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MONEY

no Mystery

MASTERY BY MONOPOLY

Price 2d.
Second Edition 1938.

PUBLISHED BY THE
IMPERIAL FASCIST LEAGUE
30, Craven Street,
London, W.C.2

FOREWORD.

NOTHING could be easier to understand than money. It is one of the simplest inventions of man, born of his necessity to serve a simple purpose ; but it has been made, deliberately, the subject of more confused thought than any other thing within human experience.

Those who can truthfully claim to be indifferent to money are more fortunate than numerous. If such exist they need not read on ; but for the vast majority nothing could be more vital than an understanding of what it was and what it has become. Even more vital is it for those who control and exercise the power of money to prevent that understanding and the knowledge of their identity and power from reaching their victims ! This and only this, is the root and cause of all the ignorance, the confusion and confusion of thought about money, for the money power relies more on the ignorance of the world than on its money for the continued exercise of its power. Indeed the ignorance of the masses is the "Golden Goose" which ever increases its master's store ; an army of forcible feeders in the shape of Fleet Street Journalists and University Professors is continually engaged in the fattening process.

To those who have made an unbiased study of this question it is apparent that the most important functions of the money power are to deny its existence, to screen its wielders from view, to disguise its weapon as a blessing and a boon to man and bring him to regard the very instrument of his destruction as the only possible means of his salvation, to accept it as the only "God" worthy of his worship. Truly "Those whom the Gods would destroy they first make mad" and here there is no exception to the adage ; for not until this subsidised nurtured madness, in all its varying degrees of biased, distorted and perverted thought regarding money, is cured and removed, will it be possible to save its victims from the destruction it portends.

MONEY NO MYSTERY

Mastery by Monopoly

THE NATURE OF MONEY

IN the dawn of man's history, the exchange of goods was done by direct barter. Men's needs increased until barter became inconvenient, and it was out of the necessity for facilitating the exchange of the ever-increasing variety of goods among an ever-increasing number of producers and consumers that Money was invented ; money was thus a ticket for goods, a claim to goods.

There was a time when civilisation was so little developed that you could only trust a stranger as far as you could see him, or not so far. During that time, the money took the form of a slab of precious metal ; gold was the most suitable metal, as it was rare and therefore a small quantity of it represented the price of a large quantity of goods ; so it was easily handled and concealed from thieves, and was practically indestructible. In Britain, however, we have now reached such a stage of general stability that pieces of paper of no intrinsic value in themselves are accepted in exchange for goods ; the pieces of paper (Bank Notes) derive their acceptability from the fact that the Government of the Country has declared them legal tender, that is, money by law ; so that every trader will accept them in return for his goods, because he knows that he, in his turn, can buy what he requires with these same bits of paper. During the War, the pieces of paper legalised as money by the Government were called Treasury Notes. They were just as acceptable under that name as the former Bank Notes. No backing for the Treasury Notes was necessary in the shape of gold ; yet, they did the same work as Bank Notes, which, as we shall now see were convertible by law into gold. No one inside this country cared a scrap whether the legalised paper money was convertible or not into gold ; he didn't want gold ; he wanted goods, and got them, through the scraps of paper legalised by the State as National Money. The function of Money was as a common denominator of values for convenience in the exchange of goods ;

it did not need to be convertible into a fixed weight of a precious metal ; it was sufficient, by its legality as money, to be convertible into the goods or services required by those who presented it in payment for the same.

THE "GOLD STANDARD."

Under the Gold Standard, our monetary unit, the pound, was made equivalent in value to 113 grains of gold. If you had pounds, you could exchange them for gold. Few people wanted to do this, because gold has limited functions in general utility ; you can't eat it, drink it, make clothes of it or even flirt with it ; before you can make use of it, you have to exchange it for something you want. Until 1914, the money was partly in the form of gold coins ; partly in the form of Bank Notes for which a stock of gold was kept in the Bank of England for convertibility of the said notes to Gold if such a demand were made ; partly in silver and copper coins. All were equally acceptable as money. It did not matter which the money was actually made of, if the law made it money.

By the Bank Charter Act, the Bank of England was given a monopoly for printing Bank Notes ; but every Bank Note had to have its equivalent of gold in the Bank Vaults before it could be issued. (With the exception of a specified amount of Notes which the Bank of England was authorised to issue without any gold backing, an authorisation which showed that those responsible for it did not themselves really believe in a Gold Standard ! This issue was first only £14 million pounds, but is now about £200 million pounds. It is called the 'fiduciary issue,' which means that it is backed by faith, not gold.)

This made the issue of National Money, over and above that of the fiduciary issue, dependent upon the possession by the Bank of an equivalent in the metal Gold. The effect of this was—

(1). That the issue of Money was divorced altogether from its original purpose of distributing nature's bounty and the fruits of civilisation, and became dependent on what amount of Gold the Bank maintained in its vaults, instead of on the needs of industry.

(2). When other countries also went on to the Gold Standard there ensued a scramble for Gold by the nations of the world.

(3). Under these conditions, the people who could corner Gold became masters of the International Industrial situation,

because on the cornerers' willingness to part with Gold depended the ability of the Gold Standard nations to carry on their own affairs, *i.e.* to get enough National Money in circulation to meet the necessities of trade.

(4). Gold was speedily cornered, chiefly by Jews ; and ever since, by the restriction they have been able to place upon the issue of money in the Gold Standard countries, these Jews have been able to hold out for their own price for the use of money, *i.e.* their own rates of interest or usury. It is necessary to realise that this power was theirs from the moment the scarcity of national money was deliberately created and its value made dependent on a commodity—gold—which they almost entirely control to-day.

(5). The Financier can, by using his control of Gold to expand or contract the volume of Money (currency or credit) in circulation, create boom or slump in Britain ; and his Jewish friends can buy up our industries during the slump period for an old song.

This is the real cause of nearly all the misery, unemployment and wars from which we have suffered of late—the struggle for the possession of a metal of little utilitarian value by the Nations of the World. Comedy or Tragedy ? What matter, if you will only realise it NOW ?

The Gold Standard is a false one. It was quickly found that it could not supply the industrial need for National Money, and for a time the country was saved from its worst effects by the development of the cheque system. That is to say, the Private Banks (now practically the "Big Five") built up a structure of Bank Credit amounting to ten times the value of the Gold Backing ; this was done by playing off debtor accounts against creditor accounts, *i.e.* issuing book-entry loans amounting to ten times the money they possessed, in the hope that all the creditors would not present their claims at once. This is really nothing but a gigantic confidence trick, although the vast number of people employed in Banking have not the least realisation of the fact. If all "depositors" of a Bank were to present their claims for repayment together, as they might in a great national crisis, there would not be 2s. in the £ for them ; since neither they nor the Bank possess the Money they claim, it is clear that about 90 per cent. of it has simply been invented or assumed to exist so that interest can be charged on it !

On 4th August, 1914, when a run on the Banks became imminent, the only way that the Banks could be saved from the

consequences of this trick, which even to-day enables them to earn unjustifiable rates of interest on their depositors' money whilst paying the depositors $\frac{1}{2}$ per cent., was by the Government stepping in, suspending the Gold Standard Clause of the Bank Act and declaring a Moratorium. The Moral here is *that the Real Credit of the Community does not depend on the Banks but on the Nation*, which has to save the Banks from the consequences of their own confidence trick !

As Hitler said in 1937 :—" Work is the safest cover for a currency."

HOW GOLD CONTROLS PRICES AND POLITICS.

PERHAPS the most important point for the public to realise about this astounding system is that the power to alter the price of goods (taken as a whole) upward or downward now rests in the hands of those who control the Banking Machinery. The more 'central' the Bank, the greater the control. The Laws of Supply and Demand have been suspended in favour of the dictatorship of the Financiers.

When Money is made abundant to boom demand, more of it is required to purchase goods, so that the prices of the latter rise. When Money is made scarce, to cause a slump, it acquires a scarcity value, and the prices of goods go down, since less money is needed to buy them from the money-starved producers.

When Prices rise, hope and confidence also arise in the hearts of producers and their activities are increased ; they engage more labour and extend their businesses. When Prices fall, hope and confidence vanish, whereupon producers discharge workmen and begin to contract their business obligations.

The controllers of the Money System therefore arrange booms and slumps at will, causing Money to be abundant or scarce, never permitting, however, the volume of the 'abundance' to equal and remain at a point which could satisfy the full needs of industry, as this would destroy them—for their very existence, as well as that of the banking system of usury itself, postulates a stabilised ratio of ten borrowed pounds to every one deposited.

The War was won on Treasury Notes without Gold backing. But when the War was over, the Jew Financiers, acting through the League of Nations, managed to re-impose this false standard

on our own country and others, and thereby to re-establish their control over our Industries. The War left us heavily in debt ; and the exchange value of our pound fell heavily as compared with the dollar. For the benefit of the holders of Gold, our Democratic Governments deliberately withdrew enough Money from circulation to make it scarce and give it a scarcity value ; thus artificially restoring the pound to an impossible equality in exchange value to that which it had before the War when we were the world's creditors.

This process doubled the amount of work which debtors have to do to pay off the money obligations ; and made it impossible for British Industry (always a debtor) to recover.

Had it been possible for Industry to reduce its wage-bill in conformity with the increase in the purchasing-power of money, some of the damage would have been avoided. But a Nation is not an Account-Book, and the wage-earner, ignorant of his real enemy, Finance, resisted any apparent reduction of his wages which were therefore maintained at an uneconomic rate in the sheltered industries, and were forced down by economic pressure (strikes and lock-outs being the necessary accompaniments) in the unsheltered ones.

This planned contraction of the currency reduced prices and wages with the effects already explained. The secret of the Coal Strike and the Great Strike of 1926, and of our desperate position ever since is to be found in the Planned Money Scarcity in the interests of what is called the "Financier." In 1925, when we were put back on the Gold Standard on the same basis as before the War, the English price-level and wage-level was given over to American control, and that means control by the Jew Money Power of Wall Street, for it had the gold !

Observe now, that the Financier is one whose stock-in-trade is Money, and who manipulates it so as to make more of it. His activities are contrary to the interests of the Capitalist whose wealth lies in factories, land, mines or ships, and who uses that wealth to make goods or services which other people want. It is always the Jews' plan to divide and rule, so that one Gentile will fight another whilst *he* scoops the pool ; that is the explanation of Marxism, which sets the Working Man against the Capitalist whilst the Jew Financier, who finances Socialism and Bolshevism, looks on and increases his power over all.

The Jew is now busy pushing forward Plans for greater control

over Industry ; he endeavours to side-track the Gentile into the blind alley of restriction of production, telling him that he cannot manage his own affairs, that he needs a Brain Trust (Jewish) to do it for him, and, in short, doing all that is possible to divert the attention of the Gentile Industrialist from realising that his trouble is the Money Fraud for which his Jewish advisers are responsible, and on which their power over him depends.

Although we are (1938) now nominally "off" the Gold Standard, we are in reality on a depreciated Gold Standard, our National Credit being still used and manipulated as though Gold was its real basis.

THE COMMON-SENSE OF REFORM

OUR National Money must be divorced from its association with Gold ; when we buy goods from abroad, we shall not pay the foreigner in gold which he can take away and spend elsewhere, even building up, in his own or some other foreign country, industries to compete with ours, as Germany did on our Gold before the War ; we shall pay the foreigner in paper money, exchangeable for goods and services only in this country, for we are the best customers in the world and foreigners are obliged to find a market here, and we can insist they do so on these reciprocal terms. It is a complete fallacy to think that the pound token has to be pinned definitely by law to represent a fixed quantity of any one commodity to be delivered on demand ; from the foreigner's standpoint, the purchasing-power of a pound is measured by its exchange relation to the foreigner's own currency unit.

But the amount of money issued has, of course, to be controlled; otherwise, "inflation" (superabundance of money, which reduces its purchasing-power, *i.e.*, sends up the price of goods) would result.

The Nation must regain control over its own credit, and Gold take its proper place as a commodity to be bought and sold like any other commodity, such as wheat or coal.

A COMPARISON BETWEEN THE ARYAN AND THE JEWISH IDEAS OF FINANCING

BRIEFLY, the Aryan idea is constructive and the Jewish one destructive. The Aryan conception of financing an industry is to put his money into it as a partner or shareholder, take his risks like a man and abide by the result shown by profit or loss.

The Jewish conception is to lend his money to someone else who will take all the risk, the Jew having loaned on ample security. Contact with Jewish methods has now resulted in the Judaisation of the Aryan, and most Britons follow Jewish methods to a certain extent, to the detriment of our country and its future.

The Aryan conception of interest is reward for risk ; the Judaic conception of interest is ransom for the release of a scarce article, money.

A good example of Jew methods is the cornering of Diamonds in South Africa, whereby the price of diamonds is maintained at about ten times the real value, so that the Jew can make easy profits ; whilst ordinary people are unable to afford to possess these beautiful stones. Huge stocks of diamonds are kept in safe deposit, whilst rich pot-holes known to be full of diamonds are concreted over, fenced round and police-guarded so that no one can exploit them and spoil the market. If the reader will now reflect that similar measures have been taken by the Jews (with lots of Gentiles hanging on to their coat-tails) to give an artificial scarcity value to Money itself, the Means of Exchange, the nature of the finance racket which keeps millions out-of-work and which has nothing to do with the real Capitalist, will become clear.

HOW JEWISH MONEY PRACTICES CAME TO BRITAIN

IN Britain, usury was a practice forbidden by law to Christians until the reign of Henry VIII, who permitted money to be loaned at a rate less than 10 per cent. Edward VI reversed this concession to usurers, but Elizabeth renewed it. These concessions of Henry VIII and Elizabeth were due to the fact

that Gold and Silver were regarded as practically the only real money, and had been hoarded by individuals to such an extent that great scarcity of the means of exchange of goods and services was experienced until some of the hoarded metals could be made available to trade as loans on interest. This situation was the natural result of advancing standards of living and increasing volume of trade, necessitating more and more money than was available. It gradually caused men to realise that Gold and Silver were not the only money. The Bank of Venice was thoroughly successful in working a Money System with irredeemable paper money, and had the Briton been left to himself to work out his own destiny according to Aryan ideals, a paper money system based upon a Goods Standard (the Tithe system was always on a Goods basis until 1925) would undoubtedly have been a natural development of the situation. But two things happened which stood in the way of this typically Aryan conception for the basis of a sound money system.

One was that Cromwell brought back the Jews to this country once more, they having been expelled by Edward I in 1290.

The other was that William III came over from Holland as King of England in 1689, bringing with him his Judaised ideas of Money, acquired by his contact with the financial power and example of Jews in his native country. *Since his advent, debt has become a national habit and credit a ruling power.* In Holland the Jews who had settled there after their expulsion from Spain and Portugal in the fifteenth century had already saddled and bridled the country under the Debt System and the Bank of Amsterdam, and had acquired a great share in the East India Company; they financed William in his descent on Britain, and the Jew Suasso, in particular, was William's adviser in financial (and no doubt often in political) matters. The Bullion trade was transferred from Amsterdam to London by the Jews.

In England, the results of this Judaisation was quickly apparent; Isaac Pereyre, a Jew, was made Commissary-General of the Army in Ireland in 1690; the National Debt was instituted in 1693 to finance William's continental wars; and in 1694 the Bank of England was established, without any obligation as to a gold reserve, by a body of merchants who lent £1,200,000 to the Government in return for special trading privileges—and 8 per cent! Ever since, the Jew has reigned supreme as financial adviser to Britain's monetary policy.

A MODERN IDOLATRY

THE absorption of Jewish ideas of financing has brought about a curious state of things; "British interests" abroad are now usually considered to be identical with the interests of those few citizens whose money is invested abroad.

The Modern Idolatry is the divine right of invested money to draw interest long after the plant, railways, &c., on which it was spent, have depreciated to zero.

Let us take the case of Loans from Britain to the Argentine, The capital value of these loans would be largely spent in the lending country, and that would cause a temporary boom in industry and employment in it. But after about twenty years, the interest which the Argentine would have paid totals more than the original loan itself. Yet the lender expects to take his interest for ever, and even expects somehow and some day to receive back from the Argentine the amount of that original loan as well! It may be stated here that *these Argentine loans will never be repaid; because it is impossible to repay them.*

Meanwhile, what effect has the arrangement upon the British citizens, employers and employed—yes, and unemployed, who do not themselves draw interest on Argentine loans? The effect is this:—As the Argentine has to pay annually a large amount in interest to the individuals who do the lending, it cannot afford, by about that amount, to buy British coal and manufactures; thus, the interest on British loans actually causes unemployment in mines and factories. But there is a worse aspect even than that; because the moneyed individuals who make the loans become, by the power of their money, a tremendous force in a democratic (and therefore corrupt) State, and their influence, as far as the Argentine is concerned, will be towards the encouragement of Argentine industry, so as to enable it to pay their interest; observe, *Argentine, not British, industry!* So, this powerful moneyed political force which is exerted in all parties alike, encourages the export from the Argentine into Britain of food products, whilst the British farmer and agricultural labourer, who could, if paid fairly, produce better food, remain in a state of unwilling, despondent unemployment, and the Land, Britain's greatest asset, is left to go "back to the jungle," a fact alone that means a stupendous capital loss to the nation.

It must be remembered also that even the interest that comes here from the Argentine has been very largely re-spent in fresh loans either to that country or to other countries.

Under Racial Fascist rule, "British interests" will be those of British people as a whole, not those of individuals who lend money abroad.

TWO KINDS OF BANKS

IT is to be noted that the National Deposit Banks, such as are the "Big Five" (Midland, Barclays, National, Lloyds and Westminster) are not as a rule directed by Jews, but the International Loan Banks are almost exclusively Jewish, such as N. M. Rothschild and Sons, S. Montagu and Co., M. Samuel and Co., Seligman Bros., and S. Japhet and Co. All gold bullion passes through the hands of three Jewish bullion firms who govern the price of gold from day to day; these are N. M. Rothschild and Sons, Mocatta and Goldsmith and Samuel Montagu and Co. In other countries, it is much the same; international loan banks are in the hands of Jews, and their interests are intricately interlocked. The International Loan Banker, owing to his power over the exchange level of sterling, governs the conditions under which the National Deposit Banker works, and is the true governor of general wage levels in Britain, and in consequence has immense political power to force the British Government to follow a Jewish policy.

THE DOUGLAS SOCIAL CREDIT SCHEME.

THIS much advertised 'scheme,' which is attached to a destructive criticism of the present financial system, a criticism which is sound but not original, is entirely barren as far as any practicable reform is concerned. It acts as a sort of side-tracking movement to prevent people from getting on with sound monetary reforms. It attempts to solve by mathematics a problem which is not mathematical, and that is the explanation of the severe mental strain which is experienced by all Social Credit students.

It postulates a National Dividend for everyone, which is several degrees more immoral than the Universal Vote, for it takes no account of the fitness of the individual to receive it; it is a miserable appeal to the Mob by bribery. The schemes that have been published by the Social Credit authorities are all utterly impracticable, either because of the impossibility of a national stock-taking of any accuracy or because of the enormous staff of clerks which would be necessary to check up adequately the retail transactions on which the National Dividend would be "calculated."

THE MONETARY REFORM POLICY OF THE IMPERIAL FASCIST LEAGUE

THE monetary policy of the Imperial Fascist League and of the future Fascist State that will grow out of it in England (which incidentally, is inevitable in spite of the scoffing and lying of the Fabian, Internationalist and Jew-directed "National" Press) is, as with all true Fascist measures, a return to

REALITY and STABILITY. It postulates, *inter alia*, the following procedure:—

The creation of a State Department of Issue to control absolutely the issue of currency and credit to ensure:—

(1) The gradual controlled inflation of currency and credit until the price level of commodities shall reach the level at which the bulk of the National Debt has been incurred, thereby restricting the lenders' rights to repayment to the original commodity value of the loans (excepting that part of the National indebtedness dishonestly forced upon us by International Swindlers, which would be repudiated).

(2) The stabilisation at that point despite further expansion of credit as in (3) of the purchasing power of money, so that it shall become a real standard measure like all other standard measures such as the yard, the pint and the hundred-weight, to ensure that the worker shall have a perpetual State guarantee of the value in goods of that which he receives for the goods he produces or the services he renders; in other words, a *Goods Standard* will be maintained by issuing new currency or contracting the currency as the price-index of the essentials of life tends to fluctuate, so as to maintain the general price-index at a stable level.

(3) The closest possible adjustment of currency and credit to the National capacity of production until such time as actual production shall be sufficient to satisfy the needs of the whole Nation and its field of exportation overseas; to ensure thereby the re-absorption of all employable citizens into agriculture and industry.

(We absolutely give the lie to the paid politicians and professional economists who state that over-production exists in a world drained of currency and credit; a world denuded of thirty million unemployed potential spenders and of the once unlimited and ever-growing purchasing power of India, China and the old Russian Empire, the last now doomed to the lowest level of living ever experienced by 'civilised' human beings).

(4) The gradual retirement of all external and internal interest-bearing Government securities by repayment in non-interest bearing currency (the stabilised purchasing power of which will be of far greater value to the recipient than the present interest-bearing fluctuating currency controlled by alien Jews) which will effect the saving of at

least £230,000,000 per annum in interest payment out of the taxpayer's pocket and direct the capital so repaid back into agriculture and industry. Incidentally there will be no need for the so-called "Gilt-edged" securities when all agriculture and industry is grounded on the stability of good government, with currency and credit adjusted to production, and the gradual diminution of taxation to the bare cost of running the State unburdened of unemployment and the vested interests and parasitical growth of so-called Social Services.

(5) Gradual adjustment to the new values by limiting currency inflation, in the early stages, to State disbursements; firstly, for salaries and emoluments for all in service to the State and decentralised Authorities; secondly, for social services (until they have been brought to an irreducible minimum), and thirdly, for government and public works.

(6) The equitable distribution of credit inflation to agriculture and industry through sectionalised Fascist Corporate Councils, set up for the purpose by, and in subordination to, the State Department of Issue.

(7) The balance of the import and export volumes by the establishment of a real Department of Empire and Foreign Trade which shall have absolute control of tariffs, embargoes and trade pacts enforcing equality in the exchange value of exported surpluses until such time as the whole world shall adopt the "goods basis" as fundamental.

It must be emphasised here that it is not part of the Imperial Fascist League programme to bring Deposit Banking itself under Government management: the business of banking is not one which is likely to be successfully carried out by State Officials. It is however necessary to prevent the Banks from usurping the function of the State in the matter of manufacturing money as they now do by making loans by book entries to the amount of ten times the amount of currency they possess. It will be necessary to compel the Banks to act as agents for the distribution and management, under regulation, of the National Credit. Their liabilities to current account depositors must be covered by the possession of National Money to the full amount of their liability. National Money will be issued to them by the National Currency Authority partly in exchange for National Debt Securities which would then be cancelled, partly on day-to-day loan at a fractional rate of interest. The only instrument for

creating mortgages will be the State, operating through the Issue Department of the central National Bank, which in turn lends to the Deposit Banks. When Banks lend, the loan will be real State Money, not unbacked Book Credit; the rates of interest on such loans will then be decided, under regulation, by the risk involved, so as to leave a margin of profit to the Deposit Banks; and the onus of risks or loans made by the Banks will be on the Deposit Banks; this will eliminate the speculative element.

Thus, under the Racial Fascist State shall prosperity be restored to our Country and Empire and to all those countries which shall follow our example of internal national prosperity instead of the external international bankruptcy and serfdom to which the long-continued absence of a sane Monetary Policy has brought us.

THERE IS NO SOLUTION TO THE MONEY PROBLEM
BECAUSE THERE IS NO PROBLEM TO SOLVE!

Members are advised to seek for further information on this subject, mastery over which will make them also masters of all political opponents, by studying the following selected works: all obtainable from the Imperial Fascist League, 30, Craven Street, London, W.C.2:—

"**Promise to Pay**" by *McNair Wilson*, 3/6, postage 3d.

"**All These Things**," by *A. N. Field*, 6/-, postage 4d.

and their attention is also called to Protocol No. 20 in the "Protocols of the Elders of Zion," price 1/3, postage 1d.

Read "The Fascist," the monthly organ of Racial Fascism, 1d. (1½d. post free). Annual subscription, 1/6 post free.

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