

## **A COUNTRY DEFEATED IN VICTORY**

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In this ascii version the quotes are located in the following brackets.

## **A COUNTRY DEFEATED IN VICTORY**

To understand the title of this paper you must be made aware that the country I refer to is the United States. Very few Americans are aware of the defeat of which it is my obligation to inform you of. President Lincoln very wisely said and correctly so, I might add, that:

"All the armies of Europe, Asia and Africa combined could not, by force, take a drink from the Ohio, or make a track on the Blue Ridge in a trial of a thousand years. At what point then is the approach of danger to be expected? I answer, if it ever reach us it must spring up amongst us. It cannot come from abroad. If destruction be our lot, we ourselves must be its author and finisher."<sup>1</sup>

Thomas Jefferson said: "I believe that banking institutions are more dangerous to our liberties than standing armies."<sup>2</sup>

These patriarch's of our country understood the dangers of banking and the men that controlled the banking institutions. The enemy that defeated this country from the very beginning was the debt created by the use of paper money instead of gold and silver coin. The use of differing weights and measures caused this country to fall prey to the international bankers. Prior to the Constitution being written the States printed paper money to finance the Revolutionary War. At the end of the war the new United States found itself bankrupted by a huge debt. Our forefathers made it clear because of their experience and those of other countries that we should never use paper money again.

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1. THE HISTORY OF THE UNITED STATES, p. 346

2. THE DEBATE OVER THE RECHARTER OF THE BANK BILL, (1809)

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"I am firmly of the opinion that there never was a paper pound, a paper dollar, or a paper promise of any kind, that ever yet obtained a general currency [as money] but by force or fraud, generally by both."<sup>3</sup> (John Adams)

"A theft of greater magnitude and still more ruinous, is the making of paper money; it is greater because in this money there is absolutely no real value; it is more ruinous because by its gradual depreciation during the time of its existence, it produces the effect which would be proration of the coins. All those iniquities are founded on the false idea the money is but a sign."<sup>4</sup> (Count Destutt de Tracy)

"If ever again our nation stumbles upon unfunded paper, it shall surely be like death to our body politic. This country will crash."<sup>5</sup> (George Washington)

"That paper money corrupted the morals of the people; it had diverted them from the paths of honest industry to the ways of ruinous speculation; it had destroyed both public and private credit, and had brought total ruin on numberless widows and orphans...I apprehend these general reasoning will be found true with respect to paper money: that experience has shown that, in every state where it has been practiced since the revolution, it always carries the gold and silver out of the country, and impoverishes it."<sup>6</sup> (C.C. Pinckney)

During the formation of the Constitution there were pro-paper and anti-paper money advocates at work. The strongest proponent for the use of paper money, and the establishment of the first bank of the United States, was Alexander Hamilton. Many of our forefathers, including Thomas Jefferson were against the use of paper money and the establishment of a central bank. The proponents for paper money said this would be more cost effective and convenient than using silver and gold coin. Those against the use of paper money said this would ruin the country through debt, and plunge this country into bankruptcy, and make the Americans subject to the bankers.

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- 3. THE MAKING OF AMERICA, p. 117
  - 4. THE MAKING OF AMERICA, p. 116
  - 5. LIBRARY OF CONGRESS
  - 6. THE MAKING OF AMERICA, p. 493, 494
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"If the American people ever allow the banks to control issuance of their currency, first by inflation and then by deflation, the banks and corporations that grow up around them will deprive the people of all property until their children will wake up homeless on the continent their fathers occupied."<sup>7</sup>  
(Thomas Jefferson)

"On February 15, 1791 Jefferson wrote Washington to tell him his objections of the establishment of a National Bank.

The bill for establishing a National Bank undertakes among other things:

1. To form the subscribers into a corporation.

2. To enable them in their corporate capacities to receive grants of land; and so far is against the laws of mortmain.
3. To make alien subscribers capable of holding lands; and so far is against the laws of alienage.
4. To transmit these lands, on the death of a proprietor, to a certain line of successors; and so far changes the course of descents.
5. To put the lands out of the reach of forfeiture or escheat; and so far is against the laws of forfeiture and escheat.
6. To transmit personal chattels to successors in a certain line; and so far is against the laws of distribution.
7. To give them the sole and exclusive right of banking under the national authority; and so far is against the laws of monopoly.
8. To communicate to them a power to make laws paramount to the laws of the States; for so they must be construed, to protect the institutions from the control of the State legislatures; and so, probably, they will be construed.

I consider the foundation of the Constitution as laid on this ground; That "all powers not delegated to the United States, by the Constitution, nor prohibited by it to the States, are reserved to the States or to the people."

To take a single step beyond the boundaries thus specially drawn around the powers of Congress, is to take possession of a boundless field of power, no longer susceptible of any definition.

The incorporation of a bank, and the powers assumed by this bill, have not, in my opinion, been delegated to the United States, by the Constitution.

Can it be thought that the Constitution intended that for a shade or two of convenience, more or less, Congress should be authorized to break down the most ancient and fundamental laws of the several States; such as those against mortmain, the laws of alienage, the rules of descent, the acts of distribution, the laws of escheat and forfeiture, the laws of monopoly?"<sup>8</sup>

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7. LIBRARY OF CONGRESS

8. WORDS THAT MADE AMERICAN HISTORY, p. 184

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What did Jefferson mean by the word mortmain? This is a law that was passed prior to the Magna Charta. The reason this law was created by the King of England was to protect his land. When the Church gained status in England, the people began to will their land to the Church in exchange for the promise that the Church would pray their souls out of hell. The public lands began to disappear so the King enacted this law to protect his land. What the law in effect said was that no one could deed land to the Church without a license from the King. This definition was later extended to include corporations. Jefferson said that because we were the sovereigns, Congress was subject to us, they had no right to give a corporate charter to the Bank of the

United States placing our land in dead hands (unable to be purchased again by the public), since Congress had not been given this power under the Constitution. Any powers not given to Congress by the Constitution were reserved by the several States and the American People. Jefferson knew that if this charter was given, the public lands would soon belong to the Bankers. As Thomas Jefferson said, this was a most ancient and fundamental law of the Thirteen States. Can our land be reclaimed by the law of mortmain? I don't know yet, but it bears looking into. Only sovereigns, that are Sui Juris, Freemen and Freeholders of their property, can bring such a suit. I know from studying Blackstone's writings on mortmain that only a freeman has a remedy and can bring the common law writ of Quo Warranto. Quo Warranto means:

"A writ brought before a proper tribunal, to inquire by what warrant a person or corporation exercises certain powers."<sup>9</sup>  
(Blackstone Commentaries)

Upon ratification of the Constitution, it had appeared that those who opposed paper money had won. The money clauses of the Constitution made it unlawful to coin anything except gold and silver. However, there was a fatal flaw in the Constitution. The words of the Constitution were twisted by lawyer legalize, and

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9. BLACKSTONE COMMENTARIES, book III, p. 1840  
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power was claimed by Congress, that was not granted to them by the Constitution or the men that wrote the Constitution. Congress was granted exclusive jurisdiction over the District of Columbia and its territories, no more, no less. It will be shown in this paper, how Congress extended by legislation its territory to include the fifty States. Imagine the District of Columbia as a umbrella and that Congress opened this umbrella in order to cover the fifty States.

"To exercise exclusive Legislation in all Cases whatsoever, over such District (not exceeding ten Miles square) as may, by Cession of particular States, and the Acceptance of Congress, become the Seat of the Government of the United States, and to exercise like Authority over all Places purchased by the Consent of the Legislature of the State in which the Same shall be, for the Erection of Forts, Magazines, Arsenals, dock-Yards, and other needful Buildings; and...to make all laws which shall be necessary and proper for carrying into Execution the foregoing Powers, and all other Powers vested by this Constitution in the Government of the United States, or in any Department or Office thereof". (Article One, Section Eight, Paragraph Sixteen and Seventeen of the U.S. Constitution)

"The Congress shall have Power to dispose of and make all needed Rules and Regulations respecting the Territory or other Property belonging to the United States; and nothing in this Constitution shall be construed as to Prejudice any Claims of the United States, or of any particular State." (Article Four Section Three, Paragraph Two of the U.S. Constitution)

Hamilton suggested that the word proper gave Congress the power under the Constitution to charter the Bank of the United States. Thomas Jefferson said in disagreement that:

"The second general phrase is, "to make all laws necessary and proper for carrying into execution the enumerated powers." But they can all be carried into execution without a bank. A bank therefore is not necessary, and consequently not authorized by this phrase.

It has been urged that a bank will give great facility or convenience in the collection of taxes. Suppose this were true: yet the Constitution allows only the means which are "necessary," not those which are merely "convenient" for effecting the enumerated powers."10 (Thomas Jefferson)

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#### 10. WORDS THAT MADE AMERICAN HISTORY, p. 186

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Jefferson lost his debate with Hamilton concerning the establishment of the Bank of the United States. Jefferson believed the Constitution was a exclusive not a inclusive document and was meant to be a restriction on Congress. This began the legal precedent of Congress and the Courts claiming power not granted to them by the Citizens of the States. Jefferson and the other sponsors of the Tenth Amendment thought this Amendment would be enough to check the power hungry Congress, but they were wrong. Congress's assumption of un-delegated powers made the following possible.

There were two governments created by the Constitution, the following definitions will prove that one was bound by the Constitution, the other was not.

The term "United States" may be used in any one of several senses. It may be merely the name of a sovereign occupying the position analogous to that of other sovereigns in the family of nations. It may designate the territory over which the sovereignty of the United States extends, or it may be the collective name of the states which are united by and under the Constitution.(fn 6) *Hooven & Allison Co. v. Evatt* (1944) 324 U.S. 652, 671, 89 L.Ed. 1252, 1267 Black's Law Dictionary, 6th Ed.

In exercising this power, Congress is not subject to the same constitutional limitations, as when it is legislating for the United States. ...And in general the guaranties of the Constitution, save as they are limitations upon the exercise of executive and legislative power when exerted for or over our insular possessions, extend to them only as Congress, in the exercise of its legislative power over territory belonging to the United States, has made those guarantees applicable.

[*Hooven & Allison & Co. vs Evatt*, 324 U.S. 652 (1945)]

The idea prevails with some indeed, it found expression in arguments at the bar that we have in this country substantially or practically two national governments; one to be maintained under the Constitution, with all its restrictions; the other to be maintained by Congress outside and independently of that instrument, by exercising such powers as other nations of the earth are accustomed to exercise.

It will be an evil day for American liberty if the theory of a government outside of the supreme law of the land finds lodgment in our constitutional jurisprudence. No higher duty rests upon this court than to exert its full authority to prevent all violation of the principles of the Constitution.

[*Downes vs Bidwell*, 182 U.S. 244 (1901)](Dissenting opinion)

Nothing in this Covenant requires or authorizes legislation, or other action, by the United States of America prohibited by the Constitution of the United States as interpreted by the United States. (INTERNATIONAL COVENANT ON CIVIL AND POLITICAL RIGHTS.) 102d Congress 2d Session, Exec. Rept. 102-23 January 30, 1992 (See: page 24.)

When President Washington agreed with Hamilton to create a Bank of the United States this countries fate was sealed. With Congress acting under its insular capacity, not restrained by the Constitution or the Bill of Rights, their only concern then became the furtherance of commerce, not the rights of Americans. The actions of Hamilton were directly responsible for the defeat of the American people. The American people over the course of our history have seen the events that enslaved them without realizing their enslavement, because their ability to buy and sell was never taken away.

"Our rulers will become corrupt, our people careless... the time for fixing every essential right on a legal basis is [now] while our rulers are honest, and ourselves united. From the conclusion of this war we shall be going downhill. It will not then be necessary to resort every moment to the people for support. They will be forgotten, therefore, and their rights disregarded. They will forget themselves, but in the sole faculty of making money, and will never think of uniting to effect a due respect for their rights. The shackles, therefore, which shall not be knocked off at the conclusion of this war, will remain on us long, will be made heavier and heavier, till our rights shall revive or expire in a convulsion."<sup>11</sup> (Thomas Jefferson)

The American people were unaware of the hidden intent of the bankers and the liability and obligation for taking their money. The American people were not aware of the diabolical plot to take away their freedom, nor were they aware of the men responsible for their enslavement. The purpose of this paper is to expose and unmask the men behind the defeat and enslavement of the American people.

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#### 11. NOTES ON THE STATE OF VIRGINIA, query 17, p. 161, (1784)

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Who were these people? Why weren't the American people listening to the encroachment on their freedom?

To deny the identity of these bankers would be to deny history. It is not anti-semitic to reveal the truth, and the fact that those behind the defeat of America are a few power hungry Jews. True there are non-Jews involved, but the controlling power are those that control the worlds finances. This paper is impartial, it has not been colored for or against any group of people. Jesus said: "Ye shall know them by their fruits". The following pages are merely the fruits of our history.

The first recorded Jewish settler in Manhattan was a man named Jacob Barsimson who arrived early in 1654. He was an Ashkenazic, or German Jew.

When the Jews came to New York, it was considered among such families as the Roosevelts, the Van Rensselaers, the Goelets, and the Morrisises, not to be Jewish. The Sephardic families of New York, descended from the St. Charles arrivals (also known as the Jewish Mayflower), include the Straus', the Warburgs, the Aldrichs, the Kuhns, the Loebes, the Lehmans, the Morgans, the Schiffs, the Hendrickses, the Cardozos, the Baruchs, the Lazaruses, the Nathans, the Solises,

the Gomezes, the Lopezes, the Lindos, the Lombrosos, and the Seixases. The Roosevelts, Bayards, Van Cortlandts, and Rhinelanders were in the sugar refining business. The Rhinelanders also sold crockery, and the Schuylers were importers. The Verplancks were traders, and Clarksons and Beekmans and Van Zandts were in the retail dry goods business. The Brevoorts and Goelets were ironmongers, and the Schermerhorns were ship chandlers. The Guggenheims are proud to say that they started on foot and, amassed what may have been the greatest single fortune in America. The only fortune that may outweigh the Guggenheims' is that of John D. Rockefeller. Records place Guggenheims in Lengnau in Canton Aargau in German speaking northern Switzerland, as early as 1696. A document of that year refers to "der Jud" Maran Guggenheim von Lengnau" and the family had probably come to Lengnau from a German town called Guggenheim (now Jugenheim), near Heidelberg. The Seligmans were a major American banking family. Haym Solomon, who had come from Poland, worked closely with William Morris and the Continental Congress as a broker, and helped raise a particularly large sum for the Revolution. For his services he was given the official title of "Broker to the Office of Finance." Even earlier, Jewish bankers had lent money to Lord Bellamont, a particularly improvident eighteenth century colonial Governor of New York, helping to keep the colony financially on its feet, and New York's first Lutheran church was built with money advanced by Jewish bankers among them Isaac Moses, who helped establish the Bank of North America in 1781. These are some of the main players (all of whom are Jews) in the deceit and treachery to enslave all non-Jews in America, who I might add took them in spite of their history that proceeded them. The facts that follow expose what went on behind the scenes.

They have referred to themselves as "the One Hundred," as opposed to "the Four Hundred." The One Hundred are a core group of Jews with German roots, the Four Hundred are also Jews, but are considered to be beneath the One Hundred in status and mental ability. The Seligmans were the elite of the One Hundred. They have been called the "Jewish Grand Dukes," The One Hundred considered themselves to be the elite of the human race and that all non-Jews are to be despised and are meant to be their slaves. Their Jewish Talmud (their religion) makes this fact clear. Their arrival in America began in the 1600s.

As I said earlier, Alexander Hamilton was relentless in his pursuit of establishing the first Bank of the United States and the continued use of the international bankers money. Was Alexander Hamilton who he claimed to be, a loyal American, or was he an agent working for the international bankers? The only way to find out is to examine known history. Alexander Hamilton was born Alexander Levine, of Jewish lineage, in St. Croix, the West Indies.<sup>12</sup>

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12. A SHORT HISTORY OF THE AMERICAN NATION, p. 95, 96  
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After changing his name and his geographical situs, he entered the United States military, he was a staff duty officer for General George Washington. Hamilton emerged from the Revolutionary War as a lieutenant colonel and on December 14, 1780 he married the second daughter of General Philip Schuyler's, at the bride's home in Albany, New York. General Philip Schuyler's influence in New York politics was great. The bride's mother was Catherine Van Rensselaer, daughter of Colonel John R. Van Rensselaer, who was the son of Hendrik, the grandson of Killiaen, the first patroon.<sup>13</sup> (Heir to Baron Van Rothschild)

As Secretary of the Treasury, Hamilton's foremost objective was to make sure that there could be no doubt about the determination of the United States to pay its just debts. On January 14, 1790, he proposed that all outstanding loans be funded at their face value, even though many speculators would profit by this. Some members of Congress, who as they voted for the funding bill, were not unaware of the opportunity it gave them to reap a rich harvest. It has also been reported that there are documents in the British museum that prove Alexander Hamilton received payment from the Rothschild's for his dastardly deeds. Could this payment have been for his involvement in the establishment of a foreign bank in this country, and for convincing Congress to assume the States debts, which would have created a debt obligation binding the United States government and the States to the international bankers?

Alexander Hamilton boasted: "A power over a man's subsistence amounts to a power over his will."<sup>14</sup>

Hamilton wished also to take over such of the debts incurred by the States themselves for the cause of independence as they had not yet paid.

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13. THE INTIMATE LIFE OF ALEXANDER HAMILTON, (1910)  
14. THE LIBRARY OF CONGRESS  
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His object, again, was to place the States under such obligation as to insure their support in the establishment of the first Bank of the United States. The State's war debts amounted to over eighteen million dollars, not all the States had debts to be taken over. Thus started the political precedent of perpetual debt and required contributions (taxes) to be passed on to those not responsible for the debt. Nor were the obligations spelled out to the State inhabitants.

Hamilton won the debate for the first Bank of the United States when President Washington signed the senate bill. The bank was to have a capital stock of ten million dollars, which was for that time, a very large sum. Of this amount one fifth was to be subscribed by the United States, and the other four fifths by private individuals. Hamilton's Bank which had been chartered for twenty years was allowed to run out in 1811 in favor of the State banks. The Bankers could not stand for their bank being closed. The House of Rothschild used their influence over Britain to bring about the War of 1812. The War increased the U.S. governments debt to such an extent that the taxes that were collected were less than one third the amount to cover this debt. The remaining debt had to be covered by loans that were made by foreign bankers, by the end of the war the government was virtually bankrupt. The State banks tried to bolster themselves by issuing paper money in excessive amounts, which created land speculation and a deflated dollar. Some members in Congress saw no choice but to propose the second Bank of the United States. In 1816 the second Bank of the United States was chartered.

"The new bank would have a capital stock of thirty five million; the United States government should subscribe one fifth of the stock, private individuals the other four fifths, and the directors should be similarly apportioned; the bank should have a monopoly on the business of the United States and the national banking business; it might establish branch banks throughout the several states; and it might continue in operation for a period of twenty years."<sup>15</sup>

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15. THE FEDERAL UNION, p. 316

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It is obvious that the bankers had the Congress of the United States and the American people through proxy over a barrel. Congress agreed to give the bankers exclusive rights to all business done in the United States. All loans were guaranteed by the American people with repayment to be made through the payment of taxes. For the valuable privileges the Bank was to enjoy, it was required to pay to the government of the United States a bonus of one million and five hundred thousand dollars. In 1818 the Bank of the United States began an all out attack on the State banks in order to close them. The Bank of the United States collected the paper money of State banks, and after the State banks had paid out a sufficient amount of specie (in other words their gold and silver deposits became low), the Bank of the United States would demand payment in specie for the paper money the State banks had put in circulation. The international bankers knew that the State banks only kept one dollar of gold and silver for every twelve dollars of paper money that was loaned out by the State banks. The State banks that were attacked in such a manner would then have to call in their loans. Individuals who had borrowed from the targeted banks would be forced to raise what they owed by selling their property for whatever it would bring.<sup>16</sup>

It doesn't take a rocket scientist to figure out what the bankers were up to. The above banking policy would eventually pull all gold and silver out of the State banks, leaving them at the mercy of the international bankers. This would also give the Bank of the United States a monopoly in banking, removing any competition. By bankrupting the State banks the international bankers would destroy those Americans that had loans through the State banks, the farmer, the business man and the land speculators. The result, the transfer of this country's gold and silver resources and vast amounts of this country's most important asset, its land to the bankers.

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16. THE FEDERAL UNION, p. 330

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Those involved with banking became subject to the bankers through these foreclosures at a National level. Who are these bankers and how did they get a foothold in this country?

The Bank of the United States was operated by Nicholas Biddle, a wealthy and aristocratic Philadelphian, the bank was in a flourishing condition when President Jackson took office. Biddle was employed by the Rothschilds, and he was a non-Jew. When the bank failed in 1837 he was soon forgotten by the bankers and died penniless and a pauper in 1844.

President Jackson represented the anti-bank sentiment by the American people, Jackson said:

"I do not dislike your bank more than all banks, but ever since I read the history of the South Sea Bubble, I have been afraid of banks."

...The South Sea Company was an English corporation, chartered in 1711, with a monopoly on the Spanish-American trade. It attempted in 1720 to underwrite the British national debt in return for a guaranteed interest rate of 5 per cent. This introduced a period of unbridled speculation, not only in stocks of the South Sea Company, but in all sorts of stocks also. The "Bubble" burst in November, 1720, with disastrous consequences to a host of investors.<sup>17</sup>

Biddle made a number of Jackson men directors of branch banks, but he was unwilling to subject the welfare of the bank more fully to the hazards of questionable banking. His nervous apprehension, however, led him to seek the favor of Congress in a way almost equally open to question. In 1829 thirty-four members of Congress found it possible to borrow a total amount of one hundred and ninety two thousand dollars from the bank; in 1830 fifty-two congressmen borrowed a total of three hundred and twenty two thousand dollars; in 1831 fifty-nine congressmen borrowed a total of four hundred and seventy eight thousand dollars. Huge amounts of money were also made available to powerful newspaper editors, and it paid each year a generous retainer to Daniel Webster, who,

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17. THE FEDERAL UNION, p. 386  
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as the Bank's attorney and a member of its board of directors, saw nothing improper in representing its interests both in and out of Congress.

Webster persuaded Biddle to request for the recharter of the bank before the election of 1832. Webster knew Congress would pass the bank bill because of the loans that were made to many of the congressmen. The bank bill passed and was promptly vetoed by President Jackson, here is a portion of his veto speech, his reasoning is sound:

"More than a fourth part of the stock is held by foreigners and the residue is held by a few hundred of our own citizens, chiefly of the richest class.... Should the stock of the bank principally pass into the hands of the subjects of a foreign country, and we should unfortunately become involved in a war with that country, what would be our condition?...If we must have a bank with private stockholders, every consideration of sound policy and every impulse of American feeling admonishes that it should be purely American."18

Nicholas Biddle the President of the United States Bank said:

"This worthy President, thinks that because he has scalped Indians and imprisoned Judges, he is to have his way with the Bank. He is mistaken."19

On January 30, 1835: The bankers attempted to assassinate their fiercest enemy, President Jackson. Richard Lawrence armed with two pistols at point blank range, fired both pistols, both of which misfired spoiling the bankers plans.

President Jackson said: "the Bank is trying to kill me, but I shall Kill the Bank."20

With the reelection of President Jackson in 1836 he knew he had a mandate from the people of the America. He feared the power of Biddle in persuading the Congress, in order to head off Biddle,

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18. WORDS THAT MADE AMERICAN HISTORY, p. 240  
19. THE HISTORY OF THE UNITED STATES, p. 380  
20. A SHORT HISTORY OF THE AMERICAN NATION, p. 177  
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Jackson through his power given him under the Constitution removed the money from the

Bank of the United States and placed it in the State banks. In order to accomplish this he had to fire two Secretary of the Treasurers. Their successor, Roger B. Taney of Maryland did not hesitate to issue the order to remove the money.

Biddle shut off the flow of money to the State banks in order to turn public against Jackson's policies against the Bank of the United States. The State banks began to loan excessive amounts of paper money, which again triggered land speculation. The State bank loans increased from one hundred and thirty seven million in 1829 to five hundred and twenty five million dollars in 1837. The land speculation was so bad that the government sales of public lands rose from four million acres in 1834 to fifteen million in 1835, and to twenty million in 1836. Receipts from public lands had contributed to the treasury only four million eight hundred thousand dollars in 1834; but in 1835 this item rose to fourteen million seven hundred thousand dollars, and in 1836 to twenty four million eight hundred thousand dollars. These banks had nothing better to do with the funds that poured into their vaults than to lend them out again, and in far too many instances the borrowers were mere speculators who bought more land. Thus an endless chain was fashioned; payments made by the speculators to the United States were deposited into pet banks, then lent again to other speculators to buy more land, then paid once more into the treasury, then re-deposited, then lent again, and so on in a vicious circle.

President Jackson decided the evil of this policy had to be stopped. In July 1836 it was declared in the "SPECIE CIRCULAR" that paper money could no longer be used to buy public lands, and that specie (gold and silver) had to be used, this ended for a number of years the purchase of land from the government. In 1835 the last dollar of public debt was paid off. In 1837 the United States was in the middle of a depression, because the Bank of the United States had removed the gold and silver from the State banks, which meant they had no more specie money to loan. 1837 marked the end of the Bank of the United States, and in 1840 Congress passed the Sub-Treasury Bill. The only thing this accomplished was to remove the middle man between the United States government and the foreign Bankers.

August Belmont's (Schonberg) arrived in New York City in 1837, with the influence and backing of the House of Rothschild behind him. He was a Jewish banker of German decent, he had three sons Perry, Oliver H.P., and August Jr.. August Schonberg (Belmont) went to Frankfurt at the age of thirteen to work as an unpaid apprentice for the Rothschilds, the leading Jewish banking house in Europe. It is said among the European Rothschilds that August Schonberg was the illegitimate son of Baron Von Rothschild. The reason I believe this to be true is because the Jews are very clannish, they would not put a non-family member in such a important position, nor would a non-family member have direct access to Baron Von Rothschild.

Belmont married into the Perry family for their social influence. The Perrys were not very rich, but they had all the social contacts that Belmont wanted and needed, more than he needed money. Caroline was the daughter of Commodore Matthew Calbraith Perry, hero of the Mexican War and the officer later credited with having "opened Japan to the West," and her uncle was another naval commander, Oliver Hazard Perry, hero of the War of 1812 and the Battle of Lake Erie.

The first thing New York society noticed about August Belmont was that he had lots of money. It was Rothschild money, and he used it extravagantly. As a financier with the funds of the world's largest private bank at his fingertips, he was immediately important not only to

American companies but to the United States Government, which was always running out of cash and whose credit needed constant infusions from bankers. There was one area in which August Belmont excelled. Its name was Rothschild. Belmont was not known to be a spectacular, brilliant, or even "interesting" financier. But men like J.P. Morgan liked to work with the European Rothschilds, and August Belmont, as their agent, was always there, helpful, collecting his percentage on the money that passed back and forth.

In the panic of 1837 Belmont was able to perform a service which he would repeat in subsequent panics, and which helped make him a friend to bankers and to the United States Government. By negotiating large loans from the Rothschilds, he was able to shore up United States debtor banks. In other words, he was able, thanks to the hugeness of the Rothschild reservoir of capital, to start out in America operating his own Federal Reserve System. Mayer Amschel Rothschild said:

"Permit me to issue and control the money of a nation and I care not who makes its laws."<sup>21</sup>

In the years since his arrival Belmont had been so successful at channeling Rothschild funds into the United States Treasury in return for government securities that he was rewarded, in 1844, by being appointed United States Consul General to Austria, a move designed not only to provide Mr. Belmont with prestige but also to place him close to the Vienna House of Rothschild where he could be of further usefulness. Things, of course, did not always go smoothly. When the State of Pennsylvania defaulted on thirty five million worth of State bonds held by British investors, including the Rothschilds, Belmont, in Paris trying to place another U.S. Federal Government loan, was icily told by Baron de Rothschild:

"Tell them you have seen the man who is at the head of the finances of Europe, and that he has told you that they cannot borrow a dollar. Not a dollar."<sup>22</sup>

In 1853 he had been made United States charge d'affaires at The Hague, and from 1855 to 1858 he was the resident American minister there.

- 21. A DECLARATION OF FINANCIAL INDEPENDENCE, p. 22  
22. OUR CROWD, p. 73  
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Until the outbreak of the war, August Belmont had been financial advisor to the President of the United States. During the war's first months, Lincoln leaned on Belmont for Rothschild money as heavily as Gitterman and the Quartermaster Corps leaned on the Seligmans for uniforms. This placed Belmont in an awkward position. Reflecting the general frame of mind in Europe, the Rothschilds had grave doubts about the North's chances of winning, and gave Belmont and the United States Treasury only lukewarm and hesitant support. Lincoln's fund-raisers were forced to look for new sources of supply, and found them in the bond-selling efforts of such men as Joseph Seligman.

The recovery from the Panic of 1857 was as spectacular as the panic itself. The bubble had no sooner burst than it began to re-inflate. So much gold was pouring into New York from California that gold held in New York banks climbed from eight million dollars' worth in October to

twenty-eight million two months later, and a ten-million-dollar loan from the Rothschilds made, via August Belmont, to bolster the credit of U.S. banks was repaid the same day.

The Seligmans, who were a American banking house, had the same mission as the international bankers. Both banking houses were able manipulate the American people through so called bid rigging. The bankers funded the North and the South.

William Seligman liked to say that he had predicted the Civil War, and implied that the nice position the Seligmans found themselves in as a result of the war was largely his doing.

At the outbreak of the war the United States Treasury was in greater shambles than Fort Sumter. Southern banks had been quietly withdrawing large amounts of funds on deposit in the North. When Lincoln took office, he found his Treasury almost empty. The Federal debt was increasing, and the American credit abroad was disappearing. Conservative businessmen wanted no deals whatever with the government. They considered it far too risky.

Linton Wells, a former Seligman staff member, wrote that "Joseph Seligman, during a visit with President Lincoln, "persuaded" Lincoln to put Grant in charge of the Union forces," which Lincoln of course did. These constitute sizable claims, and subsequent Seligman generations have cooperated with, Wells and W.E. Dodd (Dodd was Joseph's equal in selling bonds) in carrying on the legend that Joseph Seligman won the Civil War by paying for it. At one optimistic point, Joseph bought some Union bonds for his own portfolio, then quickly became discouraged about their prospects and wrote: "I am almost tempted to resell the U.S. Stock which I bought and keep my hands clear of the present degenerated American race."<sup>23</sup> (Again this is what these Jewish bankers thought about non-Jewish Americans.) His brother James was more hopeful and wrote suggesting that the brothers buy one hundred thousand dollars worth of Union securities for their own accounts. Joseph turned him down, he said:

"Do not be afraid," he answered, "that the Government will want no more money after the 1 June even if the South should have been whipped so badly as to offer to make peace, the Government will need hundreds if not thousands of millions yet, to pay for claims of all description and for the purpose of emancipating the Negro."<sup>24</sup>

This was one of the reasons for the Thirteenth and Fourteenth Amendments to the Constitution. By making the Negro a United States citizen it would increase the debt of the United States and further enslave the non-Jewish American through the increased taxes that would have to be collected.

Morgan, Belmont, and the Rothschilds formed an axis of financial power that Joseph Seligman was finding it increasingly difficult to beat.

This much of Joseph's Union bond-selling is known. Early in Lincoln's second administration, in 1865, William Fessenden, who succeeded Chase as Secretary of the Treasury, announced a four hundred million issue of new government notes.

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23. OUR CROWD, p. 90

24. OUR CROWD, p. 91

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Joseph Seligman headed a group of German bankers in New York who wished to underwrite fifty million worth of these notes, but the Secretary would not accept the terms of the syndicate. Thereupon, the Seligman brothers took an active part in selling these Federal securities themselves, and it is recorded that they sold over sixty million worth. Remember these bonds were just like the government created the money out of thin air. These bankers knew that if they continued to underwrite these bonds they would obtain a nation and its people for repayment.

Within hours of Lee's surrender, Joseph had summoned his brothers together to organize the international banking House of Seligman. Under Presidents Lincoln and Johnson, the Seligmans enjoyed excellent relations with three successive Secretaries of the Treasury-Salmon Chase, William Fessenden, and Hugh McCulloch.

When their old friend from Watertown days, Ulysses S. Grant, took Presidential office in 1869, they had every reason to look forward to the same preferential treatment. In the beginning the possibilities certainly looked good. Grant appointed as his Secretary of State Elihu B. Washburne, who as a Congressman from Illinois had been one of the Seligmans' private clients. Joseph had once purchased, in Frankfurt, two hundred thousand dollars of U.S. bonds for Washburne, saying at the time, "There is no necessity for you to send any Bonds as margin, as we require none from you, dear Washburne." As soon as Washburne was appointed, the Seligmans wrote him, gently reminding him of their past good deeds, and offering their "full services" to the new administration. But Washburne's appointment, it turned out, was only a courtesy one. He held the post for only twelve days, and was then made Minister to France. Grant replaced him with Hamilton Fish, who was less a friend. Fish was the son of a Revolutionary War officer whose father had been a friend of George Washington's and whose mother was a descendant of Peter Stuyvesant, who had once thrown every Jew in New York in jail. Then Grant did a startling thing. He contacted Joseph privately, and said he would like to make him Secretary of the Treasury, but Joseph declined.

Daniel Drew, a large stock manipulator, was able to force the price of Erie stock up and down at will. Why did Drew want his shares sold in London and not New York? So New York wouldn't find out about it for a while. Allied with Drew in his operations were two other terrors of the age "Jubilee Jim" Fisk, a former circus roustabout, and an ex-farm hand who became the leader of the threesome named Jay Gould.

The Seligman firm, in Joseph's words, did "an enormous amount of business" in the Gould manipulations of the Erie stock, selling short for their own account whenever Gould or Fisk or Drew sold short, as they did consistently, letting the three men's operations provide the pattern for the Seligmans' own. In almost no time, the Seligmans had let the name of their old friend President Grant be linked with one of the most spectacular and scandalous financial coups of the decade, Jay Gould's attempt to corner the gold market.

On September 24, 1869 Gould began raising the price of gold from one hundred dollars to about one hundred and forty five dollars, meanwhile having gotten new freight contracts, at a higher rate, for shipping grain on the Erie. Gold began to climb as the Gould-Drew-Fisk group began buying, while the Seligmans, acting as the trio's brokers, also bought for their own account.

Grant seemed to be falling into line perfectly, and gold did indeed reach one hundred and forty five dollars. Then, apparently, covetousness, one of Mr. Gould's most consistent emotions took over, and Gould decided to let gold get a little higher, to one hundred and fifty dollars before selling. At this point Grant seemed to realize what was going on, and ordered his Secretary of the Treasury to dump four million dollars in gold on the market in order to bring the price down again. On what became known as Black Friday, gold prices crashed. The price fell in fifteen minutes from one hundred and sixty two dollars to one hundred and thirty three dollars and many investors were ruined. But it turned out, Gould had sold out at the top of the market anyway, and so had the Seligmans. It was almost, or so it seemed at the time, as though Gould and the Seligmans had been given some advance warning of the Treasury's forthcoming action. Had Grant tipped his old friends off? When Gould went to jail for manipulation of Erie stock, the Seligmans, who had been acting as his brokers, loyally guaranteed his twenty thousand dollar bail bond and, with this action, more or less permanently committed themselves to Gould. Joseph said, "let us thank God that we have made no losses." Banks were in desperate need of cash, and Joseph tried to persuade President Grant to deposit government funds in private banks, even though, as Joseph admitted, such a move would be "clearly illegal."

Gould and Drew and Jim Fisk were, from that standpoint, very much in tune with their times. Gould admitted that he used bribery and blackmail to buy up Erie Railroad stock options from towns along his routes, and that he used Fisk's methods to take over by force and violence when other methods failed. Gould, furthermore, was by his own admission a raider and a ruiner. He had no interest in managing or improving railroads. He merely liked to drive a railroad's stock up, with rumors and with trading, and then sell it and let it collapse of its own inflated weight.

"Going back to interest rates, the Nation did not have interest rate caps, or that is anti-usury laws until the 1865 National Currency Act. This was what was uppermost in President Lincoln's mind at the time he was killed. He was concerned. He could see what was happening. Of course, just a few years later, by 1869 you had the same thing we have gone through in the wild eighties, the wild speculators, the attempt of these predators, like Jim Fisk and Gould to do such things as corner the bull market through conniving to bribe President Grant's brother-in-law and their total failure and inability to do it, but which sank the country and created scandal after scandal, not very different from what we have just come through in the eighties in the S&L scandals"<sup>25</sup> (Congressman Gonzalez)

In 1874 Joseph made a bid to Grant's new Secretary of the Treasury, Benjamin Bristow, to handle the sale of twenty five million worth of U.S. bonds.

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25. CHAIRMAN OF THE BANKING COMMITTEE, august 6, 1993 on the floor  
of the congress, in SPECIAL ORDERS  
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This plum seemed about to fall into Joseph's lap when Bristow began to hedge. Bristow wanted, he said, "a stronger combination of bankers" behind the loan, a syndicate, in other words. He suggested "some strong European house," and though he did not say so in so many words, his implication was clear, he wanted the Rothschilds.

This Jewish Baron, when elected to the House of Commons, had for eight years refused to swear his oath of admission unless the Old Testament was substituted for the Holy Bible, and the words "upon the true faith of a Christian" were omitted.<sup>26</sup>

Then, in the autumn of 1874, Baron Rothschild summoned Isaac Seligman to his office to give him a piece of news. Some fifty five million worth of United States bonds were to be offered for sale, and the Baron suggested, the issue might be backed by a combination of three houses-the House of Rothschild, the House of Morgan, and the House of Seligman. For the first time, August Belmont would act as agent for both the Rothschilds and J. & W. Seligman & Company. Needless to say, Isaac accepted. The Seligmans were now able to consider themselves the Rothschilds' peers. The Seligman-Belmont-Morgan-Rothschild alliance, furthermore, was so successful that by the end of the decade there were complaints on Wall Street that "London-and Germany-based bankers" had a monopoly on the sale of United States bonds in Europe-which they did. Joseph Seligman wrote to Richard C. McCormick, U.S. Commissioner General, to inform him:

"In filling the offices for Commissioners in Paris, please do not omit to appoint Mr. William Seligman, of course as Honorary Commissioner, without pay, as brother William is at the head of a large American banking house in Paris and entertains all nice Americans."<sup>27</sup>

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26. OUR CROWD, p. 154

27. OUR CROWD, p. 156  
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Early in 1877 Sherman summoned a representative group of New York bankers, including Joseph Seligman and August Belmont, to Washington, and sent each into a separate room "to work out a plan for refunding the balance of the Government war debt." Each man submitted his recommendations, and a week later Sherman sent for Joseph and told him that his plan was "by all odds the clearest and most practical," and would be adopted. The plan called for building up a gold reserve of approximately forty percent of the outstanding greenbacks through the sale of bonds for coin, something Joseph was good at. The plan worked so well that within two years the dollar was quoted at par for the first time since 1861.

In 1887 Senator Patterson, presiding over the investigating committee wanted to determine how much pressure the banking firms had exerted to swell public confidence in, and promote, the now bankrupt Panama Canal Company. He asked Wright, "Was not the moral and business influence of these three great banking houses given to the enterprise?" Wright replied hedgily, "In what respect?" "As far as affecting public opinion in the United States was concerned." "I presume so," said Mr. Wright. "Was that not sufficient, in a large degree, to mold public opinion in favor of the Panama Canal Company?" asked the Senator. "That," replied Wright with extreme caution, "I am not prepared to answer."

Of course an honest answer would certainly have been "Yes." It soon turned out that the Seligman-Morgan-Lanier alliance had gone to considerable lengths to appoint men to the American canal committee whose names would add luster and prestige to the project.

The investigation unearthed the fact that Jesse Seligman had offered his old friend ex-President Grant the chairmanship of the canal committee at a salary of twenty four thousand dollars a year-which Grant could certainly have used at that point. But Grant declined the offer, and Jesse had then approached President Hayes's Secretary of the Navy, Richard W. Thompson, who had resigned his Cabinet post to take the job. Obviously, placing a former Navy Secretary in the Canal Company was just the sort of thing Senator Patterson was talking about. Thompson's duties for the company were partly those of a lobbyist, a man who could influence the opinion of Congress (and help persuade it to block the progress of the Nicaragua Canal Company), and also to strengthen the "image" of the company with the American press, and to inspire the confidence of American Stock purchasers. When Jesse Seligman was called before the investigating committee, he proved a more straightforward witness. The entire Panama Canal undertaking, he admitted, had been badly planned and riddled with "corruption, fraud, and thievery."

Senator Thompson on the investigating committee was curious about some of the appointments that had been made to the canal committee, and asked Jesse, "Why was Mr. Thompson selected as chairman? He was not a great financier, was he?" Jesse replied, "No, but he was a great statesman and lawyer." "But you offered the place to General Grant. Now he was a great soldier, a popular idol, but he was not a great lawyer, or financier, or great statesman, was he?" With a smile, according to the Congressional Record, Jesse began, "Well.." Senator Geary interjected, "There may be some difference of opinion on that point." Sitting forward in his chair, Jesse Seligman said calmly, "General Grant was a bosom friend of mine, and I always look out for my friends."

Secretary Thompson said:

"In my official capacity as Secretary of the Navy, I have had especial opportunities to understand and appreciate his (Joseph's) character. My first intercourse with your (banking) house was had through him, in the summer of 1877, soon after the Department was placed under my charge. At that time, its financial condition was seriously embarrassed, being indebted to your house several hundred thousand dollars, which was steadily increasing on account of drafts drawn by Naval pay officers in all parts of the world, and which were accepted and paid by you in London. It was impossible to discharge the whole of this debt, or even any large proportion of it, without adding to the existing embarrassment and causing serious injury to the Service. When he came to understand this condition of affairs, he at once proposed to carry the debt to the beginning of the next fiscal year and to allow drafts to be continued until then without regard to the amount. The proposition was liberal and in the highest degree patriotic; and having been thankfully accepted by me the Department was enabled to bridge over all its pecuniary trouble. But for this, the injury to its credit and to the Service generally might have been irreparable."28

And so for a while the Seligman brothers were personally meeting the payroll of the United States Navy. The Seligmans continued their influence over the United States government with President Roosevelt:

"I (James Seligman) called on President Roosevelt and asked him point-blank if, when the revolt broke out, an American war ship would be sent to Panama to protect American lives and

interests (including Seligman interests). The President just looked at me; he said nothing. Of course, a President of the United States could not give such a commitment, especially to a foreigner and private citizen like me. But his look was enough for me."29

At one of the Seligmans' weekend retreats, it was never a surprise to find a former U.S. President, a Supreme Court Justice, several Senators and a Congressman or two. The Seligmans' old friend Grant had, at their suggestion, bought a summer home at Long Branch and was a frequent, if somewhat unreliable, guest. President Garfield was another Seligman friend. Once more the Seligmans were displaying their uncanny way of getting to know the right people. Their friend Lyman Gage later became Secretary of the Treasury under President McKinley. He had, at one point, invited President Theodore Roosevelt to speak at a banquet for one of his philanthropies, and Roosevelt spoke of this 1906 appointment of Oscar Straus a Jew and heir to the Macy & Co. fortune, to his Cabinet, saying:

"When this country conferred upon me the honor of making me President of the United States, I of course at once called my good friend Oscar Straus to my side, and asked him to serve as Secretary of Commerce."30

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28. OUR CROWD, p. 257, 258

29. OUR CROWD, p. 260

30. OUR CROWD, P. 342  
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In 1910 Paul Warburg and Nelson Aldrich (both were Jews) together drafted the Aldrich Bill, the first to include central banking as an element of banking reform. Paul Warburg had, meanwhile, set up the National Citizens' League for Promotion of a Sound Banking System. The Federal Reserve Board Act, largely Warburg-designed, was passed in 1913, but the System was not operative until 1915. Warburg resigned from Kuhn, Loeb in 1917 to serve on the Board. Paul Warburg said:

"Whoever controls the volume of money in any country is absolute master of all industry and commerce."31

In 1913 the Pujo Committee disclosed that Kuhn, Loeb, despite its excellent relationships with Morgan, had primarily been allied with the Rockefeller-controlled National City Bank, of which Jacob Schiff had long been a director, and therefore that Schiff seemed to enjoy the best of both worlds.

Still, he was the most brilliant and versatile of all the Warburgs and, for years, was a sort of itinerant Kuhn, Loeb partner, spending half of each year in New York and the other half with the Warburg bank in Germany, serving as a financial liaison between the two countries. He had always considered American banking primitive and haphazard. He had met secretly with Senator Nelson Aldrich at Sea Island, Georgia, and had worked out the Federal Reserve System, and yet when Aldrich tried to give Paul Warburg full credit, Paul, typically, refused to take any credit whatever. He was offered the post of Chairman of the Federal Reserve Board but, insisting that he was unworthy, refused any position higher than Vice Chairman.

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31. SITE NOT AVAILABLE

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"A great industrial Nation is controlled by its system of credit. Our system of credit is concentrated. The growth of the Nation 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 world -- no longer a Government of free opinion, no longer a government of conviction and vote of the majority, but a Government by the opinion and duress of small groups of dominant men."<sup>32</sup> (President Woodrow Wilson)

Though certain members of the family, particularly from the Philip Lehman branch, remain to this day scandalized by the political career and affiliation of Herbert, and by his retirement from Lehman Brothers, which some considered a breach of family trust, most admit that he lifted the family name to a position of national importance, and that his reputation of integrity and efficiency, first as Governor, then as Senator, cannot but have helped the bank.

There were many ironies in Max Warburg's life. Certainly his special treatment began to convince him that he was somehow specially equipped to handle "the Jewish question," as it was being called in Germany. During World War I Max was financial adviser to the Imperial Government of Germany, and at the war's end he was appointed to a special committee to assist the German peace delegation at Versailles.

But Max was too much of a German. When the German Republic was coming into being, Max was offered his choice of two posts: Minister of Finance or Ambassador to the United States, but to everyone's surprise, he turned them both down. His main concern became saving, if at all possible, the Warburg bank and properties in Germany. To do so, he used his old connections with the Kaiser and the imperial court to become a close friend of the prominent Nazi, Hjalmar Schacht, president of the Reichsbank, the German Federal Bank.

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32. PRESIDENT WOODROW WILSON, (1916)  
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Schacht often turned to Max for advice in financial matters, and continued doing so for several years after Hitler came to power. Through Schacht, Max became convinced that the Warburg bank would never be seized and that he himself might be to Hitler what Albert Ballin had been to the Kaiser, the court Jew. Alas, as the months marched relentlessly onward, this possibility seemed less than remote, particularly to Max's despairing brothers in New York. A law of April, 1933, decreed that all Jews be dismissed from government service and the universities, and they were also barred from the professions. Yet a week later, Max Warburg was dining with his friend, the Nazi Schacht.

After the war it was Eric Warburg who persuaded the Allies to let the family bank in Hamburg resume operations, and he was as of 1967, the senior partner in the Hamburg office, though both he and his young son, Max II, remained U.S. citizens.

This brings us to the bankruptcy of the United States. The Bankers continued to pull the gold and silver out of this Country. In the early 1920's they were pulling massive amounts of gold out of this Country. Then in 1929 you had the run on the banks and the closing of the Bank of the

United States and the crash of the stock market. The following quote on MAY 23, 1933 describes the above crime:

On the House floor, Congressman McFadden brought impeachment charges against many of the federal reserve board members, federal reserve agents of many States, comptroller of the currency, and several secretaries of the United States Treasury for high crimes and misdemeanors, including the theft of eighty billion dollars from the United States Government and with committing the same thefts in 1929, 1930, 1931, 1932 and 1933 and in the years previous to 1928, amounting to billions of dollars. These charges were remanded to the Judiciary committee for investigation, where these charges were effectively buried and until this day have never been answered.<sup>33</sup> (Congressional Record)

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33. THE CONGRESSIONAL RECORD, p. 4055, 4058, May 23, 1933  
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Thus the country entered into another depression. What were the bankers objectives this time? They wanted more control and more return on their money for the benefit of their loans. The most amazing thing was that the American people stood by while their slavery was made complete. In 1933 with a huge amount of the gold supply taken by illegal means, President Roosevelt willingly followed the bankers demands. The United States for all practical purposes entered into Chapter 11 bankruptcy.

Congressman Traficant said on the House floor, March 17, 1993 that:

"Mr. Speaker, we are here now in chapter 11. Members of Congress are official trustees presiding over the greatest reorganization of any bankrupt entity in world history, the U.S. government."

On March 10, 1933 President Roosevelt ordered that all Americans had to turn in their Gold.

This was done by Presidential Executive Order, 6073 and the subsequent Executive Orders, 6102, 6111 and 6260.<sup>34</sup> [these documents are still publicly attainable in any federal depository library]

Marriner Eccles, then chairman of the Board of Governors of the Federal Reserve System, in testimony before the Banking and Currency Committee of the House of Representatives on the Banking Act of 1935 Mr. Eccles testified:

"In purchasing offerings of Government bonds, the banking system as a whole creates new money, or bank deposits. When the banks buy a billion dollars of Government bonds as they are offered-and you have to consider the banking system as a whole, as a unit-the banks credit the deposit account of the Treasury with a billion dollars. They debit their Government bond account a billion dollars, or they actually create, by a bookkeeping entry, a billion dollars."<sup>35</sup>

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34. PRESIDENT ROOSEVELT, EXECUTIVE ORDERS, 6102, 6111, 6260, (1933)  
35. THE MYSTERIES OF THE FEDERAL RESERVE SYSTEM, p. 3  
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The theft of this countries gold was a down payment for the bankers, they were also given

complete control over the finances of the United States. Another part of the deal was that the United States was not collecting enough money in taxes to pay the interest, so the American people had to be coned into entering a social contracts that would make the American people legally bound to the bankers in voluntary servitude, which is not against the Thirteenth Amendment that states:

Section 1. Neither slavery nor involuntary servitude, except as a punishment for crime whereof the party shall have been duly convicted, shall exist within the United States, or any place subject to their jurisdiction.

Section 2. Congress shall have power to enforce this article by appropriate legislation

One of the contracts that was used to do this was the Social Security Act. You would probably say that this is a Insurance plan for your old age retirement. Is it? Let's examine what takes place. Money is taken out of your wage reimbursement and is supposedly put into a trust fund until you retire. What actually happens is that this money is placed into the treasury as your payment on the national debt and an IOU for this amount goes into the trust fund. When you make a claim for your Social Security benefits, the money is then borrowed from the bankers, thereby perpetually increasing the national debt your children will have to pay. This was part of the new deal, the United States agreed to borrow every dollar the government uses from these same bankers. When you receive a Social Security payment from the government you have not received your money, you have received further benefit from the government. If you'll look on your wage check stub, you will find the initials F.I.C.A., which is the amount that you pay for your supposed Social Security insurance. What does F.I.C.A mean? It means Federal Insurance Contribution Act. What about the word Contribution. Through your public school training and the context in which this word is used you would think it means your payment for your insurance. Does it? What do lawyers, judges and the federal government say Contribution means? You can find their definition in Blacks Law Dictionary, it reads as follows:

Contribution. Right of one who has discharged a common liability to recover of another also liable, the aliquot portion which he ought to pay or bear. Under principle of "contribution," a tort-feasor against whom a judgement is rendered is entitled to recover proportional shares of judgement from other joint tort-feasor whose negligence contributed to the injury and who were also liable to the plaintiff. (cite omitted) The share of a loss payable by an insure when contracts with two or more insurers cover the same loss. The insurer's share of a loss under a coinsurance or similar provision. The sharing of a loss or payment among several. The act of any one or several of a number of co-debtors, co-sureties, etc., in reimbursing one of their number who has paid the whole debt or suffered the whole liability, each to the extent of his proportionate share. (Blacks Law Dictionary 6th ed.)

So you see when you went to the Social Security office and asked for your Social Security number and you then signed the Social Security application you said that you were a tortfeasor and that you were equally responsible with the other tortfeasors for the national debt. The bankers, in 1933 increased their return on their money in several ways. First, what was just covered, the Social Security scam. The money you pay out is a tax, payment on the national debt.

Second, once the gold was removed in 1933 and the silver in 1967, the only money printed was the bankers fiat money. The definition of fiat is as follows:

"Money composed of otherwise essentially valueless things that neither have a commercial use nor constitute a claim against anyone, but do have a special legal qualification. The money is not the material bearing the stamp as authority but the stamp alone." (Blacks Law Dictionary 6th ed.)

When the bankers did this they further enslaved you. The bankers have a total monopoly on the commerce in this country. They have given you the privilege of discharging your debt without actually paying your debts. Here is the definition of discharge:

"Settlement of a debt is discharged and the debtor is released when the creditor has received something from him. It may be money or its equivalent. (Barrons Law Dictionary)

Contribution: "Right of one who has discharged a common liability to recover of another also liable, the aliquot portion which he ought to pay or bear." (Blacks Law 6th ed.)

Congressman Jerry Voorhis said:

"The banks -- commercial banks and the Federal Reserve -- create all the money of this nation and its people pay interest on every dollar of that newly created money. Which means that private banks exercise unconstitutionally, immorally, and ridiculously the power to tax the people. For every newly created dollar dilutes to some extent the value of every other dollar already in circulation."<sup>36</sup>

The loss of your sovereign status has all been done by contract. A contract can override any pre-existing law including the Constitution of the United States. Your rights and your sovereign status have been lost through the contracts you've been involved in (in relation to your status) with these bankers. Contracts do not have to be written down on paper. The contracts you have been involved in (in relation to your status) for the most part have been silent contracts. You can have a silent contract as long as you have the three components of a contract present, offer, acceptance and consideration. The bankers have offered you fiat money which has no value. The benefit you receive is that you can buy real property with this fiat money without being put in jail for stealing. The bankers offered this money through the government, you accepted and used this money without objection, which proves your consideration. Because of your acceptance and consideration of this silent contract (without your objection), the bankers have a right to compel you to perform to any stipulations that they might add to protect their investment. Since you are the collateral (your labor) which is the surety for the contract, they have a right to protect you. That's why all these laws and acts of Congress came about after 1933. Why do you think you have to have car insurance, drivers license, building permits, seat belt regulations and the coming Health Plan?

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### 36. CONGRESSMAN JERRY VOORHIS, (1934)

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These regulations are compelled performance, because you have to comply as long as you receive the benefit of discharging your debt, and if you refuse you can be locked away in jail for the public welfare. Why? Because you might damage another tort-feasor. This is just one benefit

(silent contract) there are many others that are offered through the government. I've covered one which was the Social Security benefit. The benefits offered by government serve another purpose, but to the same end. They have been offered to remove any claim you might have had to the Constitution and the Bill of Rights. This began when the Fourteenth Amendment was passed.

Section 1. All persons born or naturalized in the United States, and subject to the jurisdiction thereof, are citizens of the United States and of the State wherein they reside. No State shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States; nor shall any State deprive any person of life, liberty, or property, without due process of law; nor deny to any person within its jurisdiction the equal protection of the laws.

Section 4. The validity of the public debt of the United States, authorized by law, including debts incurred for payment of pensions and bounties for services in suppressing insurrection or rebellion, shall not be questioned.

You would say that this was done to emancipate the Negro. That's what you've been told, but that is not the only reason. Remember at the beginning of this paper? Joseph Seligman told us one reason, which was to increase the national debt. Another reason was to create a federal citizen. The Negroes were given their United States citizenship by Congress's enactment of the Fourteenth Amendment. Anything that is created by government, can be regulated and controlled by government, through its insular capacity. Another reason was that part of the Fourteenth Amendment made it illegal for a United States citizen to challenge the Validity of the national debt. The government's part in this was to offer benefits to the American people. Thereby, making it possible for the American Citizen to become a citizen of the United States. The acceptance of these benefits changed your status from a large C Citizen (proper noun), to a small c citizen, which made you subject to the government. If you'll look at the Constitution you'll see that prior to the Fourteenth Amendment, Citizen was a large C and after the Fourteenth Amendment this changed to a small c. Another way your status changed was by your signing government forms that used the metaphor United States citizen. For example on your 1040 form or W2 form or passport etc., you were asked if you were a citizen of the United States (the word of in law means belonging to) small c, because you didn't know the words United States was a metaphor, you said sure and signed the forms. Even if you hadn't received any benefits from the government you were now a small c citizen and subject to the government, because of the declaration you made when you signed these forms. As I said earlier there are a multitude of benefits offered by the government. These include all of the Social programs, being a registered voter, having bank accounts, having insurance, working for government created corporations, the benefit of police protection etc.. just to name a few. What this means is that you no longer have the same status as our forefathers. The Constitution before the Fourteenth Amendment no longer applies to you. The only rights you have are those granted to you by your king (government). Any rights that are granted to Fourteenth Amendment citizens can be taken away. For example, the Second Amendment, the right to bear arms. Because of public policy this right is going to be taken away to protect the tortfeasors (co-sureties for the national debt). Have you noticed how the government has said that this is a health issue? The bankers are losing to many co-sureties, and the tax money they pay in. The bankers required all of these entitlements and enacted these laws to protect their subjects and to increase the amount of taxes being collected. The main reason the

guns are going to be collected is to remove any danger to the government, when they declare martial law and totally suspend the Constitution.

The incredible genius of this is that this was done with your approval and you paid for it. Were not taxes required to pay the debts acquired by the United States on your behalf, if you are a voter, which makes you a party to any decision that Congress makes? Were not these taxes paid by your labor, so are you not working for the bankers? Are you not subject to their whims through interest rates and monetary policies set by them? The over-riding question is were you aware of this? True you've subjected yourselves voluntarily, but were you aware of the bankers intent to enslave you. Were you aware of the secret arrangements made between the United States government past and present with the international bankers.

The following is the definition of secret taken from Black Law Dictionary:

"Concealed; hidden; not made public; particularly, in law, kept from the knowledge or notice of persons liable to be affected by the act, transaction, deed, or other thing spoken of. Something known only to one or a few and kept from other."

Because you are a registered voter and receiving monetary benefit from the government, which is provided by the bankers, you are obligated to abide by any statute that Congress might pass in favor of the bankers.

The money this country uses will be the downfall of our monetary system. In other words because this fiat money has no value other than the three cents it costs to produce it, you have never paid for anything, and the bankers gave you limited liability so you cannot be sued for this. The final beneficiary for the continuing of these transactions (commerce), are the bankers. For every fiat dollar the bankers print and are able to get into circulation, they get ninety seven cents of real property, plus interest. This is called a no interest contract. What does this mean? As an example read the following:

thousand dollars and the house was appraised for eighty thousand dollars. You then purchased a insurance policy for two dollars a month, that would protect you for the full eighty thousand dollars. You would not have a interest in seeing the policy continue. It would be in your interest for the house to burn down, because you would make a profit of seventy thousand dollars. This is a no-interest contract, some times called a wager contract. (James Montgomery)

When you use federal reserve notes you are involved in a silent contract between you and the bankers. The bankers are the suppliers, the government and the United States citizens are the receivers. Anyone around the world that has received this fiat money for payment or is involved with the banking system's are also receivers of this benefit. This fiat money creates increased perpetual debt with its use, the bankers hidden interest is for you and the government to never be able to pay off your debt. They loan this money out with the understanding that the debt can be paid off. This is impossible because you cannot pay off a debt with fiat money which is discharging the debt and passing it to someone else. Have you been reimbursed for your labor when you are paid with fiat money? No. What do you receive when you receive fiat money? Don't you receive a debt note? A tax is required on the valueless money you were paid for your labor, just as if you were paid real money. The difference being you can't pay a debt (tax) with fiat

money. Your labor and your property are being transferred for the payment of these taxes. Your labor is being required to pay a tax for the use of money that has no value. So don't you go in the hole every time you receive and accept fiat money for payment for your labor? Sure you do, think about it, this is the most ingenious scam ever devised. Just as soon as people start refusing to accept the federal reserve notes the whole system would crumble. It is only your faith in the security of the dollar that gives it its buying power. The debt cannot be paid off and the fact that it's in the bankers interest to loan out more fiat money, because they receive real property in return, the bankers will do anything to continue this fraud. When you no longer have enough labor to satisfy the debt, your property is then transferred through bankruptcy. This is a classic no-interest contract, it is illegal and the bankers and anyone in government that are involved should be jailed. What completes this trap? The government has made it law, that the only money that can be used is the fiat money the bankers print and distribute. Thereby, you are being forced to be a party to a silent contract where your consideration is based on coercion. You might ask, do I have a remedy? You bet. Can you be compelled to enter a contract? No. Can you be bound by a contract where there is fraud involved? No. So what's your remedy? Study these issues and study, study and study some more. Then! Quit receiving voluntarily, government benefits that you are not compelled (forced) to. Learn how to object to these benefits when you are compelled by government to accept them, thereby, reserving your common law right under God to be a freeman and a freeholder of your property while maintaining your Sui Juris status. Here is the definition of Sui Juris:

"Possessing all the rights to which a freeman is entitled; not being under the power of another, as a slave, a minor, and the like." (Bouviere's Law Dictionary 1914 ed.)

What about the other parties in the transactions in which you have been involved? They accepted this fiat money as payment, so no one has been wronged. Or have they? What about the real property or services that have transferred, have these parties received real value? No! Let's say in a hypothetical situation that you sell a piece of land for one hundred thousand dollars and you are paid one hundred thousand fiat dollars, you're happy, but wrongfully so.

The money you've been paid is worth three cents on the dollar, but on April 15 you will have to pay a tax based one hundred thousand dollars. Your property has been stolen from you (with your consent) and you now have to pay a tax of twenty five percent, twenty five thousand dollars to the IRS, which is based on the full amount, one hundred percent not the three percent value you were paid for your land. You have exchanged one hundred thousand dollars of real property for three thousand dollars of paper debt money and accrued a debt of twenty five thousand dollars that will be paid by your labor. So for selling your property you are now in the hole twenty two thousand dollars. You would say I still made seventy five thousand dollars on the deal. Did you? Remember Congress has to borrow every dollar that is in print, including your seventy five thousand dollars. You have seventy five thousand dollars of debt that your children will have to pay back and their children etc... Also this money has no value and is supported only by the faith of those that use it. Suppose right after you sold your land the bankers told the American people the truth, that the money has no value. Where would you be then? There is no security in a money system that has no foundation.

Here's another example of how the debt cannot be paid off; remember, the only money in existence is the money the bank has created. Let's say the bank loaned out one thousand dollars to the government and wants ten percent interest in return. Where is the government going to get the ten percent of bank created money to pay the interest on its loan? The bank didn't print money in excess of the original loan that could be used free of charge to pay the interest. The only method of paying the interest is to borrow more money on the credit of the citizens of the United States. This practice of borrowing money to pay interest creates perpetual debt, that cannot be paid off, Jefferson was right. Eventually the Bankers will have to foreclose on America.

"...And to preserve their independence, we must not let our rulers load us with perpetual debt. We must make our election between economy and liberty or profusion and servitude. If we run into such debts as that we must be taxed in our meat and in our drink, in our necessaries and our comforts, in our labors and our amusements, for our callings and our creeds, as the people of England are, our people, like them, must come to labor sixteen hours in the twenty-four, and give the earnings of fifteen of these to the government for their debts and daily expenses; and the sixteenth being insufficient to afford us bread, we must live, as they now do, on oatmeal and potatoes; have not time to think, no means of calling the mismanager's to account; but be glad to obtain subsistence by hiring ourselves to rivet their chains on the necks of our fellow sufferers..."<sup>37</sup>  
(Thomas Jefferson)

The bankers have also created trillions of dollars with bookkeeping entries, without printing any money. If you create a trillion dollars in this manner, where is the trillion dollars and the interest going to come from to pay for this bookkeeping entry, since this money was never printed?

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37. THE MAKING OF AMERICA, p. 395

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The only way this debt can be paid off is by borrowing the money which will be paid back by your labor and your property. Now, the debt and interest has grown so great there is not enough land or people producing labor to pay the national debt. It is impossible to pay the national debt and the interest on the loan, for the above reasons. Do you see how the wealth of this country has been transferred to the bankers?

Thomas Jefferson and Sir Josiah Stamp, the former president of the Bank of England, were right about the bankers and the use of their money.

"If the American people ever allow the banks to control issuance of their currency, first by inflation and then by deflation, the banks and corporations that grow up around them will deprive the people of all property until their children will wake up homeless on the continent their fathers occupied."<sup>38</sup>  
(Thomas Jefferson)

"The modern banking system manufactures money out of nothing. The process is perhaps the most astounding piece of sleight of hand that was ever invented. Banking was conceived in inequity and born in sin...Bankers own the earth. Take it away from them but leave them the

power to create money, and, with a flick of a pen, they will create enough money to buy it back again...Take this great power away from them and all great fortunes like mine will disappear, for then this would be a better and happier world to live in...But, if you want to continue to be the slaves of banker sand pay the cost of your own slavery, then let bankers continue to create money and control credit."39 (Sir Josiah Stamp)

"But from a financial standpoint we are at great risk, and our banking system is at great risk. Just about three special orders ago I placed in the Record statistics showing how the leading banks of our country are heavily involved in super-scale gambling that makes Las Vegas look like a backyard alley dice game...Our principal banks, the top 20, are heavily involved. The top seven or eight just absolutely are irretrievably involved. One of those, for instance, is involved 1,750 percent over its total capitalization structure...So once again, you get individuals, like one, associated with others, like James Gold Smith, who is a relative of the Rothschilds in London and who, just a few years ago, was a matter of attention to us on the committee because he was involved in some of the very

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38. THE LIBRARY OF CONGRESS

39. FORMER PRESIDENT OF THE BANK OF ENGLAND  
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heavy leveraged buy outs and attempts on leveraged buy outs such as Goodyear in Ohio and which cost us a lot in family disruptions, loss of jobs to many of our Americans, heavy indebtedness of our corporate structure, where the private equal to the amount of our Government debt, which is over \$4 trillion, the greatest ever in the history of mankind of any nation...It is the same thing with financial transactions. The Federal Reserve Open Market Committee, which works in secret, it does not even keep minutes any more, and is making the life and death determinations for the security and freedom of the American public's standard of living, economic and financial freedom. If we are nothing more than economic serfs, how can we boast?"40

(Congressman Gonzales)

President Eisenhower's Secretary of the Treasury Anderson in an interview with U.S. News and World Report on August 31, 1959 said:

Question: Do you mean that banks, in buying Government securities, do not lend out their customers' deposits? That they create the money they use to buy the securities?

Answer (by Secretary Anderson): "That is correct. Banks are different from other lending institutions. When a savings and loan association, an insurance company, or a credit union makes a loan, it lends the very dollar that its customers have previously paid in. But when a bank makes a loan, it simply adds to the borrower's deposit account in the bank by the amount of the loan.

The money is not taken from anyone else's deposit; it was not previously paid in to the bank by anyone. It's new money, created by the bank for the use of the borrower." "We are completely dependent on the commercial Banks. Someone has to borrow every dollar we have in circulation, cash or credit. If the Banks create ample synthetic money we are prosperous; if not, we starve. We are absolutely without a permanent money system. When one gets a complete grasp of the picture, the tragic absurdity of our hopeless position is almost incredible, but there it is. It is the

most important subject intelligent persons can investigate and reflect upon. It is so important that our present civilization may collapse unless it becomes widely understood and the defects remedied soon."41 (Robert H. Hemphill, Credit Manager of Federal Reserve Bank, Atlanta, Ga.)

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40. CHAIRMAN OF THE BANKING COMMITTEE, August 6, 1993 on the floor of the congress, in SPECIAL ORDERS

41. THE MYSTERIES OF THE FEDERAL RESERVE SYSTEM, p. 3

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The only way the defeat of America could be accomplished is with changing the laws, and having bought and paid for judges and Congressmen to do this. The only thing they had to overcome were the few Americans that were watching and the Constitution. The last 217 years of this country, and going back to Adam, has been a war with the principalities and powers in high places. Jesus' Word makes it clear that the principalities and powers in high places will be defeated and the governments of the world will become Christ's Kingdom.

Freedom is a seed sown by God into the hearts of men, and only by understanding God's purpose for freedom will the seed of freedom grow. Brave men have fought for freedom because they understood its purpose. The great men that shaped this country realized the dream of freedom which gave birth to its purpose. We have to overcome men that want to prosper from others servitude and lack of knowledge.

Freedom begins and ends with Jesus Christ, once your spirit is freed from sin the seed of freedom is planted. It then becomes the will of man to free his body from the curse of slavery and to become subject only to God Almighty as a tri-part creation, spirit, soul, body, which fulfills God's purpose.

Evil seeks to obscure and eliminate the dream that defines God's purpose for freedom, but a seed planted by God Almighty can never be put asunder. The dream lives on in the hearts of men, once awakened it is a force that the gates of hell shall not prevail against. Only when freedom becomes your purpose and drive will the desire for freedom spread to other patriots not yet known.

The oppressors promise death, imprisonment, and financial ruin, this cannot quench or destroy a seed planted by God. Once you learn that there are men that want to enslave you through deception and fraud, it is your responsibility and duty to free yourself from the yoke of oppression. Once you have realized your purpose, which is given to you as a gift by God Almighty, you can then start to understand that it is your responsibility to be free and that this cannot be obtained without the divine hand of God Almighty in operation in your life.

Only those of us that have the dream of freedom and operate in its purpose, will regain our freedom and take back our county, for the glory of God Almighty. Until God's Kingdom is established on this earth, subdue and take dominion over the earth as God commanded. (James Montgomery)

"Every man should remain in the condition in which he was called. Were you a slave when you were called? Do not let that trouble you; but if a chance of liberty should come, take it. For the man who as a slave received the call to be a Christian is the Lord's freedman, and, equally, the free

man who received the call is a slave in the service of Christ. You were bought at a price; do not become slaves of men. Thus each one, my friends, is to remain before God in the condition in which he received his call." (1 Corinthians 7: verses 20-24 New English Bible)

JAMES FRANKLIN MONTGOMERY  
SUI JURIS

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