

“IN GOD WE TRUST”

“IN GOD WE TRUST,” are the words that are printed on the American one dollar bill. I believe that this statement has no place on a bank note. “Money” has nothing to do with ‘God,’ although the banking crisis of today would have been avoided if Christian principles had been applied to how the banking system works.

One of the legends of the Banking world is reported as saying:

“The modern banking system manufactures money out of nothing. The process is perhaps the most astounding piece of slight of hand that was ever invented. Take this great power away from ‘the banks’ and all great fortunes like mine will disappear....and they ought to disappear for then this world would be a better and happier world in which to live. But if you want to continue to be slaves of the Banks and pay the cost of your own slavery then let the bankers s continue and create money and control credit.” (Sir Josiah Stamp Director of the Bank of England, 1928 – 1941)

That startling statement is being lived out around the world today and events, in particular in the USA are dramatically unfolding on a day by day basis as the very foundation of credit and debt is unraveling in real time.

You might well ask what this has to do with religion and the church. Cast your minds back to Third World debt and the battles which have been fought by the church denominations and other humanistic organizations as they spoke up on behalf of these fledgling nations who were struggling to repay massive loans from the World Banking Organization. Over decades the principle amounts have been repaid time and again and yet a debt still persists thanks to the practice of ‘usury’ (charging of interest).

Today the World’s banking system is in crisis...perhaps the greatest crisis ever, and this is born out by the government of the USA’s action to stave off the crisis by INITIALLY printing, (that means INVENT because they do not have the money) almost one TRILLION dollars, an unimaginable sum in order to prop up the system. Past Chairman of the Board of the Midland Bank, Reginald McKenna is reported as saying: *“I’m afraid that the ordinary citizen will not like to be told that banks can and do create money, and they who control the credit of a nation direct the policy of governments and hold in the hollow of their hands the destiny of the people.”*

The actions now being taken go way beyond the ‘banks’ creating money as the government of the USA is placed in the position of having to bail out financial organizations.

How might this have happened?

- 1) VALUE is a perception on the health of a publicly traded organization; a perception that is reflected

on the trading value of shares in the company which are exchanged on the stock market. If a company is doing well and making profits then investors will wish to own their shares and the price for them increases. If the company is doing less than expectations then the shares will lose value as fewer investors wish to own them. Simplistic? Yes of course it is but that in essence is how the stock market works....with one or two little yet dramatic exceptions, one of which is called “Option Trading.” This form of trading takes the form of gambling on the FUTURE value of the shares in a company. If a sufficient number of options are created which reduce the value of a company then it becomes a self fulfilling prophecy. The price of the companies shares will reduce and reduce, often with dramatic results as has been seen in recent trading on the US stock markets. This is but one of the amazing variety of financial manipulations which have been created by banking organizations to enable investors to try to create wealth for themselves. Some, like ‘derivatives,’ have become so complex that few people really understand how they work.

- 2) The financial system of the world depends on lending. The USA has a huge appetite for lending transactions in respect of loans for home purchase. Trouble is that not everyone has the financial stability to qualify for a loan. What to do? Lower the standards to qualify and more mortgages will be sold. The more mortgages sold the greater the compensation packages of the management of mortgage brokerage companies. Only one problem. If due to reduced financial circumstances or escalation of repayment amount the borrower cannot make the payments, the loan will go into default. If sufficient loans default then the value of homes on the housing market will fall dramatically as is happening now, creating huge.... No make that unimaginable losses for the mortgage companies; losses so great that without additional financing they would collapse. This would send the economy of the USA and other countries around the world into a dramatic tailspin which would make the 1928 scenario look like a blip in the economy.

“IN GOD WE TRUST.” Yes, we can trust our Creator but in the light of current events, can North American citizens trust their governments to act on behalf of the majority of citizens in their country? When effective controls are not created BY GOVERNMENT or not monitored effectively, the results are totally predictable.

The tragedy in all of this is that the people who are hurt are often the little people; the 90 percent of the popu-

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