Chapter Twenty-Two

Sunday Afternoon, August 9, 2015.
Federal Reserve Bank of New York,
Financial District, New York City.

Dark storm clouds hovered over Manhattan Island, with frequent flashes of lightning and mounting winds that moaned and howled as they rounded the corners of the island's massive skyscrapers. Torrential rains began to fall, and men and women on the streets of the New York financial district, their umbrellas turned inside-out by the intense gusts, scurried for cover. Soon the streets were filled with water, as the storm sewers proved unable to keep up with the sudden outpouring of celestial wrath. Ten prominent American financial leaders, who had been *en route* to the Federal Reserve Bank of New York in limousines, experienced sudden trepidation as their vehicles became bogged down in traffic stalled by local flooding. Various objects that had broken loose from tall buildings came flying through the air, menacing their very bodily integrity. These were men accustomed to being in charge, men who had all practical concerns of daily life handled for them. They had staff who shopped, cooked, ran errands, cleaned and organized their homes and offices, and who arranged their schedules and transportation. They were the darlings of the mainstream financial media, celebrated for their "brilliance" and "savvy" and "consummate skill" in keeping the world's economy running smoothly. They were also routinely mocked, by a few very incisive commentators relegated to the fringes of cyberspace, as "the masters of the universe." But today, trapped in vulnerable automobiles in the midst of the most violent storm to blow through Manhattan in decades, they were being reminded that they were mere men, and quite mortal.

The Federal Reserve Bank of New York, at Thirty-Three Liberty Street in New York City's financial district, has long been the place where monetary policy in the United States is implemented, even though policies are mostly determined in Washington, D.C. by the Federal Reserve System Board of Governors. The current limestone edifice, opened in 1924, towers fourteen stories tall with an additional five stories below ground. Its stone exterior, suggestive of a Renaissance palace, has a fortress-like appearance intended to engender trust and confidence. The vast gold vault lies eighty feet below street level and fifty feet below sea level, on Manhattan bedrock, since its enormous weight could not be supported by any other foundation. The 'Fed,' as the bank is commonly called, claims that almost one quarter of the world's physical gold reserves lie secure within this vault. The reported gold stores include more than two hundred million troy ounces, weighing more than seven thousand English tons and valued at more than two hundred billion dollars. This gold reportedly belongs to more than thirty-six foreign governments, central banks, and official organizations, so that ownership of the gold can be transferred between such owners on the books of the Fed without actually having to physically move the gold outside the vault.

However, the GAME organization (Gold Anti-Manipulation Exponents), headed by Patrick O'Malley, had long questioned whether the United States' gold in the Fed vault and in the Fort Knox repository was actually still there; and, if it was, whether much of it officially remained the property of the United States. Bizarre new terms such as "deep storage gold" had crept into the Fed's gold accounting reports in recent years, suggesting attempts to obfuscate and to divert attention from the fact that actual United States gold reserves had probably dwindled precipitously. The GAME organization believed that the Fed had loaned out much of its gold to bullion dealers, who then paid a miniscule rate of interest on the loans, and sold the gold into the physical metals markets at huge profits to themselves. The Fed would continue to list the gold on its books as an asset, because, theoretically, the Fed could call in the gold loans anytime it wished. In reality, the borrowers could not possibly buy back the gold they had borrowed and sold, since the price of gold had continued to increase substantially over time. In fact, over recent decades physical gold had shown a far better annual rate of return than either stocks or money markets, especially after adjusting for the real inflation rate of Federal Reserve Notes (commonly called "dollars"). This process of loaning out gold to be sold by bullion dealers served the interests of the Fed, because it kept the market value of gold suppressed by supplying physical metal to meet the growing global investor demand. If the demand could not be met, the price of gold would skyrocket, revealing the crumbling value of paper currencies. According to GAME, the Fed's "creative" accounting methods regarding United States gold reserves amounted to a huge Ponzi scheme.

More than a decade now past, international scandals had broken out when large gold bars sold through reputable dealers were found to be filled with cheap tungsten, which has a mass almost exactly equivalent to that of gold, and therefore could fool all but the most savvy inspectors. The Fed encouraged public tours of its gold vaults, during which visitors would view towers of gold bars stacked floor to ceiling in the manner typical of brick walls. The problem was, even if these bricks were covered with real gold on the outside, no routine independent audits were done to ascertain what these bars contained on the inside, or to determine whether large room-size piles of such gold bars were filled with real gold bars in the center of each pile, or only around the outside and on top. It would probably never occur to the average tourist that, in the Fed's vast, deep-underground vault, there might be substantially less gold than meets the eye.

Another disingenuous technique for suppressing the price of gold, which had been indirectly encouraged by the Fed, was the "paper gold" market. In this scheme, investors would purchase physical gold that was supposedly then stored for them in private vaults, and they would be charged an annual fee for storage of their precious metal deposits. In reality, these depositories would operate on a fractional-reserve basis, so that by 2010 the London Gold Pool – the world's flagship precious metals market which "fixed" (determined) the market price of gold twice daily – had to admit that their vaults contained only one ounce of physical gold for every one hundred ounces of "paper gold" that had been sold to investors through their operation. This, too, was a huge Ponzi scheme, since the number of ounces of gold that investors believed they owned in storage was many multiples of the amount of gold which has ever been mined and refined in the entire world in the entire history of civilization.

GAME had noticed a pattern over the previous decade or two, in which the BRIC nations (Brazil, Russia, India, and China) which tended to have no significant national debt, had been quietly buying and taking delivery of vast amounts of physical gold. Russia and China were also internally mining significant quantities of gold, some of which was added to national reserves, and some of which was routinely purchased by their citizens as secure savings. Most Western nations had allowed the Fed to store large portions of their gold reserves for them. But the BRIC nations had long since recognized that most of the Fed's physical gold very probably was no longer present in its vaults, and that someday the whole corrupt Ponzi scheme would collapse. So the BRIC nations, especially Russia and China, had been amassing some of the world's largest reserves of actual physical gold, stored within their own borders, and all assayed for purity and audited in complete transparency by independent firms. This was done as a way of increasing public confidence in the integrity of the national reserves.

Certain Arab nations had likewise built credible gold reserves in significant quantities and stored within their own borders. These nations had begun discussions about eventually issuing new currencies convertible into gold and/or silver at a fixed price, but this would mean breaking free from the stranglehold of the current world financial system, in which every nation's currency was "backed" by the value of the United States dollar. The Arabs had not failed to note that, when Saddam Hussein had dared to begin selling Iraqi oil in exchange for Euros rather than exclusively in exchange for United States dollars, only two weeks had elapsed until the bombs began to fall over Baghdad. The Arabs judged that Hussein had been guilty of audaciously acting as if he ruled an independent sovereign state, rather than being the figurehead of a client state of the United States Federal Reserve. The BRIC and Arab nations knew that the United States would eventually destroy itself financially, like every previous empire in history, through military over-expansion leading to bankruptcy. When that happened, they would be ready with the physical gold needed to launch a new world financial system based on honest money.

GAME had not only pointed out the Arab insight about the fate of Iraq, but had noted that, just six months before he was shot, President John F. Kennedy had issued Executive Order 11110, calling for the issuance of

United States Notes. These were to be backed by the gold and silver of the United States Treasury, and would have a fixed value based on the value of the precious metals. This June 1963 order constituted a potential death warrant for the Federal Reserve ("Fed"), which is in reality a privately-owned bank having a monopoly on the right to counterfeit for profit. The Fed creates money out of nothing, calls it Federal Reserve Notes, and then loans it to the United States Treasury at interest. The interest, extracted from the United States taxpayer, goes back to continually enrich the fabulously wealthy, very private international families who own the Fed. Executive Order 11110 was intended to strip the Fed of its power to loan money to the United States government at interest.

Kennedy's new United States notes were consistent with the Founding Fathers' intent that the dollar had to be readily convertible into silver, a "dollar" having been defined in the original Coinage Act as a specific weight of silver at a specific purity. Most modern Americans have never seen a "silver dollar," the standard of monetary value that was always in wide circulation prior to 1964. Common United States coins minted prior to that date were actually ninety-percent silver, and for obvious reasons have all disappeared into private collections. Four billion dollars worth of the new United States Notes had rolled off the printing presses at the United States Mint by the time Kennedy was assassinated in November 1963, but for reasons never publicly released they were taken out of circulation almost immediately after his death. Under his successor (the former governor of the very state wherein Kennedy was shot), Federal Reserve Notes, which have no basis in the Constitution, continued to serve as the official United States currency.

By 1968, old "silver certificates" remaining in circulation were no longer redeemed for silver coins, but only for paper Federal Reserve Notes. Like Hussein much later, Kennedy's continued existence apparently could not be tolerated by "the masters of the universe," the modern alchemists who had finally mastered the age-old quest to create paper "gold" out of base materials at very little or no cost. Whether these "alchemists" had any hand in Kennedy's death remains unknown, but his sudden and untimely death had certainly been no cause for enduring sorrow in the marbled corridors of the New York Federal Reserve.

GAME had also noted the history of the founding of the Federal Reserve. In 1910 a well-documented but little-known secret meeting had taken place at a private hunting club on Jekyll Island, off the coast of Georgia.[102] Several leading bankers and government officials had met there under the guise of a duck hunting expedition. Their real agenda was to devise an entirely new financial system for the United States, supposedly to prevent boom and bust cycles. The secret group included a powerful senator, a Harvard economist, several top bankers from New York, and representatives of Europe's oldest and wealthiest banking families. Out

[102] Griffin, G. Edward, *The Creature from Jekyll Island: A Second Look at the Federal Reserve.* See Bibliography.

of this meeting, steps were taken to replace Constitutional money, which had to be convertible into silver (and by implication gold), with a new currency, which eventually came to be called "Federal Reserve Notes." These new notes represented loans from a new privately-owned "Federal Reserve Bank." The United States Treasury, which would receive these notes, would then have to pay perpetual interest to the new private bank. When these plans were being railroaded through Congress, some argued that the new debt-based monetary system these men devised would rob the American people of their wealth – by stealth over time – through endless inflation, and would be able to support an agenda of perpetual warfare which would otherwise bankrupt any government. In 1917 Minnesota Congressman Charles A. Lindberg, Sr. (father of the famous aviator) introduced Articles of Impeachment[103] against the Board Members of the Federal Reserve, alleging conspiracy to violate the Constitution, but saw his efforts buried by a powerful Congressional committee. Gold was still to be retained by the United States government and the Fed as a theoretical reserve, but after 1933 the American people would no longer be allowed to own gold or to use it for transactions. After 1964, silver was also removed from circulation. Private gold ownership remained illegal for Americans until 1974, and by that time an entire generation had been conditioned to take worthless "fiat" currency for granted and to be suspicious of gold and silver as money.

Since gold is the traditional barometer alerting financially savvy investors to real inflation (i.e. excessive increases in the amount of money in circulation), and since the Fed had been inflating the supply of fiat dollars at astronomic rates in recent years in order to cover the mushrooming United States budget deficits, the Fed needed to hide its practice of massive inflation by suppressing the market price of physical gold. That way they could prevent, or at least delay, the inevitable "crash" of the United States dollar (and all of the world's other "fiat" currencies "backed" by the United States dollar) into worthlessness. GAME had long asserted that this gold price suppression scheme, and the profligate production of Federal Reserve Notes which it was intended to mask, constituted the world's absolute ultimate Ponzi scheme and could only come to a very bad end.

The meeting of the financial leaders at the Fed had been scheduled for twelve o'clock noon, but had been delayed until one o'clock because of the traffic snarls caused by the severe storm. In the Board Room of the storied bank, ten of the most powerful men in the world took their places around the massive board room table. Made in 1935 of solid walnut, the table bore the seal of the Federal Reserve Bank of New York in a finely crafted burled-mahogany circular inlay set into its center. Ornate metalwork and glass chandeliers flooded the room with light, contrasting

[103] Lindberg, Charles A., Sr, *The Congressional Record*, February 12, 1917, pages 3126-3130. See Bibliography. One might note that, in the same year as the Russian Revolution and the apparitions by Our Lady of Fatima, a *de facto* quiet revolution also took place in the U.S. – unconstitutionally laying important groundwork for a new world financial system, which in time would facilitate the emerging New World Order, the secular humanist leviathan which is based on "the errors of Russia."

http://www.russiansunrise.com/book_pdf/RS_Chapter22_p.pdf

with the gray gloom seen through the tall windows. The street outside was littered with broken pieces off buildings, damaged automobiles, and scattered tree branches. The flooding had mostly subsided, but traffic was still slowed by these many large obstacles. A somber tone could be sensed in the silent chamber, as men in expensive suits silently took their places and waited for the anonymous chairman of the meeting to arrive.

When a trim, elderly man dressed in a very expensive suit strode briskly into the room and took his seat at the head of the table, the silence persisted, and for two minutes no one spoke. Most of the men at the table thought they recognized him as the scion of a fabulously wealthy European banking family whose vast global financial dealings had helped to shape world history for at least two hundred years. Suddenly the chairman broke the silence, and a stenographer began transcribing a secret record of the proceedings.

"Gentlemen, thank you all for coming together on short notice on a Sunday afternoon. Our business is sudden and serious, and in my judgment could not wait until we could clear our weekday schedules. Let the record reflect that it is Sunday, the ninth day of August in the year two thousand fifteen of the Common Era, at one o'clock in the afternoon, Eastern Daylight time, in New York City, in the Board Room of the Federal Reserve Bank of New York. Present around this table are eleven men representing the apex of international finance. I am an anonymous senior member of a European family which prefers no media attention, and which is a major stockholder in the Federal Reserve System. Also present are the Chairman of the Federal Reserve System, the Secretary of the United States Treasury, the Chairman of the Federal Reserve Bank of New York, the President and Co-Chief Operating Officer of the New York Stock Exchange, and the chairman or chief executive officer from each of the three largest banks and three largest corporations doing business in the United States.

"Recent world events have unfolded in a manner entirely inexplicable to all the models by which we have operated for the past several decades. Our computer-driven economic schematics suddenly have proven unable to adjust to the swift changes in the politics of the Russian Federation. Pronouncements coming out of the new 'Ministry of the Black Virgin of Russia' suggest an imminent Russian offensive against our worldwide financial hegemony. The Russians appear to have suffered a bizarre sea change in the dynamics driving their decision-making. Previously, like every modern nation, they were guided by the 'bottom line' – that is, by what would produce the most profit for those elite investors astute enough to 'manage' the markets for the benefit of their stockholders and top-level employees. Men of particular intelligence found ways to amass sufficient capital to form corporations large enough to keep the government under their control – government that would be amenable to enforcing rules that served their interests to the detriment of their competitors. Each of us came to the pinnacle of power in our respective organizations through a ruthless respect for the bottom line, and an acceptance of the need for most capital in the world to be controlled by a small number of visionary men of legendary capabilities.

"It is such men who are gathered around this table. We have understood that the function of money was changed forever by the founding of this august institution in whose hallowed halls we are meeting today. In the past, money was merely a medium of exchange, a device for ensuring honesty and fairness in all transactions. While this transparency was popular with the little people, it also prevented the natural leaders – men who understand that those who control the money control those who appear to govern – from fulfilling their proper role as the inevitable masters of the world.

"Gentlemen, men who know how to maximize the production of money can wield power over everyone else. Now, some old-school economists still try to argue that real wealth is not money but valued goods and services in abundant supply, more than enough to meet the basic needs of all. But such an outdated view harks back to the notion of money as a mere medium of exchange.

"Gentlemen, we have come to understand that modern money is the ultimate source and measure of power. We have long accepted that modern democratic governments serve the purpose of entertaining the masses and diverting their attention from the real rulers, who much prefer to remain unnoticed and anonymous. The modern money system has permitted us to fashion political systems in all modern nations in which big money buys candidates in all parties ahead of elections, so that it matters not to us who wins elections.

"In every election, we always win and the little people always lose, but they don't even realize it. This beautiful system has enabled a few of us, we who by intelligence and hardened will have climbed to the top, to lead lives of untold wealth and privilege, such as kings and queens of ages past could not even imagine.

"And now, just when the Red Chinese and the former Soviet bloc had finally come under the control of our worldwide monetary system, Russia has made shipwreck. Russia has tossed human wisdom aside, and chased after early Twentieth Century fairy tales and irrelevant ancient superstitions.

"Gentlemen, permit me to enumerate the threats, which Russia now proposes, to our continued control of the world. We have a mole inside the office of the Russian federal government, an aide to Prime Minister Mikhailov, who personally attends every important government meeting in Russia. In late July there was a preliminary meeting involving the Russian President, the Russian Orthodox Patriarch, and the Roman Catholic Archbishop of Moscow. Our mole, who served as an aide at that meeting, has reported the following critical information to us.

"First, Russia is threatening to revert to a hereditary autocracy, which could place real power in the hands of a succession of men who are not for sale to big money. This cannot be allowed to happen, especially in a powerful nation that controls a nuclear arsenal effectively rendering it untouchable.

"Second, Russia is threatening to establish a new currency, honestly convertible into gold and silver, and completely independent of any other currency except gold bullion. Such a currency would be to the great benefit of the common man; but it would be greatly to the detriment of those who have grown accustomed to wielding the real power, behind the scenes, through calculated manipulation of the artificial 'fiat currency' money supply. We all understand that most of our wealth has come from our ability to know in advance what we are going to cause the markets to do, so that our bets on the so-called 'free market' almost always win.

"Our Russian comrades in high finance, who extracted much of the wealth of former Soviet era government enterprises for themselves, have learned these methods of surreptitious manipulation quite well. Like us, they too have been able to disguise their greed behind the façade of a fiat currency that continually inflates, thus slowly transferring wealth from the workers who create real products to the financial class who merely manipulate the markets.

"A sound currency would eliminate our ability to rig the markets, and would make our continuous stealth extraction of wealth from the little people exceedingly difficult to perpetuate. Under a regime of honest gold-convertible money we would be in great danger of being detected and recognized by the majority of people.

"Third, Russia is threatening to become a Catholic Confessional State, thus challenging the materialist and relativist principles by means of which we have controlled vast populations and blinded them to the injustice of our *de facto* plutocratic rule. Sexual libertinism, women's 'liberation,' easy divorce, disparagement of traditional religion, vacuous education, and widespread recreational drug use have weakened the will of peoples all across the developed world.

"Any state that actively moves to restore old-fashioned Christian morality and stable social structures would rapidly become a formidable challenge to the continuation of our rule. The danger is that people in other nations would observe the Russian common people grow in wealth and freedom and personal contentment under such an unthinkable regime. Soon, peoples in many other nations would begin clamoring to emulate such a Russia, and our power and wealth would begin to fade. But the greatest danger is that someday such regressive regimes could even think to charge us, the very masters of the universe, with crimes against humanity!

"Fourth, Russia is threatening to hold a referendum to place on the Romanov throne an American physician and decorated war hero whose character appears to be impeccable. His demonstrated selflessness seems uniquely dangerous to our need to control world leaders through greed.

"This man, Doctor Mikhail Romanov, will have natural insight into our methods, since he has experienced the takeover of American medicine and the enslavement of physicians under the newest strong tentacle of our plutocratic empire. He has personal insight into our use of corrupt United States military personnel, men bought with money to serve as agents for our international illegal drug delivery networks.

"In Afghanistan he uncovered one of our key smuggling rings operating out of his field hospital, and forced the military to actually court-martial some of our best men. He does not realize that when he was shot through the chest while rescuing fallen comrades in battle, it was 'friendly fire' from one of our agents that felled him.

"Unfortunately, his wound was serious but not permanently disabling, and he was rewarded with the glamour of a Purple Heart presented by the President. His brother is a very strict Catholic priest, and Doctor Romanov actually takes his Roman Catholic religion quite seriously. We must heed our predecessors' sad experience with the only Catholic President of the United States, who because of his idealism and bravery actually acted to begin eliminating this very institution, the Fed, which is most necessary to the continuation of our power.

"The June 1963 J.F.K. debacle of United States Notes should serve as a warning: the world cannot afford even one powerful leader who actually places the imaginary Catholic God above the real god of power, which is money. Kennedy wasn't perfect, but most people believe his character was far more dissolute than it was in reality because of our relentless efforts to taint the reputation of the man who dared to challenge the Fed."

A discussion ensued, in which various participants expanded on the observations expressed by the anonymous chairman of the meeting. A general consensus was reached that the proposed new Tsar of Russia would constitute a direct threat to the existing financial and social systems of the developed world, systems which worked to the disproportionate advantage of men like those seated around the table.

Most felt that the referendum in Russia should be watched closely, and that, even though the Russian government was going to forbid lobbying and campaign funding, every effort should be made to influence the referendum against autocracy. And if Doctor Romanov should be endorsed as Tsar by the Russian people, steps would then have to be explored to ensure that he did not survive long enough to be crowned. For certain dedicated and talented men who faithfully served the lords of high finance, the elimination of unwanted rulers was, after all, an entirely routine matter.

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