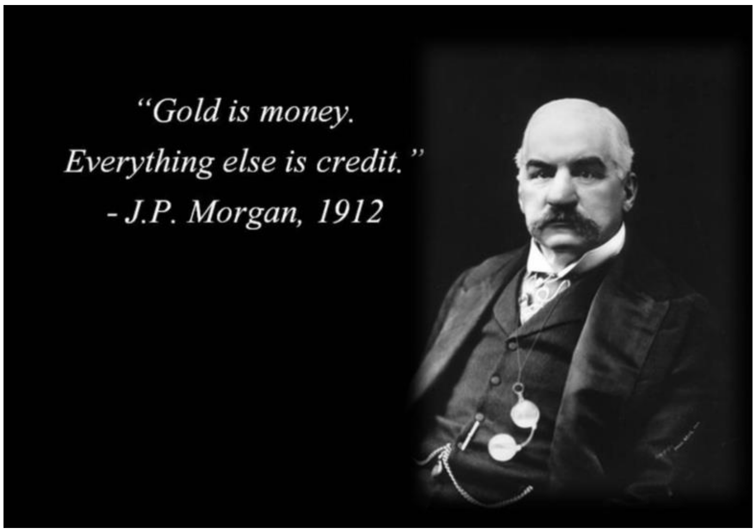
Financial Ed – Part 1: Getting Started
‘The Federal Reserve System’

Excerpts From: *“It’s All About the Money:*
What the Bankers and the Politicians don’t want you to know, and what the mainstream media isn’t telling you.”

As we get started, one must first understand that today EVERYTHING in commerce, throughout all 192 countries worldwide, uses some form of ‘*monetary transactional currency’ (MTC)* for the exchange of goods and services, regardless of what those goods and services may consist of. *Monetary transactional currency* includes: dollar bills (cash), base-metal coinage, the balance in your savings, checking, certificate(s) of deposit accounts, any cash you may deposit into those accounts, your corresponding debit cards, credit cards, etc. These are all debt-based instruments created by the Federal Reserve System and mandated for use by Congress. This process is known as ‘fiat’, a Latin term that means ‘by edict’, or, as ‘declared’ by the government. Although none of these instruments have any intrinsic value, they are considered *‘monetary transactional currency' (MTC)* simply because when you go to buy something, or to pay for a service, those things (for now at least) ‘work’ when you use them to facilitate your transaction. They are all forms of paper and/or digital assets tied to the dollar. *They are all based on a system of credit and debt* which perpetuates the Federal Reserve’s scheme of ‘fractional reserve lending’.

In the US, the ONLY other form of REAL ASSETS that actually have true intrinsic value, are physical gold and silver Sovereign coins minted by the Unites States Mint. I’m referring to the American Silver Eagle and its gold counterpart, the American Gold Eagle. These assets are the ONLY assets that have ZERO counter-party risk, whereas anything backed by USD is totally exposed to counter-party risk. Anything that connects to USD can be manipulated, devalued, and/or confiscated by 'edict' (the Government), and of course is affected by inflation. Even though the US Mint, while 'controlled' by the government, acts autonomously from the Federal Reserve and the Treasury Department. *I do a much deeper dive into how all this works in my book.*

For the vast majority of people, the previous section is where the true disconnect lies. As J. P. Morgan correctly stated in 1912, "*Gold is money. Everything else is credit*." History has proved that it would be more appropriate to replace the word 'credit' in that quote with the word 'debt'.



In that same context, one must understand the 'history' of money; 'how' it is created and 'why' it works (at least for now). Once you truly understand all of this, one can then realize that 'We-the-People' have the potential to 'change' the future of it, *and profit from the chaos of the fraud of 'fiat currency' and the Fed's monetary policies of 'fractional reserve lending'.* It is my hope that after you review this section, that you'll agree that this current system we are all forced to live under is in *desperate need of REAL change.*

Let us now learn a few things about the Federal Reserve System's 110-year-old monetary system that you, me, and 'We-the-People' have been subjected to *and subjects of* for over a century now. Let us begin…

"They don't call it 'Wall Street' for nothing…" The big banks keep building bigger 'walls' with confusing terminology, and legalize it all to develop their highly egregious esoteric financial products that 'they' profit from to keep us regular folk like you, me, and 'We-the-People' intimidated, confused, devoid of confidence, and keep us at the ready to fork over our hard-earned dollars to a 'broker' who will ALWAYS make a commission from us regardless if 'that broker' gives us good advice *or bad*. Then, in collusion with the United States Congress and the Fed's collection arm called the Internal Revenue Service, they take more of it back from us in the form of 'income-taxes'. If that weren't bad enough, they threw in this nasty thing called inflation to get what little is left. Welcome to the Fed's Ponzi-scheme of 'fractional-reserve-banking' that works in consort with 'fractional reserve lending'. With the exception of Covid, it is in fact one of the largest scams ever perpetrated on all of mankind.

The Federal Reserve System is the Central nerve center of the United States' financial system. The Fed controls how much money the entire country's economy has to borrow, spend, save, or invest -- which helps it to determine how well (or poorly) the economy runs.

Some of the original crooks that designed the FED – circa 1910

The Fed ostensibly became 'part' of the U.S. government in 1913 with the implementation of the "Federal Reserve Act". It has a board of twelve governors that is based in Washington, D.C., who supervise the 12 regional Federal Reserve Banks in major cities around the country. It is completely autonomous and answers to basically no one. It is and remains a private corporation. There is NOTHING 'Federal' about it; and it certainly doesn't have any 'Reserves'. Congress could immediately eradicate this massive private entity this very afternoon… *if it wanted to*. But considering all of the campaign contributions that the banks give to these 435 politicians within BOTH parties of the US House of Representatives, coupled with their PAC money, good luck with that happening anytime soon…

According to the Fed's original chartered mandate, it aims to:

- Try to keep as many people employed as possible.
- Keep the prices we pay for what we buy from rising or falling too quickly, i.e., inflation, hyperinflation, deflation, and stagflation. One way they attempt to control of this is by the printing of more of their 'funny-money'. The problem with this however, is that every single time they print more, the 'purchasing power' of that funny-money decreases. The question that must be asked regarding that *is this*: Is your paycheck going up each and every month to keep pace with rising inflation? Let that sink in for a moment… *More on all of that in my book*.
- They also attempt to ensure that the interest rates Americans earn for saving their money are big enough to make saving worthwhile, but not too big so that we keep spending some of that money on 'stuff' to keep the economy going.
- The Fed was created under the auspices of never-again letting the banking system crash our economy… That it would be the last resort in the 'front-line-of economic-defense'.
- Here's the rub to that 'mandate': Since its inception in 1913, there have been over 52 crashes, depressions, market corrections, collapses, bail-outs, and their latest scam, the notorious 'bail-in'. *It is that last point, the 'bail-ins', that everyone should be the most afraid of.*
- Their overall collective scam has facilitated a current National Debt of over $32Trillion dollars. ALL of this debt is ostensibly owed by 'We-the-People'. Here's another question… Did YOU ask (or vote for) all of this debt to be placed on you? *Make sure you click onto the National Debt Clock at the end of this page to see the real-time numbers; they will astound you.*
- On top of those insidious numbers, and completely unbeknownst to the average American in those numbers, is something called 'intragovernmental debt', which consists of all of the unfunded liabilities the government has, i.e., Social Security, Medicare, Medicaid, unemployment 'compensation', PPP money (from the Covid lies), as of late the ridiculous 'Inflation Reduction Act' money, as well as all of the 'dark-money' that is given to the likes of the CIA and NSA and so on. THAT number is TRIPLE the National Debt money. Technically, we're already broke. We've been broke for years. When is the last time you heard a politician get-up before a live television camera and say "sorry

folks, we're broke. We've been screwing you for years. And BTW, good luck on getting a social security check after 2034".

- Now if all of that wasn't bad enough, this next fact should completely infuriate you, and in doing so, prove my conclusions (developed after 14 years of research) about 'why' our fraudulent monetary system *must change* if we as a society are to proliferate and prosper… Every time ANY country that is part of the collusion of the Central Banking Cartel (which the Federal Reserve, and to a lesser extent, the Bank of England, is part of) lends money to another country… *wait for it…* you, me, 'We-the-People' and our fellow Brits, are on the hook for all of those dollars and pounds; NOT the people in those other countries that the money is actually lent to. And when those 'loans' are defaulted upon, the powers-that-be who facilitate all of this simply provide another loan to said country in the form of yet another loan. This process continues to be perpetrated infinitum, while you, me, 'We-the-People', and the Brits are kept silent and clueless by the lack of reporting by the lying mainstream media. Once you begin to understand all of this, then you will come to realize 'why' the COMEX (Commodities Exchange-America, and the LBMA-London Bullion Markets Association) are the primary regulators of the daily 'spot price' of gold and silver contracts worldwide. And THAT is when you begin to understand 'why' ALL of the Central Banks around the world are buying up much of the available physical silver and gold as quickly as they can, *and very secretively*.

  So the questions that must be asked are these: Why is all of this 'allowed' to happen? Why aren't any of these people who facilitate all of this arrested, indited, and tried for TREASON??? Short answer: Because NONE of this is ever taught to us and ALL of it is kept shrouded in secrecy. They censor the 1st Amendment, and do everything they can do destroy the 2nd.

  Another way the Fed tries to accomplish their goals (in-part) is by controlling the nation's money supply; via M-1, M-2, and the 're-po' markets ('repurchase agreements').***

**** The last major 're-po crash' happened 'very quietly' on September 17th, 2019. It was hardly discussed by anyone and NO-WHERE in the media. The topic was treated 'persona-non-grata' inside of the Mainstream Media and at the White House. The resulting consequences thereof, almost took down our economy yet again. Conversely, I find it 'convenient' that the 'Covid Lie' began within days of that event. Coincidence perhaps? Let all of that sink in a minute…***

Think of the economy as a big tub, and the currency (USD) is the water sloshing around in it. The Fed attempts to control how much water is in that tub at all times, so that it neither runs dry nor overflows. It can drain water out of the tub if it gets too full, or turn on the taps to pour water in if it gets too low. *Can you say 'quantitative easing'? Can you say "Payroll-Protection-Plan'? And as of late, can you say the 'Inflation-Reduction-Act'?*

If the money supply overflows, inflation kicks in. Money's worth less; the same amount of money buys less; and prices for goods and services rise. Conversely, if the money supply runs too low, deflation will happen. Prices drop; and companies that make and sell things start making less, since the same amount of effort (human capital) gets them a much smaller reward. Going too far in either direction (a banking term called "elasticity") hurts the overall economy and pushes back in the form of inflation and more unemployment. The Fed tries to keep these opposing forces in a 'healthy balance'. [sic]

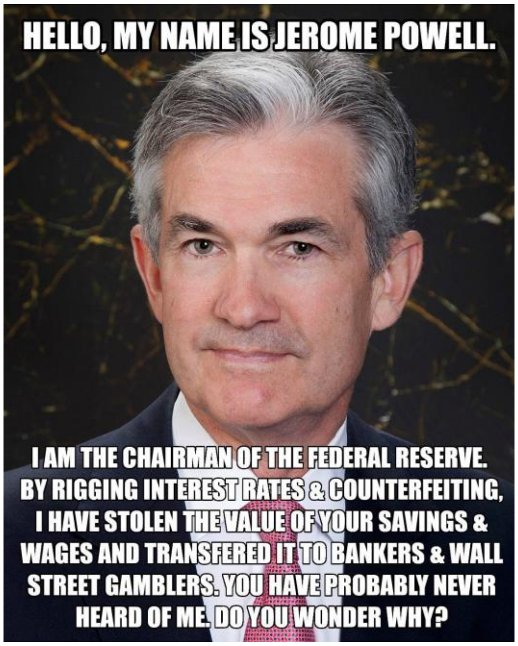
The Fed has three main ways to adjust the money supply:

1. **Discount rates control how much banks lend.** When you want a loan, you borrow money from the bank. But where does your bank get money when *it* needs a loan? It borrows from its regional Federal Reserve Bank. This is where 'repurchase agreements' come into play. The Fed is the sole arbiter of this process. They set the discount rate - the interest - that its member banks charge to banks like yours. The cheaper that rate, the cheaper and easier it is for banks to borrow money. Lower rates equate to more banks offering more loans to individuals and businesses, and vice versa.
2. **Treasury bonds control interest rates.** The Fed sells U.S. Treasury bonds: the government's promise that if you lend it X dollars, it'll pay you back in Y years' (time payments) with a little extra on top, an amount known as the *yield*, for your trouble. The yield equals the gap between what you pay for the bond right now and what the government pays you back later.
   But when more people want to buy the same overall amount of bonds, the price for each bond rises (just like stocks). The more bonds cost to buy, the lower their yield, and vice versa. When yields on Treasury bonds rise or fall, they bring the interest rates we pay (that they control) on mortgages, savings accounts, credit cards, and other debt instruments along with them.
3. **Capital requirements *also* control how much banks lend.** Most banks lend out a lot more money than they actually hold in cold, hard cash. (As long as every customer doesn't show up at the bank at the same time, demanding all their money, banks can do this without much of a problem.) The Fed determines how much cash your bank needs to actually keep on hand. The more cash it's required to keep, the less it can safely lend out, and vice versa. This 'practice' was always the case since 1913 until the banking cartel and Congress 'quietly' eliminated this provision in March 2021. Since then, your bank no longer has to keep a percentage of your deposit on hand. If one reads the 4-pt. print at the bottom of your 'banking agreement' that you signed when you opened your account, you'll begin to understand how this mafia-like process works. Can you say 'legalized extorsion'?

The U.S. Federal Reserve is the most important financial institution within the United States, but according to a study released last year by the Pew Research Center, our U.S. Central Bank (The Federal Reserve) is nothing short of a highly complicated mystery to the vast majority of Americans.

If you have never understood ‘why’ they never taught us any of this in school, I would kindly ask you to pontificate on the following: ***“They don’t want us to know any of this.”***

The Federal Reserve: A riddle wrapped inside a mystery, inside an enigma.
Based on a recent Pew Research Center poll, less than 13% of respondents correctly identified Jerome Powell as the current chairperson of the Federal Reserve System and the Federal Reserve Board.



In 2020, the Pew Research Center polled Americans to ascertain their knowledge of what the Federal Reserve does, and 61% correctly answered that it "controlled monetary policy;" although this was only after they were given four multiple choice options. When shown a picture of Jerome Powell, only 17% recognized his picture; only 9% could correctly guess ‘who’ he was.

The point here is simple: Far too many people lack the basic knowledge of what the Federal Reserve System is, let alone how it can directly or indirectly affect them and their money. Right now, we'll take a look at some of the tools the Fed has at its disposal, as well as the seven ways it can affect you and your wallet. Hang on… the ride’s going to be a little rough.

How the Fed works its ‘magic’ [sic]
The Fed's actions revolve around controlling monetary policy, and the overall supply of money in circulation at any given time within the economy.

In rudimentary form, increasing the money supply can spur economic growth, but it can also lead to inflation, or the rising of prices that consumers like you and I pay for goods and services. If the growth of the money supply slows, it can also slow inflation, or perhaps even lead to deflation. The risk, of course, is that it could also slow economic growth. This is a constant balancing act that the Federal Reserve and their thousands of ‘brain-slave’ employees play. This balancing act is played out eight times a year by the Federal Reserve Board of Governors to discuss their latest economic data. *(See: F.R.E.D., the Federal Reserve Economic Data report.)*

Overall, the Fed works its monetary magic primarily in two different and distinct ways.

First, it sets the discount rate, or the rate at which banks may borrow from regional Federal Reserve Banks. Just as we, the consumer, feign higher interest rates, so do banks. Thus, a higher discount rate tends to discourage bank borrowing from the Federal Reserve Banks, and thus reduces lending to consumers. A lower discount rate tends to have the opposite effect. In theory this works well for the Fed; *until it doesn't…*

Secondly, the Fed buys and sells U.S. Treasury bonds in an effort to influence the interest rates that we pay on our credit cards and mortgages. Because bond prices and bond yields have an inverse relationship, buying U.S. Treasuries increases bond prices (just as bidding up a stock would) while lowering the yield. Conversely, selling Treasuries lowers bond prices and boosts yields, and thus interest rates. Since 1999, when Larry Summers, then Treasury Secretary under Bill Clinton, virtually eviscerated the "Glass-Stegall Act of 1933', thereby opening up the Pandora's Box of the 'derivatives market', it's been a financial nightmare that today is VERY CLOSE to imploding upon itself.

Seven ways the Fed influences your money
Now that we have a better idea of how the Fed utilizes tools at its disposal to affect change on the economy, let's take a closer look at how these changes can affect you and your wallet.

1. **Mortgage rates**
   The interest rate you pay on your mortgage is probably the most well-known way the Fed can affect your pocketbook. Mortgage rates closely follow the yield of 10-year U.S. Treasury bonds, so if the Fed wants to influence rates, all it has to do is adjust the discount rate up or down (remember, a higher discount rate should stifle lending practices among banks), or move its federal funds target rate up or down.

   Since 2009, the Fed's policy of keeping the federal funds rate target at record lows allowed homeowners to refinance or purchase homes at some of the lowest interest rates we've seen in decades. THAT ALL STOPPED IN THE FALL OF 2022. Today, according to BankRate.com, on average it will cost you a minimum of 7.5% to obtain a mortgage; (and that is based on very good credit with at least 20% down); just six months ago it was 3.75%. By the end of 2023, I'm predicting that will be 9.5%-11% if not higher, and with a minimum of 30% down. ***<u>Have you taken these rates and facts into account regarding your immediate and future financial plans?</u>***

2. **Auto loan rates**
   Another common way the Fed influences your big purchasing decisions is through the federal funds rate, which is the overnight lending rate that banks charge when lending between one another. The 10 largest U.S. banks collectively set the prime rate, or the lowest rate commercial customers are charged, off of the movement of the federal funds rate. The federal funds rate, and the prime rate, are also critical in setting auto loan rates. Typically, auto loan rates move up or down in tandem with the prime rate. If the Fed wishes to effect change on the prime rate, it can do so by purchasing or selling short-term U.S. Treasuries. It's worth noting that lender confidence in having loans repaid and the resale value of cars bought with financing also plays into the rate you might pay for your auto loan. Before the Crash of 2008, the average car loan contract was for 36 months; today it's 72 months.

3. **Home equity line of credit (HELOC)**
   If you've paid off a portion of your mortgage and/or your home has increased in value, you may qualify for a home equity line of credit, or HELOC, which you can use to renovate or add onto your home. *A little known 'hidden secret' here- (and one that my company teaches), if you know what you're doing, you can actually buy your home or pay-off your mortgage with a HELOC and save THOUSANDS over the life of your loan while cutting the number of payments by up to two-thirds. Then there are the huge benefits of a REVERSE MORTGAGE if you are at least 62 years of age. Reach out to us through the 'CONTACT US' tab to learn more or to set-up a private telephone consultation.*

   HELOC rates are similar to auto loans in that they tend to closely follow the movement of the federal funds rate, and thus the prime rate. If the Federal Reserve raises its federal funds target rate, then HELOC rates tend to move up as well. This is why paying attention to what the Fed is suggesting with its federal funds target rate is so important, because if you have a variable rate HELOC, then you could wind up paying more in the upcoming months if the federal funds target rate moves higher.

   Consumers will also want to keep in mind that their credit history and score, such as how timely they make their payments, and whether they've maxed out their credit cards or not, could have some bearing on the interest rate they receive with their HELOC or RELOC.

4. **Credit card rates**
   You're probably noticing a trend by now, but the credit cards in your wallet are intricately tied to the movements of the Fed. Based on the Federal Reserve's movements in short-term U.S. Treasuries, the federal funds rate and the prime rate help lenders determine what they'll charge consumers in interest on their credit card. A rising federal funds target rate should lead to a rising prime rate, and thus a higher interest rate charged to variable rate credit card holders. As with the above examples, your credit history will play a role in the final interest rate you'll be charged should you carry a balance on your credit card.

5. **CD interest rates**
   Despite the examples above, a rising federal funds rate isn't always a bad thing --

especially if you've got a boatload of money sitting in a savings account (which in this economic climate is the WORSE THING YOU COULD BE POSSIBLY DOING RIGHT NOW). The rate of return on a CD at a bank or credit union is tied to the federal funds rate. If the Fed decides to boost its target rate, which it's been hemming and hawing about for a few months now, CD rates would be expected to rise in tandem, which in theory would be good for retirees looking for safe income. BUT THAT WAS THEN AND TODAY IS NOW… AGAIN, REACH OUT TO US… WE'VE GOT A MUCH BETTER SOLUTION.

Investors will always want to keep a close eye on the rate of inflation. If the inflation rate is higher than the rate of return on the CD, you'll still losing "real" money even though you'll be making a nominal profit. And with that of course, comes the dreaded capital gains. (sigh….)

6. **The price of goods and services (indirectly)**
   The Fed's control over the money supply can also have an *indirect* correlation to the price you pay for everything from a $3,000 couch to a $2.99 stick of butter.
   For example, during a recession (and as we witnessed during quantitative easing programs 1-4; and probably 5,6, 7 and so on in the near future) the Fed may choose to increase the money supply at a more rapid pace than normal to spur lending. This increases the supply of money and it encourages consumers to spend. Increasing the money supply, if the economy is in good shape, can also make it easy for businesses to raise prices, thus leading to inflation. Some inflation is typically optimal, but high levels of inflation would be bad news for the U.S. economy like we're currently experiencing today with the inept and socialistic policies coming out of 1600 Pennsylvania Avenue. Woke will make you go broke. Not to mention it's a joke. Question is: Will you become the butt of the joke?

   Conversely, tightening the expansion of the supply of money can help rein in consumer spending since cash becomes more scarce. It also makes it tougher for businesses to raise their prices.

   Ultimately, economic data will determine whether or not we're experiencing inflation or deflation, with the Fed setting its policies based on that data. Personally, they haven't a clue as to what they are doing as evident of where we are at today.

7. **The job market (indirectly)**
   Finally, the Fed's ability to make money more available or scarce, as well as its federal funds target rate, work in tandem to *indirectly* influence the job market.

   The Fed's actions, which influence interest rates, can make it more or less attractive for businesses to borrow money. The more attractive the lending rates are, the more likely businesses are to expand and hire more workers. As interest rates rise, the cost of a loan grows more expensive and it makes the prospect of going into debt in order to expand a business less likely.

Now that you have a better understanding of the Federal Reserve, you'll be better prepared when the Board does begin boosting the federal funds target rate, and, more importantly, you'll understand exactly how that move could affect your own bottom line.

In conclusion, these idiots have had 110 years to perfect their game of Chess while making sure that you, me, and 'we-the-people' keep playing Checkers. The ONE THING that can combat ALL OF THIS is to take a decent sized portion of what you have in all of those 'paper assets' and to convert those assets ASAP into REAL MONEY, ***physical gold and silver***. AND THAT TOO WE CAN TEACH YOU.

These treasonous people are strategically eradicating our Constitution and continue to perpetuate their ideas of inclusion, wokeness, and radical idealism upon us. Our schools and college campuses have been completely indoctrinated with cancel culture, critical race theory, the 1619 Project, and transgenderism. Individualism and exceptionalism (meritocracy) are being replaced with group-think and mediocracy.

Their mission is to destroy our history in order to control us even more. All of this is nothing more than socialism. Socialism is the precursor to communism which eventually dovetails into totalitarianism. Today in America, our educational system and our economy is looking A LOT like 1933 Germany. And we know how all of THAT turned out. There is NOTHING free about FREEDOM. And yet look at what is happening all around us…

What steps have you taken to protect yourself from all of this?

Click onto the Real Time National Debt clock below to see just how bad things really are.

National Debt Clock

The debt clock shows how much the U.S. government has stolen from ‘We-the-People’, and as such, actually owes its citizens according to them. Most federal revenue comes from individual taxes. The U.S. government is counting on you and me and ‘We-the-People’ and future generations to pay back all of this debt back by taxing us into oblivion. THIS WILL NOT STAND…

CLICK HERE

Summing it up....

“Central Banks the world over continue ‘quietly’ buying up all of the physical gold and silver then can. Do they know something that you don’t? Could it mean that they see physical gold and silver as ‘real money’ (as we do) and are shoring up their own reserves in anticipation of what’s to come?”
– R. L. Patterson II

Conclusion: I’m stacking Silver and Gold.

NEXT UP: FINANCIAL ED: “FINANCIAL VIDEOS’