WHEN WILL AMERICANS START DEFENDING THEIR CHILDREN'S FUTURE?

Aug 2024

Author

Gregory K. Soderberg

Austin, MN.

gksilverbird@gmail.com

Land of the Free?

Home of the Brave?

How much longer will Americans allow themselves and their children to be financially and politically manipulated and cheated of their Freedom and potential fruitfulness of life by the money creators?

"Why do Americans who idolize their children, appear to be unwilling or lack the courage to rescue them from immoral and destructive economic forces? Only deception and, or cowardness, could cause such lack of action."

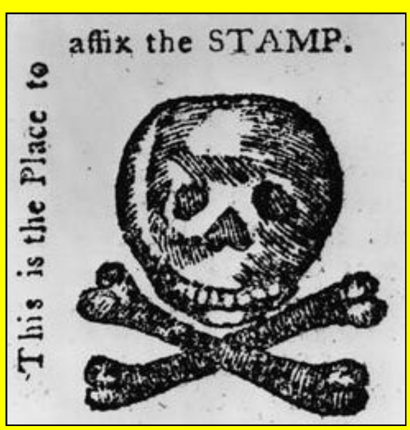
—Gertrude M. Coogan, The Money Creators, Page 245
'or cowardness' added by Gregory K. Soderberg

The Untaught Reason for Revolution

The primary reason for the American revolt against the **STAMP ACT** of March 22, **1765**, **was not about taxation without representation,** which the Colonists could have born with nothing but a loss of dignity; but its terms demanded that stamps be paid for in British currency that the Colonists did not have and were not allowed to obtain by trading with alien nations.

The trap was set! The Colonists would have to borrow from and go into debt to the bank of England in order to pay the tax. Freedom from Debt bondage precipitated the Revolution. This fundamental truth was not taught.

This is why, over 141 years from 1792 to 1933, Americans, once economically free, were made debt slaves, in debt to ***'a King'*** for every penny and suffering its destructive consequences.



DebtFreeMoney.org

When the war ended in **1783**, America was in shambles economically and in other ways. Building a new nation was a daunting challenge as was the establishment of a general medium of exchange.

Congress passed the **Coinage Act of 1792**. Anyone could bring gold or silver bullion to the Mint to be stamped into coin Free of Charge. This is not to suggest a return to gold or silver coins for money. It's about restoring the **principle** of monetizing our production as wealth to us not as a debt to us. The people controlled the creation and supply of money by their labor. <u>Work was done first</u>. <u>Money was created debt-free with the increase</u> in productivity gains; production that everyone needed, benefitted from mutually and could use with no debt. Unlike being forced into debt to the bank of England, Americans were free to buy, sell, trade and save without having to be in debt. They were economically free; Free from all the consequences of debt bondage that they would have experienced had they not revolted.

Shortly after the **1792 Free Coinage Act**, America's money **principle** began to change as the banking industry lobbied to pass bad laws enabling the banking industry to take over money duties given to Congress only.

Over 141 years from **1792—1933**, Congress wrongfully relinquished its sovereign money creating authority to the banking industry.

- **1853**: free coinage of Silver ended except for the 'dollar' denomination.
- **1873**: all Silver Free coinage ended.
- **1933**: President Roosevelt's Executive Order **6102** demands all remaining wealth money (gold coins, gold bullion or gold certificates of deposit) be redeemed for Federal Reserve Notes *(evidence of indebtedness—what we owe)* under threat of a **$10,000** fine and or imprisonment up to **10 years**. The **PRINCIPLE** of a debt free medium of exchange and the struggle for a Free America was ended.

The banking scheme switched the peoples' production from assets of the people to assets of the banks and unpayable interest-bearing debts to Americans and their government. Now, we use **DEBT FOR MONEY.** The **PRINCIPLE** of wealth was changed to debt; from freedom to bondage.

Forced into debt, Americans and their posterity were placed in and remain in Economic Involuntary Servitude; the very circumstance they fought a revolutionary war to prevent. Americans are debt slaves; their children too!

The actual creation of money (ALWAYS) involves the extension of credit by private commercial banks." US Treasury -1982

DEPARTMENT OF THE TREASURY
OFFICE OF THE GENERAL COUNSEL
WASHINGTON, D.C. 20220

NOV 1 1982

Dear Mr. Dale:

This is in response to your letter of October 9 to Treasury Department's Office of the General Counsel in which you raised a number of questions.

The Board of Governors of the Federal Reserve System has the responsibility for determining United States monetary policy. With the assistance of the twelve Federal Reserve Banks, the Board manages the Nation's money supply. Since our economy has grown between 1913 when the Federal Reserve System was founded and the present, this ordinarily means that the Board determines the rate of increase in the money supply.

When the economy grows there are more economic transactions, and more money is needed to pay for them. If the Board were to decrease the money supply during a period of economic growth, it could stop the growth. Of course, if the Board increases the money supply too rapidly, it can cause inflation.

If the money supply is to be increased, money must be created. The Federal Reserve Board (or "the Fed" as it is often called) has several ways of allowing money to be created, but the actual creation of money always involves the extension of credit by private commercial banks.

Modern banking is often explained by analogy with the practices of goldsmiths in early seventeenth century England. These goldsmiths held their customers' gold in safekeeping and issued notes to the customers instead, promising to deliver the gold on demand. The goldsmiths discovered that the customers would not all want the gold back at the same time, so it was safe to loan the gold to someone else in the meantime. When the goldsmith loaned the gold out, he had created money. Obviously, the amount of gold had not increased, but the note promising to pay gold circulated as money and so did the gold it was based on -- before the goldsmith intervened only the gold circulated as money. It was an easy step to making the loan in the form of a note promising to pay gold, and keeping the gold safely in vaults at all times. Then only the notes circulated as money. Nothing limited the number of notes the goldsmith could issue except the fact that he did have to pay gold if anyone presented them to him. If he issued too many people would not believe that he would be able to pay, and would refuse to accept them. To avoid this problem, prudent goldsmiths -- and, later, prudent bankers -- always kept a certain amount of gold on hand as a reserve.

The actual creation of money (ALWAYS) involves the extension of credit by private commercial banks.” **US Treasury -1993**

DEPARTMENT OF THE TREASURY
WASHINGTON

March 10, 1993

Mr. Gregory K. Soderberg
2410 4th Drive, SW
Austin, MN 55912

Dear Mr. Soderberg:

This is in response to your letter of March 1 in which you asked a number of questions about money.

I believe that the following information responds to your questions:

The Board of Governors of the Federal Reserve System has the responsibility for determining United States monetary policy. With the assistance of the twelve Federal Reserve Banks, the Board manages the Nation's money supply. Since our economy has grown between 1913 when the Federal Reserve System was founded and the present, this ordinarily means that the Board determines the rate of increase in the money supply.

When the economy grows there are more economic transactions, and more money is needed to pay for them. If the Board were to decrease the money supply during a period of economic growth, it could stop the growth. Of course, if the Board increases the money supply too rapidly, it can cause inflation.

If the money supply is to be increased, money must be created. The Federal Reserve Board (or "the Fed" as it is often called) has several ways of allowing money to be created, but the actual creation of money always involves the extension of credit by private commercial banks.

Modern banking is often explained by analogy with the practices of goldsmiths in early seventeenth century England. These goldsmiths held their customers' gold in safekeeping and issued notes to the customers instead, promising to deliver the gold on demand. The goldsmiths discovered that the customers would not all want the gold back at the same time, so it was safe to loan the gold to someone else in the meantime. When the goldsmith loaned the gold out, he had created money. Obviously, the amount of gold had not increased, but the note promising to pay gold circulated as money and so did the gold it was based on -- before the goldsmith intervened only the gold circulated as money. It was an easy step to making the loan in the form of a note promising to pay gold, and keeping the gold safely in vaults at all times. Then only the notes circulated as money. Nothing limited the number of notes the goldsmith could issue except the fact that he did have to pay gold if anyone presented them to him. If he issued too many people would not believe that he

"It simply makes book entries for its loan customers saying you have a deposit with us."

-US Treasury

2

would be able to pay, and would refuse to accept them. To avoid this problem, prudent goldsmiths -- and, later, prudent bankers -- always kept a certain amount of gold on hand as a reserve.

Modern banks operate in a similar way, with several important differences. One is that they are required by law to keep reserves equal to a percentage of their deposits. The Fed has the power to change this "reserve requirement" but, generally, the ratio of deposits to reserves is kept at about six to one. This means that the private, commercial banks cannot create all the money they might like to create. They are limited by the amount of reserves which they possess. Another difference is that the reserves now consist of cash (coins and paper money) and of deposits with the twelve Federal Reserve Banks, instead of gold. (The twelve Federal Reserve Banks are called "bankers' banks," because the member banks, the United States Government, and foreign governments keep deposits there.)

In both the goldsmiths' practice and in modern banking, new money is created by offering loans to customers. A private commercial bank which has just received extra reserves from the Fed (by borrowing reserves for example) can make roughly six dollars in loans for every one dollar in reserves it obtains from the Fed. How does it get six dollars from one dollar? It simply makes book entries for its loan customers saying "you have a deposit of six dollars with us." Why does this work - how can the bank pay out money to all the borrowers? The answer is that in practice the borrowers don't all withdraw their money at the same time, any more than the goldsmiths' customers did in the seventeenth century, especially since the Federal Deposit Insurance Corporation insures that the customers can leave their money in the bank without worrying about losing it. (Actually, the borrowers might take their deposits to other banks, but the result -- the creation of money -- is exactly the same if one then looks at all banks taken together rather than at the bank which made the initial loan.)

The advantage of creating money by extending loans is that the new money goes to people that the bank believes will be able to pay it back. In general, this means that the money will go to people who are engaged in productive economic activity. Ideally, the new money will serve to channel real resources into productive use and, ideally, the new money will be created by banks only when there is loan demand in the first place, that is, only when more economic activity is taking place and more money is needed to finance it. You may want to know whether the bank is the one getting the benefit of the new money, since the bank owns the new money while the customer has merely borrowed the money. The bank does indeed get the benefit of the new money. However, if the bank loses reserves for any reason (say, by paying back to the Federal Reserve Banks the reserves which it has borrowed) then it must call in its loans and stop making new ones until it

DEPARTMENT OF THE TREASURY
WASHINGTON

June 4, 1993

Mr. G. K. Soderberg
2410 4th Drive, SW
Austin, MN 55912-2866

Dear Mr. Soderberg:

This is in response to your letter to me of May 30, 1993. In your letter, you raised several questions concerning the money of the United States.

United States notes are not being issued by the United States Government. I believe that, if and when the United States Government decides to issue United States notes, it will notify the public as to how they can be obtained.

The answer to your second question ("If all money is created as a loan or principal, where does the money come from to pay interest on the borrowed money?") is that such money comes from the same source that all other money comes from.

The statement "debts in the U.S. are normally measured in dollars" does not mean that if there were no debt there would be no dollars.

I hope that this information is useful to you.

Sincerely,

Russell L. Munk

Russell L. Munk
Assistant General Counsel
(International Affairs)

"Money borrowers use to pay interest has been created somewhere else by another loan."

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

May 10, 1996

Mr. J. Drew Foster
c/o 41 Manners Road
Ringoes, New Jersey

Dear Mr. Foster:

I have received your letter of April 28, 1996, in which you ask a question related to your earlier correspondence with this office. Once again, I hope that I will be able to address your concerns.

It is important to remember that the value of all assets in the economy vastly exceeds the value of the money supply. The value of the money supply, however, exceeds the value of the economic transactions that are occurring at any given time. These economic transactions include the purchase of goods and services, as well as the repayment of loans and the payment of interest. Thus, the money that one borrower uses to pay interest on a loan has been created somewhere else in the economy by another loan.

"Money is created when loans are issued and debts incurred. Money is extinguished when loans are repaid."

CRS Report for Congress

Money and Near-Monies:
A Primer

John B. Henderson
Senior Specialist in Price Economics

CRS-29

financial system is permitted to create. Within that limit, it is the private banking institutions that are overwhelmingly the creators of money.

Money is created when loans are issued and debts incurred; money is extinguished when loans are repaid. A loan from a bank creates a deposit which the borrower may draw upon for the payment of obligations; the payee is the new holder of the new money. Some existing money in circulation must be acquired by the borrower to repay the capital of the loan; when that is returned to the bank it is withdrawn from circulation.

A bank **note** is always an evidence of debt.

"The Bureau of Engraving and Printing is not authorized to print or issue United States paper currency for direct delivery to the public. Currency notes are placed into circulation by your local financial organizations and can ONLY be obtained from that source." **Source: U.S Treasury**

"There is no subtler, no surer means of overturning the existing basis of society than to debauch the currency. The process engages all the hidden forces of economic law on the side of destruction, and does it in a manner which not one man in a million is able to diagnose."

~ John Maynard Keynes, (1883-1946) economist

Congressional ineptness switched our medium of exchange from one that benefitted all citizens, to one that now serves private special interests for their personal profit. Our money is no longer an evidence of **wealth produced and owned by us.** It's now an evidence of **debt we owe them**. The '*switch*' gave the new money creators tremendous power and influence over all sectors of society still exercised today.

Now, all money is created as numbers on a bank computer and **LENT** not **SPENT** into circulation; LENT as interest bearing loans. **If we don't borrow, there is no money to earn, spend or save!** Forced into debt, Americans, their children and future were placed and remain in debt bondage, the very idea that precipitated our Revolution.

The money we are now **forced into debt** to obtain destroys our *Spiritual, Moral, Ethical, Legal, Social and Economic* environments.

To understand, one may need to be reminded, and then remember, that now:

"The actual creation of money (ALWAYS) involves the extension of credit by private commercial banks." —
Russell L. Munk, U. S. Treasury. (Pgs. 60-61)

This means that, in the *'land of the Free'*, all money is created by banks as loans to debt slaves. Government, businesses or individuals must go into debt and obligation to obtain the numbers (*money*) the bank creates; money that **only exists while it's owed.**

"Money is created when loans are issued and debts incurred. Money is extinguished when loans are repaid."

-John B. Henderson, Senior Specialist Price Economics, Congressional Research Service, Library of Congress.

Corrupting the medium of exchange by creating and loaning all new money into circulation is, at least forced indebtedness, bondage and **Involuntary Servitude**.

The debt is always greater than the money supply and growing with time. Total U.S. public and private debt in 2024 is near $100 Trillion including the Money Supply of near $30 Trillion. Time grows the debt, not the money supply. The constantly growing interest debt causes an ever-widening ***'spread'*** between the money supply and prices and a loss in purchasing power.

The widening ***s-p-r-e-a-d*** drives the costs of living and doing business higher, purchasing power lower, makes it harder for Americans to make ends meet, harder for business to maintain profit margins, drives business consolidation and moves wealth into the hands of an ever-shrinking few. It contributes to poor resource utilization and distribution, environmental destruction, ever increasing costs of living, low wages, growing money shortages, '*short-cuts*' in production processes, economic contention and more. More and more people and their children work harder and longer as they get older to experience a constantly lowering standard of living, increased dependency and tyranny as communism grows.

Producing to meet need has been lost to producing more and more to try and capture more loan principal to meet constantly rising costs caused by the growing ***'spread'*** and to grow profits. Some call it the ***'Growth Imperative'*** which perceives the natural environment not as something to be enjoyed and cherished but rather as a means to the paramount ends of profit-making and capital accumulation.

It takes constant marketing to encourage purchase of the excess production and promotion of borrowing and debt that will hopefully enable consumption of the excess.

The growing struggle to maintain profitability has **other consequences** like dumping of pollutants and toxins into our water and air, low nutrition foods, products of cheaper, less durable materials, planned obsolescence and tech products that require constant and unneeded upgrades.

Clean water, renewable energy, electric cars, saving, investing, cutting back, increasing or decreasing taxes, early childhood education, efficiencies, low-fat diets, organic foods, more sacrifice, health payment policy, doing things faster, robotics, AI or a host of other fruit issue '*solutions*' <u>will not</u> create justice, pay the debt, slow its growth, pay the interest, stop growing money shortages and political tyranny, restore our purchasing power, freedom or redirect our destructive course.

You, nor your children, can earn money, buy things, invest, save or donate money, pay taxes, rent, mortgage or utilities without someone being in debt. You, nor your children, can slug a parking meter, contribute to a church collection plate, have a fundraiser, get a '*stimulus*' check, Universal Basic Income or any of the '*benefits*' of thousands of government '*help*' programs without you or your children being in debt for the **loan principal money we are** forced into debt to obtain that 'pays' for all the '*help.*' There is nothing you or your children can do that takes money unless you, your children or someone is in debt; debt that grows with time. Americans continue to scream for equity, justice, equality and freedom with no awareness of how they and America are being deceived, used, enslaved and conquered through debt.

We are taught that we should '*save.*' Sounds good! Saving seems to be and should be a virtuous behavior. However, since the '*switch*', all we have to save is the **loan principal** that someone must be in debt for. We all can't borrow and save an interest-bearing debt. Some of us can save if we don't need to spend the loan principal debt we've captured from someone else.

While we save the **loan principal**, the interest debt on it is growing with time to the debtor. The debtor cannot recapture the **loan principal** because it's not in circulation. This creates a shortage which encourages even more borrowing. Saving **loan principal** debt is not virtuous as it creates a problem for someone else.

At the very least, one of the consequences of using interest-bearing debt for money is that it creates more and more unpayable debt. Would you accept being forced to take your children to the dentist if every time he filled a cavity your children had more cavities?

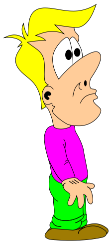
Interest debt is **not money.** A second borrower must go into debt to create some additional loan principal to pay interest. *(Review pages 11-12)*

13th Amendment

"Neither slavery nor
involuntary servitude,

except as a punishment for a crime whereof the party shall have been duly convicted, shall exist within the United States, or any place subject to their jurisdiction."

The Shortage



A

Borrower A must try to '***capture'*** a portion of **Borrower** **B's** loan principal to pay the interest on his loan. When **Borrower** **A's** loan principal is repaid, it's extinguished. It no longer exists until it is recreated as a loan of principal to another borrower. **Borrower** **A's** interest payment is not extinguished. It's held as a profit to the bank. The debt on it continues to grow for Borrower **B.**

B

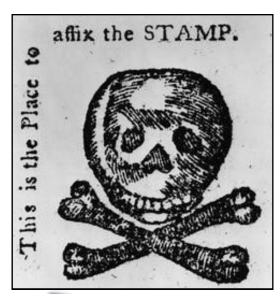
This process leaves **Borrower** **B** short not only the interest on his loan but also short the loan principal used to pay the interest on **Borrower** **A's** loan. Even if **Borrower** **B** works to earn all the interest the bank holds from **Borrower** **A's** loan, the sum earned, plus Borrower **B's** principal balance will only add up to the original amount of loan principal created to Borrower B. Borrower B is still short the interest.

The growing money shortage pits us against each other, in an impossible, growing struggle for all to make ends meet. As some are more talented than others at capturing loan principal; the growing shortage funnels influence and property titles into the hands of fewer and fewer people.

This all runs on the good faith and confidence of very busy, competitive, untaught and unknowing American people who **don't have time to understand the problem** with our money because they are **too busy** trying to '*make*' more of it **due to the growing shortage.**

Do Americans take **pride** in using a medium of exchange that represents what they owe? When will you and other Americans start talking to and working with others to defend our children's lives and futures and to Restore and Secure the Blessings of Liberty to you, our Posterity and America?

Support economic freedom, ethics and morality! Restore the **PRINCIPLE** of a debt-free, wealth money system and break the bonds of economic slavery. Think of the children; mankind's future.



CALL and **TELL**
your Congresspersons to introduce the
Original

AMERICAN TRANSPORTATION ACT

so that Americans may once again have a debt free medium of exchange, be independent and economically free to prosper in their agricultural, industrial and commercial endeavors.

The **ATA.** Read. Print. Download at

www.DebtFreeMoney.org

118th CONGRESS

H.R.______________

In order to secure for the American People their Inalienable right to Life, Liberty and Property and to provide them a debt-free, safe, sound, honest, permanent medium-of-exchange representing what they have produced and own, that they may be economically free to prosper in their agricultural, industrial and commercial endeavors, we must repeal the Federal Reserve Act and return the creation of America's money to its congress as stated in Article 1 Section 8 clause 5.

IN THE HOUSE OF REPRESENTATIVES

_____________________________introduces the following bill; which was referred to the Committee on ____________________________.

A Bill

to secure for the American People their Inalienable rights to Life, Liberty and Property, by providing them debt-free, safe, sound, honest, permanent medium-of-exchange representing what they have produced and own that they may be economically free to prosper in their agricultural, industrial and commercial endeavors. Be it enacted by the Senate and House of representatives of the United States of America in Congress Assembled.

SECTION 1. Short Title.

This Act to be cited as the 'American Transportation Act'.

SECTION 2. Findings.

Congress, looking at our nation's huge and ever growing public and private indebtedness, attributes this to following Hamilton and enacting national laws that changed the principle that enabled Americans to enjoy a debt-free medium of exchange and economic freedom to a principle that enabled the banking system to create and issue all new money as interest-bearing debt-based (credit) money. This has forced Americans and their government into debt and economic involuntary servitude in violation of the 13th Amendment to obtain the medium of exchange. Private banks; not the government, now create and put all new money into circulation as interest-bearing loans that, at the very least, has caused and causes unnecessary bankruptcies, foreclosures, a constantly rising cost of living, loss of purchasing power of the money, made it impossible for most to save and driven the need for more taxation for more social help programs.

Creating and loaning all new money into circulation as debt obligations has served special interests, not the general welfare; has made a small percentage of people very rich, forced the majority of Americans to live from pay check to pay check and has forced millions of people off of the land into large crowded cities.

If Americans do not borrow, there is no money for them to earn, spend or save.

America's great public and private indebtedness and afore stated wrongs were caused when Congress wrongfully gave up its sovereign authority to create money by allowing the creation and establishment of the Fractional banking system which now possesses almost complete control over America. This complete control of the money supply put into circulation as interest-bearing debt equals complete servitude of the people in direct violation of the 13th Amendment.

The fractional reserve banking system has caused price inflation, recessions and depressions, and rising unemployment by manipulating the money supply and allowing the interest to forever increase the debt but not the money supply.

Congress finds that the best way to return economic freedom and secure the blessings of liberty for Americans is for Congress to return to monetizing the people's production creating a medium of exchange that is spent into circulation as an earned and final debt-free payment that promotes the general welfare rather than benefitting just a few **as described in Section 2A.**

Section 2A. The UNITED STATES CONGRESS has given the Treasury the power and duty to mint coins and print currency.

The United States Congress has given the Treasury *the power to monetize the peoples' production free of expense by issuing a medium of exchange debt free in lieu of taxation or borrowing as an earned payment for production that promotes the general Welfare, i.e. the building, maintenance and upgrading of public roads and bridges.* These shall be built under the same process as is current. Citizens at the local level, not Congressman, shall decide how and where roads or bridges need to be built, repaired, upgraded and maintained to best serve their needs. This shall be done as is current, by citizens living in the jurisdiction of each City, Township, County and State government through their elected officials and in coordination with each other. The unit of government making a request for funds shall hire engineers to design the project and prepare a detailed written description of the planned project(s). As is current, the private contractor meeting the bid specifications with the lowest and best bid will get the job.

A copy of the bid will be sent to the Comptroller of the currency requesting that new money be created for the bid amount and delivered to the local project authority for spending to pay salaries of laborers and material providers who will also spend the money into the economy. The Comptroller's only oversight will be to make sure the project and contractors are real and the jobs are completed to bid specifications. The U.S. Treasury shall coin, print or create direct deposit electronic money and spend it without debt and interest free, to the unit of government which requested it, in lieu of bonding and taxes. At the time this bill is enacted All gasoline, oil, axle, vehicle licensing and license fees and or taxes are Repealed. They will no longer be needed to fund the roads. Government loses no needed revenue for roads and bridges.

Section 3. Bureau of Printing and Engraving

The Bureau of Printing and Engraving now prints the currency notes but only sells them to the 12 Federal Reserve banks for the cost of printing. The 12 Federal Reserve banks then sell the notes at face value to the commercial banks who sell the notes to the people who are forced to buy the notes with checkbook money that the banks create as interest-bearing loans. Both the notes and checkbook money provide Americans with a medium of exchange that has purchasing power but not ownership rights as it represents what they owe not what they own.

The American people have been deceived, defrauded and enslaved by the Fractional Reserve money system. This system compels them to perform labor, the fruit of which is taken from them through interest on their debt and taxation on government debts that cannot be paid and would not exist if Congress had not passed laws that gave away its constitutional sovereign duty to create a debt-free, wealth-based medium exchange for the people.

The mathematics of such a money creation system clearly demonstrates that the debt must constantly increase, as only the principal of each loan is created and then extinguished when the loan principal is repaid. There is no way to create the money needed to pay the interest debt which is increasing with time. The monetary system is laden with unpayable debts, loss of purchasing power and growing unmeetable costs of living that has forced millions of Americans into dependency and the loss of their homes and businesses through bankruptcy.

The change of the monetary system as outlined in this act is necessary to ensure Americans their rights to Life, Liberty, Property, and Economic Freedom and to provide them a safe, sound, honest, sustainable and debt-free wealth-based medium-of-exchange representing what they have produced in their agricultural, industrial and commercial endeavors.

Section 4. Definitions

(a) *Debt/Credit Money* – Money that is originally created as a debt obligation.

(b) *Wealth money* – An earned, debt-free medium of exchange representing the people's wealth, created when they combine their knowledge and labor with the raw resources of the earth producing that which all people need, mutually benefit from need to live and can use with no borrowing, taxation or fees.

c) *Fractional Banking* – The process of creating money by lending institutions, as a promise to pay that which never existed.

Section 5. The Federal Reserve Act is hereby repealed

Federal Reserve Notes are liabilities of the Federal Reserve Bank and obligations of the United States government. Congress has specified that the Federal Reserve banks must hold collateral equal in value to the Federal Reserve notes that the bank receives. Congress has a first lien on all assets of the Federal Reserve banks and the collateral held against them so that if the Federal Reserve System were ever dissolved, the United States would take over the notes and the assets of the 12 Federal Reserve banks.

Section 6. Prohibition of Fractional Reserve Banking.

The American Transportation Act does not change the clearinghouse function of the present Banking system; however, upon enactment, no banking system shall issue Federal Reserve Notes, National Bank Notes or any Notes. Federal Reserve Notes in circulation at the time of passage of this Act shall be permitted to remain in circulation until they are deposited into a bank then exchanged for United States Treasury currency. All fractional reserve banking practices shall be phased out by raising the bank reserves at a rate of 2% monthly until it reaches 100%. Thereafter, all fractional reserve banking practices are declared unlawful, and forever prohibited.

No bank shall create any money, or medium of exchange, in any form whatsoever. All banks shall be required to hold in their vaults at all times the full amount of any demand deposit made in either bill, coin or direct deposit form.

Section 7. Evidences of Indebtedness delivered to the United States Treasury.

All securities, notes, bonds or other evidences of indebtedness of the United States held by the Federal Reserve banking system, regardless of type or issue, shall be delivered to the United States Treasury whereupon appropriate action shall be taken to cancel them out of existence.

Section 8. INDIVIDUAL Evidences of Indebtedness to be honored.

All government securities, notes, bonds and other evidences of indebtedness held by natural born individuals their heirs, or assignees who are not members of families holding stock in the Federal Reserve system, shall be honored and paid out of the United States Treasury with newly created money.

Section 9. FOREIGN Evidences of Indebtedness.

All foreign securities, notes, bonds and all other obligations owed by, or to, the United States held by natural born individuals shall be cancelled, collected, or paid in a most likely to promote peace, safety, and Good-will for the people of the States united.

Section 10. AUDITS to determine excess profits.

With enactment of this bill, an audit shall be completed of all financial organizations that have practiced fractional banking. An excess profits tax of 50% payable to the United States Treasury shall then be levied equal to the amount of interest charged on loans created at the time of enactment of this bill until the time when the Reserve requirement reaches 100% and the creation of money as loans thru fractional reserve banking or any other means is ended. The excess profit tax shall be applied to the Social Security and Medicare funds.

Section 11. Income Tax

The American people have been forced into a peonage position prohibited by the 13th Amendment by being forced against their will into involuntary servitude to the Federal Reserve banking system. The Income Tax is directly tied to this banking system and is contrary to the spirit and intent of the original United States Constitution and Bill of Rights. Sufficient revenue for the legitimate function of government can easily be collected through Imposts, Duties and Excises with an emphasis on foreign imports and reduction in the size and cost of government.

Section 12. INTERNAL REVENUE SERVICE and Income Tax Abolished.

The Internal Revenue Service and the Income Tax are hereby abolished. All taxes shall be levied through Imposts, Duties and Excises in accordance with the original Constitution for the United States and Bill of Rights.

Section 13. CRIME DEFINED and punishment established.

Any person violating any provision of this Act shall be deemed guilty of a felony and shall make restitution. Any violation of this act which results in the debauchment of currency may be punishable by death.

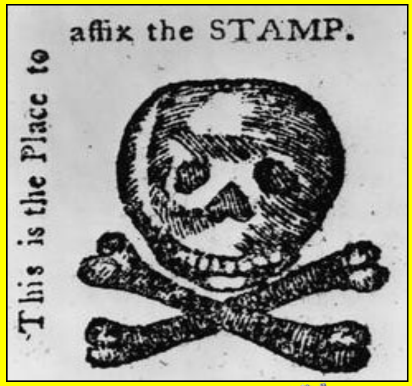
SECTION 14. ALL INCONSISTENT acts repealed.

All Acts or parts of Acts inconsistent with the provisions of this Act are hereby repealed.

Call your Congressman today! Tell them to introduce and pass the

Original

AMERICAN TRANSPORTATION ACT


affix the STAMP.
This is the Place to


BE A
DEBT
FREEDOM
FRIEND!
PASS the ORIGINAL
AMERICAN TRANSPORTATION ACT
DebtFreeMoney.org