

## WHAT'S the DIFFERENCE?

### **Federal Reserve or Private Preserve**

The following chapter is from *What's The Difference? Gray Liberal Mush Or Vivid Conservative Facts* by Mike Thompson, copyright (C) 2002 (Trafford Publishing, Victoria, BC, Canada).

**WHICH** is a fully functioning department of United States government: The Federal Reserve (a.k.a. "The Fed") or Federal Express? The correct answer is . . . neither.

□ **Federal Express**, of course, is the free-enterprise exemplar whose air and ground fleet and loyal employees daily fly and run circles around the U.S. Postal Service.

□ **The Federal Reserve** erupted in 1913, an alleged beneficial banking reform by President Woodrow Wilson. While liberal historians salivate over the scholar's foreign and domestic "idealism," Wilson in reality was an elitist stain on America and a pandering errand boy for a gang of bankers who three years earlier had conspired on Jekyll Island, a Georgia resort for the super-rich, to destroy smaller banks and take over the U.S. monetary system.

If use of *conspiracy* frightens or inexplicably amuses you, don't take my word for it. Read what Frank Vanderlip, president of National City Bank of New York, wrote in a first-person piece called "Farm Boy to Financier," and published Feb. 8, 1935, by *Saturday Evening Post*:

". . . I was as secretive, indeed as furtive, as any *conspirator* [emphasis added]. I do not feel it is any exaggeration to speak of our secret expedition to Jekyll Island [specifically, Jekyll Island Hunt Club, owned by banker J.P. Morgan] as the occasion of the actual conception of what eventually became the Federal Reserve System.

"We were told to leave our last names behind us. We were told further that we should avoid dining together on the night of our departure. We were instructed to come one at a time and as unobtrusively as possible to the terminal of the New Jersey littoral of the Hudson, where Senator Aldrich's private [railroad] car would be in readiness, attached to the rear end of the train for the South. (Senator

Aldrich was the maternal grandfather of David Rockefeller and Nelson Aldrich Rockefeller.)

"Once aboard the private car, we began to observe the taboo that had been fixed on our last names. Discovery, we knew, simply must not happen, or else all our time and effort would be wasted."

This is an amazing admission: Big-league bankers and a potent U.S. senator ditching their identities (what, no masks?) and retreating to an isolated southern island in a *conspiracy* (Vanderlip's word) to create a monetary system to defraud Americans. (Note well: People never conspire in order to plan good works; *conspiracy* is a word that refers exclusively to illegal and subversive activity.)

The participants (that is, conspirators) were careful in their plan not to wave the red flag of a feared "central bank" in front of the American people. The bankers and Sen. Aldrich avoided that killer name by dividing the new creature into 12 districts and calling it not a central bank but a "Federal Reserve System." Behind the inoffensive name, however, was a monetary behemoth *involving* the government (the President appoints key Fed members and Senators confirm them) but *owned* by private individuals. These individuals who control an ostensibly public agency 1) profit from their ownership of shares, 2) control the nation's issue of money, 3) command the nation's financial resources, and 4) can mortgage the nation's future. No wonder Mr. Vanderlip felt like a conspirator.

Consider this everyday evidence of the real nature of the Federal Reserve: 1) Unlike a real government agency, the Fed must pay for the U.S. postage it puts on its mail, 2) the Fed's physical property is held under private deeds, so the Fed must pay local property taxes (real government buildings are exempt from the tax); 3) Fed employees are not under U.S. Civil Service. Presidents Nixon, Ford and Carter all noted formally in speeches the "independence" of the Fed (without, of course, spelling out the shocking details of its private profits and frightening power by virtue of monopolizing the nation's monetary system).

While Presidents, other pols, equivocating economists and predictably dreary Fed chairmen tap-dance and never discuss the guaranteed private profiteering by Federal Reserve

insiders, many members of Congress at the time of the Fed's creation in 1913 saw clearly through the mist and mystery of the monster's birth and nailed it for what it actually was and would become.

Warned Republican Congressman Charles A. Lindbergh, father of the famed aviator: "The [Federal Reserve] system is private, conducted for the sole purpose of obtaining the greatest possible profits from the use of other people's money, and in the interest of the stockholders and those allied with them." He called the Fed "the most gigantic trust [that is, a cartel to rig prices] on earth. When the President signs this act, the invisible government by the money power . . . will be legitimized. The new law will create inflation whenever the trusts want inflation. From now on, depression will be scientifically created."

Another un-American power of the Federal Reserve is its ability to dictate the price of money (*i.e.*, interest) through its oxymoronic "Open"-Market Committee. In an otherwise free market, the U.S. government makes no attempt (or should it) to fix or allow others to fix the price of food, clothing, fuel, housing, medicine, plumbing, grand pianos or any other goods or services that people may want or need. Why, then, should Congress, the President and judiciary allow a private association blessed by government to determine the value of borrowed money?

The banking conspirators who met in 1910 on Jekyll Island certainly knew what they wanted to obtain from their extraconstitutional power grab. They were aware of the dictum from financial/political genius Meyer Rothschild, one of five brothers who in the 19th Century set up banking houses throughout Europe in order to enrich (and empower) themselves by financing both sides of every war. Wrote the London-based Mr. Rothschild with cutting candor:

"Permit me to control the money of a nation, and I care not who makes its laws."

The Fed is merely one harmful facet of what has become Woodrow Wilson's legacy of subverting and debasing the U.S. Constitution. He did that very effectively by:

❑ **Securing passage** of the 16th Amendment and a progressive income tax, which, combined with the money powers of the Fed-

eral Reserve would guarantee the creation and cancerous growth of big government, in gross violation of specific, limited powers enumerated in the Constitution (Art. 1, Sec. 8);

❑ **Tacking on** the 17th Amendment and breaking the back of a traditionally conservative U.S. Senate by stripping elected state legislatures of their right to appoint all members of Congress' upper body (and substituting the democratic, direct elections that now, ironically, allow such a disproportionate number of extremely wealthy, elitist U.S. Senators who win their elections by cleverly using populist language), and

❑ **Sending American boys** and young men in large numbers to die needlessly in the stalemated European slaughterhouse known as The Great War (WW I), thus

❑ **Laying the foundation** for a hoped-for one-world government through the League of Nations (and, as it turned out, the back-up successor organization, the United Nations).

If George Washington was America's greatest President, Woodrow Wilson was its worst--a Bill Clinton without libido. Wilson's path to the White House was guided by his Marxist guru and *alter ego* "Colonel" Edward Mandel House, who in his 1912 novelized autobiography *Philip Dru, Administrator* cited as one of his actual goals "**socialism as dreamed by Karl Marx.**" ("Colonel" was honorary hokum, a title affixed to Mr. House by James S. Hogg, whose winning 1882 campaign for Texas governor was managed by House, a college dropout. Gov. Hogg's Texas sense of humor not only prompted him to fabricate his political sidekick into a "colonel," it impelled him to name his two semi-lovely daughters--and this is not a joke--Ima Hogg and Ura Hogg. The sisters later would reign as Texas socialites.)

While promoting Princeton College President Wilson for the 1912 Democratic Party presidential nomination, House had written in a crass letter to the president of the College of the City of New York (CCNY) that Wilson "is a great man, with great ideas, and ought to be made 'dictator' of the United States."

Wilson died before he could fulfill House's dream of American President-turned-dictator. Enter a younger disciple of House--an avid fan of *Philip Dru* and aspiring New York Democrat named Franklin Delano Roosevelt--who

would get closer to House's political goal two decades later. By the time House went to the roundup in the sky for old Texas "colonels," in 1938, his last pupil, FDR, was President and dictating with the ease of a Caesar. ❖

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