

SILVER, GOLD & THE LAST AMERICAN HERO JFK

hero, def. a man distinguished by exceptional courage and nobility and strength
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Like everything in our past, the late American president, John Fitzgerald Kennedy, exists as a memory. Struck down by an assassin in a decade where bullets—democracy's deadly equalizer—quieted those brave enough to champion change, e.g. JFK, Martin Luther King and Robert Kennedy, President John Fitzgerald Kennedy was a true American hero; and heroes, while a champion to many are, by definition, a threat to some.

In *How To Survive The Crisis And Prosper In The Process*, I detailed how America's problems after 1950 mirrored England's descent from power one century before. America's problems did not go unnoticed by those who then led the US, Presidents Dwight D. Eisenhower and his successor, John F. Kennedy. The reaction of each, however, is a chilling reminder of the dangers facing those who rule.

President Dwight D. Eisenhower was Supreme Commander of the Allied Forces that defeated the fascist powers in World War II; and, as a war hero, he was believed to be an ideal candidate for the Republican Party in the 1952 presidential elections.

Eisenhower was elected but while serving as president, Eisenhower clearly saw the forces that would someday be responsible for America's loss of power; for it was during Eisenhower's presidency that the erosion of America's economic wealth began.

Prior to Eisenhower's presidency in 1952, the US was the wealthiest nation in the world. As the largest industrial power, the US enjoyed a positive balance of trade with its partners. Before Eisenhower assumed office, the US had gold reserves totaling almost 22,000 tons, the most gold any nation had ever possessed.

When Eisenhower left office, however, it is uncertain how much gold remained; because after 1954, the US never allowed a public audit of its gold reserves. As the US then sold more goods abroad than it bought, US gold reserves should have increased. Instead, they declined. In one year alone, 1958, US gold reserves were reduced by 10 %.

The powerful forces that controlled America were spending so much of America's wealth on overseas military and corporate expansion that gold was flowing out faster than trade could bring it in. Indeed, the profligate spending responsible for America's loss of gold and consequent debt began during Eisenhower's presidency.

I place economy among the first and most important republican virtues, and public debt as the greatest of the dangers to be feared. To preserve our independence, we must not let our rulers load us with perpetual debt.

President Thomas Jefferson 1743-1826

Only days before leaving office, in his Farewell Speech Eisenhower named those he believed responsible for the policies that would someday endanger America's liberties and render this once wealthy nation financially insolvent.

In the councils of government, we must guard against the acquisition of unwarranted influence, whether sought or unsought, by the military-industrial complex. The potential for the disastrous rise of misplaced power exists and will persist.

... We cannot mortgage the material assets of our grandchildren without risking the loss also of their political and spiritual heritage. We want democracy to survive for all generations to come, not to become the insolvent phantom of tomorrow.

Less than fifty years after Eisenhower uttered those prophetic words, America's patrimony is gone and its future mortgaged beyond its ability to repay. His words were heard but not heeded—not then or since. It cannot be said that America wasn't warned. It can and will be said that America didn't listen.

WHO RULES AMERICA

It is no coincidence that Eisenhower waited until three days before leaving office to warn America about the US military-industrial complex. A military man himself, Eisenhower felt it necessary to warn the country of the unwarranted influence and intrusion of military and industrial [*sic* business] interests that were then colluding to hijack the future liberties and prosperity of America.

Eisenhower's warnings were not conclusions he had reached just before his presidency ended. They were conclusions Eisenhower had reached during his eight years as president, years spent observing how the business of government was conducted and who profited by its activities.

Eisenhower knew that even as President of the US, he did not possess the requisite power to openly oppose the powerful interests that were even then spending the US into insolvency. So President Eisenhower waited until the very end of his last term to warn America of *the acquisition of unwarranted influence, whether sought or unsought, by the military-industrial complex.*

Eisenhower was right not to openly challenge the military-industrial complex. The man who succeeded Eisenhower as president, John F. Kennedy, did. But those who wield the real power behind the government's facade of democratic fair and equal rule were not to be trifled with then. They are not to be trifled with now.

REAL RULERS REAL POLOTIK

The real rulers in Washington are invisible, and exercise power from behind the scenes.
US Supreme Court Justice Felix Frankfurter

US President Woodrow Wilson also spoke of the *real rulers* in Washington DC decades before Eisenhower and Kennedy were to encounter them. In his preface to *The New Freedom: A Call For The Emancipation Of The Generous Energies Of A People*, Wilson wrote:

Since I entered politics, I have chiefly had men's views confided to me privately. Some of the biggest men in the United States, in the field of commerce and manufacture, are afraid of somebody, are afraid of something. They know that there is a power somewhere so organized, so subtle, so watchful, so interlocked, so complete, so pervasive, that they had better not speak above their breath when they speak in condemnation of it.

These are not words of an imprudent man. They are the words of a US President who cared enough about his country to warn of the dangers lurking behind its illusory façade of law, liberty, justice and equality for all. Dangers of which Americans were unaware of then—and of which the vast majority are still unaware of now.

EXECUTIVE ORDER 1110 AND THE FEDERAL RESERVE BANK
Change is no more welcome in Washington DC than it was in Galilee

John F. Kennedy was not to live out his first term as President. Three years into his presidency, JFK was felled by an assassin's bullet in Dallas, Texas. While there is much controversy surrounding his death, it is clear that whatever the theory, it was no accident.

The assassination of a standing president is not undertaken lightly. The public killing of a highly popular political figure such as JFK is decided upon and agreed to only when sufficient amounts of money or power are at stake.

Previous theories have revolved around issues of power. Dissident and/or dissatisfied rogue CIA agents and/or right-wing Washington DC power brokers and/or the mafia conspiring separately or together in a mutual hatred for the upstart Kennedy have been the favored theories. Another, simpler theory, however, should also be considered—money.

On June 4, 1963, Executive Order 1110 was signed by President Kennedy directing the US Treasury to issue a new US currency. This new US currency was to be backed by a precious metal—silver, unlike the credit-backed money issued by the Federal Reserve since 1913.

EXECUTIVE ORDER 1110

AMENDMENT OF EXECUTIVE ORDER NO, 10289 AS AMENDED,
RELATING TO THE PERFORMANCE OF CERTAIN FUNCTIONS
AFFECTING THE DEPARTMENT OF THE TREASURY.
By virtue of the authority vested in me by section 301 of title 3 of the
United States Code, it is ordered as follows: (Y)

SECTION 1. Executive Order No. 10289 of September 19, 1951, as amended is hereby further amended- (a) By adding at the end of paragraph 1 therefore the following subparagraph (j): n" (j) The authority vested in the President by paragraph (b) of section 43 of the Act of May 12, 1933 as amended (31 U.S.C. 821 (b), to issue silver certificates against silver bullion, silver, or standard silver dollars in the Treasury not then held for redemption (X) of any outstanding silver certificates, to prescribe the denominations of such silver certificates, and to coin standard silver dollars (Z) and subsidiary silver currency for their redemption, and (b) By revoking subparagraphs (b) and (c) of paragraph 2 thereof. SECTION 2. The amendment made by this Order shall not affect any act done, or any right accruing or accrued or any suite or proceeding had or commenced in any civil or criminal cause prior to the date of this Order but such liabilities shall continue and may be enforced as if said amendments had not been made.

John F. Kennedy, The White House. June 4, 1963

By the stroke of a pen, President Kennedy's signing of Executive Order 11110 returned the power to issue currency back to the US Treasury thereby ending the fifty year monopoly of private bankers and the Federal Reserve Bank over US currency. Six months later, President John F. Kennedy was shot and killed.

In 1913, as a result of intense lobbying by business and banking interests, the US government had turned over the power to issue US currency to a group of private bankers—the Federal Reserve Bank. Many believe this transfer was unconstitutional. US presidential candidate and Congressman Ron Paul (ranking member of the House Subcommittee on Domestic Monetary Policy) has stated:

The United States Constitution grants to Congress the authority to coin money and regulate the value of the currency. The Constitution does not give Congress the authority to delegate control over monetary policy to a central bank. Furthermore, the Constitution certainly does not empower the federal government to erode the American standard of living via an inflationary monetary policy.

The power to coin money and regulate the value of the currency is among the most important responsibilities and functions of government. That the US government in 1913 turned over this public function to a group of private bankers is astounding.

As a consequence, almost one hundred later, the US and its citizens are now on the edge of bankruptcy, indebted up to their eyeballs to the very bankers they gave the power to coin their money and regulate their currency, private bankers who are even now being bailed out by America taxpayers with money made available to them by their fellow-bankers at the Federal Reserve. HELLO AMERICA, ARE YOU THERE? CAN YOU HEAR? ARE YOU EVEN LISTENING?

THE PUBLIC PURSE THE GREATEST PRIZE OF PRIVATE BANKING

For almost one hundred years in America, private bankers through the Federal Reserve Bank have had a monopoly on the printing and issuance of US currency. In that time they have inflated the US money supply to such a degree the US dollar has lost 95 % of its purchasing power and again brought the nation to the edge of economic ruin.

In 1963, fifty years after the Fed acquired the right to print, issue and inflate the money supply of the US, President John F. Kennedy quietly transferred that power back to the US Treasury, the only institution which the constitution had granted the power to coin and regulate currency. Rest assured that transference did not go unnoticed by the private bankers and the Fed.

US Presidential candidate Ron Paul has introduced legislation during each Congress to abolish the Fed (H.R. 2755 - 110th Congress, H.R. 2778 - 108th Congress, H.R. 5356 - 107th Congress, H.R. 1148 - 106th Congress). His inability to attract congressional support, however, is in all likelihood his Washington DC life insurance policy. *Morto uomini non causano problemi*, [sic it. Dead men don't cause problems].

...we have in this country one of the most corrupt institutions the world has ever known. I refer to the Federal Reserve Board and the Federal Reserve Banks. The Federal Reserve Board, a Government board, has cheated the Government of the United States and the people of the United States out of enough money to pay the national debt. These twelve private credit monopolies were deceitfully and disloyally foisted upon this country by the bankers who came here from Europe and repaid us for our hospitality by undermining our American institutions...The people have a valid claim against the Federal Reserve Board and the Federal Reserve banks.

Congressman Louis T. McFadden, Chairman of the House Committee on Banking and Currency from 1920–31

FED ASKS FOR OVERSIGHT OF ALL FINANCIAL MARKETS
oversight n 1: synonym, overlooking, as in government oversight

Plan would expand Fed's power to intervene in financial crisis March 29, 2008

WASHINGTON (CNN) -- The Federal Reserve would have the power to regulate virtually the entire financial industry under a Treasury Department proposal to be announced Monday.

The proposal is part of a sweeping overhaul of the government's regulatory structure that Treasury Secretary Henry Paulson will propose in a speech Monday, said Treasury Department spokeswoman Michele Davis.

"I am not suggesting that more regulation is the answer, or even that more effective regulation can prevent the periods of financial market stress that seem to occur every five to 10 years," Paulson will say, according to a text of the speech obtained by The Associated Press.

According to Brookly McLaughlin, another department spokeswoman, Paulson will propose these changes:

- Give the Federal Reserve authority to look at the financial status of any institution that could affect market stability;
- Merge the Securities and Exchange Commission with the Commodity Futures Trading Commission;
- Give stock exchanges more room for self-regulation;
- Consolidate bank supervision into one regulator.

One of the most dramatic changes would extend the powers of the Federal Reserve -- designed to regulate the commercial banking industry -- to oversight of virtually the entire financial industry.

THE FOX IS IN THE HENHOUSE

After the recent collapse of Bear Stearns, the Fed announced that US funds will now be made available to international investment banks. Previous to this announcement, any loaning of US funds to investment banks was prohibited.

On March 28th, the first day the funds were available, the Fed loaned the banks \$75 billion dollars. These investment banks, called primary-dealers, are the inner circle of the Fed's funding mechanism.

That these primary-dealers are in need of US support is an indication of the rapidly disintegrating state of their balance sheets—and the lengths the Fed will go to protect their fellow bankers in the private sector with public money..

LIST OF BANKS ELIGIBLE FOR THE FED “HEY BROTHER, CAN YOU SPARE BILLIONS OF DOLLARS?” LOAN PROGRAM FOR INTERNATIONAL INVESTMENT BANKS

BNP Paribas Securities Corp.
Banc of America Securities LLC
Barclays Capital Inc.
Bear, Stearns & Co., Inc.
Cantor Fitzgerald & Co.
Citigroup Global Markets Inc.
Countrywide Securities Corporation^[6]
Credit Suisse Securities (USA) LLC
Daiwa Securities America Inc.

Deutsche Bank Securities Inc.
Dresdner Kleinwort Wasserstein Securities LLC.
Goldman, Sachs & Co.
Greenwich Capital Markets, Inc.
HSBC Securities (USA) Inc.
J. P. Morgan Securities Inc.
Lehman Brothers Inc.
Merrill Lynch Government Securities Inc.
Mizuho Securities USA Inc.
Morgan Stanley & Co. Incorporated
UBS Securities LLC.

The bailout of the richest investment banks in the world by US taxpayers is tantamount to a kidnap victim being forced to defray their kidnappers' expenses. Someday, however, these bail-outs by the Fed will come to an end, but that end will not be pretty—for the end of central banking will be both unprecedented and brutal.

Central banks and investment banks are two sides of the same coin; and, now that the coin has been debased and recast with subprime securities and other suspect forms of debt; investment banks and their enablers, the central banks, are as vulnerable as those they once exploited.

Their increased vulnerability will soon be triggered by any number of events, e.g. bank insolvencies, collapsing currencies, slowing economies, money-market failures, counter-party derivative defaults etc., each one powerful enough to bring down a faltering house of cards built on a foundation of rapidly shifting sand.

PUBLIC PROBLEMS PRIVATE SOLUTIONS

It is the loss of our freedoms that has led us to understand them

It might be argued that the Federal Reserve is itself a private solution to a public problem. Indeed, such might be argued and in fact, it is true. The Federal Reserve Act is the most important act of privatization that happened in the US. It is also the worst.

This does not mean all private acts should be subsumed to public policy. Indeed, the opposite is true. Today, individual action is needed more than ever. Only by such action can the future be saved but it can be saved only after the present American economy collapses, a collapse set in motion by the military-industrial complex and private bankers, a collapse that can no longer be avoided.

WE HAVE GONE TOO FAR WE ARE TOO FAR GONE

The US military-industrial complex is still too powerful to confront and/or stop. With the bankers, they are responsible for America's increasingly insolvable problems, their self-interests blinding them to what they have done to the nation.

Eisenhower couldn't stop them, neither could Kennedy nor can Ron Paul. Only they can stop themselves and this they will soon do; albeit inadvertently as the foundation of their power, the US economy, succumbs to the damage they have inflicted upon it.

THE ARK OF GOLD & SILVER

If we invest in gold and silver—the anathema of private bankers, we can survive the crisis they caused. The economic carnage set in motion by government's pact with private bankers will affect everyone—workers, savers, entrepreneurs, investors, pensioners, the helpless, as well the innocent and the guilty. Yes, bankers, too, will lose at least some of their wealth, if not all.

Everyone everywhere will be affected by the collapse of credit-based central banking. The economic landscape is already shifting as global credit markets implode. Bankers—the parasites of commerce and productivity—are now victims of their own excessive greed. Their demise will affect us all.

The torrent of collapsing debt accumulated and compounded since the beginning of central banking is about to be unleashed on an unsuspecting world. All beginnings have endings. So, too, does debt-based central banking.

THE FEDERAL RESERVE'S WAR ON GOLD

The Fed's war on gold is not without reason—their reason, not ours. Ever since those in control of the US overspent America's gold in the pursuit of military power and corporate expansion, the US paper dollar has been just that, a paper dollar exposed and vulnerable to the more obvious value of gold to which it was once convertible.

This is the reason the Fed and central banks have fought the rise of the price of gold since the US reneged on its gold obligations in the 1970s. The rising price of gold belies the Achilles heel of central banking, built on a foundation of debt-based paper money worth no more than the debts issued to produce it, debts that are no longer capable of being repaid.

The Swiss central bank sold 22 tons of its gold last fall as the price of gold raced towards the \$1,000 per ounce mark. Without the intervention of the Swiss central bank, the price of gold would have passed \$1,000 last year as easily as a Ferrari passes an elephant or an ass.

Buy as much gold as you can as long as central banks are selling it. It is our gold, after all, that they are selling. For when the flight from paper assets begins in earnest, there will be no gold for sale, at any price; and silver will do very well, as well.

BELIEF, HOPE, & REALITY

Elie Wiesel tells the story about the Jews who entered the boxcars going to the Nazi death camps told by their rabbis that God would never allow his chosen people to be destroyed.

Today, our governments and leaders are reassuring us that our pensions and investments are safe, that they have the tools and resources needed to protect us from the economic chaos threatening our financial futures, that there is no reason to panic.

My advice: Buy gold and silver. Don't get in the boxcar.

Note: I want to thank the reader who sent me the image of the Kennedy silver-backed five dollar bill and reminded me of Executive Order 1110. I lost the email message and image. I, however, did not lose its significance.

Darryl Robert Schoon

www.survivethecrisis.com

www.drshoon.com