

Why Donald Trump Must Shut Down the Federal Reserve and Start Issuing Debt-Free Money

If Donald Trump truly wants to fix the economy, he must shut down the Federal Reserve.

If he only tries to patch up our current system, he will fail, because it has been fundamentally flawed from the beginning. A little over a century ago, influential forces on Wall Street convinced Congress to restructure our financial system. An immensely powerful central bank known as the Federal Reserve was created, and the goal was both to transform the U.S. dollar into a debt-based currency that would continuously be inflated and to create an endless debt spiral from which the federal government could never possibly escape. Sadly, they were successful on both counts. Since the creation of the Federal Reserve, the value of the U.S. dollar has declined by approximately 98 percent, and our national debt has become more than 5000 times larger.

Americans tend to give most of the credit or most of the blame for the performance of the U.S. economy to our presidents, but the truth is that an unelected, unaccountable group of central bankers has far more power over our economy than anyone else. The Federal Reserve has become known as “the fourth branch of government,” but we are told that the Fed’s decisions, unlike those of the other branches of government, are “above politics” because they are “too important.” Fed officials fiercely guard their “independence,” and they fiercely resist any “interference” from Congress, the president or the American people.

Donald Trump can try to lower taxes and reduce regulations, but what he will be able to do to influence the economy pales

in comparison to the immensely powerful tools the Fed wields. The Fed controls interest rates, the Fed controls the money supply and the Fed regulates the banks.

To give you an idea of how enormously powerful the Fed is, I want you to pull out a dollar bill.

As you look at it, I want you to notice it says "Federal Reserve Note" right at the top.

In the financial world, a "note" is an instrument of debt, and the truth is that our system was designed to create as much debt as possible.

So why are we using debt-based Federal Reserve Notes in the first place? Shouldn't Congress have control over our currency?

According to Article I, Section 8 of the U.S. Constitution, it is Congress that has the authority to "coin Money, regulate the Value thereof, and of foreign Coin, and fix the Standard of Weights and Measures."

So how did the Fed get involved?

It is a long and convoluted story, and if you are interested in the history behind it, I would commend to you an excellent book by C. Edward Griffin entitled *The Creature from Jekyll Island: A Second Look at the Federal Reserve*. Basically, big money interests on Wall Street got their hooks into the White House and Congress, and they rushed through legislation right before Christmas, 1913. The result was the creation of this insidious central banking system designed to slowly but surely take wealth from the American people and put it into the system's hands.

Sadly, most Americans don't even realize we have a debt-based currency, nor do they understand where our money comes from. In a previous article, I discussed how money is normally

created by the Federal Reserve under our current system:

When the U.S. government decides that it wants to spend another billion dollars it does not have, it does not print up a billion dollars.

Rather, the U.S. government creates a bunch of U.S. Treasury bonds (debt) and takes them over to the Federal Reserve.

The Federal Reserve creates a billion dollars out of thin air and exchanges them for the U.S. Treasury bonds.

The Federal Reserve takes the U.S. Treasury bonds it receives in exchange for the Federal Reserve Notes it gave to the government, and it auctions off those bonds to the highest bidder. But of course this process always creates more debt than it does money.

The U.S. Treasury bonds the Federal Reserve receives in exchange for the money it has created out of nothing are auctioned off through the Federal Reserve system.

But wait.

There's a problem.

Because the U.S. government must pay interest on the Treasury bonds, the amount of debt this transaction creates is greater than the amount of money that has been created.

So where will the U.S. government get the money to pay that debt?

The theory is that if we can get money to circulate through the economy quickly and tax it at a high enough rate, the government will be able to collect enough taxes to pay the debt.

But that never happens, does it?

And the creators of the Federal Reserve understood this as well. They knew the U.S. government would not have enough money to both run the government and service the national debt. They knew the U.S. government would have to keep borrowing even more money in an attempt to keep up with the game.

So our debt just keeps going up and up and up. While Barack Obama has been in the White House, our national debt has risen by more than 9 trillion dollars, and at this moment it is sitting just under the 20 trillion dollar mark.

But we shouldn't be surprised by this, because it's precisely what the Federal Reserve system was designed to do.

Many conservatives still hold to the mistaken illusion that we could somehow pay all this debt back someday, but as I explained in a previous article, this is mathematically impossible.

If the government went out today and grabbed every single dollar in existence, we could not pay back the national debt, and of course we have trillions of dollars of household debt, trillions of dollars of corporate debt and trillions of dollars of state and local government debt that we need to pay back as well.

Under the current system, our only hope is to keep the wheel spinning by continuing to devalue the dollar and going into even greater amounts of debt.

And of course the United States is not alone in this predicament. At this point, almost every nation on the entire planet has a central bank.

Even though there are sharp disagreements among nations on almost everything else, somehow, central banking has achieved nearly universal adoption.

As you read this article, well over 99.9 percent of the world's population lives in a country that has a central bank.

Do you think that's a mere coincidence?

Of course there are still a few tiny countries, such as the Federated States of Micronesia, that do not have a central bank, but the only big nation without one is North Korea.

And you would have to be insane to want to live in North Korea.

But now we have an opportunity to get free from this insidious system. The truth is that we don't have to have a central bank. In fact, the greatest period of economic growth in U.S. history was when there was no central bank.

We don't need central planners to set our interest rates and to manipulate our money supply. They will never admit this, but the reality of the matter is that their interference in the economy often creates tremendous economic busts.

Since the Federal Reserve was created in 1913, there have been 18 distinct recessions or depressions: 1918, 1920, 1923, 1926, 1929, 1937, 1945, 1949, 1953, 1958, 1960, 1969, 1973, 1980, 1981, 1990, 2001 and 2008.

Considering their track record, isn't it time for a change?

And we don't have to have a debt-based currency. In fact, not too long ago, we had a president who decided to start issuing debt-free "United States Notes."

Back in 1963, President John F. Kennedy issued Executive Order 11110, which authorized the U.S. Treasury to issue debt-free United States Notes created directly by the U.S. government.

He was assassinated shortly thereafter.

Most Americans don't realize this, but many of the debt-free

United States Notes issued under President Kennedy are still in circulation today, and President Trump could do something similar.

But will he?

Proverbs tells us “the borrower is servant to the lender” (22:7b), and the Federal Reserve system has turned all of us into debt slaves.

Debt is a form of social control, and the global elite use all this debt to dominate the planet. The total amount of debt in the world just hit a brand-new record high of 152 trillion dollars, and the longer we allow the central banks to control the system, the bigger this debt bubble will become.

There is a way out, and here in the United States, that starts with shutting down the Federal Reserve and issuing debt-free currency. It would take a bold leader to make a move like this. Let us hope the man that we just elected is up to the task.