A People's Monetary Manifesto

for Europe, the U.K., Eurasia and the U.S.A.

- money for the people not the banks!
- for debt-free public money creation!
- for National People's Banks not private banks!
- abolish the Fed, IMF, the World Bank and Wall Street!
- free nations from slavery to the international banks!
- expose the MYTH that states and nation must borrow from the Big Banks to finance their spending!

A manifesto for all nations produced by
the **National People's Party** in the U.K.

“I see in the near future a crisis approaching that unnerves me, and causes me to tremble for the safety of our country. Corporations have been enthroned, an era of corruption will follow, and the money power of the country will endeavour to prolong its reign by working upon the prejudices of the people, until the wealth is aggregated in a few hands and the republic is destroyed."

Abraham Lincoln

What 'unnerved' Lincoln is exactly the dire situation of the majority of the people that the Occupy Wall Street movement and its counterparts all over the world - including the U.K. - are now facing and rebelling against. Similarly however, what Lincoln saw as the alternative to the corrupt money power of the wealthy few *is* the only true alternative:

"The Government should create, issue, and circulate all the currency and credits needed to satisfy the spending power of the Government and the buying power of consumers. By the adoption of these principals the taxpayers will be saving immense sums of interest. Money will cease to be master, and become the servant of humanity.”

CONTENTS

For more articles and links go to the on-line version of this Manifesto at:

http://eu-social-nationalist-manifesto.blogspot.com
and see also www.nationalbolshevism.org

Alternatively go to the main site of the U.K. National People's Party or write to:
info@thenewsocialism.org

Note on the author:

Peter Wilberg (born 1952) is the founder of the National People's Party in the U.K. He is an independent thinker and author on a wide variety of subjects, but with a special interest in monetary economics, the monumental myths that still dominate it – and the need for a global monetary revolution to overcome 'The Empire of Money' - which makes all government spending by nations dependent on borrowing from private international banking system. Peter is available to offer talks on this subject to all interested groups and organisations.

The Empire of Money and the Myths behind it

"Let me issue and control a nation's money and I care not who writes the laws."
Mayer Amschel Rothschild (1744-1812), founder of the House of Rothschild

"It is well enough that the people of this nation do not understand our banking and monetary system, for if they did, I believe there would be a revolution before tomorrow morning." Henry Ford

INTRODUCTION

Where money and wealth rules politics, geo-political empires have become a mere instrument and façade for one empire that rules over all others – 'The Empire of Money'. This has been the case since the *plutocracies* of imperial Greece and Rome, since the abolition of 'tally sticks' as debt-free money in England, the deliberate use by the English of counterfeit notes to undermine the debt-free forms of 'scrip' or paper money issued by the colonists in American, the creation of the Bank of England and funding of King George's war against the colonists by the Rothschild banking empire. And today it is the likes of Goldman Sachs that rule - not Europe and not the United States empire.
The Empire of Money would have us believe that nation states are long out of date and is all in favour of 'Unions' of all sorts, not just the 'European Union' but the once free Union of States it turned into 'The United States' – now nothing but a military and police state serving the Empire. On the other hand, any nation or union of nations that seeks to be or once again become an imperial political power is immediately targeted by the Empire of Money - not for the purpose of political but of financial 'liberalisation' i.e. monetary and political subservience to the Empire of Money. Hence the recent liberalisation of private banking in both China and Russia. The Empire of Money is what the German thinker Ernst Jünger would have called 'the Leviathan'. Political and military-technological empires are merely its titular 'Titans' - creations of the One God it worships - Money.

As with other religions, along with the religion of money – what Marx called 'The Monotheism of Money' - goes a mythology. The Empire of Money however, is based on a religious myth different from that of other religions in a most fundamental respect. Why? Because it dare not even speak its name lest it be recognised *as* the monumental myth that it is. The concealment of this myth is therefore truly a 'conspiracy' in the root sense of the word – for only the rulers of the Empire of Money recognise it *as* a myth. The truth it conceals is 'breathed together' (*con-spirare*) behind the closed doors of bankers' boardrooms and invisible financial cabals.

THE MONUMENTAL MYTH

What then is this monumental myth - a myth that underpins the entire Empire of Money. The myth is a mythical *belief* – a belief that is so ubiquitous and so ingrained in the minds of economists, the mass media and political parties of all colours that it is never even formulated outright, yet alone questioned. It is the unquestioned belief that the public spending of governments is dependent on either taxation or on borrowing from private bankers. With this belief firmly in place, and to meet their ever-growing debt obligations, governments either have to tax more, borrow more, and/or impose draconian cuts in public spending on their people. For once in the grip of debt ever more government taxation and/or ever more brutal public spending cuts are required merely to repay the interest on accumulated debt to the Empire of Money.
For the Lords of the Empire of Money demand their money back – even if they themselves have lost it through their greed to extend loans to individuals and nations who need them because they can no longer *afford* to 'live within their means'. This is the new, neo-feudal face of capitalism – the Lords demand their tithe of the Gross National Product of nations - and ensure they get it because it is built on the quicksand of loan money. They do so through means of a Big Lie - one necessary to support the basic mythical belief on which the Empire depends. This is the lie – also believed and propagated by the press, media and political parties of all sorts - that the only way of reducing a country's 'national debt' is through massive cuts in public spending and in people's incomes, pensions, public services, benefits etc.

MAKING MONEY FROM NOTHING

Where, one may ask, does this loan money that is so generously offered to individuals or businesses by the banks – or else forcefully imposed on whole nations - come from in the first place? Herein lies yet another unquestioned myth whose hidden and secret truth is known only to the few – the 1% that rule the Empire of Money. As mere serfs or slaves we are led to believe that banks lend money that we, as savers, deposit with them. In reality, nothing could be further from the truth. Banks quite literally create money from nothing – simply by keying any figure that is desired into a borrower's electronic computer account. Once keyed in however, this figure counts as money belonging to the bank – allowing the bank in turn to demand that *borrowers* pay that sum of money to the bank out of *their* earnings and *their* savings, and that along with a nice bit of interest on top. The bank itself does nothing to *earn* money except by making money from nothing – as fictitious loan money for which it then demands hard-earned money from the borrower.

What if you could use your personal computer to digitally key in any figure they wanted into other people's computer accounts as a 'loan' - and then demand that they pay you back this money at interest – even though the money itself was created from nothing - just through a few strokes on a keyboard? If this sounds like a dodgy scam, then it is no wonder that The Empire of Money doesn't want us to know that this is exactly *how the entire banking system works*.

For when you take out a loan from a private bank what you are really doing is giving the bank permission to *create* the very money you borrow from nothing, after which they then claim it as theirs and demand you to give it back to them - at interest!

To add insult to injury - if loans that private banks use to 'make money from nothing' turn out to have been too risky, then governments spend billions or even trillions of pounds of our money to bail these banks out. The banks on the other hand, begin to hoard their money – no longer lending to individuals, small business or even to each other, but raising bank charges and interest rates and refusing mortgages.

The real reason why so many countrys' national debt is so high is because they long ago surrendered a basic national right to international bankers. This is the sovereign right of a nation to directly create and issue its own publicly-created money instead of:

(1) borrowing money from private bankers, and
(2) using public money not just to pay off the ever-spiralling interest on our debt to them - but also spend trillions to bail out the Big Banks!

Another reason is that more than 90% of the *entire money supply of nations* is not created as paper money or coins, but exists in the form of electronic or digital money created and owned by the banks as 'debt'. The Big Banks therefore wield an all-powerful 'Sword of Damocles' over governments. For were these banks to collapse so would virtually the entire money supply of nations. That is the real reason why the banks are seen as 'too big to fail'. They would collapse also if all debts to them were paid off in one go – for their financial 'assets' consist of nothing but debts.

THE HIDDEN TRUTH

Behind the myths and big lies on which the Big Banks depend however is a basic hidden truth - one which no one in the Empire-controlled media or political and economic debate is aware of or would dare to speak of.
This hidden truth is that if private banks *both can and do 'create money from nothing'* then *so also could states and governments* - not as debt to private banks but as *public money* created and spent for the benefit of the people and not the bankers i.e. for the benefit of the '99%' and not the '1%' who rule the Empire of Money.

To ward off and counter *this* truth yet another Big Lie is propagated and yet another myth accepted as fact. This is the myth that publicly created money would lead to 'hyperinflation'. Yet if government treasuries could directly issue and create the money supply of nations directly, they could also decide *how much* money to inject into the economy during any given period in order to avoid inflation.

The task of governments would then only be to decide *what* that money is spent on i.e. anything *but* paying off vast quantities of debt and interest to private banks - which is what most public money is currently spent on. Thus countries would be better off no matter how much money they issued. The 'hyperinflation' myth arose from the example of Germany, which was deliberately saddled by the Allied powers – in reality the Empire of Money - with crippling debt and reparation payments after the 1st World War.

"The Treaty of Versailles had imposed crushing reparations payments on the German people, who were expected to reimburse the costs of the war for all participants — *costs totaling three times the value of all the property in the country*." Ellen Brown

It was precisely because the then bankrupt Germany *did not default on its debts to the Allied powers* and *did not* seize the opportunity to issue public money directly that it left the Deutschmark open to *financial speculation* – the real reason for the hyperinflation.

"….it was the privately-owned Reichsbank, not the German government, that was pumping new currency into the economy. Like the U.S. Federal Reserve … it was operated for private gain. *What drove the wartime inflation into hyperinflation was speculation by foreign investors, who would sell the mark short, betting on its decreasing value.* In the manipulative device known as the short sale, speculators borrow something they don't own, sell it, then "cover" by buying it back at the lower price. Speculation in the German mark was made possible because the Reichsbank made massive amounts of currency available for borrowing, marks that were created with accounting entries on the bank's books and lent at a profitable interest. When the Reichsbank could not keep up with the voracious demand for marks, other private banks were allowed to create them out of nothing and lend them at interest as well."

As a result, "People were living in hovels and starving. Nothing quite like it had ever happened before - the total destruction of the national currency, wiping out people's savings, their businesses, and the economy generally. Making matters worse, at the end of the decade global depression hit. Germany had no choice but to succumb to debt slavery to international lenders."

SUMMARY

One need not take the arguments of this article alone as proof of what it claims to be the monumental myth and Big Lies underpinning that global financial system which I call 'The Empire of Money' – a system which allows a minority of bankers to rule the politics of nations and political empires and to 'make money from nothing' through debt. Instead one need only take heed of those confessions which have come from the bankers themselves – in the full recognition of the fact that:

"The few who understand the system will either be so interested in its profits or be so dependent upon its favours that there will be no opposition from that class, while on the other hand, the great body of people, mentally incapable of comprehending the tremendous advantage that capital derives from the system, will bear its burdens without complaint, and perhaps without even suspecting that the system is inimical to their interests."

The Rothschild brothers of London writing to associates in New York, 1863

IS THERE AN ALTERNATIVE?

Is there an alternative to the rule of 'Wall Street' and the entire global Empire of Money. Yes there is - *but only if the unquestioned myths and big lies that underpin it are exposed*.

Only then can the central goal of a people's revolution be defined i.e. to re-affirm and re-institute the sovereign right of all nations and states (including the states of the U.S.A.) to issue their own publicly-created money without borrowing from private banks and for the benefit of the people and not the bankers.

The institution of public money creation and public banking through 'People's Banks' - communal, regional, state and national, must be the key aim of 'Occupy' movements or movements of resistance to 'debtocracy' such as those in Greece and Spain.

To achieve this aim many or all of the following steps will be necessary, albeit not necessarily in the order listed:

- Organisation of *Local People's Councils* in different regions, town and enterprises.
- Creation of a *National People's Militia* to arrest all puppet politicians serving the Empire of Money and prosecute criminal bankers for dealing in fraudulent debt assets and derivatives.
- Election of new *National People's Assemblies* from these Councils.
- Creation of new *People's Currencies* in different regions and municipalities.
- Creation of a single new *National People's Currency* to unite these local currencies.
- Centralisation of money creation and money supply in the hands of *National People's Banks* – replacing pseudo-national banks such as the Federal Reserve or Bank of England.
- In Europe and elsewhere of all so-called 'rescue packages' from international banks such as the ECB and IMF - which just impose yet more debt on nations – but only to rescue the banks.
- Defaulting on all existing 'national debt' to the international banks.
- Cancelling all privatisation programs and 'austerity measures' - instead using public money to aid the people and restore the economy.
- Enforced prevention of all capital outflows from the nation.
- Promotion of 'inter-nationalist' cooperation and trading agreements with other states, nations and peoples who win back power and sovereignty from the international banks.
- Bringing down the Dollar and Euro i.e. calling upon the Greek people to restore the Drachma, the German people to restore the Deutschmark - and the people of the United States to restore an equivalent of the Greenback (the first paper currency to be issued as publicly created money).

There is a Spectre Haunting Europe…

This is the spectre of financialised credit-driven capitalism – and its collapse.

The spectre of nations whose money supply is almost entirely in the hands of private banks.

The spectre of 'bailouts' to debtor nations which consist of nothing more than imposing more debt on them, whilst undercutting their ability to pay for them through 'fiscal fascism' and 'austerity terrorism'.

The spectre of parasitic 'credit capitalism' or 'creditism' - through which national economies and their public assets have become the victim of the private international banking system and its unelected institutions.

As we know, trillions of Dollars, Pounds and Euros have been poured into bailing out private banks, which having gorged themselves for years on an ever expanding credit-bubble - being free to lend out as much as they want without having to hold anything more than a tiny fraction of the money they lend out - now expect the peoples of the world, both in the U.K., Europe and the U.S.A. - to pay the price of their own burst credit bubble and consequent credit 'squeeze' or 'crunch'. (see Debt Crisis for Dummies).

Fuelling the European Fire

Yet despite all this, today's wholly incompetent EU leaders now plan to stump up yet further *trillions* of Euros - *not* to provide support for the economic recovery of debtor nations such as Greece, Spain or Italy but to impose yet more debt on them - and to bailout the very banks who thrived on that debt and are now threatened by down-grading and default.

Just think what the situation would be if these trillions had been or would be given directly to the peoples, businesses, industries and economies of debtor nations such as Greece - instead of being used solely to bail out the near-bust banks that once thrived on the debts of those nations - and then used their international institutions to enforce yet more debts them on them!

Whose 'financial crisis'?

For private banks, the only 'financial crisis' that worries them is not the one that actually affects real people but the one that affects their own balance sheets. The financial debt crisis of the banks is like the 'crisis' of a 'loan shark' or 'debt vampire' who sucks dry the economic life blood of a country through interest-bearing debt to the point that its 'national debt' becomes ever more difficult to finance. With the help of so-called rating agencies, the vampires banks then bite even deeper - 'downgrading' a nation's debt so that interest on it rises and its currency devalues. The third step is then to call in national and international 'bailiffs' to demand that this nation nevertheless finds more blood money to hand to the banks through privatising national assets, imposing higher taxes and massive 'austerity' cuts on its people. If this depresses growth and ruins the economy of debtor nations (Greece for example) to the point where they are simply incapable of paying off their debt - then this puts the vampire banks themselves in difficulty. Their solution is simple however - for they then have the gall (and the power) to demand that governments or *other debtor nations* (Germany and France for example) provide them with a *totally free* 'infusion' of money at the expense of the taxpayer and the people. This final stage of blood-sucking is called keeping the banks financially 'liquid' or 'recapitalising' them. The so-called 'bailout' money used to keep the vampire banks 'liquid' however, does *absolutely nothing* to support the real economies of any of the debtor nations themselves - for these *so-called* bailouts are in no way 'handouts' to those nations. Instead they amount to nothing more than *further debts imposed on them* - under immense pressure from international central banks such as the ECB, IMF or World Bank.

How do the banks get away with it?

The financial vampirism of private banks is possible because whilst they are allowed to freely dispense vast sums of money as loans in order to suck as much interest as they can from them – no matter at what risk – they are not required to keep in reserve anything more than a tiny fraction of the money they lend out. This absurdity is the meaning of the term ‘Fractional Reserve Banking’ - the result of which is that banks accumulate bloody and vastly bloated ‘credit bubbles’ - which then inevitably deflate and become a ‘credit squeeze’ or ‘credit crunch’ - one for which the peoples of debtor nations must foot the bill with ever more ‘blood money’. For if they did not they would face the loss of the money supply to their own national economies - for this is almost entirely in the hands, not of national governments, but of private banks. Yet having bloated themselves on fictional credit, these vampire banks end up having to hoard their money rather than lending it out to individuals, industries - or even to each other - leading to the ruination of national economies. Only the creation of fully public and state-owned National People’s Banks can solve the real financial crisis of peoples and nations into which both debts to the private vampire banks and having to pay for *their* crisis have got us.

The Solution Staring Europe and the U.S. in the Face

- money for the people not the banks!
- from ‘sovereign debt’ slavery to sovereign credit!
- from private banks to public ‘National People’s Banks’!

For the fact is that there would be *no such thing* as so-called ‘Sovereign Debt’ or ‘National Debt’ if nations and their so-called ‘central’ or ‘national’ banks had long since *surrendered their sovereign right* to issue their own money and inject it directly into the real economy – without having to borrow from private and international banks – or else buy or sell government *loans* in the form of ‘bonds’

On National People’s Banks

This Monetary Manifesto for the People *reaffirms the sovereign right of all nations* to directly issue their own interest-free money. Nations can only do this through the creation of National People’s Banks – this means fully state-owned banks not dependent on borrowing from private banks or *their* ‘central’ banks and their international institutions - the IMF, European Central Bank or the Federal Reserve (itself a cartel of private banks independent of the U.S. government that does not even allow itself to be audited or its owners to be named).

The idea of 'Sovereign Credit' issued by governments through National People's Banks is not a new idea – it goes back to Abraham Lincoln. Its importance was recognised by the founding fathers of the U.S. constitution and by several U.S. Presidents such as Lincoln, Garfield and Kennedy - all of whom were assassinated.

"The Government should create, issue, and circulate all the currency and credits needed to satisfy the spending power of the Government and the buying power of consumers. By the adoption of these principals the taxpayers will be saving immense sums of interest. Money will cease to be master, and become the servant of humanity."

Abraham Lincoln

How National People's Banks would benefit the peoples of the world

1. By having the power to offer interest-free credit to individuals, families and businesses.

2. By having the power to by-pass the private banking system and inject money directly into the real economy – for businesses, industry, transport and infrastructure, housing, health and education - and for individuals and families in need.

3. By reducing the debt and interest burden on companies – allowing them to reduce their prices and instead use their profits to increase both wages and investment – instead of squandering them on debt and interest payments to the banks. The net result will be an increase in demand for their products – with more people able to afford them - instead of upward pressure on prices and downward pressure on domestic sales, exports, wages and investment.

4. By ending a situation in which bankers rake in billions in bonuses whilst at the same time millions of people struggle to make ends meet and not end up on the streets; to feed and clothe their families, pay off their mortgages and meet their other debts to private banks.

Yet because the creation of a state-owned National Peoples' Banks will be a monetary *revolution* and no mere 'monetary reform' you can be sure that the big global banks and their institutions will fight it with all their power and every means at their disposal - including all the major political parties and leaders of most nations, as well as their mainstream press and popular media – 'the opium of the masses'.

‘Debt Crisis’ for Dummies

Private Banking – the principle of creating **money as debt**, through loans to and interest from borrowers. Private banks use deposits created or accrued via their retail or commercial banking outlets to finance investment banking, i.e. speculative gambling on the financial markets. They are also free to loan out 90% or more of all deposits - even in the form of current accounts. Since these loans are used for purchases and thus in turn end up as further bank deposits, a massive expansion of credit results in the banking system as a whole - one which is far in excess of the minimal or 'fractional' reserves (around 10% or less) that banks are required to cover possible defaults. (See **Fractional Reserve Banking**).

Money Supply - under the system of Fractional Reserve Banking virtually the entire money supply of a nation is created monopolised by private banks and exists in the form of debt. Thus were all debts to the banks to be repaid at the same time nations would lose their money supply and be instantly bankrupt.

Debts – all bank-created deposits created as loans or debts to customers count as *assets* for banks, even if they have next to no reserves to cover them in case of default (which is allowed under the system of **Fractional Reserve Banking**).

Defaulting – not being able to repay a debt to a private bank.

Toxic Debt - ‘bad loans’ that have a poor chance of being repaid.

Credit Bubble - the massive expansion of credit made possible by the system of **Fractional Reserve Lending** - the freedom of private banks to lend out 90% of all deposits, whilst only keeping 10% or less in reserve to cover ‘bad loans’ or possible defaults.

Credit Crunch – what inevitably happens when ‘toxic debt’ comes back to haunt the banks that greedily competed with one another to hand out ‘bad loans’ and in that way accumulate the toxic debts owed to them as inflated or over-valued assets. What happens is that banks stop lending to individuals and businesses or even to each other, whilst at the same time raising their interest rates to keep their profits up. The result is a slowdown in economic growth, with even totally viable businesses being unable to borrow from the banks.

Ratings Agencies – *private companies*, principally centred in America and responsible for assessing the credit-risk or 'rating' of individuals, companies and nations, thus *supposedly* avoiding the risk of default and the accumulation of 'bad' or 'toxic' debt. Yet in the years of the property boom in America agencies such as Fitch earned themselves *billions of dollars* from *investment banks* by *being paid* to give an 'AAA' rating to what the agencies *already knew* were *ultra-high-risk* investments, mortgages and other 'financial products' being sold to consumers. Between 2002 and 2007 Fitch gave a Triple A rating to 4 billion dollars' worth of 'junk' assets and debt securities. The rating agencies also consistently gave an AAA rating to the USA itself - a country that had long had a greater debt than any other. And to divert attention from the U.S. economy and protect the U.S. dollar as an international currency, the rating agencies began to downgrade the credit ratings of other, far smaller nations such as Greece and Ireland - and now Portugal, Spain, Italy and even France. Only recently has one rating agency (Standard and Poor's) pulled out of this game and removed the Triple A status from the U.S. itself - but only to put pressure on the government – and under pressure from right-wing Republicans - to cut public and social spending for the poor.

Credit Default Swaps – insurance in case of debt defaults, bought by speculators. Their value increases with the risk of default. Hence the interest of their holders in actually bringing about defaults, for example through downgrading the credit-rating of whole nations.

Interest - additional money paid to banks to 'service' debt to them. Whilst individual debtors may be able to cover interest payments as well as redeeming their debts, *in aggregate* it is impossible - *in principle* - for all interest to be paid, thus turning 'debt-servicing through additional interest payments' into debt-slavery or serfdom. The overall *interest burden* on companies reduces their profits and increases their prices whilst at the same time puts downward pressure on wages - thus reducing investment and consumption and slowing the economic growth necessary to afford the repayment of interest-bound debt.

National Debt – debt owed to the private sector and other purchasers of UK 'bonds' – themselves debts. The whole term is actually is actually a form 'Big Lie', since *no* government would have a national, public or sovereign debt to deal with if it was free to issue its own money through a nationalised public bank or 'People's Bank' – rather than having to borrow the money it needs from private commercial and investment banks. And if there is not enough money for public spending due to the 'National Debt', or if it is the result of government over-spending - how is it then, that governments can instantly come up with *trillions* to bailout those 'too big to fail banks' who have gambled their money away, whilst an ordinary home- or business owner would be left to go bankrupt?

Bailouts *by* international banks – imposing yet more debt with higher or longer term interest on supposedly sovereign nations already indebted to those banks, but only on the strict condition that government find the money to pay the banks by privatising all they have, privatising and selling off their key assets and imposing massive 'austerity' cuts on public investment, welfare services, wages and pensions.

Bailouts *to* national banks – imposing yet more debt on the people by borrowing money to *give* to banks in difficulty.

'**Quantitative Easing**' – a device supposed to inject new money in the real economy. In reality, it goes straight into the hands of the banks – whether or not they lend it out to support businesses or individuals in need or just use it to increase their reserves. Quantitative Easing is NOT 'printing money'. It is not even governments directly 'issuing' money and so it is not truly Public Banking or National People's Banking. For it relies on governments purchasing government bonds from the banks, investment and insurance companies and pension funds. These bonds however are themselves nothing but government issued IOUs - in other words a form of interest-bearing government debt. Quantitative Easing means nothing more than buying back government debt from its existing private holders, thus increasing *their* money supply and not that of the people! And yet QE is all that today's *so-called* 'national' or 'central' banks can do - since they no longer have the right to *create and inject new money* directly into the real economy, to for *the people*.

Money Creation – currently a total monopoly of private banks, and not of so-called 'central' or 'national' banks such Bank of England or the U.S. Federal Reserve (itself a cartel of private banks independent of the U.S. government that doesn't even allow itself be audited). Private banks can 'create money from nothing' by just keying in a deposit figure for loans - yet without needing by law to have full reserves to cover them. This 'money from nothing' could equally well be issued by state-owned central banks - from whom interest-free money could *go directly into the real economy* - without borrowing from private banks or going into the 'casino' of the financial markets.

Nationalised Banking, Public Banking or People's Banking – the freedom of a country to issue its own money and inject it into the real economy without borrowing at interest from private banks. Abraham Lincoln and John F. Kennedy were the last heads of government – besides Hitler – to attempt to do this. Both American Presidents were assassinated.

The Bank of International Settlements in Basel – an international organisation of central banks. Yet though it is neither elected nor accountable to any national government – or to any other body except itself – it expressly forbids all national governments signed up to it from introducing nationalised or public banking. Originally owned by governments, it is now wholly owned by its member banks and meets to regulate the minimal reserves they are required to hold.

Fractional Reserve Banking – the key system governing the international banking system, permitting banks *not* to hold sufficient reserves and savings deposits to cover the loans they hand out, but instead only a *small fraction* of what they lend out. As a result, banks effectively create fictional loan money at will, which in turn ends up as deposits in the hand of other private banks - which are then also free to lend most of it out whilst only keeping a fraction in reserve. The result is a pyramid 'Ponzi scheme' of money creation by private banks, but one on which whole nations are dependent to create and maintain their money supply.

Full Reserve Banking – requiring all banks to maintain 100% or *full reserves* to cover the loans they would create as or from fictional money deposits.

Financial Debt Crisis – the question here is crisis *for whom*? The term actually refers to an unavoidable contradiction in the system of international finance or 'credit' capitalism. For in this system all money is created as debt, and the competition between banks to accumulate money as debt imposes ever greater burdens on individuals, businesses and whole nations. If an individual can't pay off a debt to a bank he is in financial debt crisis and may lose his home and property. If a business can't pay its debts to a bank it is in 'financial crisis' and may go bankrupt and lose its assets. Yet if private and international banks are in crisis (for example through the loss of value of their loans) the people must pay to rescue them – through their national governments being pressured to take on yet more debts - whilst at the same imposing ruinous 'austerity measures' such as tax hikes, privatisation and asset-stripping and massive cuts in wages and public services and welfare.

'Sovereign Debt' – another term for **National Debt** and yet the very opposite of *national sovereignty*. Sovereign debt is a result of national governments being forced to accept *debt-slavery and impose austerity measures* of the sort demanded by the international banking system. Yet the only reason why the feel bound to do so is because the *entire money supply of nations remains in the hands of private and international banks* - and because the international banking system actually forbids them the *sovereign right* of issuing and investing their own interest-free money *without* having to borrow from the private banking sector. Only fully state-owned National People's Banks would allow them to do so - to cultivate their economies by issuing money *directly to and for the people* - directly to and for individuals, families, businesses, industries, public works and social welfare.

'Social Nationalism' - affirmation of the sovereign right of *nations* to issue their own interest-free money directly to and for the people i.e. in the direct interests of *society* - and *not* in order to allow private banks to profit from interest-bearing debts *at the expense* of social well-being.

The ‘Big Lie’ and the Situation in the U.K.

THE PEOPLE VERSUS THE BANKS

“The issue which has swept down the centuries and which will have to be fought sooner or later is the people versus the banks.”

Lord Acton (1834-1902) English historian

“The price of this financial crisis is being borne by people who absolutely did not cause it.”
Mervyn King, current governor of the Bank of England

THE BIG LIE

There is a BIG LIE being promoted by the government, disseminated by all the media – and still swallowed by politicians of all parties.

This is the LIE that the nation faces a financial deficit because we have been ‘living beyond our means’, that past governments have been ‘overspending’ – and therefore that the ‘harsh reality’ is that public spending and services need to be cut.

In fact, the ONLY reason for our national debt and that of other countries is reliance on borrowing, at interest, from private banks – or massive spending on bailing out those banks. The so-called national ‘deficit’ did NOT arise from over-spending on public investment and services by the last government. It arose from bailing out private banks – and doing so at the expense of ever-rising national debt TO the banking system!

So simply ‘fighting’ government cuts and consequent job losses as the unions seek to do, or bemoaning the raising of taxes such as VAT will remain a futile act unless the FALSE REASONS offered for these ‘deficit cutting’ policies are first exposed as the ‘BIG LIE’ that they are – and instead the real reasons for the current national deficit revealed.

During the last financial crisis $14 trillion (almost a quarter of global GDP) was spent to support the international banking system in the UK, US and the Euro-area. Just think what else this money could have been spent on!!!

Cameron, Clegg and Co. are now using the Big Lie of an out-of-control 'National Debt' to enforce massive cuts in public spending, wages, jobs and benefits – thus forcing the economy into ever-deeper recession and lowering the living standards of all but a tiny few.

This is not surprising, given that, as recent research *by the Bureau of Investigative Journalism* revealed by the Guardian has shown:

"The influence of the City over the Conservatives has been laid bare by new research showing that more than half of the Tory party's donations since the general election have come from individuals and businesses working in finance. Hedge funds, financiers and private equity firms contributed more than a quarter of all the Tories' private donations – which this year poured in at a rate equal to £1m a month."

Yet if, as Cameron wants us to believe, public spending needs such careful watching and dramatic cuts to reduce the 'national debt', how come the government was able to instantly come up with £1.35 trillion to bail out the banks???

Three more important questions that are never asked:

1. Who is the 'national debt' actually a debt TO? Answer: to private international banks.

2. How did the 'national debt' come about? Answer: through interest on debt to private banks - and then having to bail out those banks at massive expense when they get themselves into trouble through their own over-lending and 'exposure' to high-risk loans.

3. Why do governments need to keep on borrowing more from the international banks? Answer: to keep pace with the accumulating interest on existing debts to those banks.

And now for the most important question of all…

Why do governments need to borrow from private banks in the first place?

Here there are three answers:

1. Because private banks *hold a monopoly* over the *entire money supply of nations.*

2. This money takes the form of credits issued by private banks - which count as *assets* on their balance sheets and constitute most of the money supply of a nation. That means that if all personal, corporate and government debts to the banks *were* paid off the nation would be bankrupt!

3. Because the so-called 'Bank of England', like almost all other central banks – even if they are called 'National' banks – have long given up a most basic *sovereign right of our nation.* That is the right to issue its own interest-free money and inject it directly into the real bricks-and-mortar economy – instead of funnelling it into private investment banks who put public money into the 'casino economy' of the international financial markets.

THE 'GRIP OF DEATH'

The word 'mortgage' comes from French and literally means 'grip of death' (mort-gage). It applies not just to housing debt but to all interest-bearing 'debt'.

Want to know how much we and other nations are in a 'grip of death' – the grip of their debt to the international banks?

Want to know how much the people, both in the U.K. and worldwide, are in debt to private international banks – and how much they have to pay to prop them up with bailout benefits?

The figures speak for themselves:

U.K. AND GLOBAL DEBT SLAVERY – THE FACTS

- Total global money spent by governments to bailout private banks - **$18 trillion**
- Total U.K. public money spent on *bailing out private banks* – **£1.351 trillion**
- Total unadjusted U.K. *debt to private banks* - **£2.252 trillion = 148% of GDP**
- Total UK debt excluding financial intervention **£940.1 billion = 61.4% of GDP**
- Total U.K. *corporate debt* to private banks – **126% of GDP**
- Total U.K. *domestic debt* to private banks – **106% of GDP**
- Total *profits predicted for UK banks* 2011 - **£25 billion**
- Total *bonuses to bankers* 2010 - **£14 billion**
- Taxes *unpaid by the wealthiest*- **£25 billion**

WHY THE U.K. NEEDS A NEW PARTY

"Banking was conceived in iniquity and born in sin. The bankers own the world. Take it away from them, but leave them the power to create money and control over that money, and they will create that money right back again. Take this power away from bankers and all great fortunes will disappear, and they ought to disappear, for this then would be a happier, better world to live in … But if you want to continue to be slaves to the banker and pay the cost of your own enslavement, then let the bankers continue to create money and control credit."

Josiah Stamp, governor of the Bank of England during an informal talk to about 150 history, economic, and social science professors in the late 1920's at the University of Texas.

"The fact the Government chooses to borrow money and pay interest on it to Private Commercial Banks is entirely down to Government Policy. It does not need to do this. The Government and the Bank of England which it owns (though currently allows it to be run independently) could, if it wanted to, pay off all its debts." (anonymous Guardian commentator)

THE central issue of our times is that governments have relinquished the power to issue their own interest-free money for investment in the real economy, but are instead reliant on borrowing at interest from *private banks.*

To top it all, if those banks fail through inflating their debt assets, governments are forced to get the *people* to foot the bill for bailing out those banks.

Yet if their own economies are weakened by giving out trillions to bail out their national banks, governments may be forced by international banks such as the European Central Bank to be 'bailed out' themselves through further loans *from* those banks - thus raising a country's national debt even further and forcing them to cut public spending - all because they *are not free to issue their own debt- and interest-free money independently of the private and international banking system* and invest it to serve the people.

Neither politicians, economic pundits, the media nor MPs of any party question or even acknowledge this central issue – though it is 'the elephant in the room' - the spectre haunting Cabinet and Parliament and shaping all policy decisions.

The Labour Party may disagree with Tory policies but even they accept the Big Lie that public spending needs to be cut to reduce the 'national debt'.

The traditional Right wish to reduce taxes and government borrowing through cutting public spending. The traditional left wish to maintain government spending – if necessary through raising taxes or borrowing. Neither the traditional Right nor Left realise that government spending is not dependent *either* on tax revenues *or* on borrowing – at interest – *from private and international banks.*

Instead, spending for industry and employment, public works, welfare and education can be funded simply by governments *by-passing* the private banks and issuing their own sovereign, interest-free money directly through a National People's Bank – as *investment* in the real economy and not as *debt* to private banks – which only adds to their inflated assets and those of the international 'casino economy', euphemistically referred to and deferred to as 'the financial markets'.

PUBLIC WELFARE FOR PRIVATE BANKS

The last British government bailed out the banks to the tune of over one trillion pounds of our money - roughly £16,000 for every British citizen.

The aim was not to 'save the economy' from financial crisis but to protect the banks that created that crisis – the same banks that are now making record profits – and paying out massive bonuses to their directors.

The Government estimate that national debt – to the banks – will hit **£1.043 billion** this year and **£1.2 trillion** by 2012. That means the banks will profit from a £43 billion interest bill – for which every household will have to stump up more than £1,800 in tax or cuts in their benefits or real income.

Meanwhile average incomes have already fallen by £1,200 in the last three years.

Did massive government benefits to the banks stop the bankers paying themselves obscene bonuses?
NO.

Did the banks use their welfare benefits to increase lending to businesses, mortgage buyers and industry? NO.

And how does the present government want to reduce the escalating 'national debt' that has resulted from massive welfare payments to the BANKS? By cutting benefits and jobs for the PEOPLE. By making the people pay instead of the banks – to pay for both welfare payouts, increasing debt and interest payments TO the banks.

WE SAY NO to all such policies – to paying off domestic and international banking mafias at the expense of impoverishing the people of all nations; to privatising the gains of the bankers and 'socialising' their losses – making the people pay and not the banks.

WE SAY:

- *End public bailouts and debt-slavery to privately owned banks.*
- *Centralise the money supply in a new National People's Bank that can issue its own debt-free money - money that funds the real bricks-and-mortar economy and not the 'casino' economy of private investment banks!*

This means:

1. Breaking through the MISLEADING MEDIA LANGUAGE and ECONOMIC IGNORANCE that surrounds the true workings of national economies – and the global enslavement and impoverishment of billions of people by the international banking system.

2. Eliminating THE BIG LIE that 'there isn't enough money' – whether for schools, houses, hospitals, for more and better paid jobs, for a national minimum wage, and for national investment in the REAL ECONOMY – as opposed to the fictional 'money economy' of the banks.

3. TAKING BACK CONTROL of the money supply and the national economy from the international commercial banks and financiers and allowing the state to issue money. The direct issue of money by a National People's Bank is not the same thing as so-called 'Quantitative Easing' - which is nothing but governments injecting money into private banks and pension funds by buying back debts sold to them in the form of government bonds - interest-bearing IOU's. Quantitative Easing is not governments 'printing money' or even 'issuing' it. Instead it the *last resort* of a pseudo-national 'Bank of England' long since stripped of the power to *issue money in a way that can be injected directly into the real economy* i.e. placed directly in the hands of industries, businesses, families and individuals.

Only through the creation of a National People's Banks can any country's national financial and banking system serve the real economy and its people – instead of both the economy and the people serving and working as slaves for the banks.

There are those who make money from productive and creative work - and those who make money from money alone. Yet is it not clearly unethical that those who EARN most money and effectively OWN most of the country's money supply PRODUCE NOTHING OF REAL VALUE and DO NOTHING OF REAL VALUE for people – but instead profit and enrich themselves simply by creating fictional money as loans, earning interest from the purely fictional 'value' of that money - and then raking in even more money by trading in debt insurance ('credit default swaps') on the financial markets.

A NATIONAL PEOPLE'S PARTY FOR A NATIONAL PEOPLE'S BANK!

The National People's Party in the U.K. affirms *the sovereign right of all nations - including our nation* - to issue its own interest-free money. We can only do this through the creation of a National People's Bank – one not dependent on borrowing from private international banks and their global cartels such as the World Bank.

This is not a new idea – it goes back to Napoleon and to Abraham Lincoln. Its importance was recognised by the founding fathers of the U.S. constitution and by several U.S. Presidents such as Lincoln, Garfield and Kennedy - all of whom were assassinated.

"I see in the near future a crisis approaching that unnerves me, and causes me to tremble for the safety of our country. Corporations have been enthroned, an era of corruption will follow, and the money power of the country will endeavour to prolong its reign by working upon the prejudices of the people, until the wealth is aggregated in a few hands and the republic is destroyed."

Abraham Lincoln

What 'unnerved' Lincoln is exactly the dire situation of the majority of people that the Occupy Wall Street movement and its counterparts all over the world are now face and are rebelling against. Similarly however, what Lincoln saw as the alternative to corrupt money power of the wealthy few *is* the only true alternative:

"The Government should create, issue, and circulate all the currency and credits needed to satisfy the spending power of the Government and the buying power of consumers. By the adoption of these principals the taxpayers will be saving immense sums of interest. Money will cease to be master, and become the servant of humanity."

HOW A NATIONAL PEOPLE'S BANK WOULD HELP OUR PEOPLE

1.By having the power to offer interest-free credit to individuals, families and businesses.

2. By having the power to by-pass the private banking system and inject money directly into the real economy – for individuals and families in need, and for businesses, industry, transport, housing, health and education.

3. By reducing the debt and interest burden on companies – allowing them to reduce their prices and instead use their profits to increase both wages and investment – instead of squandering them on debt and interest payments to the banks. The net result will be an increase in demand for their products – with more people able to afford them - instead of upward pressure on prices and downward pressure on domestic sales, exports, wages and investment.

Just think! If a National People's Bank had handed over £1.3 trillion directly to the people instead of the banks our economy would be booming - and not facing its worst recession since the Great Depression. We would not have bankers raking in billions of pounds in bonuses whilst at the same time millions of people struggle to make ends meet and not end up on the streets; to feed and clothe their families, pay off their mortgages and meet their other debts to private banks. But because the creation of a state-owned National People's Bank will be a monetary revolution you can be sure that the big global banks and their institutions will fight it with all their power and every means at their disposal, including all the major political parties, as well as the entire mainstream press and popular media – 'the opium of the masses'.

Since it will need a national people's revolution to beat the international banks, the most important question is - are you for it or against it? If you are up for it – then contact and join the National People's Party right now! And forward this site to all your friends and colleagues.

THE U.K. NATIONAL PEOPLE'S PARTY

The United Kingdom is not itself a nation but a multi-national state. That is why the U.K. National People's Party is properly called 'The National Peoples' Party *in* the U.K'. It supports the transformation of the 'U.K.' into a genuine federation or commonwealth of devolved or fully independent nations - each free to create their own National People's Banks. It also supports the creation of National People's Banks in all the countries of Europe, Eurasia and the world - as spelled out by *A Monetary Manifesto for the People*.

Of all the four 'nations' of the U.K. however, England itself has probably *the least* remaining sense of its traditional national culture, values and identity. This has not been destroyed by excessive immigration or multi-culturalism. Instead these have only arisen as a last defence against the global American capitalist culture of corporate greed, debt-fuelled consumerism and celebrity worship represented. Yet in its *historic roots* England is essentially a *Germanic* country, borne of migrating Angles and Saxons - into which it only later incorporated a multi-ethnic mixture of invading Roman, Danish, Nordic and Norman elements.

At the heart of the NPP platform is so-called 'Social Nationalism', 'National Marxism' or 'National Bolshevism' – a position quite distinct from and totally opposed to the racist, fascist, anti-semitic and xenophobic ideologies that dominate so-called 'National Socialism'.

FAQ on National People’s Banks

What will happen to savings and pensions if interest and debt to private banks is abolished?

Who can afford to save right now, except the rich? Who will need to save for private pensions if their state pension – granted by a National People’s Bank - is big enough? As for public and private pension schemes, we can see now that they were a scam right from the start - an attempt to buy off workers and reduce their wage demands – but one which will now bring few returns. And as we have seen in America in recent years, it is private banks that have bankrupted or wiped billions off the value of pension funds - just as it is governments such as ours that are in debt to private banks that now want to increase the contributions of employees to them.

Where will a National People’s Bank get its money from?

Where do private banks get their money from? No, not from savings accounts but from the loans they hand out and the interest they get on them. For they literally have the power to create the money for those loans out of nothing – just by entering a figure onto a customer’s account. And they are not required to hold in reserve anything more than a tiny fraction of the money they lend out – 10 per cent or less. If private banks are free to create ‘money from nothing’ in this way, then why can’t a public bank – a National People’s Bank? The only real reason is that the private banks would then lose the profitable interest on their loans – along with the power to seize the property of individuals, companies and whole nations who can’t afford to pay off their interest-laden debts. Private banks would also lose the power to lend and speculate with 90% or more of the money deposited in them – for example in your current account – accumulating interest and profits from which you get nothing.

How can any bank function without charging interest rates?

Hold on a minute! The tiny interest that some banks offer on current accounts is next to nothing. Unless you are rich therefore (in which case you would invest your money in shares or saving accounts and not current accounts) your current account is effectively and right now an interest-free loan to a private bank. In other words, *it is the people who are the real lenders to the banks and not the other way round!* Their money is actually our money - but it is they who can lend out 90% or more of it – at interest - to others. And because that money of ours which the private banks lend out ends up as deposits in other people's accounts, the banks can lend out 90% or more of their deposits too - resulting in yet more deposits in other accounts from which they can lend out. In other words, for every £100.00 you deposit in your own current account you yourself gift your bank with £90.00 of interest-free money to lend out to others. And since every loan ends up as a deposit with the same or another bank - one that can also lend out up to 90% or more of this deposit - the mathematical result is that for every £100.00 that you either deposit in your bank or borrow for a purchase, you effectively gift the retail banks together with a total of *at least* £750.00 of interest-free money, all of which they can lend out and draw interest from for themselves!!!

How would a National People's Bank change this system?

A National People's Bank would totally reverse this system and turn it upside down completely – the literal meaning of 'revolution'. Instead of *the people giving money to private banks* to lend out and speculate with for their own profit, a National People's Bank *would give money to the people to finance their real needs*. For example, a National People's Bank could pay a basic living wage to everyone – whether employed or not. This would give people the financial security and time they need to seek and engage in the type of work they really want to do, and not the type of jobs they have to do just to survive – jobs which in many cases do not pay a living wage and so force people into debt to (…guess who?) private banks!

Wouldn't money creation by a National People's Bank increase inflation?

On the contrary. Only a state-owned National People's Bank would have sufficient direct control of the nation's money supply to regulate it in a way that prevents inflation! And though we all know that VAT it has been estimated that on average 33% of the price of goods does nothing more than repay interest to private banks. That is 13% *more* and 13% *in addition to* VAT!

What is the difference between what a National People's Bank would do and so-called 'Quantitative Easing'?

As explained in the chapter of this Manifesto called '*Debt Crisis' for Dummies*, Quantitative Easing is neither 'printing money' nor directly injecting electronic money into the real economy - and so it is not truly Public Banking or People's Banking. Instead it relies on governments purchasing government bonds from banks, investment and insurance companies and pension funds. These bonds however are themselves nothing but government issued IOUs - in other words a form of interest-bearing government debt. Quantitative Easing then, means nothing more than buying back government debt from its existing private holders, thus increasing *their* money supply and not that of the real economy or the people! And yet QE is indeed all that today's *so-called* 'national' or 'central' banks (such as the Bank of England) can do - since *they no longer have the right to create and inject new money directly into the real economy – to and for the people.*

Confessions of the banksters…

"Let me issue and control a nation's money and I care not who writes the laws."

Mayer Amschel Rothschild (1744-1812), founder of the House of Rothschild

"The few who understand the system will either be so interested in its profits or be so dependent upon its favours that there will be no opposition from that class, while on the other hand, the great body of people, mentally incapable of comprehending the tremendous advantage that capital derives from the system, will bear its burdens without complaint, and perhaps without even suspecting that the system is inimical to their interests."

The Rothschild brothers of London writing to associates in New York, 1863

"The bank hath benefit of interest on all moneys which it creates out of nothing."

William Paterson, director of the Bank of England

"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 iniquity and born in sin. The bankers own the world. Take it away from them, but leave them the power to create money and control over that money, and they will create that money right back again. Take this power away from bankers and all great fortunes will disappear, and they ought to disappear, for this then would be a happier, better world to live in … But if you want to continue to be slaves to the banker and pay the cost of your own enslavement, then let the bankers continue to create money and control credit."

Josiah Stamp, director of the Bank of England during an informal talk to about 150 history, economic, and social science professors in the late 1920's at the University of Texas.

"I am afraid the ordinary citizen will not like to be told that the banks can and do create money. And they who control the credit of the nation direct the policy of Governments and hold in the hollow of their hand the destiny of the people."

Reginald McKenna, as Chairman of the Midland Bank, addressing stockholders in 1924

"The banks do create money. They have been doing it for a long time, but they didn't realise it, and they did not admit it. Very few did. You will find it in all sorts of documents, financial textbooks, etc. But in the intervening years, and we must be perfectly frank about these things, there has been a development of thought, until today I doubt very much whether you would get many prominent bankers to attempt to deny that banks create it."

H W White, Chairman of the Associated Banks of New Zealand, to the New Zealand Monetary Commission, 1955

"Banks lend by creating credit. They create the means of payment out of nothing."

Ralph M. Hawtry, former Secretary to the Treasury

"Commercial banks create checkbook money whenever they grant a loan, simply by adding new deposit dollars in accounts on their books in exchange for a borrower's IOU."

The Federal Reserve Bank of New York

"This is a staggering thought. 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 very soon."

Robert H. Hemphill, Credit Manager of the Federal Reserve Bank, Atlanta, Georgia

Congressman Patman: "How did you get the money to buy those 2 billion dollars' worth of Government securities in 1933?" Governor Eccles: "We created it." Patman: "Out of what?" Eccles: "Out of the right to issue credit money." Patman: "And there is nothing behind it, is there, except our Government's credit?" Eccles: "That is what our money system is. If there were no debts in our money system, there wouldn't be any money."

Dialogue notated during hearings of the House Committee on Banking and Currency, September 30, 1941. Members of the Federal Reserve Board call themselves 'Governors.' Eccles was Chairman of the Federal Reserve Board at the time.

Those who knew the truth...

"When a government is dependent upon bankers for money, they and not the leaders of the government control the situation, since the hand that gives is above the hand that takes … Money has no motherland; financiers are without patriotism and without decency; their sole object is gain."

Napoleon Bonaparte

"The issue which has swept down the centuries and which will have to be fought sooner or later is the people versus the banks."

Lord Acton (1834-1902) English historian

"Until control of the issue of currency and credit is restored to government and recognized as its most conspicuous and sacred responsibility, all talk of sovereignty of Parliament and democracy is idle and futile … Once a nation parts with its credit, it matters not who makes the nation's laws … Usury once in control will wreck any nation."

William Lyon Mackenzie King, former Prime Minister of Canada

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

John Adams, Founding Father

"The refusal of King George to allow the colonies to operate an honest money system which freed the ordinary man from the clutches of the money manipulators was probably the prime cause of the revolution."

Benjamin Franklin, Founding Father

"The money power preys on the nation in times of peace, and conspires against it in times of adversity. It is more despotic than monarchy, more insolent than autocracy, more selfish than bureaucracy. It denounces as public enemies, all who question its methods or throw light upon its crimes."

"I see in the near future a crisis approaching that unnerves me, and causes me to tremble for the safety of our country. Corporations have been enthroned, an era of corruption will follow, and the money power of the country will endeavour to prolong its reign by working upon the prejudices of the people, until the wealth is aggregated in a few hands and the republic is destroyed."

"The Government should create, issue, and circulate all the currency, and credits needed to satisfy the spending power of the Government, and the buying power of consumers. By the adoption of these principals, the taxpayers will be saving immense sums of interest. Money will cease to be master, and become the servant of humanity."

Abraham Lincoln, assassinated President of the United States

"I believe that [private] banking institutions are more dangerous than standing armies … If the American people ever allow private banks to control the issue of currency … the banks and corporations that will grow up around them will deprive the people of their property until their children wake up homeless on the continent their fathers conquered."

Thomas Jefferson

"The real truth of the matter is, as you and I know, that a financial element in the large centers has owned the government ever since the days of Andrew Jackson…"

Franklin D. Roosevelt

"Issue of currency should be lodged with the government and be protected from domination by Wall Street. We are opposed to … provisions [which] would place our currency and credit system in private hands."

Theodore Roosevelt

"Whoever controls the volume of money in our country is absolute master of all industry and commerce … and when you realize that the entire system is very easily controlled by a few powerful men at the top, you will not have to be told how periods of inflation and depression originate."

James A. Garfield, assassinated President of the United States

"The study of money, above all other fields in economics, is one in which complexity is used to disguise truth or to evade truth, not to reveal it. The process by which banks create money is so simple the mind is repelled."

John Kenneth Galbraith, former professor of economics at Harvard

"… our whole monetary system is dishonest, as it is debt-based… We did not vote for it. It grew upon us gradually but markedly since 1971 when the commodity-based system was abandoned."

The Earl of Caithness, in a speech to the House of Lords, 1997

"Most Americans have no real understanding of the operation of the international money lenders. The accounts of the Federal Reserve System have never been audited. It operates outside the control of Congress and manipulates the credit of the United States."

Senator Barry Goldwater

"Only the small secrets need to be protected. The big ones are kept secret by public incredulity."

Marshall McLuhan

"We are grateful to the Washington Post, the New York Times, Time magazine and other great publications whose directors have attended our meetings and respected the promise of discretion for almost forty years.

It would have been impossible for us to develop our plan for the world if we had been subject to the bright lights of publicity during those years. But the world is now more sophisticated and prepared to march towards a world-government.

The supranational sovereignty of an intellectual elite and world bankers is surely preferable to the national auto-determination practiced in past centuries."

David Rockefeller, in an address to the Trilateral Commission Meeting, 1991

"A definite factor in getting a lie believed is the size of the lie. The broad mass of the people, in the simplicity of their hearts, more easily fall victim to a big lie than to a small one."

Adolf Hitler

“In a time of deceit, telling the truth is a revolutionary act.”

George Orwell

“If you don’t know who the sucker is, then you’re it.”

gambler’s aphorism – reiterated by Warren Buffet, U.S. business magnate

Protesting Cuts or Defaulting on Debt is not Enough!

Communiqué from the National People's Party in the U.K. to all Protesters, People's Assemblies, Socialist, Communist and Conservative Revolutionary, Nationalist, Social Nationalist or National Bolsvevik Parties in Greece, Europe and Eurasia.

Subject: On why cancelling all debts to the international banks *does not go far enough* – on the fundamental importance of establishing new 'National People's Banks' in place of private national and international 'Central Banks'.

1. Recognising the global financialisation of capitalism

Greece was the first victim of the new 'debtocracy' being imposed on all European nations by the institutions of international finance capitalism – the IMF, the European Central Bank. These nations include not only Spain and other Southern European states such as Italy but also Ireland, the U.K. and France. The Greek people's struggle has therefore become a symbol of the truth that as a result of the *financialisation* of global capitalism, the class struggle has become a *revolutionary national struggle* against the *entire international financial and monetary system*.

This makes it all the more important that revolutionary socialist and communist parties, people's assemblies and mass protest movements such as those in Greece, Spain and elsewhere in Europe recognise the *completely changed nature of capitalism today* – which has created a global system in which it is *no longer* the falling rate of profit that is the key issue – but instead the way in which the profits of productive industrial capitalism are siphoned off into what Marx called unproductive 'money capitalism' or 'usury capitalism', i.e. private investment banks who use them only to speculate and circulate unproductively in the 'casino economy' of the financial markets. In this way money capitalism has become totally *parasitic* on productive industrial capitalism – imposing massive debt and interest burdens on companies and even whole nations, and in this way putting upward pressure on prices and downward pressure on wages and public spending.

"Usury centralises money wealth," Marx states. "It does not alter the mode of production, but attaches itself to it as a parasite and makes it miserable. It sucks its blood, kills its nerve, and compels reproduction to proceed under even more disheartening conditions. … usurer's capital does not confront the labourer as industrial capital," but "impoverishes this mode of production, paralyzes the productive forces instead of developing them."

"Under the form of interest the whole of the surplus over the necessary means of subsistence (the amount of what becomes wages later on) of the producers may here be devoured by usury…"

2. How we got here

The financialisation of global capitalism has come about as a result of technological advances in the means of production of *money* itself – in particular the replacement of both gold, paper money and paper stocks and bonds through the *electronic digitisation* of money. Furthermore, since the abolition of the gold standard and the deregulation of banking, private banks are literally able to create 'money out of nothing'. For they are now able to place loan deposits in borrowers' accounts at the press of a few computer keys. In this way they can accumulate what Marx called "fictitious money" on a massive scale – for under the system of 'Fractional Reserve Banking' *only a tiny fraction* of what the banks lend out needs to be covered by their own monetary reserves. This is the real reason for the 'credit booms' and 'credit bubbles' we have seen in recent decades – together with the 'credit crunch' that results from competitive over-lending by banks.

Yet as a result of the long-standing privatisation of their own 'central banks' – such as the Bank of England or the U.S. Federal Reserve – governments have remained wholly dependent on borrowing from the financial markets and private banks to finance their own spending – on top of which they then have to 'bail out' those same banks at the people's expense when their massive fictitious assets (and remember that for private banks the credits they loan out are accounted as *assets* and not liabilities) turn out to be based on over-lending and high-risk loans.

3. The Historical Precedents

The situation in Greece and elsewhere has historical precedent in the massive debt burden placed on Germany after the Versailles treaty. Indeed it goes back even further – to the time when Abraham Lincoln could not afford to finance his army by borrowing at interest from private bankers. The challenge was the same in both cases – to *affirm the sovereign right of all nations to issue their own money and invest it in their own economies* – but without having to borrow from private banks and thus build up unsustainable levels of debt to them. Lincoln did so by issuing his own independent currency in the form of 'Greenbacks'. This was the principle reason for which King George was financed by the bankers to launch a war against the rebel American colonists. For the 'War of Independence' was essentially a war for *financial independence* from private bankers.

When Hitler came to power in Germany he also issued his own currency in the form of 'Labour Treasury Certificates'. As a result:

"Within two years, the unemployment problem had been solved and the country was back on its feet. It had a solid, stable currency, no debt, and no inflation, at a time when millions of people in the United States and other Western countries were still out of work and living on welfare. Germany even managed to restore foreign trade, although it was denied foreign credit and was faced with an economic boycott abroad. It did this by using a barter system: equipment and commodities were exchanged directly with other countries, circumventing the international banks. This system of direct exchange occurred without debt and without trade deficits. Although Hitler has rightfully gone down in infamy in the history books, he was quite popular with the German people, at least for a time. Stephen Zarlenga suggests in The Lost Science of Money that this was because he temporarily rescued Germany from English economic theory — the theory that money must be borrowed against the reserves of a private banking cartel rather than issued outright by the government."

From Ellen Brown on how 'How a Bankrupt German solved its Infrastructure Problems'

The German Communists of course, would have gone even further than the National Socialists, promising in their Manifesto that once in power:

"…we will ruthlessly put a stop to the machinations of the bank magnates who impose their will on our land today. We will implement the proletarian nationalisation of the banks and annul all debts to German and foreign capitalists."

The German Communists of course, would have gone even further than Hitler, promising in their political program that once in power:

"...we will ruthlessly put a stop to the machinations of the bank magnates who impose their will on our land today. We will implement the proletarian nationalisation of the banks and annul all debts to German and foreign capitalists."

This is in accord with one of the central pillars of *The Communist Manifesto* of Marx and Engels: *'Centralisation of credit in the hands of the state, by means of a national bank with state capital and an exclusive monopoly.'* This, of course, would be a People's State and not one run in the interests of the Big Banks and Corporations. And it was Lenin who recognised that since the era of Marx, when money was still backed by gold or existed only in paper form, international finance capitalism had since attained the upper hand over national industrial capitalism and created a new financial oligarchy.

In the post-war years, it was only through Germany's publicly owned 'Landesbanks' (which played a vital role in its 'Economic Miracle') that the monopoly of profit-hungry private banks over the money and credit supply of the country was hindered for several decades. That is why it is no surprise that since the nineties the private Deutsche Bank AG, together with the IMF and European Commission put enormous pressure on the German government to privatise these public banks - which were began in the 18th century as non-profit institutions to offer low-interest credit to individuals and to small and medium-sized enterprises. The result of this pressure was that in 2001 the European Commission succeeded in removing state credit guarantees from the Landesbanks – in order to push their still unusually high market share of the banking system in Germany into the hands of the big private banks and turn them into instruments of deregulated speculative trading.

(see article by Ellen Brown on 'the German Model')

4. What is to be done?

With this understanding of the current European and global economic crisis in mind, it is absolutely vital to understand also that it is not enough for protesters and socialist political parties to demand that governments (a) reject further loans from international central banks and (b) cancel their current debts to them. *This alone will not solve the* *problem.* For the question will remain – *what is to be done next?* For it will not be enough just to demonstrate in ever greater numbers, to seize finance ministries, or even to storm parliament and seize power for the people – unless the people *know the most important thing they must do with that power.* Nor will it be enough to just tax big business – for they too are in the grip of global credit capitalism and its 'debtocracy'.

Instead THE central and principal aim of all people's assemblies and revolutionary parties in Greece, Spain and elsewhere must be to re-affirm and re-establish the sovereign right of their nation – and all nations to issue their own debt-free money <u>without</u> borrowing from private banks.

Only in this way, and not through taxation alone, will they be able to restore their economies <u>after</u> any cancellation of national debts to the international banking system.

Only in this way too, can countries such as Greece and Spain set an example for other nations – thus initiating a world revolution that can bring down the monetary power of international finance capitalism.

Initial and additional goals necessary to pursue the path towards a totally *sovereign and autarchic national banking* system for countries such as Greece, Spain and Portugal and well as the countries Eastern Europe currently in the Eurozone.

Clearly stating the need for a National People's Bank.

Seizure of state power by the people under the leadership of a National People's Committee.

Setting up a national planning committee for National monetary and banking reform.

Disengagement from the Eurozone, cancellation of all international debts and the establishment of a truly 'national' central bank (a National People's Bank and not anything like the so-called 'National Bank of Greece' – which actually won the prize for the best private bank in 2010!).

Using a national monetary committee to decide how much money the state will inject directly into the economy each year, avoiding both inflation and deflation.

Freezing of all private bank assets and the prevention of all capital flight from the country.

Preparing for the creation of a new currency to be issued by a new National People's Bank.

Setting up an international trade committee to plan to prepare for possible economic or financial sanctions and trade boycotts – and to seek trading or barter partners in progressive countries such as Argentina.

Suspending membership of and all agreements with NATO

Background to this Communiqué

The aim of the **National People's Party in the U.K.** is to offer all other socialist, communist, nationalist, 'social-nationalist' and 'national bolshevik' parties in the U.K., Europe, Eurasia and worldwide a range of new and in-depth analyses and understandings of the nature of money and banking in the era of global credit capitalism.

See also www.nationalbolshevism.org

Warning to Russia and all nations of the ex-U.S.S.R

BEWARE OF THE FRAUDULENT GLOBAL BANKING SYSTEM!!!

"It is well enough that the people of this nation do not understand our banking and monetary system, for if they did, I believe there would be a revolution before tomorrow morning." – Henry Ford

Introduction: Since the collapse of the U.S.S.R and the ever-greater liberalisation of *privatised banking and credit supply* in the Russian Federation, the CIS, Eastern European and Baltic states and the *peoples* of these regions and nations are opening themselves to THE GREAT LOAN AND MORTGAGE FRAUD that underlies *the entire global banking system.*

All Bank of England notes still have printed on them the following words: "I promise to pay the bearer on demand the sum of …". With or without words like these, all bank notes in all capitalist currencies are 'promissory notes' or IOU's (from the English 'I Owe You'). A promissory note is essentially a promise to pay. To pay what? To pay a debt. In other words all money is debt - *borrowed into existence* - and all monetary transactions are exchanges of debt. Bank notes in other currencies may not carry the same words as English bank notes, but in capitalist economies their nature is exactly the same. They are 'promissory' notes – quantities of debt to *private banks.*

Yet since all debt also carries *interest* the total of all *debt* cannot possibly be paid by all the *money* put in circulation as debt. Think about it. If an economy consisted of ten friends of yours to whom you loaned £100.00 each with 5% interest, the resulting money in circulation in your 'micro-economy' would be £1000.00 – not enough to cover the debt, which is £1,000 *plus* the 5% interest.

Where then can this extra 5% come from? Only, as Marx recognised, through exploitation in the form of 'surplus value' extracted from workers i.e. as money whose value exceeds that which is paid for their labour. The interest on all debt is unpayable for another simple logical reason too - because debt constitutes 99% of the money supply of most nations.

This means that if all this debt *were* repaid in one go not only the banks themselves but whole countries would be immediately bankrupt – moneyless. Debt therefore, not only has individuals, but entire enterprises, nations and even whole geo-political regions (just look at Europe!) in its grip. It is no accident that 'death grip' is the literal French meaning of the word 'mortgage'.

To repeat: money is created as debt by private banks. And yet it is created in a way that breaks all the principles of basic 'contract law'. A simple application for a loan from a private bank is actually a 'cheque' for a certain amount of money granted *to* a bank by the borrower. Why? Because the signature on it allows the bank to create a fictional electronic 'deposit' of that sum of money in the borrower's account - just by keying in the numbers on a computer. Yet besides being purely electronic money this money is actually entirely fictitious also because *did not actually exist until the borrower applied for the loan*. Putting your signature to a loan application *without being told* this, without full disclosure of the fact *you yourself have signed the money you are borrowing into existence* - is a breach of what in England is called 'Full Disclosure' – one of the basic principles of Contract Law. It is also a breach of the principle of 'Equal Consideration' – since the banks themselves are offering no 'consideration' of their own – nothing of intrinsic value - to the loan contract (for example gold or capital reserves). Finally, since all credits issued by banks *are signed into existence by the borrower*, and since these loans or credits count as *assets* on the bank's account the borrower has been *defrauded* by a four-step 'scam'.

1. The borrower effectively *gives* an amount of money to a bank by applying to borrow it – effectively *signing that money into existence.*
2. The bank then demands that the borrower give the bank *the same amount of money once again* as 'repayment'.
3. The bank asks for even *more money* from the borrower in the form of interest on the loan.
4. Your signature authorises banks to makes huge amounts of money by *selling* its loans to other banks and the financial markets, thus making yet more money from your money. In principle therefore, *no one has any contractual or ethical responsibility to pay back a loan from a bank* - since the loan is a *fraudulent contract.* It is fraudulent not only for the reasons given above, but also because in reality THERE IS NO CONTRACT.

A joint contract requires the signature of two parties. But where is the signature from the bank that would make the loan a mutual 'contract'? The bank can't sign such a contract because it only exists as a fictitious legal 'person' – a corporation, and not a real person who can be held responsible for their side of the contract.

Neither in the Americas, Europe, Russia, the CIS or China do private banks lend from money or tangible assets *they actually have*. For under the system known as Fractional Reserve Banking they are only required by the 'central banks' or regulatory institutions to hold in reserve a mere fractional 'capital reserve' of what they actually loan out, supposedly to cover the danger of default on 'high-risk' loans. Though such reserves may be as low as 4% or less of the bank's loan asset or as high as 20% or more, *in practice they place no restrictions on a bank's lending whatsoever* - since fictional 'capital ratio' or 'capital adequacy' can easily be created on the bank's accounts by temporarily selling their loans and then buying them back[1]. This process is called 'securitisation'.

"Securitisation refers to a process where a bank originates mortgage loans, pools them and takes them off their balance sheets by selling them to a third party (a so-called Special Purpose Vehicle). The SPV then markets the assets to investors as fixed-income securities and the cash proceeds go back to the bank (after fees are deducted).By shifting the loans off their balance sheets (that is, pushing them to the SPV) the bank can increase its capital ratio but the overall leverage in the system is unchanged. Further, the risk-weightings are in broad bands and the bank may have sold high quality assets (at the top of the band) and retained poorer quality (at the bottom of the 100 per cent band). In simple ratio terms, the bank looks better but in terms of risk it is more exposed to failure."

Bill Mitchell

The money banks loan to businesses or to individuals usually ends up of course as deposits in other banks. Under the system of Fractional Reserve Banking however, banks are free to loan out 90% or more of these deposits - thus creating yet more fictional and counterfeit debt assets for themselves. The result of this vicious circle is the creation of massive credit 'bubbles' through the expansion of credit - bubbles which eventually burst. It is then that the banks start to hoard and do nothing but simply gamble with their money on the financial markets rather than lending it to individuals, businesses or even to each other. Such reductions in bank lending - together with the ever increasing cost of interest payments, reduces economic growth and fuels inflation in the economy. For up to 50% of the retail price of goods being used simply to pay off the ever-increasing interest still owed by producers to banks.

Summary: Any 'loan' you supposedly get 'from' a bank is in fact a free gift - a 'blank cheque' *to* that bank to and to the banking system as a whole, making it a source of profit for the bankers that vastly exceeds the value of the loan itself - and does so in a way that is ultimately detrimental to entire economies, both producers and consumers. For again, this entire global banking system is based on the unrestricted freedom of private banks to create fictional and fraudulent money - *as* debt and *from* debt. Counterfeiting paper money is illegal in all countries. Yet counterfeiting *electronic money* – which is what 99% of all money is – is the *very foundation of the fraudulent global banking system*. It is because of this that almost the entire money supply of nations is in the hand of the banks – banks which even *governments* have to borrow from, but which the *people* then have to bailout through loss of their houses, jobs, wages and pensions – as well as through increased prices and taxes - when the banks inflated loan 'assets' and credit bubbles, all built on fraud and fictitious money, regularly burst and collapse.

Conclusion: For the nations and peoples who once belonged to the U.S.S.R and the former Yugoslavia the consequences of this 'warning' against global banking fraud are clear - *steer clear* of the *fraudulent global banking system*, and *renationalise* banking and credit provision instead of privatising and 'liberalising' it. This means affirming the sovereign right of all nations to create and issue their own interest-free money and credit *without* having to borrow it from international banks - whether directly or by selling interest-bearing government bonds (themselves debts). This means steering clear both of the IMF and of the Euro, Eurocracy and its current Franco-German Eurocrats. For Eurocracy, like so-called American and European 'Democracy', is nothing but a disguise for 'Debtocracy' - as the peoples of North America, as well as of Southern, Western and Eastern Europe – including the people of France and Germany themselves, well know.

Sources:

Chapman, Veronica *Freedom is more than just a seven-letter word*

Rowbotham, Michael *The Grip of Death – a study of modern money, debt slavery and destructive economic destruction*

Links: **ОСВОБОЖДЕНИЕ НАЦИЙ ОТ ДОЛГОВОГО РАБСТВА**