on the computer.

Moreover, nowadays banks through the fractional-reserve banking system are legally creating money in multiples of ten and even more times their "reserve" [deposits], within the banking network. The sky is the limit. [Griffin, page 490]

From the book, "The Creature from Jekyll Island", written by G. Edward Griffin, we read the following:

'Here is how it worked: When a national bank purchased government bonds, it did not hold on to them. It turned them back to the Treasury which exchanged them for an equal amount of "United States Bank Notes" with the bank's name engraved on them. The government declared these to be legal tender for taxes and duties, and that status caused them to be generally accepted by the public as money.' [Page 386]

Again, regarding inflation as being in reality a hidden tax to the public, the same book states:

'Americans not only paid the hidden tax but applauded Congress for creating it..The money power preys upon the nation in times of peace and conspires against it in times of adversity. It is more despotic than monarchy, more insolent than autocracy, more selfish than bureaucracy. I see in the near future a crisis approaching that unnerves me and causes me to tremble for the safety of my country. Corporation have been enthroned, an era of corruption will follow, and the money power of the country will endeavour to prolong its reign by working upon the prejudices of the people, until the wealth is aggregated in a few hands, and the republic destroyed.' [Page 389]

Religion

For many years Australia has been basically a Christian country. Not anymore, for churches, whatever their denomination, are almost empty at Sunday worship and closed during working days. Secularism is widespread

in our modern society and if there is any religion at all today it is 'New Age', which is anti-Christian although disguised as a humanistic religion. Why?

Health

Isn't it a truism that we are living in the most excellent of times, for in Australia we have the best modern technology we can buy and the best health care system; yet we have never been more unhealthy than we are today? Just look at our hospitals - if you find a spare bed you are the lucky one. And if it happens that there are still some people in good health, there is a huge variety of drugs available on the market, whether prescribed or illegal, to make you, if not an addict, at least chronically ill. Why?

All this happens before our eyes; and yet we do not see it. Why?

Am I the only one to see it? If what I see in the world is real, did it happen by design or by chance?

Most people nowadays would say that everything happening around us occurs mostly by coincidence - "that is the way things are today," they say. Invariably these same people believe in Darwinism, i.e. everything we see in the cosmos came to being out of nothing or just by chance [Big Bang].

The Big Picture

Politics

Politics is 'the art of the possible'. In politics everything can be done, for there is no such thing as, 'it cannot be done' as long it is profitable for the party and, ultimately, for the powerbrokers [plutocrats]. That is what has been happening in Australia for many years. Australia has gone through a few changes in history: from a British colony, to one of the richest countries in the world, to a sort of satellite [client state] of the United States. The

United States is going down the drain economically and culturally, and Australia is following suit.

Why?

Because the same powerbrokers that pull the strings within the American political/economical system are acting here in Australia in order to achieve the same goal. But what is the goal they are trying to achieve? I will come back to that.

Politics as power game

Taking a different angle, politics could be seen as a power game between politicians whose desire for influence and control over others is always wide-awake. Therefore, within this mindset politics means struggle for power.

And if among the politicians there is a struggle, then the real power lies elsewhere, as the old saying goes, "The power behind the throne" was and still is valid today. The politicians only exercise power for a time, while they are in government. But it is also rational to say that the real power is not with them. The actual power is from another source for, ultimately, it is in the hands of only few powerful people who mostly stay behind the political scene and out of the public eye.

These - and only these people - have control over the political parties and the politicians and their lobbies. It doesn't matter to them what colour they are; for the powerbrokers, it like a horse race - it does no matter who wins the race for, in the long run, they own all the horses.

Thus politicians always struggle for power and once they are in government they are tenacious in holding on to it. But those who put them there are those who really have the power and exercise it at will, because they own and control the financial resources. These people are commonly known as the bankers, the financiers, the powerbrokers, or if you like, the plutocrats.

The powerbrokers are mainly international financiers of British and American origins, but they have in common one thing, and that is to reduce all the governments on earth into one great republic, federation, or for a better word, One World Government. In order to achieve this they use their creative financial know-how. In other words, they put to good use what they control best and that is, The Federal Reserve Bank, Wall Street in New York, the Bank of England, the IMF and the World Bank, etc., and through their agencies and other minor banks or financial institutions, which are tied up as in a network, they manage all the political parties by funding and bribing them, for without their financial support they [the political parties] and governments would starve and die in no time.

"Politicians are nothing but stewards of the bankers",
Ezra Pound.

We have been led to believe that the Federal Reserve Bank is a public financial institution, as its name seems to suggest. It is not. The Federal Reserve Bank is a private bank, or rather a consortium of private banks owned mostly by the Rockefellers and the Rothschilds. Likewise, most of the central banks around the world in reality are private institutions - although some from the outset were 'state owned' - and controlled by Wall Street and the Bank of England. The latter is another amalgam of private owners, whose main business is banking.

Once a leader of a country has been elected [most of time the candidate has already been "elected" by the party, but "selected" by the plutocrats] he/she has to stand by the powerbrokers' hidden agenda, which has by now become the party's, and not for the electorate, as many would think.

In other words, the hidden agenda of the plutocrats is mostly diametrically opposed to what the ordinary person has voted for. This is happening because the politicians are, unfortunately, not at the service of people who have elected them but at the service of their masters, the plutocrats.

The hidden agenda is to reduce all the common people to serfdom within

one big centralized world government where there are no boundaries, no sovereignty, no nationality, no Christian religion or Christian culture.

On the economical side, under the name of 'free trade' and through WTO, NAFTA, IMF & World Bank, and other governmental and non-governmental agencies, they have created so-called 'globalisation', which is another name for 'One World Government', or New World Order. Because of this we have lost our national industries, and manufacturing and local trade, with millions of unemployed around the country in the process.

Internationally, on the political side, we have established the European Union, NATO, and the United Nations. People like to think that 'Communism is over'. That might be true, as far as the Soviet Union is concerned; but Socialism has taken its place as is to be seen all round us - 'the global village' which is but a melting pot where all culture and tradition are destroyed.

The very people, who initiated and funded these organizations in most of the western and eastern hemispheres, are the same plutocrats who support the political parties, whatever colours they might be. In other words, these very people control our destiny. Then it goes without saying that our education system, the mass media, the banking system and so forth, are under their spell as well. No wonder that we are living in a dysfunctional and brainwashed society today.

Religion

For several years the Catholic Church is running along the wrong track and has lost the plot along with its credibility. Since Vatican II the Catholic Church has taken a long dive and Freemasonry and Liberals now run the show. Our seminaries are fewer than in the past, for the homosexuals and the Liberals, who are the agents of the devil himself, permeate them and their aim is to destroy the Catholic Church from within. In the last four decades the Catholic Church went through many changes, at the expense of her

Orthodoxy, Tradition and Liturgy. Today the Vatican is run by a group of Cardinals, bishops, clergy and some laypersons of Liberal and Zionist mindset and whose sole concern is not the welfare of the Church, but themselves; some of them are even members of Freemasonry.

Evangelisation and the conversion of Jews and of the heathens is not part of the Church's agenda any longer, for "dialogue" and Ecumenism are of primary importance and above everything else. What nowadays Globalisation does to the secular world, Ecumenism does to the Catholic Church, which is a religious melting pot, where there is no difference between faiths any more. Even the New Age religion is viewed by the Vatican with a benevolent eye. An example of this we have it from the Harry Potter phenomenon, which has been praised by some Vatican authorities. The list of bad news is too long to go into. It suffices to say that we are living in the last times, as the Apostle Paul says in 1 Tim 4: 1-5:

"Now the Spirit explicitly says that in the last times some will turn away from the faith by paying attention to deceitful spirits and demonic instructions through the hypocrisy of liars with branded consciences. They forbid marriage and require abstinence from food that God created to be received with thanksgiving by those who believe and know the truth."

Now my last question: "Is all this happening by design or just by coincidence?"

Maranatha.

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Governments And The Central Banking System

A Marriage Between Politics And Mammon The Unholy Alliance - Part 2

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Nowadays, marriage is not very popular. Nonetheless, since the beginning of the last century a new phenomenon occurred in our western civilization, namely an 'indissoluble marriage' between governments and Mammon. We will be celebrating the one hundredth anniversary of this 'unholy union' in nine years time, in 2013.

Celebration or mourning day, ninety-one years of marriage is a lifetime indeed. A happy event is the twenty-five year silver anniversary; even happier the fifty years golden anniversary; happier still seventy-five diamond. Ninety-one years then is a diamond plus sixteen years on top, giving to the partners vintage and prestige - a real super-duper jewel.

Nobody can argue that this hasn't been a smashing success for the establishment of course, in a society where divorce is so prevalent. Even 'de facto' couples rarely reach an average of fifteen or twenty years together.

Here we have, concealed from the public eye, governments and the central banking industry, which stipulated this unholy union, with the sole aim of empowering themselves, in particular through the creation of fiat money out of thin air.

Here is how fiat money is created:

"Under a fractional-reserve banking system, a bank can create new money merely by issuing a loan. The amount it creates is limited by the reserve ratio or "fraction" it is required to maintain to cover its cash-flow needs. If the reserve ratio is 10% then each \$10 it lends includes \$9 that never existed before. A commercial bank, therefore, can create a sizable amount of money merely by making loans. But, once the bank is "loaned up," that is to say, once it has already loaned \$9 for every \$1 it holds in reserve, it must stop and wait for some of the old loans to be paid back before it can issue new ones. The only way to expand that process is to make the reserve larger. That can be accomplished in one of four ways: (1) attract more deposits, (2) use some of the bank's profits, (3) sell additional stock to investors, or (4) borrow from the Fed." (G. Edward Griffin, *The Creature from Jekyll Island*", page 478).

An example of this 'unholy alliance' is the US government and the Federal Reserve System [Fed]. This bank is as Federal as a wolf is a sheep. The word Federal is misleading, for in reality it is a consortium of a few private banks' owners [a corporate] whose loyalty first and foremost is to New York's Wall Street.

The sad story of the Fed started in December 22, 1913, when "The Federal Reserve Act was released from the joint House and Senate conference committee just as Congress was preoccupied with departure for the Christmas recess and in no mood for debate. It quickly passed by a vote of 282 to 60 in the House and 43 to 23 in the Senate. The President (Woodrow Wilson) signed it into law the next day." [G. Edward Griffin, page 468]

To make a long story short, the marriage between governments and the central banking system started about 91 years ago [even though, the Bank of England was created in 1649, and the Fed is a carbon copy]; and though this may seem strange for the common people to picture, the partners never come into conflict or 'divorce', because between them there is a hidden agreement that keeps a sort of 'balance of power', which is expressed in monetary parlance by G. Edward Griffin:

"The purchase of securities by the Fed (with checks that have no money to back them) creates money; the sale of those securities extinguishes money. Although the Fed is authorized to buy and sell almost any kind of security that exists in the world, it is obligated to show preference for bonds and notes of federal governments. That is the way the monetary scientists discharge the commitment to create money for their partners, the political scientists. Without that service, the partnership would dissolve, and Congress would abolish the Fed [emphasis added]." [Page 477]

In other words, politicians and the money-masters came to an accord behind closed doors whispering words such as:

"We [the bankers] are the makers of monies, the magicians of finance, the experts in economics who, by the 'statutory' monopoly of money creation you have given us, will acquiesce for you to exercise the political power over your subjects. In addition, as a bonus, you will be given a share of the profits for yourselves, on condition you follow our directives unquestioningly.

"You will stay in power long enough to accomplish our wishes, i.e., in order to serve our agenda. Nonetheless, you will be bailing out us whenever we fail in our central banking enterprise. As we know, money is based on debt. Thus, do not even think of paying your government debt [principal]; but only the interest, otherwise, by paying the principal, you would destroy "reserves" in the bank and, consequently, there would not be a cent in circulation.

Edward Griffin states: "Surprising as it may be on the eve of the depression, America was getting out of debt. As consequence, there were few government bonds for the Fed to buy. Without government bonds, the open-market engine was constantly out of gas." [Page 479].

"Money has to be circulated by trade of goods & services for the 'free market'; because money is like blood in a body - without it, it dies. We know that money has no intrinsic value, because it is not backed by anything of real value [such as silver or gold or other commodities], only your Treasury signature and stamp for the issue of coins and banknotes, which gives them the title of 'legal tender'. However, between us "partners", we know that inflation is largely the effect of fiat money, i.e., imbalance between the supply of money and the supply of goods and services.

"Through our loans to you, we'll take care of your money supply. That is our part. You make sure, though, that your subjects never discover that they are paying, through indirect and direct taxes, the interest on the principal, [which will never be paid] and the hidden tax of INFLATION, i.e., the loss of the purchasing power of money.

"You and we are together in this venture - you cannot exercise power without us; on the other hand, we cannot function without you. -You cannot exercise power without us, because you need us, the international bankers, to finance you, for all works, or any sort of expenses you might bring upon yourself during the time of your exercise of power over your subjects. -On the other hand, we cannot function without you, because you are our facade, for people to look at and feel proud. As our facade, your function is first to hide us from them. They do not know who is behind the "curtain". You govern them; but we dictate the rules. Let them think that you are at their service, and that their money is in safe hands with us, for we bankers, as public institutions, are neutral, are we not?

Once more Edward Griffin writes:

'Agents Of Higher Power When reviewing this aspect of the Fed's history,

questions arise about the patriotic loyalty of men like Benjamin Strong. How is it possible for a man who enjoys the best that his nation can offer - security, wealth, prestige - to conspire to plunder his fellow citizens in order to assist politicians of other governments to continue plundering theirs? .. International money managers may be citizens of a particular country but, to many of them, that is a meaningless accident of birth. They consider themselves to be citizens of the world first. They speak of affection for all mankind, but their highest loyalty is to themselves and their profession.' [Pages 474-475.]

People do not know that the cause for inflation originated from fractional reserve banking system, which, plausibly, is our own creation. Nor do they know, and we must keep them ignorant, that you governments are the biggest spenders and squanderers of revenue; for we are just the "financial architects", the power behind the throne. We maintain the money-supply-machine - the central banking system - "for the good of the country".

As I outlined, this "marriage" between government and the central banking system, seems unbreakable - a water-tight union between two "partners" - and unlike other unions where divorce is a way out, is most unlikely to ever be torn asunder.

The reason they will never split is that there is too much at stake. If one of the "partners" decides to quit, say the politicians, a total political and social ruin will occur, as well as the collapse of country's economy. On the other hand, for the mammonites, it goes without saying that they will never quit, because in doing so they would lose not only their livelihood, but it would be their financial suicide; consequently, the end of their nefarious agenda.

Last but not least, if the product of this "marriage" between government and the mammonites is more centralization of power in fewer hands, is it not time to wake up and put a stop to it? Who wants to live with this "Doomsday Mechanism"?

"Unfortunately, the locomotive is running in the opposite direction. The size of government is growing larger, not smaller. There are more people working for government than for all manufacturing companies in the private sector. There are more bank regulators than bankers, more farm-bureau workers than farmers, more welfare administrators than recipients. There are more citizens receiving government checks than there are paying income taxes.

The Doomsday mechanism is also operating within government itself. By 1992, more than half of all federal outlays went for what are called entitlements. Those are expenses - such as Medicare, Social Security, and government retirement programs - which are based on promises of future payments. Many of them are contractual obligations, and millions of people depend on them." [Page 509]

Two last thoughts:

A banker is someone who lends you an umbrella when the sun is shining, and who asks for it back when it starts to rain.

A Dutchman was explaining the red, white and blue Netherlands flag to an American. "Our flag is symbolic of our taxes. We get red when we talk about them, white when we get our tax bills, and blue after we pay them." The American nodded. "It's the same in the USA only we see stars too!"

For 'Part One' see:

Governments And The Central Banking System By Design Or Coincidence

<http://www.rense.com/general53/central.htm>

Also see: "Isn't the American Dollar the reserve currency of choice worldwide"

http://americanlibertyenterprise.com/The_Problem.htm

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American Liberty Enterprise

Mayday in America

Broaching the Problem

First of all, it is essential that we not allow the phony Left/Right Dialectic distract us. Politics is interactive theatre designed to keep us at odds with each other while the real problem is allowed to grow and fester within every facet of our lives.

[Home](#)

Politicians of either stripe, (with few exceptions), are frontmen of the Money Power that owns and operates the Military-Industrial-Complex. They can only do the bidding of their handlers. This is born out time and time again.

[Mission](#)

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[The Problem](#)

"History 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 it's issuance". -- James Madison

[The Solution](#)

[Money FAQs](#)

Since its inception Federal Reserve Notes, (paper money based on the issuance of debt), have consistently lost value. Conversely, Silver has retained its value.

[Nature of Money](#)

[Silver vs Federal Reserve Notes Chart](#), (pdf file)

[Origins of Money](#)

The American Dollar is the reserve currency of choice worldwide, is it not? At the moment, yes. But not for long:

[Legal Currency](#)

Go figure: At last count the total American Debt is approximately **\$80.8 Trillion**; i.e.; \$7 trillion National debt; \$37 trillion State, Local, Individual, Business & Financial sector debt. \$44 trillion in unfunded State, Local, & Federal contingent liabilities, (employee pension & medical compensation, Social Security, & Medicare). [source: [Bottom-line Debt summary table](#)]

[What is the American Liberty Dollar?](#)

[Good Business Sense](#)

Add to the mix: **56 million** Baby boomers coming online for Social Security and Medicare benefits by 2009, not to mention the steady flow of jobs overseas. What does it all add up to for America and the Dollar, (fiat currency borrowed into existence at interest through the Full Faith & Credit ledger)?

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Total Financial Ruin!

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It is no longer a matter of if, but WHEN

[Historical Evidence](#)

If these issues are nothing new to you and you would like to know what it is that can be done to effect REAL change then have a look at the [Solution](#)

There is no Political solution to any of the challenges facing America or the world.

Politics is greased and driven by greenmail, (the current debt based pyramid scheme). The only solution is for everyday People to open their eyes to the truth, to (gradually), STOP using the Banksters monopoly money; buy [Liberty Dollars](#) at a discount and use them for payment of goods and services through merchants that accept and make change in Liberty Dollars.

Why buy Silver and Gold? They are a true store of value and the future of money when the Fed's Debt based monopoly money goes the way of all fiat paper money. [What you should know.](#)

Such voluntary action can and will preserve both individuals and communities from economic upheaval, put an end to the endemic corruption that has beset us, and eventually restore Power to the People.

The reader will begin to get the scope of the Problem by studying Bernard von Nothaus very informative article: [The Nature of Money](#)

For more information:

[See the Historical, Case Law & the Congressional Record](#)

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