

"OCCULT MONETARY MECHANISMS"

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Nearly 87 years ago, on the 19th October 1919, Rudolf Steiner spoke with some charm about big financiers and the new power of money. We would like to use this quote as an introduction to a few remarks on the monetary system that has come into being in our time.

"But this is something that humanity in recent times has protected with as much secrecy as that with which certain secret societies have protected their 'signs' and 'words'. It has not been made known among humanity in general. It has remained a secret within social life.

The banker became the one who rules. And if one investigates how the social structure developed in the course of the 19th century, one finds that, in the first, second decade of the 19th century it is the banker, this special economic type whose function is only to practise economy with money, who now, just as economic man did previously, exerts his decisive influence on all that emerges as social structure, on all the laws of the land(s), etc. It is very important to see clearly into these connections, it is very important to recognize that the economic type of human being became dominant from the Reformation onwards, and that the banker comes to dominate from the beginning of the 19th century. And one cannot understand public affairs in the civilized world in most recent times if one does not see in them a history of the domination of the banking system. Towards the end of the 19th century something then came about, of which I already spoke in 1908 in my Nuremberg Lecture Cycle [The Apocalypse of St. John, GA 104]: In the first half of the 19th century and some way on into the second half, the individual bearer of money was the dominant factor; but then this principle of rulership was transformed, so that money as such became the dominant factor. But in the first half of the 19th century the single individual human being as banker still ruled. I have illustrated this by means of an example, as you may recall. I told you how the Rothschild brother in Paris was to be pressed for a loan by the King of France. And if the Rothschild brother in Paris is to be pressed for a loan by the King of France, then this gives us some idea who is actually the ruler. Now Kings do not go personally to press for a loan. So while the King sends his minister - this sort of minister for the economy is given the name "Finance Minister" - Rothschild happened to be conferring with a leather-merchant. The servant said to the King of France's minister who had been sent on this errand, that he should wait in the anteroom. It struck the King of France's minister as being highly unusual that he should wait while Rothschild was conferring with a leather-merchant. He was supposed to wait? He doesn't wait, but pulls open the door: "I come in the name of the King of France." "Pray be seated in a chair," said Rothschild. This was naturally quite beyond the minister's comprehension. "Yes, but I am an envoy of the King of France!" - "Take two chairs, and pray be seated!"

You see, the banker as a single individual was still in charge. This was gradually transformed into rulership by the shares, by the treasury notes themselves. And now, slowly but surely, the time has come when what counts is no longer the individual money owner, but the abstract accumulation of capital ... The limited company, this abstract entity - I spoke of this in Nuremberg in 1908 - is what has become the dominant factor" (GA 191: "Social Understanding out of Spiritual-scientific Knowledge").

It can be a fascinating occupation reading how concepts are defined in old encyclopedias. We found the following explanation in Meyer's Encyclopedia from the year 1927 under the heading: "Banks - Central Banks":

"It is in the first place a question of practicality whether one chooses the form of a private or State institution [for the Central Bank]. The conviction that has won general acceptance is that private institutes under State supervision (sic!) are preferable to those run by the State alone."

Concerning the banking systems of different countries it says:

"... In England the banking system was at first in Jewish hands, then from the 15th century in those of the Lombards, as indicated by the name Lombard Street in London. ... In 1694 the Bank of England came into being in accordance with the plan of the Scot, William Patterson. It was the first institute of its kind and became the model for all similar enterprises on the Continent. - After a number of failed attempts in the 17th century, the Bank of France (Banque de France) was founded in 1800. It has been the only money-issuing bank since 1848. It is a private institute (limited company) ... Its privilege is renewed for a ten-year period (most recently extended by a law of 20th Dec. 1918 until 1945 as an exceptional measure) [a very "prudent" step, in view of the anticipated" continuation of the War!]. In Russia, the Russian State Bank, set up by means of State funds (25 million rubles), had been in existence since 1860. It was strictly a State institute and constituted a department of the Ministry of Finance ... It had the ex-

clusive right to issue banknotes." Was this identical (healthy) approach to monetary policy possibly a reason why the Tsar supported Abraham Lincoln in the American war of secession?

The (private or State) Central Bank creates, as we know, money "from nothing". It continually increases the money supply, thus causing inflation, the devaluation of money, and grants credits to the banks with the money it has created "out of nothing". But this means that every franc, euro, dollar or whatever that is circulating as a banknote is costing us interest, with no end in sight! And this interest flows (or rather: flowed) into the State treasury or, meanwhile throughout the whole world, into the "black holes" of the Rothschilds.

"As chance would have it, straw is 'spun' to gold in the fairy-tale of Rumpelstiltskin, and nobody knows the name of the mysterious little man who performs this feat of magic. Those, too, who, for centuries, have been conjuring unimaginable quantities of money from nothing in all the civilized lands of the world, are gleefully happy that the famous 'man-in-the-street' does not know their name and has not the faintest idea of their manipulative activity and its staggering proportions" (Johannes Rothkranz: "The Treaty of Maastricht - Final Solution for Europe", 1993).

Thus the system came "into the world" in England in 1694. In 1688 those involved promised the Dutch Prince of Orange the English throne on condition that he would transfer to them the right to issue money. To remove all doubts on his part they also promised to do no harm to his father-in-law James II, and to lend him any sum of money at 8% interest. Six years later the "Bank of England" was founded.

Of course, this was only the first step. The system was obviously meant in future to embrace the entire world ("One World"). In 1863 the Rothschilds in London wrote to banker friends of theirs, Messrs. Ikelheimer, Morton and Vandergould in New York, recommending this system to them, which was as profitable as it was untransparent, and which had been worked out by them specifically for the conditions prevailing in America.

"Dear Sirs,

A certain Mr. John Sherman has written to us from a town in Ohio, USA, as to profits that may be made in the National Banking business, under a recent act of your Congress. ... Apparently this act has been drawn up on the plan formulated by the British Bankers Association, and by that Association recommended to our American friends, as one that, if enacted into law, would prove highly profitable to the banking fraternity throughout the world.

Mr. Sherman declares that there has never been such an opportunity for capitalists to accumulate money as that presented by this act. The few who understand this system, he says, will either be so interested in its profits, or so dependent on its favours, that there will be no opposition from that class, while on the other hand, the great body of the people, mentally incapable of comprehending the tremendous advantages that capital derives from the system, will bear its burden without complaint, and perhaps without even suspecting that the system is inimical to their interests ...

Your respectful servants,

Rothschild Brothers"

(quoted from: William Guy Carr, "Pawns in the Game", Palmdale/California, 1958, p. 55).

Colonel Ely Garrison, friend and financial advisor to Theodore Roosevelt and Woodrow Wilson, confirms the content of this letter in his biographical work "Roosevelt, Wilson and the Federal Reserve Law":

"Paul Warburg is the man who conceived the Federal Reserve Law after the Aldrich Plan had aroused such indignation and opposition in the entire nation (more likely a deliberate stirring up of feelings on demand by the press). But the mind behind both drafts was Baron Alfred Rothschild in London" (Mullins/Bohlinger: "The Bankers' Plot", 1990, p. 61).

Good things take time to ripen - and so the US Senate passed the corresponding Federal Reserve Law ten years later, on the 22nd December 1913. The only opponent appeared to be Senator Charles A. Lindbergh the father of the transatlantic aviator, who warned the US Congress in his closing words in this debate:

"This law sets up the most gigantic Trust on earth. If the President puts his signature to this law, the invisible world government is legitimized. The people will not recognize this immediately ..." (ibid., p. 55). And neither the people, nor their politicians have understood it to this day!

Promptly in the same year, 1913, the International Bankers' Alliance was founded in Paris, where the jubilant words were spoken:

"The hour has struck for high finance to dictate to the world its laws publicly, as it has hitherto done in secret ... High finance is called upon to supplant empires and kingdoms, with an authority extending not just over one land, but over the entire globe" (ibid., p.9).

During the American Civil War, 1861-65, Abraham Lincoln created his famous (or notorious) Greenbacks. Of them he said: "We grant to the people of this Republic the greatest blessing it has ever received: its own paper money, in order to repay its own debts." The "London Times" expressed the concerns of the "City of London" (Rothschild) with a call for the overthrow of this government, which leaves nothing more to be said:

"If this unsound financial policy which was invented in the North American Republic were to survive, this government will be able to create its own currency without cost. It will free itself of debt and remain free of it. It will have the money it needs for the purposes of trading. It would grow healthy in a way that is entirely without precedent in the history of civilization. The intelligence and the wealth of the rest of the world would flow to North America. This government must be overthrown, otherwise it will make all dominance in the world impossible."

The English politicians as puppets of the London "City" had therefore to support the southern States with the aim of defeating Lincoln's Union. Two factors made this plan difficult to realize: 1. Lincoln abolished slavery. It was therefore inexpedient for the London bankers to support the southern States officially, as the latter wanted to retain slavery, and 2. the Russian Tsar with his navy supported Lincoln. After Lincoln's assassination Congress revoked the edict on the issuing of Greenbacks. They were withdrawn from circulation, with the deduction of a fee.

After that, no US President dared to challenge the financial monopoly of the original US State banks - or even the monopoly of the "Federal Reserve". Only John F. Kennedy is believed to have tried, with Presidential directive Nr. 11110, to obtain (again) the right of the President to give the nation a currency that conforms with the Constitution. Accordingly, Kennedy is said to have brought four billion five-dollar notes into circulation with the words "UNITED STATES" printed on them instead of "FEDERAL RESERVE" Note. Friends and relatives warned him against this dangerous "game".

The very day after Kennedy's assassination Vice-President Lyndon Johnson who succeeded him is said to have signed a decree which brought to an end the "United States Notes" ("CODE", no. 10/1989, P. 21).

Soon after that, between 1967 and 1972, many efforts were made in Congress by Senator Lee Metcalf. The following is his explanation of the "Federal Reserve" before the Senate of the State of Washington:

Question: Senator Metcalf, do you really believe that the institution of the Federal Reserve constitutes a private banking system?

Metcalf: Like most Americans I believed the Federal Reserve to be a part of the Federal Government. But this does not correspond to the facts! It is a private banking institute, which has been granted by means of a law - not by the Constitution - the exclusive right to control and issue the American currency.

Question: How does the Federal Reserve create the money?

Metcalf: It can be summarized very briefly as follows: The Government creates a billion dollars of debt every week. How does it get hold of this money? It prints interest-bearing bonds for a billion dollars and brings these to the Federal Reserve. The Federal Reserve receives them and in return deposits a billion on a cheque account, whereby the Government now has a billion dollars at its disposal. The question arises: Where was this billion before it was credited to this account? The answer is: It didn't exist. - We, the people, allow a private banking institution to create money as it wishes - out of nothing - and to give this to the Government as a loan and to receive interest on it for an unlimited period.

Question: Do you mean to say by this that we, the people, pay interest to a private banking institution for the use of our own currency?

Metcalf: Yes, I do. And here we reach the point that is worst of all. I have mentioned the creation of this "cheque-money" by the Federal Reserve. The money created in this way circulates throughout America and is our currency. Why must we pay a private banking institution interest for the use of our own money? What sort

of logic is this, that entitles someone to levy charges on the people for the use of its own currency? Remember that the institution of the Federal Reserve, which receives this interest, even fixes the interest rate itself.

Question: The law regarding the Federal Reserve grants the Federal Reserve the right to create money. Do you mean to say by this that Congress does not have the constitutional right to transfer this right to another?

Metcalf: Here we come to the central point. We all know that a right granted to a corporation or institution can be transferred to another. The fundamental document, the Constitution of the United States of America, states in §1, Article 8: "Congress has the exclusive right to issue money and determine its value." Nowhere is there the slightest indication that this right can be transferred to another, not even to another Government department, let alone to a private banking institution. This is far removed from even the boldest interpretation of the Constitution (*Journal vers Demain, or Michael Journal, Rougemont, Canada, Aug., Sept. and Oct./Nov. 1987*).

In conclusion, we would ask whether, without taking such things into account, it is possible to have a fruitful discussion on national debt, unemployment etc. Certainly not. But at the same time hardly anyone would be able to understand without difficulty these all-important criteria, and the few informed individuals would if necessary prevent us from speaking. Nevertheless, we should take up into our consciousness this "occult" mechanism, whose purpose is to enslave the majority of us helplessly to interest-payment. Only through becoming conscious do we create for the Hierarchies the possibility of intervening with the help of inspirations. A consciousness of this kind would also provide (spiritual) protection for those personalities who wish to find solutions for us. Dead Lincolns, Kennedys, Herrhausens and Rohwedders can no longer help us forward.

W. Lochmann, 28.12.2004 [Trans. G. Rickett, Stroud]