



America's financial system is based on fiat money- it has no intrinsic value, but has been merely declared to have value. It is not backed by any kind of asset (like silver or gold).

Worthless fiat money is accompanied by 'legal tender' laws. This means that there is law requiring everyone to accept the money in commerce, under the threat of fine or imprisonment.

The Federal Reserve System is a cartel; not a government owned agency. A cartel is an agreement between parties to abstain from competition with each other. Like OPEC, no one owns "the Fed", it is merely an agreement between private parties.

The Federal Reserve creates money based on the **promise** of the government to repay the money created. It is a debt instrument.

Long ago, gold merchant bankers discovered that when they held gold for their clients, the clients retrieved their gold only 10% of the time, preferring to keep it in a safe warehouse. So the gold merchants began to create credit receipts based on their clients' gold deposits, and collected interest on it. Since that time, bankers have used "fractional reserves", retaining a

percentage (fraction) of the gold or money deposited (reserves) with them and creating receipts for many times the amount of money deposited.

In modern times, the fractional reserve trick is used by commercial banks to create money out of thin air, usually at a 9:1 ratio. The deposit is kept at the bank as the "reserve" and new money is made through creative bookkeeping: 9 times the amount of the deposit is magically entered into the asset column and the bank then makes this new money available for loans.

### **Watch the short explanation by G. Edward Griffin:**

If legal tender laws were repealed, and silver, gold or other types of currencies or assets were allowed to be traded, that would create competing currencies and would be the gateway for a free market. Additionally, banks should be clearinghouses for transactions only, instead of having the power to create money.

**GAMEPLAN: Collectivist bankers have engineered the financial meltdown in order to bankrupt individuals, cities, counties and states in order to make them dependent upon the federal government. The federal government is ever expanding, and contrary, in most cases, to the Constitution, which was designed to limit Congress. The federal government has deep ties with the United Nations and is moving us toward global government and loss of sovereignty.**

But they need our help to do it. Power has been given up voluntarily.

The goal of the collectivists is total control over all resources, especially money and commerce/trade. There is plenty of evidence, in their own words, calling for a one world currency. The model for this is the European Union's currency- the Euro.

There is additional [evidence](#) that the collectivists plan to use energy credits as currency. This scheme is based in debt: individuals would receive an allotment of credits to be used for energy every month. If the allotment is not used by the end of the month, the credits disappear (similar to cell phone minutes). The collectivists plan to control how many credits are allotted to each individual and business. The "Smart Growth" action plan is to install meters that measure electricity energy usage during the day, and can be controlled remotely, meaning that your

energy could be cut off by the will of the collectivists.