

New Learning: Book Two

THE HISTORY OF MONEY, Part 2

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INTRODUCTION

The "World Culture"

After all of the thousands of years of mankind's history there is, at last, a "World Culture." It is the way that people in the second half of the Twentieth Century deal with each other relative to "money."

By volume, today, most money is electronic signals (bank transfers etc.) in computers or telecommunications apparatus. Thereafter there are credit cards, checks and then bills and notes. Then, way down on the bottom, used only for making small change anymore, are coins. Yet, the ancient word for coins, "money," is still used for all of it.

Coinage has been the culture of the lands around the sea to the south of Europe, the Mediterranean, since the days of Lydia and Babel. This modern world culture comes from the business customs of the lands around the sea to the north of Europe, the Baltic, which customs then spread to the lands around the North Sea and the rest of Europe's Atlantic coasts.

The origin of this world culture is a matter of which almost all people are profoundly unknowledgeable. We will discuss that origin in depth in this second part of this History of Money.

Two Seas — Two Cultures

Coinage was the culture of the Mediterranean Sea area. The culture of the Baltic is that of "paper money." We can call all of the things that derive from bills and notes that are listed above, "paper money." We can say that this culture of the Baltic is today the culture of the Earth because of the world-wide use and exchange of these derivations of bills and notes. This culture is organized in the World's international banking system. This culture is institutionalized as the United Nations and as the International Court of Justice at the Hague.

Software Rule Writer Training

There is one specific concept of these business customs of the Baltic that is the open reason why these customs have become the culture of the Earth. Moreover, it is solely by operating most strictly by that concept that such a telecommunications service as Thot Transnational (or such an entity as the international banking system) can function independently of the otherwise totally exclusive nationalized monopolies that nearly all of the world's governments have thrown up around the telecommunications media of their countries. Couple this fact (that this concept is the general means by which Thot Transnational must operate) with the fact that this concept is the specific concept of language analysis by which a SRW analyzes speech to automate it in the computer, and you have the reason why this History of Money has been written as a primary aid in SRW Training.

One Concept — Two Interpretations

There is only ONE concept behind this culture that has currently been accepted by mankind. However, there are two vastly different interpretations of that concept; one is Capitalism and the other is Communism.

We will get to that concept in the last pages of this volume. The concept itself is the overall subject of Book Three. But, at this point and to introduce ourselves to the historical events that will bring us to this subject, we are well advised to ask ourselves what the origin of these two diverse interpretations might be. We will find that origin in the way that the "authority vacuum" (the authority behind money), that was created by Diocletian and his successors' "leaving" Europe for Asia, was filled.

The mental manipulation of the users of coinage by its issuers came to its maturity under the Romans. Their concept of their Emperor from the time of Augustus to that of Diocletian (that is, the first part of Roman Imperial History, called the "Principate"), approached the authority idea behind money that was the best with which to manipulate the minds of the people who use money. However, it was Diocletian who "perfected" the idea.

In short, that idea was that"... since Diocletian's day the Emperor had in fact reigned alone. He was the ultimate authority in the Empire. He could appoint and dismiss all ministers at his will; he had complete financial control; legislation was in his hands alone; he was commander-in-chief of all Imperial forces. He was, moreover, head of the Church, High Priest of the Empire." ("Byzantine Civilization" by Steven Runciman, p. 61.)

When this author in this last quoted book uses (in relation to this idea of the "absolute autocracy" conceived of by Diocletian) the expression "since Diocletian's day," he means from about the year 290 AD., when Diocletian planned his "trick," throughout the entire history of the Byzantine Empire, that is, until it ended in the year 1453 A.D. Moreover, that idea was nearly immediately exhumed in Russia where it dominated all thought there down to the Russian Revolution in 1917.

However, Diocletian was far more than just an "absolute autocrat" (in the words of the book just quoted). He was the "lord and god" of the people who used his coinage, as were his successors. But, the awful, solemn fact is that for all of the people who use money today, Diocletian and his successors are still the "lord and god" behind the "Roman Law" that their modern governments use as their authority to issue money — as shown in detail in Book Three. The point under discussion here, though, is the different interpretations concerning the concept behind paper money dividing Capitalists from Communists. And that, as has already been stated, arose from the "authority vacuum" in Europe when the "lord and god" of the Romans' coinage, Diocletian, moved from Europe to Asia.

Ravenna

A little over 100 years after Diocletian began the removal of his authority "to safer ground" in Asia, Alaric and his Visigoths took the city of Rome. When they did the "Remaining Politicians" at Rome also needed to find safer ground. They found it at the location of the modern city of Ravenna, Italy. Ravenna is located about 180 miles to the northeast of the city of Rome. It commands the entrance to the road going down the east coast of Italy, at the point where the mountains that traverse the "boot" of Italy come to that coast and then form that road by the bit of land left between those mountains and the Adriatic Sea. And, along with this commanding military position, Ravenna in those days was built on "islands" located on the other side of extensive swamps, from the mainland — identical to the situation of Venice when it was later founded as an imitation of Ravenna.

It was to that place that the Politicians Remaining in Italy retreated when Alaric took Rome in 410 A.D. It was from that place that Italy and other parts of formerly Roman Western Europe were ruled for the subsequent 341 years.

The Remaining Politicians could be safe AND semi-effective in Ravenna. They could exert a deterring force to keep groups of people out of South Italy but could also be swiftly evacuated from their strategic "island" by the Roman Navy from Constantinople should they be besieged.

The Remaining Roman Politicians ran Italy from Ravenna from 410 to 476 A.D.

It was at Ravenna where Odoacer deposed Romulus Augustulus in 476 A.D. It was from Ravenna that Odoacer ruled Italy till 493 A.D., when he was removed from authority by the king of the Ostrogoths.

The name of the Ostrogoths' king who removed Odoacer was Dietrich von Bern (called "Theodoric" of Verona by the Romans). He had a castle at Verona but ruled from Ravenna, as did the Ostrogoths' other leaders that followed him until the year 540 A.D. In that year the Roman Navy from Constantinople launched an expeditionary force that took Ravenna away from the Ostrogoths and put it under the control of Greek-speaking Romans from Constantinople. These Greek-speaking Romans, with their Roman Navy, were now ready to see how much good that Navy could be in taking back a number of strategic points throughout the Western Mediterranean area, the area that spoke Latin. The plan they worked out made some significant headway. This was very much so in Italy where they could sail around the entire Italian peninsula and attack the communities of Ostrogoths on an individual basis. These naval attacks were withstood until the year 562 A.D., when resistance stopped. The destructive effect of this conflict was profound in Italy. Many Latin-speaking communities apparently got caught in the "crossfire." It is said that for a while the city of Rome was depopulated. It seems that after the bitter fighting was over both the Goths and the Greek-speaking Romans, the Byzantines, were worn out. This opened the way for a new group of Germanic refugees, the Lombards, to come into Italy just seven years later and set up a kingdom of Lombardy in the Po Valley, a duchy of Spoleto over the northern Italian peninsula and a duchy of Benevento over the southern Italian peninsula. The Lombards quickly took almost all of Italy back, from the exhausted Byzantines, that couldn't be easily defended by the Byzantines from the sea. However, two places that could

be defended by the Byzantines were the area around the city of Rome and the area around Ravenna.

Romagna

The world calls the empire of those Greek-speaking Romans, "the Byzantine Empire." The Byzantines, themselves, called it "Romania." That name worked its way into being the name for the modern East European country. It became the name for the area around Ravenna from which these Greek-speaking Romans ruled Rome, their other coastal enclaves around Italy and their other reconquests in the Latin-speaking former west half of the Roman Empire from 540 A.D. (when they took Ravenna from the Ostrogoths) to 751 A.D. (when they finally lost Ravenna to the Lombards). The Italian word "Romagna" is pronounced "Romanya" — "Romania."

So for those 211 years these now Greek-speaking wielders of the military power retained by the "lord and god" of Coinage had their opportunity to figure out how to salvage the most advantage out of Diocletian's Bureaucracy that still spoke Old Italian. This Bureaucracy remaining around the Western Mediterranean area (the Remaining Politicians of Book One) were doing their best to keep the Coinage Economy of Western Europe and North Africa afloat. They were still operating in a system of Latin-speaking dioceses and provinces directed from Rome, just as Diocletian had organized them and as their Greek-speaking counterparts of the Eastern Mediterranean area were being directed from Constantinople. They were trying as hard as they could to keep Diocletian's system going in their Latin tongue — rigorously training leaders in it and meticulously prohibiting the Christian Germans from learning it. And, after the Visigoths had gotten inside of the Empire's defenses and the Emperor Theodosius I had quickly prohibited any religion except that which Constantine signified by the "X" mark on the backs of his coins, this Bureaucracy was doing their utmost to sponsor that religion, even at last to the extent of translating the Bible into Latin.

But, all of these efforts of the Latin-speaking Bureaucracy met with skepticism from their Greek-speaking, Byzantine, counterparts. This system of authority that Diocletian had set up for them in the Greek-speaking East, wherein he ruled as their "lord and god" and which worked so beautifully in their coinage, was called "Caesaropapism." The heart of Caesaropapism is that people will believe that you are anything that you tell them you are IF you control military power over them.

Well, there was no military power left in the Latin-speaking West. The territory in the West that the Byzantines had taken back with their Roman Navy, at the time when they took Ravenna from the Ostrogoths, was constantly slipping more and more out of their hands. What is more, Mohammedanism began at this time and quickly cost them Palestine, Syria, Egypt and North Africa. "If this military misfortune was befalling them with all of the military power of Caesaropapism among them, what hope was there for the Coinage Economy of Western Europe where the Latin-speaking Remaining Politicians were trying to keep Diocletian's trick going with nothing other than Grammar as they knew it and their hold over the Latin tongue?"

The answer to that question came out with negatives for the Greek-speaking Byzantines that were militarily in charge of Diocletian's Latin-speaking Bureaucracy. The title of the

Byzantine military leader in charge of that Bureaucracy was "the Exarch." He commanded that Bureaucracy from Ravenna (in the midst of the Byzantine Empire's little "Romania" enclave).

No official in Diocletian's Latin-speaking Remaining Politician Bureaucracy could be appointed to any office, from their Leader on down, without the Exarch's permission. And, of course, that Bureaucracy realized full well that the Exarch's boss, the Emperor, whose portrait was on the head's side of the Coinage Diocletian created this Bureaucracy to produce, was THE boss.

The Authority Vacuum

However, with neither the Emperor nor the Exarch having any hope for the future of their Bureaucracy and dealing with them from the point of view of that hopelessness, it is not to be unexpected that the Bureaucracy would be shopping around for a different source of bully-power for their Coinage than that of the Byzantine Emperor, particularly when his bully-power, the "caesaro" part of his Caesaropapism, dwindled so quickly when Mohammedanism began.

All land in Western Europe and the Americas is supposedly owned, as are all positions there supposedly held, by the authority which the people living there say that they get from their governments. Their governments say that they get their authority from their former kings, if they don't have kings any more, from their present kings if they do. Those kings all say that they got their authority from the Leader of the Latin-speaking Remaining Politicians of Diocletian's Bureaucracy. "Where did he say that he got it from?" When the Ravenna Exarch gave up hope that Byzantium's Caesaropapism was going to be adequate for the Coinage of that Latin-speaking Bureaucracy, that created an "authority vacuum" for the Coinage of Western Europe. All of the customs and folkways of Western Europe thereupon proceeded to "fall into" that authority vacuum. Still "inside it" today there are two different ideas, in the resultant culture that Europe produced, about who it is that is supposed to have the authority to issue Money; these two ideas are Capitalism and Communism. The precise reason that these two different ideas have been so different is the result of the explanation that the leader of the Remaining Politicians of Diocletian's Bureaucracy gave as his authority to mint coins when Caesaropapism was no longer his to count on. "What was his explanation that that Leader gave as his authority to continue on so minting coins?" That he had the "keys of the Apostle Peter."

THE SWITCH

Modern Money

As we have just rehearsed, most of the things which today we denominate as "money" really aren't money.

It is obvious that nearly the totality of all of the dollar values dealt with today are dealt with as bank transfers, checks, bills etc., with but a tiny fraction of that total dealt with as "money per se" or "coins." The point to be observed at this juncture, though, is that these other things which today we call money have NOTHING WHATSOEVER to do with "money," as its history has been traced so far in this "History of Money."

A five dollar bill is a "bill." It is a Federal Reserve "note." "Bills and notes" have nothing whatsoever to do with "money," as its history has been followed to this point. The business doctrines that produced the exchange of paper rather than coins have absolutely nothing to do with the events in history that have produced coinages. In fact these business doctrines can be said to have developed in an opposition to those events.

Since the Swedish Riksbank, "the Bank of Sweden," first issued paper money in the 1660's, paper money has totally revolutionized the politics of the entire world. Today the economy of every country depends on bills and notes (and their extensions: checks, bank transfers, etc.) with, as has been said, coins used only to make exchanges precise through small change of low token value.

"How did this 'switch' from coinage to paper money develop?"

We have spoken of the "Franks," the "renegades" from the swamps on the left bank of the Rhine's mouth. It was the militia leader of the Franks that the leader of Diocletian's Remaining Politician Latin-speaking Bureaucracy came upon in his search for local, credible bully-power. It was for such leaders that the Leader of Diocletian's Latin-speaking Bureaucracy took the firm stand that the source of his authority (to mint coins in Latin-speaking Western Europe with the Greek-speaking Byzantine Emperor's portrait appearing on them as "heads" and Constantine's "X" or something that was supposed to signify Jesus Christ appearing on them as "tails") was that he was the heir to the authority of Jesus Christ's senior Apostle, Peter. When the Byzantine Emperor's Exarch was pushed out of Ravenna by the Lombards, the Leader of the Bureaucracy called on the current leader of the Franks to help him take the place of the Exarch. When that happened we had the beginning of the pound-schilling-pence coinage reform recited earlier. To make this coinage reform mean something significant the Franks expanded the area under their control into the rest of the Netherlands and Germany and also into Italy. And, of course, the time-proven means to firmly establish that control was just to get the native population "hooked" on the product of the mint-monasteries that the Franks proliferated throughout Germany at that time. This coming of coinage to Germany is an event that we will find compounding into fantastically incredible destruction toward the end of this book. But still and all this extension of coinage eastward into Germany etc. at this time is the beginning of paper money.

The reason that the Franks wanted to expand eastward into Germany etc. is fairly easy to understand and is central to understand this switch from coins to paper money.

Catholic Europe lost confidence in the man whose portrait appeared on "heads" of their coins, the Byzantine Emperor at Constantinople, as he sat and watched the adherents of Mohammedanism take control of the Mediterranean away from him. The Mediterranean Sea had always been important to Catholic Europe's Coinage Economy, as it had been important to the Coinage Economy of the Roman Empire earlier, because across portages through Syria and Egypt came and went their trade with the Orient. The Mohammedans cut off the profitability of that trade when they took over control of those portages and of the sea lanes over the Mediterranean between those portages and Western Europe.

But, there was in those days a way other than through the Mediterranean to exchange heavy freight between Western Europe and the Orient. That way was through the Baltic Sea, over the rivers that flow into it from the east and then over short portages from those rivers to other rivers that flow into the Black Sea or Caspian Sea. It was a proven fact that from those seas West Europeans could deal with Orientals directly, with little or no interference from organized Mohammedanism. The Franks saw that fact as the wave of the future.

The Baltic Sea

This book introduces us to a number of fundamentals of "New Learning." One of these is the fact that the civilization of the Baltic Sea, paper money, has replaced the civilization of the Mediterranean, coinages, in late modern times. And, this switch from the one to the other began at about the year 800 A.D. when the Franks wanted to extend their military-economic control, through the medium of their coinage, over that area.

Another fundamental is that this civilization of the Baltic was already an "ancient" one by the time of which we speak. This civilization, again, had nothing whatsoever to do with any coinage but instead was based on the precepts that all persons involved in it were obliged to keep a METICULOUS RECORD of their individual activities (originally in their "Runic alphabet") and that, in general, these individuals trusted in each other's records.

(That they understood the workings of coinages is shown by the coin hordes that have been found in Sweden and elsewhere. These coins show the existence of trade — over the rivers to the east of the Baltic and then over portages to rivers that emptied into the Black Sea — between this Civilization and the Eastern Romans in the 500's A.D., and, of course, it was the earlier activities of the Goths over these rivers that brought them from Sweden to the north shore of the Black Sea in the first centuries A.D.)

[Notes: When the Ostrogoths came to Italy to rule there their historian, Jordanes, wrote his, "The Origin and History of the Goths." He began that book with these words: "We burst forth like a swarm of bees from a great island to the north of Europe called Scandza." The geology of Scandinavia that used to create a connection from the Baltic Sea, to the Arctic Ocean in the east, 2,000 years ago, just as it now permits the connection to the Atlantic Ocean in the west, because of the gradual rising of the Scandinavian land mass, is a most fascinating subject in the study of the Earth's geological anomalies, as was touched upon earlier.

If a person should go to modern Scandinavia that person will find that "Sweden" is a "rik" or "reich" made up of two kingdoms. The northern part of Sweden is the kingdom of the "Sweas" or the Swedes. The southern half of Sweden is still, today, called "Gothland." It is the Kingdom of the Goths. Its largest city is called "Gothenburg." The official title of the King of Sweden is still, today, "The King of the Swedes, the Goths and the Vandals." And, although there is some disorder in its records as the Civilization of Coinage temporarily "overcame" this previous Civilization of the Baltic, the records of Sweden are intact for that Civilization for thousands of years.]

"Wonder if we called this civilization, 'The Civilization of Trusted Records!'"

It had been involved in a brisk trade with the Mediterranean, through those rivers going to the Black Sea, in the first centuries of the Christian Era, that is, before the Huns overcame the Ostrogoths to the north of the Black Sea and then "sheared" this Civilization off from any footholds on the south shore of the Baltic.

This "shearing" by the Huns had been from the east shore of the Baltic to peninsular Denmark, which is the western "door" to the Baltic.

Peninsular Denmark was the original home of the Angles. Hundreds of years after the Huns' onslaught that drove them from their homeland the historian of the Angles, the Venerable Bede, writing in England, said that that original homeland was still uninhabited.

It appears, from the ancient Anglo-Saxon epic "Beowulf," that the Huns had brought with them a number of people perhaps similar to the Philistine "Anak" giants like Goliath or the negro giants of Africa, like the Watusi, to serve as sentinels on peninsular Denmark and along the south shore of the Baltic, to repulse any further waves of Germanic expansion from Scandinavia southward into Europe. To bring negro giants like these from Africa the Huns would have had to receive them from the Byzantines bringing them down the Nile through their province of Egypt. The Beowulf epic definitely states that the two giants mentioned were negroid, and it is common knowledge that the Huns were accompanied by such giants who served as their watchmen on the south shore of the Baltic.

In its article on the large island of Rugen, adjacent to the south shore of the Baltic, the 1967 edition of the Encyclopedia Britannica has this to say: "Rugen is rich in prehistoric remains. The original Germanic inhabitants were dispossessed by Slavs; and there are still various relics of the long reign of paganism that ensued. In the Stubnitz area and elsewhere HUNS' AND GIANTS' GRAVES are common ..." (capitalization added).

In spite of such extraordinary precautions as stationing giants as guards to prevent a future European expansion by them, the people to the north overcame these obstacles (perhaps in the way that King Beowulf killed the two giants) and reinstituted their control over the trade from the Baltic to the Black and Caspian Seas.

The Civilization of The Baltic

This Civilization was described somewhat on pages 46 and 47 of Book One, under the heading, "The Folkways of Northern Europe."

We can be very brief about the way that this Civilization was organized.

Boys joined the overall organization of the men of Northern Europe through the organization of their local township. They became men by taking an oath in the organization of a group of townships, which Americans call "counties," presided over by a "judge" and a "jury." This larger organization was a "brotherhood" devoted to a specific industrial task and was called, "a gild."

The civilization of Medieval Europe is that of gilds.

Monasticism on the part of Diocletian's Bureaucracy was a reaction to the gild system practiced among their Germanic conquerors. It was Plato, to be sure, who told them in "Politeia" to forsake family life and private property; but Plato knew nothing of the gild system that the medieval monasticism of the Roman Catholic Church in Western Europe imitated. That Bureaucracy formed their brotherhoods on the model of their conquerors. "What was the 'industrial task,' then, that they were formed to promote?" Their Coinage

"Why can we be 'brief' about the way that this Gild Civilization, that centered in the Baltic, was organized?" Because to people living along the Wasatch Front features of that Civilization are features of the day-to-day life of the Wasatch Front.

The L.D.S. Church is organized like no other "church" in the world. When it was established the L.D.S. priesthood was organized like the early medieval Gild System.

After the days of which we speak, from 800 to 1,000 A.D., the Gild System and Coinage struck upon a "modus vivendi" that lasted until the end of the Middle Ages. Modern times began, and continue today to be, a running battle between the Gild System and Coinage.

Coinage Comes To The Baltic

The Franks brought their Coinage to the Baltic when they built the city of Hamburg (at the base of the "Danish peninsula") to be the headquarters of the Catholic Archbishop for all of Scandinavia, which they planned to conquer beginning from that base. This was about 800 A.D.

The gild brotherhoods of great sections of Scandinavia turned their exclusive industrial attention to carrying on war against the Franks and the mint-monasteries from which they operated. The concentration of their attacks upon the mint-monasteries, that characterized the first years of the Viking Age, soon changed though.

The Vikings never forgave the Franks. They destroyed them. But they soon discovered that the monks whom they slaughtered in their mint-monasteries, who supported the activities of their would-be conquerors, weren't really an ultimate enemy. None of them "invented" the concept of the Coinage; they were just doing what others had told them, in a far larger theater of activity. If their personal control over their lives in their Gild System was to survive, and they were resolved that it would, they would need to learn how to perform effectively in this larger theater.

The Larger Theater

The gild brotherhoods of Scandinavia, directed to war, divided into three groups that are roughly the same as the three modern Scandinavian countries of Sweden, Denmark and Norway.

A. The Swedish Vikings directed their attention to military control of the trade that was carried on over the rivers flowing into the Baltic through what is today Russia, Estonia, Latvia and Lithuania. They extended their control over trade on those river routes, then over the interlinking portages, then over the rivers flowing to the south and east, to the Black Sea and to the Caspian and in so doing established Russia.

A mutual cooperation among the three groups lasted until the end of the Middle Ages, but it seems that when there were quarrels the Swedes tended to side with the Norwegians against the Danes.

B. The Danes, because of their location in the immediate path of the proposed extension of Coinage into Scandinavia, reacted to it first and, because of that, most profoundly of the three.

Their immediate goal was Hamburg and then the other installations which the Franks had succeeded in setting up along the Elbe River (which were, going way back, the goal which Augustus Caesar had hoped to be able to achieve 800 years earlier).

As the Elbe River Vikings, theirs was the opportunity to do pretty much as they pleased in Central Europe.

It must not be supposed that the Byzantine Emperors had a change of heart after they had tried to murder Germanic Europe with the Huns. Just as the Huns had "shorn" the Germans off of the north shore of the Black Sea and off of the south shore of the Baltic, the Byzantine Emperors repeatedly called in "hordes" from Central Asia to "shear off" later German footholds on the north shore of the Black Sea, as well as to attack Germanic buildups in Central Europe that were offensive to them. These hordes included, in order, the Avars 600-800 A.D., the Bulgars 700 A.D., the Hungarians beginning in 890 A.D., the Pechinyegs 1,000 A.D., the Kumans 1200 A.D. and the all-time show stopper, shortly thereafter, the Mongols of the Golden Horde.

When the Elbe River Vikings stopped the Hungarians that were sent against them during the mid-900's A.D. by the Byzantine Emperors, they were in a position to organize Central Europe as they pleased.

They took what was left of what they and the other Vikings had done to the Franks' "Roman Empire" (set up for the pound-schilling-pence coinage reform) and made out of it the

"Empire" that brought the Gild System and Coinage together and showed how, in fact, the "iron and the dirt" of the final stage of money would "cleave" together as "GERMANY."

In this Germany that they had created it seemed that what they were after were the people who practiced the Gild System, whether or not they spoke a German language anymore.

The Burgunds, who controlled the Rhone Valley and what is now eastern France, were originally German-speaking; but after they were beaten by the Huns they were subjected to the Romans and began speaking the Vulgar Latin tongue, French. As Germans they practiced the Gild System but now spoke French. The Burgunds were a vital part of Medieval Germany, and their territory was most important to it.

The Lombards of northern Italy were also a vital part of Medieval Germany. As has been said, they were the last German conquerors of Italy, after the Byzantines had taken back most of Italy after the enfeebled Ostrogoths' short rule there.

The Lombards seem to have been a very wily people who saw that any dealings with the Byzantines could only be a trick leading to a trap. Perhaps because they thus avoided entanglements with the Byzantines they were able to control their kingdom in the Po Valley and their duchy of Spoleto, that controlled the northern peninsula, from 568 to 774 A. D. Their duchy of Benevento that controlled the southern part of the peninsula lasted beyond the year 1,000 A.D.

They were such a resourceful people that their name went quite easily to all persons from the cities of Crusaders that were established anywhere near to what had been their Kingdom of Lombardy at the time of the Crusades. These cities become very central players in this story.

[Note: One story of the Lombards, that tells how they got their name, shows their resourcefulness.

Once when they were about to be attacked they saw that they did not have enough men bearing weapons to scare off the would-be attackers. So, they got their women to part their long hair, pull the parted halves in front of their faces and tie it there so that it looked like beards. Then, with their women with weapons in their hands and standing in line with them as if ready for battle, their God, Woden, appeared before them. He laughed and said, "Who are these 'long beards'?" And, that is where the word "Lom-bard," which means "long-beard," comes from.]

So the Elbe River Vikings decided to organize the medieval "Holy Roman Empire of the German Nation" out of the Germanic Gild-system practicing people: 1. that spoke German in what is modern Germany, 2. that spoke French in what is now eastern France, and 3. that spoke Italian in Italy from about Rome northward. (In Italy, though, the Germanic Lombards were "everywhere outnumbered by the native population.")

The Danish Vikings controlling the mouth of the Oder river were most important in the history of London, England. The Danish Vikings who controlled the Vistula river from Gdansk (which, by the way, means "Danish") established Medieval Poland. And last, but certainly not the least — since their descendants are the principal players in the last part of our story — large groups of Danish Vikings sailed from peninsular Denmark to settle most of eastern England after the wars with the Franks began on or near their homeland around 800 A.D.

C. The way that Vikings from Norway settled Iceland and Greenland, temporarily in America, and permanently in Ireland, Scotland, Northern England and Northern France is well known. The way that they controlled all of Western France, as Plantagenets etc., all of the way down to the Pyrenees is also well known. The way that they established Holland and took over the rest of the Netherlands, controlled trade on both the Rhine and the Rhone rivers, and took over both Sicily and the Southern Italian Lombard Duchy of Benevento to form the Norman Kingdom of the Two Sicilies is not spoken of so much among English speakers.

And, the effect of these Vikings (who had by then turned to being "Crusaders"), controlling shipping in the Western Mediterranean, thereby establishing the "Crusader cities" of Genoa, Lucca, Pisa, Florence and Venice, is mentioned almost not at all.

Just as the Remaining Politicians had fled to escape from the Visigoths to off-shore islands in the Adriatic Sea and thereby founded Ravenna, so the Byzantines of Italy fled to off-shore Adriatic islands and founded Venice in order to get away from the Lombards. And, just as the Normans took to themselves all of the holdings in Southern Italy that had belonged to the Byzantine Empire, so they took to themselves this Byzantine jewel at the top of the Adriatic Sea, which had not belonged to the Lombards nor become, with their area, a part of the medieval German Empire.

The cities of Genoa, Florence etc. were part of the German Empire, though, and the establishment in it of North European "gild cities" at these "port" locations by the Norwegian Viking controllers of the sea lanes to these ports is a matter upon which we will have occasion to dwell at some length. The story of the Seine River Vikings' "conquest" of England from Normandy is ultimately famous among English-speaking people.

But, the way that the Loire River Vikings deposed the Franks and established themselves as the Capetian Dynasty, the kings of France, is not heralded.

THE HANSA

The Old Way

Despite the different ways in which the three groups of Vikings took over or established countries in Europe, from its westernmost island to its easternmost rivers, as a preparation for taking the trade of the Mediterranean Sea away from the Byzantines and Arabs in the Crusades, they continued to work together on the Baltic Sea according to the centuries-old way of doing business in the Gild System that they had been parties to there.

Gotland

What seems to be the largest island in the Baltic Sea is the island of Gotland. That name means, "Good-land" in Swedish.

It is about 50 miles out to sea from the coast of southern Sweden. Again, Southern Sweden is called "Gothland," the land of the Goths. The island of Gotland is a part of Gothland. From ancient times that island served as the headquarters of the Gild System for all of Germanic Europe. The organization of all these people, represented by the leadership that came there from the gilds of all of these Northern European peoples, was always called "the Hansa."

The Meaning of the Word

The oldest surviving document expressed in a Germanic language and written in the Latin alphabet is the "Codex Argenteus," preserved in the Uppsala University library in Sweden. Its original was a translation of the Bible into Gothic for use by the Visigoths in what is now Romania. That original was written in the 330's A.D. by the Gothic Arian Bishop "Ulfilas" (a variant of the modern Swedish name "Ulf" which means "Wolf"). In the Eighteenth chapter of the Gospel of John, Ulfilas used the Gothic word "hansa" for the "band" of men who came to get the Savior in the Garden.

What the "Hansa" Gave to the World

So, from the beginning of recorded history the representatives of the gilds of all of the Germanic peoples, that is, from all sides of the Baltic, regularly met in what people familiar with the Wasatch Front way of doing things would call a, "general conference," on the island of Gotland; and they were called in the Gothic language of that island, "the Band" or "the Hansa."

"And, what did the Band' or the 'Hansa' give to the World?" The Free Enterprise System.

The Free Enterprise System

This section would be so long, so involved and so technical unless we just get a few ground rules out in front of us at this time.

Nearly the entire Germanic world used to get up, go to work, handle all of the problems at work, then go home at the end of the day and have attended to everything that happened in that workday by an organization that worked like what a typical Wasatch Front person would identify as identical to that of the L.D.S. priesthood (attended to things in that way, that is, until the individual parts of the Germanic world encountered the Coinage).

Without getting ahead of the story, we could take the instance of London, England as an example.

The medieval "City of London" was divided into a number of "wards," each presided over by an "alderman" and a "wardens' court" of "twelve wardens." Each ward was composed of a number of church "parishes." The male members of each parish were able to join in the industrial pursuit of the ward, provided that the male in question lived the basic morality of Christianity — which was the understood LAW of the whole system.

So if a male joined into the industrial pursuit of the ward (let's say that this was the ward of the Grocers' Guild), this individual male would take his OATH to both work toward the general, overall goal of Christianity and, specifically, to perform his everyday tasks according to the morality of Christianity relative to his industrial pursuit as a grocer, as determined by the alderman and twelve wardens of his Grocers' Guild.

So, again, in the terminology used along the Wasatch Front, in medieval London all of the industrial workers worked under a "stake president" and a "high council" who judged them according to Christian morality relative to their everyday work, just like L.D.S. Melchizedek priesthood holders are judged by such according to their Christian morality relative to society in general.

The decisions of these aldermen and wardens' courts (each one of whom was a master craftsman in his particular industrial pursuit) throughout Germanic Europe from "immemorial time" is what gives the world, "The Free Enterprise System."

The Law Merchant

In London there has "always been" "the Twelve Great Gilds of London" that have run the affairs of the city. They are still in existence. Today they are called, "the Livery Companies." The Lord Mayor of London is still elected exclusively from their ranks to direct the affairs of London from its city hall, which is "The Guildhall." This way of doing things in London, preserved there as a pleasant tradition, was the rule in general for the cities of Europe that were involved in the Crusades.

However, though before the Crusades these gilds may have operated on terms of comparative equality, the introduction of Coinage into their "immemorial" operations just before the Crusades began brought into a particular prominence the gild that had the responsibility of exchange between cities, the Merchants' Guild (called in London, "the Mercers' Guild").

To handle the payments that were to be made in coin (after the introduction among them of Catholicism or Coinage) these merchants' guilds of the Crusader cities of Europe developed "the doctrine of bills and notes" that is the basis of paper money and of International Law today.

The way that disagreements between the merchants of different countries were settled may also be dealt with by the example of England. The way that such disagreements were settled there was to assemble a "Staple Court." Probably this originally meant that the guild masters who formed the "staple" court met at the main church in the city involved, under its "steeple." There were a number of port cities in England that were designated as "staples." Some of these, proceeding northward from London, were Ipswich, Norwich, King's Lynn, Boston and York.

The way that these staple courts operated in England was described in a statute of Edward I in 1312 called the "Carta Mercatoria." In this statute it was stated that if there was a disagreement between an English merchant and a merchant of the "Roman Empire" (Germany, East France and North Italy) then six masters from English merchant guilds and six masters of merchants' guilds of the "Roman Empire" should be appointed as a "staple court" to decide the issue in question as a 12-man jury on the spot.

There were two classes of powerful merchants from this Roman Empire in England in the late Middle Ages. The lesser of these two groups in England were the merchants from the "Lombard" cities of northern Italy. The most powerful merchants there were the merchants of the Hansa.

London in those days was on the north side of the Thames River and had a territory of about one square mile within the ancient walls, along with some "wards" outside of the walls. Equidistant between the points where the walls met the river, that is, right in the center of London's waterfront — the choicest site on that waterfront, stood a large fortified emporium. It was "the Steelyard," the headquarters in England of the Hansa. It was the headquarters of England for trade with the part of the world that England had traditionally depended upon for most of its imported food and foreign trade, the Baltic.

From London, England in the west to the city of Novgorod, Russia in the east there was a territory wherein nearly every large city belonged to this association called, "the Hansa."

To the high court of the Hansa the members of this association appealed for ultimate decisions relative to the international law upon which all of the international business of Northern Europe had always depended from time immemorial.

Before speaking of that court, though, and before leaving this section on "the Law Merchant," it should be at least hinted here how important the Law Merchant is.

By the late 1970's every state of the U.S.A. except Louisiana had adopted the "Uniform Commercial Code" as the way that business is regulated in the U.S.A. In general, in each of these states that Code begins with an expression like: "in all cases not covered by these statutes the Law Merchant shall govern." "These statutes," just mentioned, refers to the "Code" of a particular state, which is all of the laws the legislature of that state has ever had the "brains" to pass. What this says is that, "the Law Merchant knows everything about business" — that,

"everything that a state's legislature has ever had the brains to pass relative to business are 'the exceptions'" — "the Law Merchant is the rule."

This law for business is called, "the Law Merchant," in English; but the rules are the same for all countries that were parties to the Crusades. Internationally today these rules are the "international custom, as evidence of a general practice accepted as law," which is what will be shown to be the basic reason for being of the United Nations and of the court to which all of its members are expected to adhere, the International Court of Justice at the Hague

The Hansa's Court

Before the Crusades and up to some time afterward, the headquarters of the Hansa was at the city of Wisby on the island of Gotland.

[The "Sea Laws of Wisby" are the "Laws of the Sea" of all modern nations to this day.]

After a raid on Wisby by the king of Denmark, in 1350, wherein he looted the financial resources of the city essential for running the Hansa, the headquarters of the Hansa was moved to a city in Northern Germany which thereafter led it for the following 300 years — until the Hansa was destroyed by the Catholic side of the Catholic versus Protestant "Wars of Religion" that destroyed Germany during the early 1600's.

We have detailed records of the activities of the high court of the Hansa during the years that they were held in that German city of Lubeck. And, there are available very extensive records that show us the operations of that court at Wisby in Gotland.

Let us talk again of the "three groups" of Vikings, for it is from them that the representatives came to that court."

(A). To that court came the representatives of the earliest Swedish Vikings that took over the trade of the rivers flowing into the Baltic from the east, then over the portages to the rivers that flowed into the Black and Caspian Seas. Foremost among these Vikings were those who established Russia. They were represented at the Hansa Court by their main city for trade with Western Europe, which city was the base from which they had conquered Russia. That was the city of Novgorod.

The representatives from Sweden were prominent in the history of the Hansa right down to the time that it ended. (As a matter of fact when Catholic power had overwhelmed Protestant control of the headquarters of the Hansa in Northern Germany during the Wars of Religion, it was the Swedes who came down and defeated the Catholic power and who thereafter directed business in that area when the Hansa finally ended in the late 1600's.)

(B). Among the representatives to the Hansa Court from cities founded by Danish Vikings were those from the cities on the south shore of the Baltic. Among these were the Jomsburg Vikings. Because England had always relied heavily on wheat from the plains of Poland (the south shore of the Baltic), the Vikings who controlled the trade on the Oder river from their fortress of Jomsburg, at its mouth (not far from modern Stettin), were central figures in the foundation of London (as its history developed thereafter — after the period from 800 to 1,000 A.D.)

The Danish Vikings who controlled trade on the rivers of Germany and the Netherlands that flowed into the North Sea are the Vikings who founded the medieval "Roman Empire" of Germany. After victory in the First Crusade, these "Germans" were able to expand the German "Roman Empire" and its extensions from a tiny toe hold, at the southwestmost point of the Baltic, to control of the entire south shore of the Baltic, all of the way up to by what is today Leningrad.

These are the Vikings who eventually transferred the Hansa's Court from Wisby to the town that was that toe hold, Lubeck.

It was stated that the Danish Vikings who controlled the Baltic coast of Poland were primary characters in the establishment of London. The overriding reason why this was so was the mass-migrations from peninsular Denmark that took over nearly all of eastern England, including the area of London, and turned that general area into the "Danelaw" of England after the year 800 A.D.

The kings of Denmark conquered all of England and made themselves the rulers over all of the British Isles a little after the year 1,000 A.D. However, Britain was also a primary field of activity of the Vikings from Norway.

(C). The third group to send representatives to the Hansa's high court were the settlements of the Vikings from Norway.

It was stated that beside the famous voyages of the Vikings from Norway out over the Atlantic to establish themselves on Shetland, the Orkneys, the Faeroes, Iceland, Greenland and Vinland, they also established their rule over Scotland, Ireland, Northern England, Western France and Northern France, from which last-mentioned place they took control over all of England away from the Danish Vikings.

The Norwegian Vikings, Extensions

From their positions in southwest France the Vikings from Norway funded the effort of Sancho of Navarre to begin the Conquest of Spain away from the Moors, to neutralize Moorish power on that peninsula and thereby facilitate bringing their naval power through the Straits of Gibraltar to sweep the Mediterranean of other shipping previous to staging the First Crusade, which was entirely their undertaking.

These Vikings had taken over Flanders, west of the Schelde river, which was not in the medieval "Roman Empire" of Germany but under France. There they established the main market of international business in Europe during the times of the Crusades and for some while thereafter, Bruges, in modern Belgium. This was the principal scene of the economic activity of the Hansa after the Crusades began.

In the same year that Norwegian Vikings from Normandy, France took over the island kingdom of England, Norwegian Vikings from Picardy, France also conquered the island of Sicily, from whence they would direct the First Crusade against the eastern shore of the Mediterranean. Before doing that these Norwegian Vikings also took all of South Italy away either from the Lombard dukes of Benevento or from the Byzantine Emperor.

They established themselves at Barcelona. They established themselves in the Rhone Valley to facilitate trade up that principal trade route across Western Europe to Bruges etc. This was critical for the time after the First Crusade when that Crusade had opened up to them the trade of the Orient.

At this same time they established the Crusader Cities of northwest Italy, the "Lombard" cities of Genoa, Pisa, Florence etc. (for the same purpose as that which they had for the Rhone Valley). This area was part of the Germans' Roman Empire already. However, just as the Rhone Valley was organized by them for its critical Crusades trade-route role at that time, the jurisdiction that included it, the Kingdom of Burgundy, was also annexed into that Roman Empire of the Germans.

However, Venice, at the head of the Adriatic, was still the property of the Byzantine Emperor. These Norwegian Vikings (active in Italy at that time) seemed to have liked nothing better than to despoil the Byzantine Emperor out of everything in his "lord and god" clutches, which they increasingly did from that time until they led the Fourth Crusade to conquer Constantinople away from him. "When did the Norwegian Vikings of Sicily take Venice away from the Byzantine Emperor?" When Venice became a gild-controlled "Crusader City" under the doge Domenico Flambanico (1032-42 A.D.).

The Norwegian Vikings who conquered England in 1066 built a huge fleet there. This fleet was brought down through the Straits of Gibraltar to Sicily by William the Conqueror's oldest son and principal heir (the Kingdom of England went to younger sons), Robert II Curthose, the Duke of Normandy, who inherited both Normandy and that huge fleet.

The Norwegian Viking originally responsible for the conquest of Sicily as well as of South Italy and part of Greece was from Picardy, France. His name was Robert Guiscard. The final subjugation of Sicily and South Italy (which area would control the Mediterranean during the Crusades), was left to Robert's brother, Roger. Robert's son took over the leadership of Robert's efforts. His name was Bohemund. He carved a road through the Byzantine Empire, supported by the fleet of Robert II Curthose, to the principal center for world trade coming to Europe: Antioch.

Antioch, occupying the narrow defile of the Orontes river valley, controlled the only non-desert, sea-level passageway connecting the Orient and its trade with Europe.

The Norwegian Viking Bohemund arrived at Antioch at the head of 300,000 men in October, 1097 A.D. After besieging that city until June, 1098 it fell to him. He and his successors ruled there as the "Princes of Antioch" down to Bohemund VI in 1268 A.D., nearly 200 years later.

With Bohemund of Sicily the leader of the First Crusade and Robert II Curthose, the Duke of Normandy, at the head of the fleet from England as the second in command, the Vikings from Norway had taken the principal trade route of the Earth. The leadership of world trade would be in the hands of Western Europeans from that date on. The principal conduit of power of the Byzantine Romans was cut. The Byzantine Empire would now begin to disintegrate until after 100 years it would at last be weak enough for the followers of these Vikings to descend upon Constantinople in the Fourth Crusade and attend to destroying the cancer begun nearly a

thousand years earlier by Diocletian's trick that has so rotted the life of all of mankind and most particularly of the civilization from which it had come.

Representatives To or From The Hansa "Court"

Such then were the participants in the Hansa Court at Wisby in Gotland down to 1361, when it was moved to Lubeck, Germany. Those of the Atlantic Seaboard (say, from Gibraltar north to what is today Leningrad) continued to have the life of maritime trade center in the Hansa's Court. Those to the east of Gibraltar (within the Mediterranean area) retained the exact same customs for doing business but now developed their own organization to regulate maritime trade upon that southern sea.

Using the Wasatch Front expressions, again, for the former group, though, they continued to have their annual "general conferences" at Wisby. The permanent "general authorities" of business were the permanent leaders of the Hansa, who heard the appeals of all members. This was what the movement for an "International Court of Justice" tried to reestablish when agitation for its reinstitution was begun in the late 19th century.

At that court, whether one was a German, Englishmen, Norwegian, Russian, Swede, Dane, Dutchman etc. didn't matter. What mattered was the individual worker — that he did all that he did in harmony with the oath he had taken when he joined his gild — to do all that he could to accomplish the Goal of the Lord Jesus Christ: the comfortable survival of the human race. "Countries" weren't important; they weren't yet a "fixed entity" in those days. "Business" was what these men were for, and the concept of countries had nothing to do with that.

After the beginning of the Viking Age the language of the Hansa from London to Novgorod (that is of all cities on the North Sea-Baltic Sea coast of Europe from the Straits of Dover to the vicinity of Leningrad) was the language which after the "death" of the Hansa, in the Wars of Religion, shrank back to only the Netherlands area. "Dutch," "Low German" or "Platt Deutsch" are its various names. This Platt Deutsch language was extremely similar to the Scandinavian languages of the Vikings. From those days Platt Deutsch has altered all of the Scandinavian languages with the massive Platt Deutsch vocabularies which they all have today.

So, speaking Platt Deutsch and controlling all trade from London, England and beyond in the west, to Novgorod, Russia and beyond in the east, (as it had controlled business among all Germanic people from time immemorial) the High Court of the Hansa, in about the year 1,000 A.D., steeled itself for its polluting, defiling marriage with Coinage which is called, "the Crusades."

It was a defiling marriage which, never-the-less, would destroy the transmitter of this disease of Babel, Coinage, to the world. That transmitter was Constantinople. And, furthermore, it would lead all men at the end of the Twentieth Century to their rendez-vous with destiny when, with everybody on Earth conducting all of their business on the basis of the Law Merchant, all men would be brought face to face with the challenge of being destroyed along with Babel or learning how to work one with another by the phrase that was the basis of the Law Merchant in that ancient day when the Hansa began as it is today in all of the courts of the Earth. That phrase is, "GOOD FAITH" ("bona fide" in Old Italian).

THE CRUSADES

The Marriage

The Crusades were the marriage of the Gild System, from immemorial time presided over by the leaders of the Hansa in Gotland, with Coinage, transmitted to Europe under Aristotle's terms "Catholicism" and "Orthodoxy," as has been set out in the two parts of this book and in Book One.

And, it was a tongue-in-cheek marriage from the outset. Neither side had any respect for the other. It was a marriage of convenience to take over World Trade and to destroy the Byzantine Empire

It was the Danish Vikings who set up the "Roman Empire" of the Germans in the 900's A.D. who effected this marriage. They were heavyweights in the overall goals of the later Crusades. And, although all three Viking groups kept single-mindedly after the overall goal of taking the control of world trade away from the Byzantine Empire, just before the Crusades there was bitter fighting between two of the groups for the leadership position in the Crusades.

Just as Danes had taken over most of eastern England in the 800's, Knut, the King of Denmark, added a lot of the British Isles to his empire. He was thwarted from taking London, by conquering it, by the Jomsburg Vikings and the King of Norway. That King of Norway was named "Saint Olaf"; he is the patron saint of Norway. There are five parishes within old London that are named for him because he pulled down London Bridge, with Knut's army on it, which stopped that army grasping for London. In this bitter struggle for the leadership of the First Crusade, Saint Olaf's younger half brother returned and took Northern (Norwegian) England, York, in 1066, just shortly before William the Conqueror landed at Hastings.

The Harold of England who beat the Norwegian King that had taken York but whom himself was beaten at Hastings by William, was not "the last of the Anglo-Saxon kings" as British history likes to tell the story. He was the son of an "earl," which is a Danish, not an Anglo-Saxon title. His name was Harold, a Scandinavian, not an Anglo-Saxon name. His father was Earl Godwin of Wessex, whose sole claim to distinction was that he was a principal aid to the Danish King Knut, who ruled both England and Denmark. "Who was Godwin's father, an Anglo-Saxon heir of Alfred the Great?" Not at all. He was a Danish Viking born in Denmark. In other words, all of the Danish versus Norwegian struggles in England of the century after the year 1,000, including the Conquest of England, was just a sideshow to determine who got to be in first place in the First Crusade, the Norwegians or the Danes. The Norwegians won.

This intense competition between the Danish and the Norwegian Vikings in England was at work at the same time in Italy. The heir of the Danish Vikings that had set up the Germans' "Roman Empire" in the 900's A.D. was now styled, "The Emperor of the Roman Empire." Theoretically it would be his face on the "heads" side of the coins of Europe that would make them into "real" coins, just as the Byzantine Emperor's face was doing that in the east Mediterranean area and the face of the Franks' leader had been doing it on the pound-schilling-pence coins of France, Germany and North Italy. The ground rules from the beginning, as far as

Germanic people knew that beginning, was that you MUST have the face of a "Roman Emperor" on the "heads" side of coins in order to make them into real money. There had been small divergences from that adamant doctrine, but not too much. So, this heir of the power of the Danish Vikings who styled himself, "The Emperor of the Roman Empire," at this time (around the year 1,000 A.D.), seemed to have grasped onto a pretty firm monopoly over the ability to issue coins. But, this turned out to not really be correct.

This "Emperor" had been a close friend of the Danish King Knut and was most anxious to have him and his Danish party take over England, rather than the Norwegian side, but he didn't get his wish. The totally unruly Norwegians were about to RUIN EVERYTHING.

The first thing which they did was to establish France in such a way that it was not under a Roman Emperor any more. Along the Atlantic coasts of France, where a lot of them settled, they introduced their gild system, for the first time. Then, a number of them set themselves up as regional magnates in such a way that they posed an alternative way of doing things to that which the Germans' "Roman Emperor" proposed. But, the main damage they did was in Italy.

The sea power of the Norwegian Vikings in the Mediterranean was the result of their winning the struggle with the Danes for England. They had won and thus were able to create a great fleet there, which they brought through the Strait of Gibraltar to operate off of their newly created Norman Kingdom of the Two Sicilies (which included the island of Sicily and the southern Italian peninsula). With it so stationed they were the masters of the Mediterranean and those who staged the First Crusade

This put the Pope in Rome right in between the Danish Vikings, who controlled Italy from Rome north and Europe to the north of that, and the Norwegian Vikings, who controlled the Italian peninsula from about Rome south and the entire Mediterranean. This situation was all significant for the departures from the old norms that give us money the way that the world knows it today.

The way to see the heart of this matter is to ask the question, "What is the Pope in relation to money?"

We know that it was a Roman Emperor's portrait on the "heads" side of coins that had made them into real, believable coins for at least 1,000 years before the time of which we now speak. This was the case with Rome's original Emperors, down to Diocletian; with Diocletian's Byzantine successors down till 800 A.D., with the Frank leaders who styled themselves Roman Emperors, and now, even with these Danish Vikings running Germany as its, "Roman Emperors."

We know what the source of authority was behind these first two categories of Roman Emperors; that has been covered at some length. "What is the sole source of authority behind the men that filled these last two categories of Roman Emperors?" "What was the source of the authority that made their portraits on the 'heads' side of coins make those coins real?"

The Pope.

This was a tremendous political power position for the Pope. He decided to utilize it.

He asked the Danish Viking who was advertising himself as "the Emperor of the Roman Empire, "Where do you think you get your power from, to strike your portrait onto coins and thereby make them into real money?" "You get your power from me; and I got it straight from St. Peter, whose skeleton is buried under my church building."

[Note: As the story that Peter came to Rome etc. was being fabricated, part of the story came to rest upon a certain skeleton which some of the Remaining Politicians allegedly found on the Vatican Hill. They were certain that it was St. Peter's skeleton because it was, they say, found covered with coins from St. Peter's days. The coins at once establish the date, they say, and prove that it was St. Peter because true believers must have come to throw these coins on his body (like throwing pennies into a "wishing well" or a "Roman fountain") for a long time, "thus proving that it was a leader venerated over a long time." This is the main proof that the supporters of the St. Peter-to-Rome story have that Peter came to Rome.]

"St. Peter got this authority from Jesus Christ, whose sign Constantine said was the 'X' on the 'tails' side of all coins and which, after Constantine, has been necessary in order to make Roman coins into real money."

So, the Pope brought out this fanciful story, of the source of the authority of Roman money after Rome was conquered, as a primary topic of discussion at the time of this "marriage" of which we speak.

It was to the Pope's advantage to favor the Normans to the south of Rome and in their Crusader Cities, so he did.

He told these Norwegian Vikings, "All of the power to make money comes originally from me. I gave it to the Danish Vikings who now call themselves, 'the Roman Emperors of the Roman Empire,' who run Germany to the north of here; but I'm also now going to give it to you."

So right at the outset of the Crusades the Normans started minting their golden "ducats" at Venice, "florins" at Florence and other gold coins at Genoa etc.

This ended the absolute monopoly of the pound-schilling-pence coinage reform that had been in effect for about the previous 300 years, since the Franks had established their Roman Empire, where twelve silver pennies equaled one schilling and twenty schillings equaled one pound.

English Money

The people of London and England had always called the men of the Hansa who brought them their wheat and other food and supplies from the Baltic Sea area to the EAST of them, "the EASTERLINGS."

After this marriage of the Hansa with the Coinage, these merchants of the Hansa were also called in England, "the common merchants of the Roman Empire."

Just as London was not really "conquered" by Knut and his Danish Vikings, so it was not "conquered" by William and the Norwegian Vikings. So the oldest commercial practices were

continued in London and, led by London commercially, in England generally. These included the oldest coinage practices.

So, Englishmen retained as their official money the silver pound of the Baltic Hansa merchants, including those from the north German towns, with the portrait of their "Roman Emperor" on their silver pennies. They called 240 of the silver pennies, "The Pound of the Easterlings" or "The Pound Sterling"; and it has remained their money until today.

Prostitution of Authority

When the Pope ALSO gave the all-essential power to make real money to the Normans to his south, the "Roman Emperor" of the Germans to his north began to ask himself, "What does that make me? ... nothing? ... something? ... anything?" That was the beginning of the on-going Identity Crisis that IS Germany till this day.

The total prostitution of the "psychological half" of money, then, that is of the concept of the authority that there has to be in order to issue coins that are "real" money, became apparent as both the Pope and the Emperor of the Germans' "Roman Empire" began doing their "dance" out in front of everybody, each telling all that he is the "true authority" that is what is required in order to issue "real" coins. It was at this point that it became readily apparent that money had degenerated down to "dirt."

This conflict between the Pope and the Emperor continued up until the two joined forces again to attack the Hansa after the year 1400 A.D.

The fact that the Pope was able to operate so independently from the Emperor was due to the vast resources of the Crusades-conquest-wealthy Norman Kingdom of the Two Sicilies and his close association with it.

The German "Roman Emperors" were, therefore, only understandably intent in extending their control over Sicily. This they did at the time of the hero Crusader-Emperor of Medieval Germany, Frederick Barbarossa. His son married the heiress of the Norman Kingdom of the Two Sicilies. Their son, the Emperor Frederick II, was the "Roman Emperor" of Germany and King of the Normans' Sicilian Kingdom (as well as also being crowned King of the Crusaders' Kingdom of Jerusalem when he went there on his Crusade in 1228-9 A.D.)

With the Pope being so authority smothered by such a powerful competitor figure on the coins, after Frederick II died the subsequent popes went over to a permanent position of supporting anti-emperors

The family of Frederick II had one of its early seats of power at a little community in Southern Germany called, "Waiblingen." Italians can't pronounce that name, instead they called Frederick's successors the, "Ghibellines." The anti-emperors which the popes backed were first of the German family of "Welf" in Northern Germany. The Italians also can't say, "Welf"; this comes out "Guelph" in Italian.

So for the next hundreds of years the cities of Italy were divided in bloody feuds between these two factions, the Ghibellines and the Guelphs, made so famous by Shakespeare's story of Romeo and Juliette.

Of course the emperors were not going to sit idly by in this showing of the dirtiness of the authority behind money. The Emperors thereafter went over to a continuous policy of supporting anti-popes. And this created a bloody religious civil-war atmosphere throughout Western Europe.

This was the dirtiness of the authority behind money, which continued until the end of the next chapter of this History.

THE SHOW STOPPER

Baghdad

None of the parties locally available in the Middle East, that could possibly have removed the Crusaders out of their positions of control athwart the World's principal trade routes, succeeded.

After Bohemund took Antioch the Crusaders made direct contact with the World's main trade depot, the city that Mohammedanism was created to establish, Baghdad.

To Baghdad came nearly all of the trade from the Indian Ocean, China, India, the Indies etc. that was bound for Europe. The trade came up the Tigris river and then over across the huge shipping canals north and south of the citadel of Baghdad to the Euphrates river. From there it went upstream to an easy portage over the lush North Syrian plain to the steep-walled Orontes river valley, occupied by Antioch. From Antioch it was transported to the Mediterranean coast for shipment to Europe.

This trade was warehoused and negotiated for at Baghdad. Because of this, so many of the negotiation procedures of Baghdad were brought to Europe at this time. Perhaps the most all-encompassing of these was the adoption by the Crusaders of the method of counting developed in Baghdad: Arabic Numerals.

With all of the authority-chaos in Europe, many types of money had appeared. Gilds of money-counters were formed in the Italian Crusader cities to deal with these issues of money. Profoundly effected by the ways of Baghdad, particularly by the adoption of Arabic numerals, these money-counters gilds in Italy started calling themselves by a bizarre name that must be an Italian attempt, on the part of certain of these counters, to say the first part of the Arabic name "Bagh-dad," which in Arabic sounds like "Bahnca-dad." The new name for these Italian gilds of money-counters was "banca," "banco," = "BANK."

The Destruction of Constantinople

By depriving the Byzantine Empire of its principal source of income, it was only a matter of time before the ancient corruptress of all Europe, Constantinople, was so weak that the Crusaders were at last able to breach its enormous walls.

The Byzantines retreated to Nicaea in Asia Minor to wait their opportunity to retake the city. By the time they had, they were so weak that the Turks destroyed their regime easily later.

The Mongols

Whether or not the Byzantines, in their retreat to Nicaea, knew that their regime was finished by the occupation of Constantinople by the Crusaders, they resolved on the biggest "end run" from Central Asia into Europe since the Huns; and in some places this invasion into Europe was much more destructive than the Huns' attack. It was an attack that showed that this heir of

Babel's power for well over a millennium, Constantinople, was, from beginning to end, an absolute murderer.

Two years after the Crusaders had taken Constantinople the Byzantines had underway their plan to destroy the disturbers of their control of world trade. With their advantage of experience over the trade routes through Turkestan to China, they took it upon themselves to show a tremendously energetic group of murderers how to take over the military resources of China and destroy a great part of the human race.

The Crusaders took Constantinople in 1204.

In 1206 Temujin was made Genghis Khan over a group of Mongol tribes. He swiftly attacked into China to secure its military resources for himself. As soon as he had done this he took those military resources through the gateway between China and what is the modern Soviet Union and began the Mongols' career of total annihilation of the peoples of the Middle East who had aided and abetted the Crusaders.

Genghis Khan died in 1227 A.D. At this time we see that his son who succeeds him has a Byzantine "trade missionary" as his Prime Minister. The bloody work of Genghis Khan in the Middle East was continued by this son, Batu, and by Batu's son Hulagu.

Batu began his annihilation of peoples in Russia, and overcame the Russia that had been set up by the Swedish Vikings. He penetrated into Central Europe all of the way to Liegnitz, near the present border between East Germany and Poland. Mohammedan historians said that the Hansa's city of Novgorod and the east shore of the Baltic Sea were only saved from the attack upon them of Batu's "Golden Horde" by severe winter weather; but that is, of course, only their rationalization.

The enemies of the Europe and of the Crusaders had financed Genghis Khan to the point that he was able to invade and conquer China. He and these other enemies of Europe thereupon plundered China so mercilessly that they were able to field a mercenary army under Genghis Khan that contained 700,000 mounted lancers, the largest cavalry force that History records to ever have been assembled.

With these forces Batu struck into Europe in 1241 A.D. to destroy the Crusaders' bases of power in Europe.

The map of Europe as we have known it thereafter was established in 1241.

In that year the Kingdom of Sweden established Finland and built fortresses that utilized its network of lakes on its eastern frontier.

In that same year the Kingdom of Denmark established Estonia and built a large fortress to the west of the large lake that dominates its eastern frontier.

Below them the German Knights of the Sword established Latvia and used the network of tiny lakes on its eastern frontier as their barrier against the massive cavalry from Mongolia. Lithuania lay open to the Mongols' invasion from the Steppes; however, the Crusaders thereafter effectively blocked Lithuania from any shoreline on the Crusaders' crucial resource of the Baltic Sea.

South from them, on the Baltic's southeast shoreline the Knights of the German Order established Prussia, again, using its network of tiny lakes as its eastern boundary against the Mongols.

The plains of Poland were lost to the Mongol invasion.

However, south of Poland, within the circle of the Carpathian Mountains and the Transylvanian Alps, German knights established their Principality of "Seven Castles" as a bulwark against the Mongols.

Swiss Knights moved eastward and built a vast circular fortress at the pass through which Attila the Hun had invaded Western Europe some 800 years earlier. That fortress, built in that pass, where the Danube meets the Alps, remained, "the Capitol of Europe," down to the First World War, the city of Vienna.

At the west of the Transylvanian Alps, behind the Iron Gate of the Danube, the Crusader Order of the Knights of the Hospital of St. John of Jerusalem established their domain of the Banat. Below that locale, that is south of the Danube, in the area of Constantinople, and in the area of what is now southwestern Turkey, and in the Holy Land, they stood with the other Crusaders there to withstand the greatest of all attempts to destroy Christian Europe.

The Knights of Western Europe, halting the Hordes of Genghis Khan under Batu at Liegnitz etc., were a repeat of the defeat of Attila, his Huns and the Romans, by the Visigoths in Northern France nearly 800 years before. Only this time, when our "Knights in Shining Armor" rode their War Horses into those Hordes of tiny mounted lancers on their tiny Mongolian ponies, the turning point was reached. From then on the world would more and more be ruled by Western European Christians and less and less by "secret combinations" emanating from Babel's Middle East. That Turning Point was the Invention of Guns by the Europeans, which they instituted the use of to protect themselves from this, otherwise, Enormous Attack.

Thwarted in their attempt to destroy Western Europe in 1241, the Mongols sent back to China for more wealth to hire still more mercenaries. The Mongols occupying China thereupon murdered one person in every three in China to seize the resources to hire these additional mercenaries. This is the second largest human-caused carnage recorded in "Guinness" Book of Records."

The Mongols, at that time, killed 35,000,000 people in China. The population of China dropped from 100,000,000 down to 65,000,000.

This wealth of China, stripped from her at the price of killing one third of the people there, was transferred to Samarkand, the capitol of Turkestan in Central Asia.

This booty, administered from that place, set in motion the warfare of a more or less united Asia and Africa (and for centuries the eastern half of Europe as well) that the other people of the "world island" of Eurasia-Africa waged against Christian Western Europe down to the World Wars of the Twentieth Century. However, in spite of this, Western Europeans were easily able to respond to that with their new superior means of defending themselves (the weapons they had invented to protect themselves from the Mongols' Attack, the "Number One Invention in Military History," Guns), that gradually reduced these lands to the status of being their colonies.

That is, this Invention could be thought of as, "an improvement in the defense thinking that they had inherited from the Visigoths." The Visigoths' invention of Heavy Cavalry, based on stirrups and saddles, was still helping to save Europe, with its knights repulsing the hordes of Mongol lancers, that came to murder Western Europe in 1241. However, that invasion was so terrifying to Western Europe that they began widely employing that "Number One Invention in Military History, Guns," which they had invented to repulse the Mongols.

With guns Western Europe was able to go out and neutralize its mass-murderer enemies around the world.

Another Mongol army had defeated the army of Hungary in 1241 and temporarily occupied that country. Mohammedan historians love to insist that it was just some chance occurrence that prompted them to pull out of that place after occupying it for only a few months, but that, of course, is also just a rationalization.

However, Russia was not so lucky. Mohammedan Mongols enslaved Christian Russia for more than 300 years after their onslaught of 1241 A.D.

The Destruction of Baghdad

In 1255 Hulagu began his conquest of Iran on his way to Baghdad, which he took and destroyed in 1258. Baghdad and its trade facilities with the Orient, which had brought such financial prosperity to Western Europe during the past 160 years, were hereafter of no value to the Crusaders. The next year Hulagu drove through the Crusaders in the Holy Land to the shore of the Mediterranean, but he did not take it upon himself to try to take Antioch.

The Mongols had a number of persistent operating traits. They would take easy booty. It seems that they had been told where most of it was and how to get it. They seemed to have regularly slaughtered everyone of no apparent value to them, apparently to "freeze" people with a terror of them and thereby be more easily despoiled by the Mongols of their property. Apparently feeling that they had in their possession most of the easy booty of the Middle East they withdrew from the Holy Land to Turkestan, from there to perpetuate their attempts at control over the World Island.

The trade facilities of the Middle East were now either destroyed or in hands totally opposed to the Crusaders. One by one the Crusaders' enclaves were so weakened by inactivity that it was pointless for them to stay on in the Middle East. So, they began to withdraw to off-shore islands: Cyprus, Rhodes, Malta etc.

As they began to withdraw they were given encouragement to do so from the Mongols' subservient people, the Turks, who for centuries thereafter caused no end of misery for Europe. Since the next chapter is to a large extent concerned with the events in Europe which these people caused, it is appropriate to close this chapter with a section on them.

The Turks

There is a semi-continuous mountain range that is the northern border of Iran, then Afghanistan and then Tibet. From that mountain range north into the uninhabited forests of Siberia and from the Caspian Sea on the west to Mongolia on the east is the area called "Turkestan." It is roughly the same size as the European part of the Soviet Union. The eastern third of this area is "Chinese Turkestan." It is almost completely surrounded by mountains in such a way as to give it a "funnel" character. The western-tip of China is, moreover, the "hole" at the end of the funnel. And, there is a "hole" there. That "hole of the funnel" is, historically, perhaps the second most important trade route of the Earth (that in the Baghdad area, where anciently Babel stood, being the most important).

This Turkestan, the homeland of the Turks, was taken over by the Mongols in these times of which we have spoken. The Mongols used that passage of the "funnel" of Chinese Turkestan for the route of their depredations out of China and into the Middle East, Europe and India. From Turkestan, India and Indonesia the Mongols manipulated the Turks of the Middle East to busy themselves with prying the last Crusaders out of their remaining strongholds in the Middle East and then pursuing them right back into Europe.

This the Turks did with a gusto for the next nearly 400 years.

BANKING

The Post-Crusades Depression

By the end of the 1200's the Crusaders were effectively "kicked-out" of the Middle East. The 1300's, then, was a century of deepening depression, generally, but particularly for a Southern Europe that had been set up to control world trade, through the instrumentality of the Crusades, but which now had hardly any of the facilities of the Crusades left to it. It was a century of "scavenging" what was around that could keep the old machine going. The "scavenging attitude," that this produced, looked for new ways of doing and controlling things, which became the way that things were done in the world of money thereafter.

The "German Hansa"

After the Huns "sheared" the Germans off from the south coast of the Baltic, at about 400 A.D., perhaps the closest Germans to that shore were those on the west bank of the Elbe river, by where Hamburg is today.

When the Franks decided to conquer Scandinavia they crossed the Elbe in that vicinity and proceeded up the Danish peninsula until they came to a wall-fortification across the entire peninsula which the Danes had built there to hold them back. But, just to the south of that wall and to their east they had a few miles of Baltic coast in their control. This area that came under their control is the area wherein, at the end of the 19th Century, the German Empire dug the Kiel Canal for ships to go from the Baltic to the North Sea without having to go through Danish waters.

Shortly after the Crusades began the Germans accomplished the medieval equivalent of that canal with facilities for water-borne trade from the inlet of the Baltic that approaches closest to Hamburg, over creeks and ditches from that inlet to Hamburg. The city that was built at the head of that Baltic inlet was Lubeck. From that tiny toe-hold on the Baltic, Germans then expanded eastward to establish or take over all of the cities on the south shore of the Baltic all of the way over to the Leningrad area.

These cities rapidly became dominant in the Hansa. Particularly Lubeck and the cities of Wismar, Rostock, Stralsund etc., just to the east of Lubeck on the Baltic coast, became the leaders of the Hansa, since the Hansa's trade from east to west and back, i.e. between Novgorod and London etc., regularly passed through these towns in transit.

One thing "scavenged" by Denmark in the 1300's were the riches of the city of Wisby on Gotland in the year 1361 A.D. As Wisby was thus robbed it ceased to be the headquarters of the Hansa. Lubeck took its place and the Hansa was thereafter generally called, "The German Hansa," though Scandinavian cities, such as Stockholm, remained as members.

Success Among Failure

Whereas the economic successes that were Western Europe's, because of the world trade which it dominated on the Mediterranean during the Crusades, ceased when the Crusades failed, economic successes from moving world trade on Europe's "northern Mediterranean," the Baltic, initiated a period of rising prosperity for the organization operating that world trade, the Hansa. So the Baltic and the Hansa experienced a rising prosperity during the 1300's while, and in a good part because, Southern (Mediterranean) Europe was sinking into a profound economic depression.

This success among failures scene brought about a "scavenging attitude" on the part of the large North German cities, who ran the Hansa after its transfer from Wisby, in relation to the smaller members of the Hansa and others. This attitude, that does seem to be "stingy," is frequently all that is told of the Hansa.

A similar scavenging attitude on the part of the declining, erstwhile, centers of economic power of Southern Europe also began. That scavenging attitude began devising specific plans for despoiling all of the Hansa just as the Hansa's powerful were at that time taking power away from the smaller member elements of the ancient "Band."

And, this overall south-to-north scavenging attitude (goaded by the invasion of Southern Europe at this time by the Turks) produced the development that gave to the world the type of money which we know today. That development was BANKING.

The Invasion of The Turks

After the Crusaders were dislodged from the Middle East by the Turks, the latter pursued them from Asia Minor, which since the Crusades era has been known as "Turkey." Financed by their leadership among the Mongols (as those "Mongols" plundered India — where they were called, "Moguls" — for those finances in the same way they had earlier plundered China for such finances) they crossed into Europe and began taking over the various small lands of the Balkans. In this process the Turks took Constantinople and thus ended well over 2,000 continuous years of the sovereignty of the Roman State.

The Turks seemed to have been told to have a single-minded mania to penetrate into the heart of Europe and to cripple it, in the tradition of all of the Constantinople-sent invaders of Europe, from the Huns, to the Mongols, and now, to these Turks. And, they stuck to this single-minded goal except during the times of struggle for the succession to leadership among the Turks. The Turks' Succession took place by (what could be thought of as) the ("Byzantine") "Doctrine of Fratricide": upon the death of the previous leader of the Turks, his many sons by his harem would kill each other off until only one was left. This idea of, "May the best man win," insured a skilled and quite ruthless conqueror to be the next leader. One of these interruptions took place around 1618 and lasted for 30 years. This "respite" of 30 years for South Europe gave the leaders of South Europe that amount of time to stage the "Thirty Years War" to try to take over North Europe. They did not succeed, but that is the climax to which this chapter builds.

As the Turks worked their way up the Balkans to the vicinity of Vienna, the seat of the Emperor of the Germans' "Roman Empire," and to the Julian Alps gateway into Italy, the Emperor and the Pope decided to put aside their now centuries-old "authority = dirt" quarrel, relative to who has the ultimate authority to issue coins, and to start working together again.

This "working together again" is the beginning of banking.

The Beginning of Banking

The innocent guilds of Money Counters (that formed in the Crusader Cities of North Italy just prior to the Crusades and began to call themselves, "banks," when they commenced using the Arabic Numerals of "Baghdad" — "Bahnca-dad" — to count with, after the Crusades had established direct contact between them and that city), aren't really the beginning of banks as we now know them. They were simply the part of the Gild System that had been assigned to the industrial task of knowing the values of the coins issued by the Byzantines, the Arabs, of all of the mint-monasteries of Europe and of the independent coinages of their own Crusader Cities of Italy. And that is not what banks "do."

"What do banks do?"

They "CREATE CREDIT," says the Encyclopedia Britannica. Their "most distinctive feature" is this "distinctive power to create credit." (Encyclopedia Britannica, 1967, vol. 3 p. 92).

To "create credit"! "Credit" is "belief."

Banks "create" "belief"!

"Does even God CREATE belief?" No, He allows people to CHOOSE whether or not they want to believe.

So, God doesn't "create belief"; but banks do.

"Where did this 'distinctive power' come from?"

Just as Merchants' Guilds came to control the whole Gild System by their control of inter-community trade (and this because of the fact that the coinage from that trade came into those communities through them), so the Money Counters' Guilds (or Banks) came to control the Gild System through the Merchants because of the Merchants' dependence upon the Banks for the coins which the Merchants used.

Without going into an intensively technical history of how they did this, let the following synopsis do: The Gild System is built on Faith — Faith in the Lord Jesus Christ. All of the male ancestors of the European people who entered the Gild System, for nearly 2,000 years, did so by their freely-given declaration of Faith in the Savior. In the bitter, cruel, intense struggle that has been the history of the Business of the European people, the basis of the business law, which they all share in common, is still the presumption of that "GOOD FAITH," along with all of the honesty and morality that that entails, on the part of every one of them who enters into a business relationship with any other of them.

This business law, the Law Merchant, developed a "doctrine of bills and notes" to facilitate the inter-community trade of Europe. Just as the Banks (the Gilds in question) still had in their charge the ancient technicalities of money counting, changing etc., so they now came to assume control over these bills and notes, showing how they were denominations of so many specific coins, as well as establishing certain other relevant terms, that existed among the people of Europe, in their "good-faith" dealings one with another.

With this "control" the Banks had the ability to "control" the faith, the belief, the "credit" of Europe.

This new-found control over the belief of Europe was what the Emperor and the Pope grasped at as the way that they might be able to reunite Europe under themselves. They didn't succeed, but in the process they created CAPITALISM.

Capitalism

Capitalism as it began was crude next to its operation today. It started around the year 1500 A.D., under the last emperor of the Germans' "Roman Empire" who tried to make the idea of a Germans' "Roman Empire" work. After him that idea was only "on the back burner" of confused German mentality relative to that idea. Some things were always on the "front burner" in German mentality, though. Everyone knows that Germans needed to call their leader their, "Kaiser," right down into the Twentieth Century. This needs explanation.

In Old Italian Julius Caesar pronounced his name "Yoolleeoos Kaiser." The Germans always felt that they had to call their leader "(Julius) Caesar." Their confused reasoning for this was the misguided belief that "Caesars have the right to rule people who believe in Christ," citing Christ's statement, "Render unto Caesar that which is Caesar's." Of course Christ meant, "Render nothing unto Caesar; nothing is Caesar's; all is God's"; but public reasoning hasn't been able to go that far.

So this German Kaiser who ruled a little after the year 1500 AD. gave one last lunge at trying to make a reality out of Germany really being the old "Roman Empire." And, the way that he tried really does sound like something out of Ancient History. His name was Kaiser Karl V of the Holy Roman Empire. He, at the same time, was also King Carlos I of Spain.

As the King of Spain and Portugal he controlled most of the New World. He expressed little interest in it, though, other than to press for the theft of every scrap of gold and silver, to be found there, away from its Native American owners, to be coined into coins with his portrait or personal symbol on it.

If this could become, in turn, the coinage of all European business, he would be in an optimum position, with the Pope, to recapture their theoretic early medieval joint control over the mentality of Europe. They urgently felt that this was needed. It is said that all of the gold and silver that Spain took from America only amounted to one third of the money that that Kaiser received in taxes from his dependencies in the Netherlands. North Europe's trade had indeed become the controlling factor in European life and this Kaiser and the Pope were planning to

"scavenge" it. It was the desire of these two men at that time to assert their control over the trade of North Europe that was the birth of "Capitalism."

An important side issue was the fact that the Hansa's navy was far larger than any other in Europe. Should they have been able to unite for such a thing they could have easily taken control of all of the Americas and all of the rest of the newly-discovered world as well.

That Kaiser and Pope inaugurated Capitalism at the prompting of the linkage that they had formed with the institution in Europe that represented the Mongols' China Booty taken to Turkestan. Their specific goal was to shove the medieval coinage (with that Kaiser's portrait or personal symbol — which was sanctioned by the Pope — on it) down the throats of the people who at that time controlled Europe's trade. That meant, principally, the city of Antwerp in Belgium, which was at once the main center of business and trade of the Hansa (it had recently replaced the former center at Bruges, Belgium, which soon made it the largest city in Europe), the principal business center of Western Europe, AND a personal dependency of that Kaiser who ruled there in another of his positions, that of the Duke of Burgundy. This grasping at power over Antwerp forced a migration of business activity from Antwerp to Amsterdam. There the Dutch were able to stop the grasping. But, that Kaiser and the Pope that worked with him began Capitalism by getting the Bank-gilds to raise enormous LOANS, USING THE BILLS AND NOTES OF THE GILD SYSTEM, for either the Kaiser, the Pope or the Spanish crown to try to force the theory of their authority, as set forth on coins, upon either the Netherlands, or upon Germany as a whole, or upon England.

These Bank-gilds (including the activities of the Fuggers, then the Welsers etc.) characteristically rose very high and then fell when the grandiose plans of either the Kaiser or the King of Spain (such as the Spanish Armada) went down in flames.

However, just as one of the most grandiose of these plans, the Armada, collapsed, the tiny state of Venice took the cross-over step that made history. The Coinage was the product of the State, the South Europe Civilization. The Gild System was the remnant of the North Europe Civilization. This cross-over by the STATE of Venice to begin operating as a GILD, in 1587, is the cross-over that has been, eventually, taken by every country in the world, after France took that step at the height of the French Revolution.

The Death Sentence of the Hansa

The growth in the strength of the Hansa, relative to that of the Kaiser and of the Pope after the Crusades failed, meant that the Hansa had to go if the Kaiser's and Pope's plan was to succeed.

This ancient survival of the culture of the Baltic (the Hansa), now moved to headquarters in the large and mighty cities of North Germany and the Low Countries, with their bustling, growing industrial prosperity, was a formidable roadblock to these two representatives of the weakening economic power of South Europe. However, the Hansa would die if the Kaiser and the Pope would so sentence it to die. Since the days of the loathsome marriage of the Gild System to the Coinage, life was a one-way street for the Hansa organization. It had bowed its knee to the authority behind Coinage at the time when North Europe was organizing for the Crusades; the Hansa organization could not change its mind and back out now.

When the Kaiser and Pope issued that death sentence at the German Imperial Diet the adherents of the Hansa "protested." Their "protests" were the beginning of what came to be called the "Protestant" religions; and those religions would continue to survive; but the Hansa was now about to die because the ultimate authority behind Coinage, upon which it had based its existence, had now so sentenced it to die.

The various lands of these adherents of the Hansa departed and started up their own national or semi-national "Protestant" churches. The Hansa would not die willingly. Before the Kaiser could get the Hansa to die he had to go the lengths of sending his forces into the heartland of the Hansa's power, seize it (the areas on the Baltic Coast, with their hinterlands, in both directions from Lubeck) and destroy the installations that were the basis of the Hansa's naval power. The most destructive war in Germany's history was required of the Kaiser before he would be able to make the Hansa "go out of business." But, out it would go. It had committed its soul, centuries before, to the principles represented by the Pope and the Kaiser. It couldn't take it back now.

And, the Pope and Kaiser had taken steps to make sure that no Europeans were going to be able to ask for their souls back.

"How did they do that?" With the "Rebirth."

The "Rebirth"

A European gives his soul to God through principles and ordinances that are intended to let his soul be "reborn."

European Christians had been quite parochial. They didn't expect anything good out of pagans. Socrates was a pagan.

Like it or not, Europeans conducted their lives on the principles of Socrates, NOT of Christ. The Kaiser and the Pope knew that. The people of Europe had to be told. Telling them IS the difference between "medieval" times and "modern" times. NOTHING MORE!

The Kaiser and the Pope knew that, because those to whom they traced their authority to coin had effected that change (done at the time of Constantine's Coinage Reform).

But the people of Europe, particularly of Northern Europe, did NOT know that. The people of North Europe felt that THE principle of Christ, "GOOD FAITH," that was the basis of everything that they did in their lives was THE principle behind coins — NOT AT ALL the "give-up attitude" of the human race that had been institutionalized as Coinage by Babel, Lydia, Persia, Greece and Rome etc., as has been traced in this "History of Money." The question was, "How do we tell the people?"

About as emphatically as the people of Europe could stand to be told was for the supporters of the Kaiser and of the Pope to begin a public relations campaign, a "propaganda campaign." The form that that campaign took was that these adherents chose to inform the

European people that though Socrates was a pagan HE WASN'T THE DEVIL HIMSELF, he was a "human."

This propaganda campaign is "Humanism," that Socrates and his followers, though not Christians are still humans — that SOME good might be anticipated to originate from them.

To make Europe "feel good" about this propaganda campaign the Kaiser and the Pope euphemistically called this propaganda campaign the "Rebirth" of Socrates and his pagan friends (who would henceforth tell them all what to do, directly).

The Propaganda Campaign

The "Rebirth," "Renaissance" in French, is an all-stops-pulled glorification of the State, by Socrates and all of the hosts of pagan antiquity (who originated both the concept of the State and of the principal result of the State, the Coinage) — all to the benefit, of course, of those who were the heirs of the authority of the State and who issued the Coinage on that authority, the Kaiser and the Pope. Propaganda campaigns can be very difficult things to control, though. True, the Kaiser and the Pope got their message across that Europe had long ago sold its soul to the State, the State as defined by Socrates; and they very clearly got across their point that they felt that THEY WERE the State.

But, propaganda campaigns have to be carried on by human language. There are many languages in Europe. The result of that propaganda campaign that the Kaiser and the Pope started was that the speakers of EVERY LANGUAGE, WHO DIDN'T FEEL "GOOD" ABOUT THE CAMPAIGN, FOUNDED THEIR OWN "STATE," COMPLETE WITH GLORY ETC.

MODERN MONEY

"Thin Ice"

Modern politics is based upon "nationalism." Nationalism is generally an "our side is better than your side" attitude on the part of people speaking a specific language. This pugilistic attitude has been encouraged by the politicians that have led these various different language-states since the beginning of modern money.

The "rebirth of Socrates" plan of the Kaiser and the Pope, the "Renaissance," (which was intended to get the different parties in Europe to think alike again, to give their "belief or "credit," that those parties used to give to their predecessors, to united leaders of the State again) didn't work. In fact it is most honest to say that this plan of theirs "blew up in their faces" when they tried to enforce it. Germany broke up into a number of autonomous states, some with no relationship whatsoever any more to the Kaiser (such as Switzerland and the Netherlands); and, beginning in Germany, Northern Europeans became totally autonomous from the Pope.

In the mechanics of enforcing their plan, though, the Pope and the Kaiser had given rise to Capitalism, by adopting the Bank-gilds' practices of bills and notes for raising enormous amounts of money. Then, in the crisis moments of the plan, just before it became obvious that the plan might fail, the tiny state of Venice, allied with the Pope and Kaiser, took the step whereby the concept of the State moved off from its old tried and true basis of power, the words of Socrates, out over very uncertain "ice." The "water" in this metaphor is the North European culture, the rules of business. "What is the ice over that water?" The experience of the State in administering the rules of this strange culture. The thickness of the ice is the depth of perception of the State into the origin of the business rules of this strange culture. "How thick is the ice?" Not very thick.

We know where states come from. We know where their psychological controls over the beliefs of their people come from; that has been touched upon somewhat in Book One and extensively in the two parts of this Book Two. But, beginning with the extension of Capitalism by the Venice State to the founding of a "State Bank" (the forerunner of and the first of the modern "central banks") the institution of "the State," begun so long before by Socrates, now moved out over "ice" of unknown thickness. "How thick is the ice?" "How much does the State know about the origin of the business rules of the strange North European culture?" "What is the origin of those rules?" That brings up the question, "What are the origins of the Gild System?"

The answer to this last question is given as the perhaps very surprise ending to "The Story of Our Law." That ending is a "surprise ending." As we shall see, that information amounts to perhaps a complete mystery to the architects of Modern Statecraft. "How thick is the 'ice' out over which Modern Statecraft moved the concept of the State when Venice extended Capitalism to the point where the State BECAME a Gild, as the State of Venice founded the world's first 'central bank' when it founded the 'Banco della Piazza di Rialto' in 1587?" "How thick is that ice?" We will see that later on in this course. But, for right now we might say, "When the South Europe/Babel concept of the 'State' decided to risk everything and say, in addition to everything else that it said about itself, that it also knew everything about running 'Business' — the surviving part of North Europe's culture — it risked the existence of the concept

of the State." Regardless of how thick or thin that ice is, the concept of the State is now way out from shore on top of that ice. The ice, again, is the State's understanding of the rules of "Business." So, all modern Statecraft, with its novel product of "modern money," rests upon the ability of Modern States to control the reins of the dynamics of Business, which reins were taken into their hands by themselves from the ancient forces of a culture whose origin, to them, apparently, lies upon the other side of a most mysterious blackness.

Early Central Banks

The idea of a "central bank" spread very quickly from Venice to Holland. By 1609 the Dutch had founded the central bank they called, "The Bank of Amsterdam."

From Amsterdam the idea of a "state central bank" spread quickly to other Dutch cities and, by 1619, to the nearly autonomous Hansa city of Hamburg. Then it spread to other places throughout North Europe, and that calls for a comment.

The Climate for Central Banks in North Europe

The Gild System originated in North Europe. It is not surprising that the concept of the State-become-a-Gild, which Central Banks were, should have spread so rapidly through the Netherlands, Germany and then the rest of North Europe once the concept of dealing with the South Europe concept of money in that fashion was introduced.

This was particularly so since the other South Europe concept of the State was still just a "thin coat of paint" over the top of the Baltic Sea-North Sea area, anyway, and most people continued to come and go thinking of their allegiances more to their own gild or groups of gilds in their hometown, rather than to the State, which was mostly a concept that priests used to talk about in Latin before their area recently abolished Catholicism to pursue Protestantism.

Moreover, from Holland and England to Novgorod, the merchants of the area (at least all along the most important south shore of the Baltic) could perhaps all use a common language: Platt Deutsch.

However, all of this would soon quickly disappear as the central bank concept would eventually change this easy-going North German, nearly "stateless" area into the most state-centered, nervous and nationalistic resuscitated "Roman Empire" (the Nazi Third Reich) imaginable. But, that comes at the end of the next chapter.

The Thirty Years' War

The "Doctrine of Fratricide" among the many sons of the Turkish Sultan's harem demanded attention from 1618 to 1648. That gave the German Kaiser in his headquarters in Vienna, Austria, and all of his fellow adherents of the Pope across South Europe the breathing room to try to stop Northern Europe from detaching itself from its erstwhile allegiances to the Pope and through him, theoretically, to the Kaiser.

The head of the Catholic forces was Albrecht von Wallenstein. His first goal was the heartland of the Hansa, which he conquered with some ease. That was the southwest Baltic coast which the Kaiser gave to him as the Duchy of Mecklenburg. He also conquered continental Denmark and other large Protestant areas. For these and other accomplishments the Catholic Kaiser of Germany made him the "Generalissimo of the Army of the Holy Roman Empire." An army of that Empire had not existed since the Vikings destroyed the Franks 800 years earlier. Wallenstein was also made "General of the Imperial Armada and of the North and Baltic Seas."

All of this huffing and puffing was to no avail; however. Wallenstein's luck began to run out, especially after Sweden entered the war on the side of the Protestant Germans. Thereafter the Catholic side watched itself being gradually defeated from holding onto Northern Europe by force. The upshot was that the Pope and Kaiser had to be content with presiding over the "backyard of Europe" while, with Germany virtually in ashes for the next 100 years and with Spain probably the biggest loser of power, England, France and Holland entered into a race to take over the rest of the world that had now been discovered but that had been kept "off limits" to them by the previously powerful Catholic forces, which had included control over the formerly dominant navy of the Hansa.

Money Is No Longer "Money"

A very big winner in the Thirty Years' War was Sweden. And, although it did not become a world power like England, France and Holland, it became very powerful in Northern Europe (until it was defeated in a battle with an emerging Russia more than a half century later) and even did some foreign colonizing. The U.S. State of Delaware was at that time founded as the Swedish colony of New Sweden.

However that may be, it was in those days of its military triumph, in the year 1668, that Sweden established its central bank, the "Riksbank" (Reichsbank), normally called, "the Bank of Sweden." This bank holds a place of prominence in the modern world for two reasons. One is that it is the oldest surviving bank in the world. The other is, as was mentioned earlier, it invented this concept that has so totally revolutionized everything that mankind does formally, the concept of PAPER MONEY.

England's Paper Money

England is very conservative when it comes to the subject of money. The names they call their coins are the same today as when those "Easterlings," the Jomsburg Viking garrison of London, moderated the takeover of England between the Danish Vikings of Knut, Godwin and Godwin's son Harold and the Norwegian Vikings of Harold Hardrade of Norway and William the Conqueror. They still say "pound, shilling and pence"; and those were the names devised at the time of the Frank leader Charlemagne's silver-based coin reform around the year 800 A.D.

They did get a little bit "daring" when, after the Crusades, the Easterlings of the Hansa started making large four-penny coins which the Easterlings called "great (pennies)." They were called "groots" (meaning "greats") in the Platt Deutsch language of the Hansa. But, though they issued them, the English called them by the foreign name, spelled "groats" in English, rather than be so liberal as to give them an English name.

It probably wasn't nonconservative when they started making half-groats, the popular "tuppence," and certainly wasn't too much so when they let so much time go by before striking such specialty coins as "sovereigns," "guineas" etc.; but, their adoption of that invention of the Swedish Riksbank, paper money, after England founded its central bank, the Bank of England in 1694, had a very revolutionary effect.

After England founded the Bank of England and itself began issuing PAPER MONEY, it seemed like England was going to take over the world by its PAPER MONEY. The effect of that was, so to speak, to grab the concept of "the State" "by the ears" and throw it far from its first feeble steps from the shore out onto the "ice." Those first feeble steps were the Kaiser and Pope establishing Capitalism by the use of the bills and notes of the Gild System to raise great loans for themselves and then the State of Venice becoming a Gild as it founded its central bank to manage such huge loans. But, when it seemed that England would take over the World with the power it got from the paper money its Central Bank issued, this began the scramble for similar power on the parts of other States, which had the effect of grabbing the concept of the State by its ears and throwing it as hard as could be, way far out over the ice. After that scramble began the concept of the State has been wheeling and spinning out further and further from shore, over ice, who knows how thin, over this body of water, who know how deep, the ancient culture of North Europe.

There are two reasons why this throwing of the State out over the ice has been so forceful:

1. The first one is the total mystery, of what is at issue, in the minds of the people doing the throwing. "What is the origin of this Northern culture?" Apparently no one knew. All that is known is that the system of law underlying the doctrine of bills and notes that creates paper money never before had anything to do with the South Europe concept of the State. This system of law was one in which all parties were expected to deal with each other "in Good Faith," as all people of North Europe had been accustomed to doing since "time immemorial."

2. With the ability to hand out paper and have it accepted as if it were gold or silver, the Government of England was able, during the course of the 1700's, to drive its chief competitor, France, out of North America, then out of India, then to found an Empire upon which "the sun never sets," and, finally, appeared on the verge of taking everything outside of France away from it by the end of the 1700's.

La Banque de la France

The end of the Thirty Years' War found France, itself, in an uneasy position. It was "all roaring to go" to take over as much of the Earth as it could, now that Spain and the Hapsburg German Kaisers couldn't stop it anymore. On the other hand, though, the people most able to do that, who lived in the north and in the west of France, along the Channel and Bay of Biscayne coasts, specifically, who were France's principal seafarers, had a very different outlook from that of France's rulers.

These seafarers were equated by those rulers to the Swiss. The "confederacy" of Switzerland is called its "Eidgenossen" in German. The word "Eidgenossen" comes out "oo-ge-no" in French, spelled "Huguenots." These French rulers saw the primeval, Germanic,

parliamentary customs of the Swiss as the epitome of "the OTHER way to believe in Jesus Christ," or Protestantism.

These French seafaring peoples were the contemporary descendants of the Seine and Loire River Vikings who had taken over those areas many centuries before. They had clung to the ancient Nordic folkways that was "the same Protestantism that the Swiss practice" in the eyes of France's monarchs.

Therefore, the Huguenots, who lived mainly along France's coasts, were persecuted and driven from France during this period of the French monarchy's great power in the late 1600's.

However, by the end of the 1700's England had taken almost all of the French monarchy's power away from it. "What was the French monarchy to do?" The Catholic baptism of the Frank Clovis (the Franks' militia leader) at Reims around the year 500 A.D. was what France looked to as the creation of France. That was the reason that all of the kings of France were crowned at Reims, as is so widely known from the incident in the Joan of Arc story. "How could the Catholic monarchs of France gamble on stepping out unto this unknown 'ice' of Germanic, 'Protestant' gild procedure?" On the other hand, their persistence in the ancient Catholic financial procedures of the French monarchy was bankrupting France. These ancient Catholic financial procedures demanded, among other things, that no one but a real "minister," a Catholic priest, could be the Finance "Minister" of France.

Be that as it might have been, no priests, nor even any Catholics, apparently, were as capable to take over the administration of the finances of France as was a Swiss Protestant from Geneva, the son of a professor of Germanic folk law, Jacques Neckar.

After administering the finances of France for some time (though he couldn't be called "the Finance Minister" since he was neither a priest nor even a Catholic), he wrote a book entitled "La Administration de la Finance de la France," "The Administration of the Finance of France."

In that book he showed, factually, that if France was to survive financially it was going to have to reorganize, somewhat at least, along the lines of the Germanic folkways upon which England was organized.

The dynamite of that book combined with the "fuse" of the message from the American Slave States, that it was possible to totally secularize the Protestantism out of those Germanic folkways, to create the explosion of the French Revolution. The businessmen of Paris began the division of France into English "shires," called "departements" in French, "wards," called "arrondissements," and "townships" or "commons," called by that all-fateful name, "COMMUNES."

France is to this day divided up into some 6,000 "communes"; and that secularization that produced them, touched off by the secularization of the U.S.A. by the South's party of Big Slavery, is the origin of Communism.

It would take a far more fateful player in History than just one of Paris' businessmen, though, to change the State, that gave the Catholic concept of "the State" to the world, into a Germanic (and, though secularized, still Protestant in spirit) Gild. The man to do that was Napoleon Bonaparte I. He did that by creating "la Banque de la France" in the year 1800. Since

Napoleon's day emperors have come and gone in France; kings have come and gone; many, many Republics have come and gone. La Banque de la France has stayed. La Banque de la France, the gild into which Napoleon converted the French State, IS what there is to any French state after Napoleon I came and went.

DIE REICHSBANK

Prussia

Germany lay in ashes, as has been stated, for about 100 years after being torn and dismembered by the Thirty Years' War. The first German country (among the 300 tiny German states into which Germany was so dismembered after that war) to make much of a stir thereafter was King Frederick the Great's Prussia.

Prussia painstakingly put the pieces of life in its war-torn North German region back together during that period only to have it torn apart again by France during the Napoleonic Era.

However, Prussia had gained such strength relative to its neighboring German states during the reigns of Frederick the Great and its other kings during that 100 year period, that when the moment came to defeat Napoleon's France, Prussia was in the forefront.

As, along with Britain, one of the two major victors at the Battle of Waterloo, Prussia was able to enjoy a post-victory growth opportunity similar to that of Britain.

Whereas Britain, with competition from Napoleon's France out of the way, was able "to set up the world the way it wanted to" during the 1800's (in a way that even greatly outstripped its successes during the 1700's), for Prussia the way was open for a similar albeit much reduced scope of ascendancy within the traditional borders of Germany.

The Quandary

Prussia/North Germany, however, felt itself in a far greater quandary than England ever had when its moment came to choose how to operate under modern financial circumstances.

At the end of the Thirty Years' War England had a Civil War. After that Civil War English businessmen were in a position (discussed in the next chapter) to push England in whichever direction they thought would be good for business. A central bank and its paper money seemed best for business. England hit a "business-gusher" with that decision that "turned the whole world's money outlook upside down."

However in this regard England had two related advantages over Prussia:

1. — England was an island that hadn't been successfully invaded for many centuries. Prussia, on the other hand, was nearly incessantly overrun. Because of those facts, military authority was weak in England in comparison with Business Leadership. In frequently overrun Prussia the opposite was naturally true: Business Leadership was weak next to military authority.

2. — But, most of all, England had been but a "satellite" relative to decision-making during the entire experience of England with the South Europe concepts of both "the State" and "money." In Prussia/North Germany, on the other hand, that was not true. The people of the Prussia/North Germany area ARE those "Easterlings" whose money system the English have so devotedly held to for over a millennium now. England had turned the world's money outlook

"upside down" by its manipulation of the business customs of its businessmen who had from "time immemorial" looked for the ultimate authority over those business customs to the people of the Prussia/ North Germany area.

It was all very flattering, of course, to have the mightiest power on the Earth, the world's trend-setter, setting those trends by the standards of the distant forebears of a struggling, war-shocked, medium-sized country sitting on the traditional invasion route of Europe's devastators. But, to know anything more about those standards than anyone else who could read what was available to read on that subject, was a great and awesomely formidable undertaking.

And, what is more, though the English had copied their traditional money from the Easterlings, of the Prussia/North Germany area, and had historically looked for authority over their business customs to them, the people of the Prussia/North Germany area had an entirely different experience with the concept of the State, that had introduced them to money, than had the people of England. The powerful Easterling Vikings, from whom England had borrowed its traditional concept of money "second-hand," had themselves adopted that concept "first-hand." To win the Crusades they felt that they had to accommodate the North European way of doing business to the Italian concepts of the State and Money; and that they did. They "drank it to their souls." Their State, from then on, would be run by the "direct heir" of Julius CAESAR, their KAISER. The big Hansa business cities of the area were the "Holy Roman" Kaiser's personal cities, run by him directly, without any feudal middleman in between. THEIR MONEY WAS MONEY ONLY BECAUSE the image or sign (the double-headed Roman eagle) of this Roman Caesar was upon it. This was what they had long ago, when the Crusades began, agreed would be THE CENTRAL FACT of their business life; and their "noses had been rubbed into it" ever since. England had made use of this idea of money, that it had borrowed from the Easterlings; but it was such a far-away, second-hand type of a thing that the people of England were able to remain quite aloof from it from the beginning.

Still and all there was a choice to be made by the Prussian State: "Should it explore deeply the origins of the business oriented way of running life, which origins were those of its very own Hansa and by which England was revolutionizing the world?" "Or, should it stick with that old-time lie, that had so long soaked Germany in blood, that Julius Caesar's successors have the right to rule all people who believe in the Son of God?"

Though not "true" that old lie had at least been "tried" by them; and it was this latter "tried" course that Prussia eventually chose to follow.

The consequences of that choice was the demolishing obliteration of the Prussian State by the Soviet Union a little over a century later.

Freiherr vom und zum Stein

It was not, however, as though Prussia/North Germany did not ever so meticulously sift through every scrap of information available to them on both subjects before making their choice. They did. One of the most enlightened of the persons involved in that leadership, in those days of

Prussia's participation in the defeat of Napoleon, was the celebrated Prussian official, Karl Freiherr vom und zum Stein.

Beside all of the humanizing and modernizing improvements which he made to the Prussian State during those years when he essentially ran it, "Baron von Stein " (as he was often called), upon his retirement from public service, consecrated his time and means to the quest to shed any light that would have helped North Germany to turn to the less bloody of the two roads that the "choice" just discussed held open.

His efforts brought about the publication of the great documentary series, "Monumenta Germaniae Historica" ("The Historical Monuments of Germany"), which had as its ambition the gathering of all available information on the origins and history of the Germanic peoples. Thus gathered, it was hoped that someone would be able to break open this blackly dark mystery concerning the origin of these Germanic folkways, which just then were so revolutionizing life on Earth. If scientifically found and analyzed, the German people, with their ingrained sense of need to follow the "scientifically proven" optimum way of doing things, might be able to trust their existence there on Europe's invasion route to the more peaceable option.

That didn't happen at that time. The black mystery remained impenetrably black. But, one might have looked no further than Von Stein's title for a clue as to why. It was expressed in Latin — the language of the mortal enemies of the Germanic peoples. It was they who had organized the Roman Empire against those peoples. It was they who had distilled the concept of a Caesar, whose image on coins was their faith going with those coins to the soldiers on the Rhine and Danube being paid to fight those peoples. That faith, going toward those soldiers there for those hundreds of years is what MADE the concept of "money," as the world thereafter knew it. That faith was that a constant war against those Germanic peoples would relieve the Romans from having to worry about them.

"What is in a title?" This particular title was written in Latin quite naturally since nearly the entirety of all of the documents it contained were in that language. The Germanic people had, apparently, no records of itself that it could scientifically rely on except those documents coming from the forces organized to destroy them.

Georg Hegel

This sifting and picking state of mind of this time was not without some movement in the opposite, the more peaceful, direction. Georg Wilhelm Friedrich Hegel was a man, active just at this same time, who caused such movement.

Before one can understand Hegel or that movement, though, it is necessary that one understand Germany. In the first place, Germany is the land of Christ. All things, in the states that were there, in Hegel's day, had to be justified in terms of Christ. Hegel's profession was that of a university philosophy professor. Moreover, as a true German, Hegel's life was committed to finding the way to Christ and at the same time to show it to others. Also, being a North German of the Hansa heritage, he was beset with a commitment to freedom — particularly that type of freedom that Christ taught and practiced. This freedom was obstructed by the State. It is said

that in his young life he was nearly obsessed to discover the origins of Christianity and to solve the riddle "How Christianity came to be the anti-freedom state force that it was?"

Not really finding any satisfying answer, he committed his mind to a dialogue, theoretically between his mind and all other men, of how the minds of all men would inevitably come to the freedom that Jesus will give them. THE POINT IS THAT HE EMPHASIZED THE ROLE THAT THE GILD PLAYS IN THIS LIBERATION, The Hansa superstructure over the Gild System had been dead by then for about 150 years. Moreover, the gilds themselves would soon disappear when the Prussian State would make its fatal move to reinstitute its "new Roman Empire" over all of Germany. But, Hegel's emphasis on gild life would eventually contribute to other large-scale social undertakings.

The main thing to remember, in order to be able to sympathize with the plight of these Germans at that time, is that the impact of their ancient folkways, that had just subdued their country under Napoleon and were now starting to rock the whole world, got their inspiration from the SECULARIZATION of those folkways.

Now, their identification of these folkways with Jesus Christ, and in particular the identification of the GILD SYSTEM with Jesus Christ, in the minds of all who had shared in the leadership of the Hansa, was absolute. These Germans of Prussia and North Germany were "soul-shocked" that anyone could conceive of "secularizing" the heart of their most deeply felt religious persuasions.

And, that is the main reason why the soul-shocked public consciousness of Prussia/North Germany at length saw no way for Germany to put its mind to the task of its advancement, except by bringing out of the crypt and dusting off the idea of uniting Germany as a "new Roman Empire" with the Prussian kings as its Kaisers, when events finally led to that possibility after Bismarck's forces had defeated those of Napoleon Bonaparte III.

The Founding of The Reichsbank

The Prussian Chancellor Bismarck had the King of Prussia proclaimed the "Kaiser" of a new German Reich as "Wilhelm I" by the assembled princes from the rest of Germany at the Versailles Palace on January 18, 1871, after Prussia defeated Napoleon III. The wheels were then put in motion to transform the Bank of Prussia into the Reichsbank in the year 1875.

The renowned American author on management, Peter F. Drucker, says that, "the rise of large scale organization ... occurred simultaneously — around 1870 — in two places. In North America the transcontinental railroad emerged as a managerial problem. On the continent of Europe, the 'universal bank' ..." This "universal bank" was the Reichsbank. And the story of the collision of these two "large scale organizations" is the story that we will encounter from now on (till the end of this Book) as the end of the History of Money.

But, before we get into this tale of the "end of money" let us review once more our thesis of the choice of the North German people that brings on that "end."

The "Choice"

From immemorial time the people conducting their business on the Baltic Sea have made every decision, in theory, on the basis of what they felt that their GOOD FAITH in Jesus Christ demanded. Those people conducting that business called the organization that coordinated their activities, "the Hansa."

In the mid-1300's the headquarters of the Hansa was shifted from an island in the middle of the Baltic Sea to cities on its southwest shoreline, the north coast of medieval Germany, or the "Holy Roman Empire," as it was known.

The Hansa was the "superstructure" over the Gild System in the North Sea/Baltic Sea area.

Innovations in the section of the Gild System that is called "banking," which innovations are called "Capitalism," then the development of states becoming gilds as "central banks," then finally paper money, were all developments that were adopted by England with phenomenal successes by the 1700's. After the independence of the U.S.A. the Southern Big Slavery Party succeeded in SECULARIZING the business procedures of Northern Europe, even though those procedures are based on "good FAITH."

These two things in combination, the success of England with those developments and their secularization by the Slavery Party, caused France to adopt these two things in a changeover that was called, "the French Revolution."

Nearly the whole world began going over to these two things in combination and a building pressure started within the state controlling North Germany to join into this changeover.

This changeover was to remove Jesus Christ from the way that the people of the North Germany area had from time immemorial held his worship as the centermost thing in their lives. The strength of this changeover was a shock to the people of North Germany, beside seeming very "dirty" in its inspiration by American Slavery.

On the other hand they had to establish a central bank to compete in the modern world.

There was a most spirited attempt to break through the clouds of mystery obscuring the origins of North Germany's folkways. One of these, by Hegel, proclaimed a belief that mankind would eventually somehow fight its way through to enjoy Jesus in the circumstances of the FREEDOM that both He spoke of and which WERE the results of the business procedures of North Germany, based upon Good Faith in him by its people and which procedures, alone, were the objects at issue, of this great changeover. An element in this proclaimed belief was the role that the Gild System would play, in this "fighting a way through." And, although the Gild System had already disappeared over most of Europe, and would soon also disappear in Prussia, the idea of this "struggling through" to the ideal freedom was corrupted into Socialism. The spirited attempt to break through the cloud of mystery bore little other fruit. North Germany had to join in step with the rest of the world. Their choice was to:

1. Expunge Jesus Christ from the heart of their national life and practice it in the future in a secularized fashion,

2. Break through the cloud of mystery to scientifically show how the Slavers of the U.S.A., who started the secularization, were wrong, or

3. Establish a central bank upon the basis of the old, beat-up, blood-stained lie that the Roman Caesars had the right to rule over every aspect of the business procedures of a people bearing faith in the Son of God.

Of course they couldn't bring themselves to such a heathen point as the first required.

They weren't able to do the second, hard as some tried.

So, they chose the third.

The choice having been made, it was then incumbent upon them to make it work.

Making "It" Work

The Prussians organized all of the old Holy Roman Empire (Medieval Germany) except the Netherlands, Belgium, Luxemburg, Switzerland and those parts of that old Empire that were still ruled directly by the family (the Hapsburgs) that had ruled all of that old Empire indirectly, into their new Empire. The Holy Roman Empire had been the "First Reich"; this Prussian-run Empire was the "Second Reich," and Hitler's regime, established after the Second Reich had lost the First World War, was the "Third Reich."

They were able to do this after winning a short war against the Hapsburgs and their Austria and then by defeating Napoleon III's France in the Franco-Prussian War.

They had great resources to put into the service directed by the Second Reich's new creature of a Reichsbank. That bank would be so big that, along with the great transcontinental railroad of the U.S.A., it would be the beginning of the "large scale organizations" that lead modern industry.

"What would its goal be?"

The same as that of the transcontinental railroad of the U.S.A.

"What was that?"

The conquest of China.

The Conquest Of China

Put yourself in the place of a North German businessman in the year 1870.

Your country, after being beaten to the bottom of things in a war that began 250 years ago, was FINALLY back in the "lead" again.

250 years earlier the Hansa's fleet was the world's largest. North Germany at that time had been the center of business for Northern Europe.

After being out of the picture for 250 years, struggling to put its life back into an operable order, things had changed. And now, tiny England had the largest fleet in the world. "What had they done with it?" Conquered the second most populous country on Earth and made themselves extremely rich by directing the businesses inside of that conquest.

As a North German businessman of 1870 you might say, "We could build up a bigger fleet than England again; but then, what would we do with it?"

The answer with a conversation partner with only a little imagination might be obvious.

"Conquer the most populous country in the world and make ourselves rich by directing the businesses inside of that conquest!"

There was a very obvious difficulty in doing this, though, and of course our hypothetical but imaginative German businessmen knew this only too well.

There was no way that Germany could exert a controlling influence on the Atlantic Ocean. England was supreme there. It had taken that control during the 1700's and driven its competitors for that control off of the water. The financial catastrophe that France experienced upon losing that control was the reason for the French Revolution. Napoleon had tried to block the English Navy out of the Mediterranean, build up France's naval power there, dig the Suez canal, get a French Navy into a well-supplied situation in the Indian Ocean (where it had a chance to compete with the British Navy on somewhat equal terms for control over the commerce of the Asiatic countries) and just ignore the Atlantic Ocean. This failed with Napoleon's naval defeat at Trafalgar.

Recently, Napoleon's "nephew," the Emperor Napoleon III, had just succeeded in digging the Suez Canal. But, with his recent defeat by Prussia, France was in no position to undertake grand designs; and Britain took over control of the Suez Canal from France.

So, for Germany to launch any grand design it would have to ignore both the Atlantic AND the Mediterranean-Suez route.

"What was there left?" Well, they really didn't have to use that much imagination. The ever-inventive British were pushing the model of the plan (that the Germans would eventually adopt) in the U.S.A., with the recent winners of the American Civil War.

Why The American Civil War

The money interests in the American North and in the South had conducted a "cold war" from the very beginning of the country for a position of dominance within the U.S.A., for their respective Economies. This became "hot" as these two Economies — one based upon free-holder agriculture, the other based on slavery agriculture — competed for the control of the territory through which a transcontinental railroad could be laid to the Pacific coast ports in California.

A Southern president had sent Southern generals to Mexico City to conquer Mexico so that the South could annex the north half of Mexico, introduce its slavery variety of agricultural economy there and therewith finance the building of a railroad through that territory to the California ports. This plan was vehemently fought against by Northern leaders in Congress. They lost in Congress, but while the Southern generals were straining to win "this most unrighteous war" (in the words in Congress of the former Northerner President, John Quincy Adams) in Mexico, Northern sea captains sailed around Cape Horn, took the prize, California, and promptly made it a "free" state. The fury of the leaders of the South's Economy at this loss continued to build until they eventually started the Civil War over it.

The Eastern Pacific Ports

The Northern sea captains, on the other hand, lost no time in showing why these California ports were so strategic to the world's economy. They immediately outfitted a fleet in San Francisco Bay and sailed westward to force their supremacy over the economy of Japan.

The Japanese were aghast. For centuries the "foreign devils" had been coming to grasp at control over their economy; but they had had to come all of the way across the Atlantic, then Indian, then Pacific Oceans. Now here was a strong fleet of the foreign devils come directly from the eastern shore of the Japanese's "own" ocean, the Pacific. The Japanese almost immediately divided Japan up into Germanic shires, wards and communes (following the model that France instituted in the French Revolution) and erected a modern European paper-money economy over that base that, eventually, was a carbon copy of the way the North Germans established their Second Reich.

However, Japan was only the "appetizer." The "real meal" was the subjugation of the entire economy of China, with its hundreds of millions of hard-working people, to the economy of some "lucky" country of these European foreign devils. The British were intent that they were going to be those "lucky" ones, again, as they had been in India, so they had the Bank of England provide the money to finance (and control) the American transcontinental railroads to the Pacific. This was one of the two first large-scale organizations to dominate modern industry.

The Other Large-scale Organization

The other large-scale organization was, of course (as had been said), the Reichsbank.

What was its plan?"

It would build a transcontinental railroad from Berlin south through the Second Reich, then south through the territory of its ally, the Austro-Hungarian Empire, and then on through the territory of a new asset that it had acquired to the southeast, the old, crumbling Turkish Empire, where that railroad would terminate at a portion the Persian Gulf. There they would be able to build a German Navy that could dominate the Indian Ocean, far away from Britain's North Sea control of the Atlantic. From there they could take over China.

And, since there was no foreseeable reason to wait, they immediately began the takeover of Chiachou Harbor, at the base of the Shantung Peninsula (present-day Tsingtao), from which point, the military key to China, they would be able to conquer China. (It was from this point that Japan, after declaring war on Germany during the First World War and annexing Chiachou to Japan, eventually conquered most of China during the 1930's and 1940's.)

Protest

This typically most-thoroughly thought out German plan began to work "like clockwork." The competitors of Germany, with their comparatively smaller "large-scale organizations," their central banks managing the activity of their money, could only protest and hope that something would go wrong with the German plan and then try some other hasty grand design that could take the advantage away from Germany should that something happen.

The dismayed French, smarting from their recent defeat by Prussia in the Franco-Prussian War, had to try anything. They landed on the concept of sending virtually all of their export capital in the years between their defeat in that war and the beginning of the First World War, that is between 1871 and 1914, to Russia. The primary use of these funds there was to finance the building of a transcontinental railroad across Siberia to a terminus at the tip of the Dairen Peninsula, at Port Arthur, which is directly across the Yellow Sea from the Shantung Peninsula (the two peninsulas "closing off" the access from Peking to the rest of the Yellow Sea and to the open Pacific).

England tried the hasty and, as circumstances came to prove, silly move of trying to build a port for themselves on the north tip of the Shantung Peninsula, just across the Yellow Sea from Port Arthur, at Wei Hai Wei. It was such a "disastrously" expensive and wasteful project, to try to carve out a tenable British position there, that the opposition party in Parliament called the place, "Woe, Woe, Woe."

The Roadblock

In the way of this meticulously conceived plan for the takeover of China by Germany and the subsequent dominance that would mean for the Reichsbank's paper money, there was only one real roadblock.

Either the Second Reich or its "allies," the Austro-Hungarian Empire and the Turkish Empire, held sovereignty over almost all of the territory where track needed to be laid for a profitable and feasible rail route for the "Berlin to Baghdad Railroad." That was the name of the project that was the heart of the Reichsbank's "large-scale" plan. They held sovereignty over ALMOST all of that territory. The tiny segment of territory needed to lay that track, over which they did not hold sovereignty, was that segment going through the small Kingdom of Serbia.

After the First World War Serbia was rewarded for its part in stopping this large-scale plan by being expanded to become Yugoslavia.

You may recall, from earlier in these Books, that the Drin River of Yugoslavia was the dividing line between the Latin-speaking west half and the Greek-speaking east half of the

Roman Empire. In modern times the people living on both sides of this river speak the same language; but those on the west side write that language with the Latin Alphabet and belong to the Roman Catholic Church while those on the east side write that language with the Greek Alphabet and belong to the Greek Orthodox Church: the church which in those days looked for military protection from the leaders of the Russian Empire.

Russia had suffered a massive setback when it lost the Russo-Japanese War in 1905. At a tremendous expense of French export capital and Russian labor the Trans-Siberian Railroad had been built from Europe across Asia to Port Arthur. It was a long "straw" with which the French and the Russians had been planning to suck the cream off of the top of the "milk bucket" of the Economy of China. In winning that war the Japanese had effectively "tied a knot" in the end of that straw. The French were furious. The Russians were furious. But, the Russians' fury was approaching desperation.

Russia was nearly devoid of the business talent needed to make and lead the "large-scale" business "organizations" that were taking over the world. There was almost no capability in Russia that was able, on its own, to create the capital needed for "large-scale" undertakings.

Its own attempt at something of that nature had resulted in the Japanese easily sealing off their eastern approach to important economic advantages in the Pacific. Now, to the south, the smoothly-running plan of Germany was turning a weak Turkey (that couldn't effectively keep it from access to the world's commerce through the seas to the south) into a very significant puppet state of the Second Reich that was "walling up" that access most effectively.

When Serbia appealed to the Russian Empire to keep Austria-Hungary from absorbing it, after a Serbian killed the heir of the Austrian Kaiser, Russia acted out of desperation to stop the economic development of the Berlin to Baghdad Railroad that was walling up "the tunnel at the end of which was its last hope." It mobilized its Army along the frontier it shared with Austria-Hungary. But, its clumsy mobilization plan called for a simultaneous mobilization along its border with the Second Reich, which was a "casus belli"; and the First World War began.

The War

The line-up in the War was no surprise: it was the builders of the Berlin to Baghdad Railroad, that is, those who would benefit from it, against all of those who wouldn't.

The U.S.A., of course, wouldn't benefit from it. It was a junior partner of the Bank of England in the alternative, or the other, "large-scale organization" for the conquest of China, the transcontinental railroads of the U.S.A. It was only a matter of time before they got into the war on the side of the people who buttered their bread.

The Federal Reserve System

The almost incomprehensible ignorance of all of the citizens of the U.S.A. as to the origin of the business procedure that they use, that they enthusiastically call, "The Free Enterprise System," is dealt with in the next book.

This ignorance is explained in part by the relatively tremendous geographical distance separating them from the more recent historical headquarters of that origin in North Germany.

But, just as the North Germans had trouble with the idea of adopting a post-French-Revolution central bank, because of the anti-Christian agnosticism that they felt that brought to them, in the light of their background, so the people of the U.S.A. had defended themselves from letting their money become a "mindless wildness" by two provisions in the document of its "Constitution."

One was the provision that, "No State shall ... make any Thing but gold and silver Coin a Tender in Payment of Debts ..." How the U.S. Congress, that has NO authority except that which comes from that document, is able to make any paper money a "tender in payment of debt" is an unexplained clinging to some hope that the origin of the business procedures of the North German Hansa will somehow bail them out; or else their action is a "mindless wildness" already.

The other defense against mindless wildness running the U.S. Economy was the provision in the Constitution that made the U.S. Senate the body representing the accumulated economic wisdom of the legislatures of the various states. It did this by making senators the very economically responsible direct representatives of those legislatures, rather than just another body of representatives of the economically skill-less "man on the street" — such as the character of the House of Representatives allowed it to be. These old "representatives-of-legislatures" senators, with all of the vast store of economic wisdom and experience which they possessed, would never have voted for the establishment of the mindless wildness that the Federal Reserve System proved itself to be almost immediately after it was founded. And, those Americans who were intent on leading the competition from their "large-scale" organization, against that of the Reichsbank, knew that — although they probably couldn't have conceived of the mindless wildness that the Reichsbank would become when it came upon difficult times, especially so when it was in its death throes.

Mindless Wildness

Former U.S. Vice President Nelson Aldrich Rockefeller's "other grandfather" was Senator Nelson Aldrich. Aldrich was the political agent of that former Vice President's more famous grandfather, John D. Rockefeller, Sr. Headed by Aldrich in the Senate, the American people were manipulated to believe that their old tried and true Senate had become "un-democratic" — that all senators should be the direct representatives of the perhaps economically skill-less masses, rather than of the combined economic experience of the state legislatures, as the "Founding Fathers" had provided. That made sense to the comparatively less economically skillful man on the street who supported the ratification of the 17th Amendment to the U.S. Constitution on May 31, 1913.

As soon as the Senate was thus cut off from its previous base of economic wisdom. Nelson Aldrich pushed through the passage of the Federal Reserve Act, which was signed into law on December 23, 1913.

This Act, coupled with the authority made available to the Federal Reserve System by his other brainchild, the 16th Amendment, that was ratified on February 25, 1913, issued in the era of America's mindless wildness with the concept of money.

At the end of the Civil War the U.S. National Debt was 3 billion dollars. This had been reduced to but 1 billion over the nearly 50-year period intervening up until that time when the Federal Reserve/central bank took over the management of U.S. money. In the first six years of its existence that figure shot up to 21 billion. In 1982 it is at the 1 trillion dollar level and careening toward the brink of totally mindless wildness.

The Liberty Bond Drives

The 21 billion dollar National Debt that the Federal Reserve made possible was the result of acceptances by the U.S. Treasury of \$21,435,370,600.00 subscribed to during the five, war "liberty-bond" drives of 1917, 1918 and 1919.

It was calculated that the total net war expenditures, by both sides, during the First World War amounted to \$210,935,000,000.00. That is about ten times the amounts raised by the Liberty Bond Drives. Those Drives, however, were so much different from every other source of income spent by the warring parties that they are identifiable as the entities that are apparently going to be the destruction of the concept of money.

Each of the warring parties, of course, taxed its citizens to their limit in order to pay for the war. The U.S.A., also, through the use of its recent hastily acquired theory relative to income taxes on corporations, paid about 1/3 of its costs incurred in waging the war by taxes.

All of the warring nations seemed to have used every stratagem that they could think of to raise the funds that they needed to survive. They borrowed huge amounts from whomever they could. (If one will only remember that these dollar figures are from the days when gold sold for \$20.60 an ounce one can see, from this single point of view, that that money was worth 20 times as much as money in 1982, when gold seems to bounce around a sales price of somewhere in the vicinity of \$400.00 an ounce).

The U.S.A. passed the 100,000,000 population mark in 1917. That \$21,000,000,000, therefore, was \$210.00 from every man woman and child in the country. Using only the gold inflation rate, of twenty to one, that would have been a loan by every soul in the U.S.A. to the U.S. Government of about \$4,200.00, \$16,800.00 from the average family of four or \$420,000,000,000.00 from everyone.

This 21 billion dollars was integral to the basis of the standard of living of the American public.

Going out to get that basis of that standard of living were the financial leaders of the U.S.A. now become the heirs of the founders of Babel in an ultimately current sense. And, they were out there "playing for keeps" with "the big boys." One has to remember, though, that they were very inexperienced.

They were going to go out and "make a DEAL" with the American people, a "good deal" for those people. They were going to borrow all of that money from them, INVEST it, and then pay it back in ten years with a substantial, tax-exempt interest.

The "end of money" now raises its head when the very inexperienced American people were being directly approached by these big dealers without benefit of their traditional protectors, the representatives-of-legislatures senators, which the founding fathers had provided to protect them from shysters. In their innocence, they were being told that they were being asked to invest their savings and were being assured that they would be repaid with interest. They were being given these assurances by the most well-know Americans, movie stars etc., that they had ever heard of. "What were they to do?" They "invested" their savings. Their straight-forward belief that they would be paid back is what is at this time ruining the concept of money.

An old-fashioned representative-of-a-legislature senator would have applied old-fashioned shyster-protection routines. He would have asked questions like: "What makes you so sure that you are going to be able to pay them back in ten years?" "Where do you plan to get this 420 billion plus interest from?" "Certainly not for 1920's scale corporate income taxes?" "And besides, what do you mean INVEST in a war?" "You don't INVEST in a WAR. A WAR is a TOTAL GAMBLE! Everybody loses. You build explosives, send them over 'the pond'; they go 'pop'; and there the basis of the U.S.A's standard of living goes 'pop.'"

Unfortunately the old-fashioned senators were no more; they had been shorn from their base of power by the shysters involved. However, if one or two of them had still been around and could have pressured an answer out of the shysters that ran those Liberty Bond Drives, the answer that they might have gotten may have been something like this:

"Listen, our dollars aren't coming in at the beginning of this contest. The War is nearly three years old and both sides are approaching financial exhaustion — with the Central Powers in the middle, the Russian Empire on the Eastern Front and Britain and France on the Western Front. However, the Russians are done. They are spending \$47 million per day (remember to multiply that by 20) and are nearing collapse. Now, if they collapse there will be no more Eastern Front. With no more Eastern Front the Germans will be able to turn all of their attention on just Britain and France. And, since the Reichsbank is far stronger than both the Bank of England and the Banque de la France put together, the Reichsbank will win. "So, the Bank of England and the Banque de la France have made us a FABULOUS DEAL, if only we act immediately, build an 'Arsenal of Democracy,' and ship ammunitions manufactured from about 1/2 of the proceeds from the Liberty Bond Drives to the Russian Empire." The answer from the Senator: "What do you mean 'Arsenal of Democracy'? You mean an arsenal for the continued senseless slaughter of helpless Christian people."

"Shhh. We know. But, we aren't going to tell the American people. We are going to send the munitions made from about \$6 billion to Britain and those made from about \$4 billion to France. Neither of them will use any of it but will re-ship it up around Norway to Murmansk, on the Arctic Ocean, and, from there, supply Russia to keep up an Eastern Front. The beautiful thing about this arrangement is that the Bank of England and the Banque de la France GUARANTEE the repayment of every dime."

"What collateral do they have?" the crusty old-time senator would have asked.

"Oh, this is beautiful; their collateral! The Banque de la France has built the entire Trans-Siberian Railroad. As a matter of fact nearly all of the export capital from France for almost the last 50 years has gone to the Russian Empire. Of course the Russian Empire has had to go into 'receivership' because of war expenses so the Banque de la France is PUTTING UP NEARLY EVERYTHING INDUSTRIAL IN THE WHOLE RUSSIAN EMPIRE AS THE PRIMARY PIECE OF COLLATERAL FOR THIS DEAL. ISN'T THAT FABULOUS? Beside that we are getting a second mortgage on the war-bankrupted British and French colonial empires."

The Reichsbank's Life Insurance

Of course there were no more old-fashioned senators to ask these questions, so the U.S.A. loaned half of the monetary basis of its standard of living through Britain and France to the teetering Russian Empire.

In spite of that infusion the Russian Empire still lost the War. The U.S. reaction was swift. The second half of the standard of living of the U.S.A. was shipped to the Western Front to win the War and also to stop Germany from stealing the collateral for the first half. Good money thrown away after bad.

At this point the Reichsbank had to take out a little life insurance.

There was no way that their Western Front was going to hold up against this powerful late onslaught from the U.S. Economy. The U.S. Economy had declared war on Germany. Germany would have to destroy that Economy if it was to survive.

To "take out this life insurance" the Reichsbank took advantage of the services of one of the most total traitors of his native land that is known to History: Vladimir Ilyich Lenin.

The Reichsbank's emissaries approached Lenin in his exile in Switzerland and asked him if he would betray the people of his native land to their mortal enemies if the price was right. Lenin said, "Sure."

The Reichsbank said, "We will send you through Germany in a special, private railway car to Sweden. You will cross from Sweden to Finland, meeting others there. From there you will proceed to Finland Station in St. Petersburg. There you will proclaim Russia's Communist Revolution. Your message is simple. If the Russian people agree not to pay the Yankees back their 9.5 billion dollars plus the astronomical interest on that loan and make that their official government policy, the German Government will make peace with such a Russian government. Also, tell them that if they don't do it we will tell the German Army to start slaughtering them, and we'll start with you."

Lenin went to Russia and proclaimed his Revolution.

He set up a government that really had only one doctrine: "Don't pay the Yankees back."

To their everlasting discredit the Russian people went along with this defrauding of the U.S. bondholders, long after Germany's threat was no more. Their moral turpitude at not repaying the people who had saved their lives at the moment of their despair is enormous.

Today if one travels in Russia the people there delight in pointing out the brooding stone monuments which they have built to the mystique that they have created around Lenin, which mystique is the only thing approaching worship that they now carry on.

Nearly as much as they love saying what reverence they all have for Lenin, they love to "bellyache" about the 20 million Russians that were slaughtered by the German Army in the Second World War. It seems to be beyond them to comprehend that if it hadn't been for Lenin's treason with their First World War enemy, there could have been no Second War and no 20 million Russians killed because of him.

When Lenin's Bolsheviks proclaimed their bright, new message, that they weren't going to pay the Yankees back, the American big dealers said, "But, you've got to pay us back. We have to pay the American people back with interest in 1929. We will have a huge Depression in our country in 1929 if you don't pay us back." The Bolsheviks, and what was surprising, such a large number of the previously apparently decent Russian people, said, "We have been totally flattened by this War. We will have a Depression here for a hundred years if we try to pay you, so we are just going to steal all of the Frenchmen's property, your collateral, and start thinking about 'Old Number One.' Besides, Communism says that we are doing the right thing."

American politicians, in general, don't seem to have anything particularly terrible against Socialists. Socialists who think that their brand of Socialism excuses them from paying back solemn obligations to the U.S. Government, that is to say Bolsheviks, have been an anathema from the beginning.

1929 came. The American big dealers and their Federal Reserve System had no funds to pay back an expecting American people. They weren't going to get paid back, full faith on their part that they would be paid back, or not. The American securities market collapsed. The U.S. Economy crashed. The Reichsbank's life insurance policy had paid off.

Immediately the Reichsbank had a non-discharged German soldier, retained by the German Army on its rolls after the First World War, Adolf Hitler, put Germany back into the position it had been in before the U.S. Economy had stepped in to stop the Reichsbank in its conduct of World War One. World War Two was only a continuation of World War One after a twenty year interval, thanks to the Reichsbank's life insurance policy: V. I. Lenin and his Communist Party. And, one part of that continuation was the slaughter of 20,000,000 of Lenin's admirers, thanks, more than to any other man, much more than to Adolf Hitler, to V.I. Lenin.

COMMUNISM

Niccolo Machiavelli

Communism is not at all hard to understand, if one only first understands what it is that they are talking about.

There was once a man who lived in Italy whose name was Niccolo Machiavelli. He lived there from 1469 to 1527. This was the time when the Turks took over the area that would allow them to walk right into Italy any time that they wanted to. This was a terribly disconcerting situation for everybody who lived in the area, but it worked with a particularly telling effect upon the mind of Niccolo Machiavelli.

He asked why Italy didn't have mighty conquerors at their head like the Turks have. They used to have mighty warriors like Julius CAESAR. Now all that they had was a crazy German KAISER; and he was no great warrior; he and his predecessors for the last hundreds of years had just spent their time quibbling with the Popes over who really had the authority behind the Coinage of Europe.

Niccolo Machiavelli said that there was no more time. Time had run out. It was now imperative that Catholic Europe have a defender like the warriors of old to keep it from falling before the mercilessness of these unforgiving erstwhile opponents of Europe in the Crusades. The time had come for a real European fighting leader of the old stamp, and Niccolo was perceptive enough to see what had to be done to get one.

He hearkened the minds of his listeners back to the very beginning of European civilization. "What was that?" It was Aristotle's concept of how the terribly energetic politician is in harmony with the Energy, that makes the One-spin spin, at that precise moment when he gets his correct hunch that makes him a great politician. "But let's face it," Machiavelli said, "What is it that this correct hunch gives him the impulse to do that is the power that in turn is the basis of European Civilization?" "Well, that is easy," he said, "it is an impulse that impels him to just get up, go out, and GRAB that power."

"This is the ultimate basis of our Civilization," Machiavelli said, "a true leader who just goes out and GRABS THE POWER, far, far from just sitting around and quibbling about it."

This made a most profound impression on the Pope and Kaiser, for they could see the uncontestable logic of his reasoning. However, though Niccolo flattered himself that he was a profound thinker on the subject of "statecraft" still and all he was only an "upper-middle rank" public official and wasn't able in any way to be aware of all of the points at issue which the Pope and Kaiser could see.

These two traditional leaders of Europe did reconcile at that time. They did reconcile differences and did commit to a joint effort from then on. But, what Machiavelli was urging them to make their GRAB for was the very highest of stakes so it had to be done in just the right setting.

Just the right setting was the "Rebirth of Socrates" scenario wherein all of the Christian people of Europe were introduced to the heart of the statecraft by which they were governed.

The high, high "stakes," of course, was the power to control the credit-belief-faith of the Christian people of Western Europe, something which had long since slipped out of the control of their offices during those centuries of quibbling and into the control of the Gild System. It had to be taken back if there was ever to be any real "leader" in Europe again. Machiavelli had convinced them that the true way to get it was to GRAB it. So they tried. They failed.

Their Failure

When the Pope and Kaiser met entrenched resistance to their attempt to GRAB the power to control the credit-belief-faith of Europe, they said to the resisters, "How dare you try to stop us; we are the persons traditionally in control of the faith of Christian Europe; get out of our way."

The answer to them was, "What did you ever have to do with the Gild System? Nothing. What do you at present have to do with the Gild System/Banks of Europe that control the credit of the people of Europe? Nothing. As far as we are concerned you are nothing more than another couple of potential bank robbers whom we will shoot on sight if you make a false move at our 'banking resources.'" That was that; they failed.

With this specific separation of the two parties, that is, the Gild System from Catholicism (which, theoretically, had had the general authority over such things as the banking facilities of those times) that separation is considered to be the cross-over from medieval to modern times. Many felt that there had to be some accommodation. The instance of events in England can show us one such accommodation.

England's Problem

When the people of England reacted to treat the attempt by the Kaiser and the Pope to GRAB the power to control the credit resources of England as nothing but the attempt of another couple of bank robbers, they had to have someone to take their old places. They decided to let King Henry VIII do that.

Though this elevation of the English monarchy to that role did address the problem, it didn't answer it at all. The problem still had to be answered.

Simply put, the problem was this: "Who has the right to exercise control over the credit-belief-faith of the Christian people of England, given that the traditional claimants, the Easterlings' Kaiser and the Pope don't have that right? And, where and when did anyone that you do suggest get that right?"

This produced a little overdone monarchy adulation in England for a while, but England found that it was able to muddle its way through that period.

What really changed things was when the showdown war between the Kaiser and Pope on one side and the Hansa on the other side broke out in Germany in 1618.

The Hansa was being destroyed, the English people were being permanently alienated from the Kaiser and the Pope; and the question that had been put off before, now urgently needed attention. "Who has the right to exercise control over the credit-belief-faith of the Christian people of England?" There were no answers that satisfied adequately. The members of Parliament quarreled and divided into factions. The Factions quarreled.

That faction in Parliament which stood for a continuation of total monarchy adulation, that is, that they continued saying that Henry III's successors were the legitimate heirs to the claims of the Easterlings' Kaisers and of the Popes to the power to control the credit-belief-faith of the Christian people of England, lost first. This was the Episcopalian Party. Their leader, the Archbishop of Canterbury, also, soon lost his head for pushing for this continuation.

The next party in Parliament that lost was that which pushed the rights of all of the priests of the religion of the people of England to administer the power to control the credit-belief-faith resources of the people of England. This was the Presbyterian Party. It lasted long enough to propose one grandiose plan before it collapsed.

The party that prevailed was that of the organized congregations of each of the townships of England; that was the Congregationalist Party. They beheaded the King (King Charles I) and ran England for a while like it was a "U.S.A. of England." But, the leaders of these congregations of the Christian believers of England had NO suggestion for how to permanently manage the power that controlled the credit resource which the Christian belief of these people generated. When the very gifted military leader of the Congregationalists died, all of the people in Parliament were forced to come up with the idea that has managed that power ever since.

England's Idea

The idea they came up with to manage that power in the future was to take up the firm resolve that they would NEVER TALK ABOUT it any more. They would in fact keep on managing that power, but if forces in England jumped upon them too hard asking them where they thought that they got the authority from to control the Christian faith of the people they would motion to the monarch.

That would get those forces off of their backs for a breathing space — while those forces were pestering the monarch as to where he thought that he got that authority from — to figure out a way to get rid of them again when the monarch motioned back to the Parliament, after those forces had worn him out.

So, this was England's idea for how to manage the power controlling the credit resource generated by the Christian faith of the people of England: to throw it back and forth between the Parliament and the Monarch like a "hot potato."

Political Parties

Still, as anyone gets to know who witnesses this hot potato tossing in England for any length of time, the functional management of that power in question rests with the Parliament, just as it always has since the congregations from England's townships had begun to run Parliament directly.

That brought up the solemn question of who it was who has the right to manage that power within Parliament or who, for that matter, has the power to manage Parliament.

This provoked the Earl of Shaftesbury to put on his thinking cap to come up with the answer that the whole world has had recourse to since. He hearkened the remembrance of his colleagues back to that time of the scrambling for power in Parliament between the Episcopalians, the Presbyterians and the Congregationalists. He wanted to organize them just like one of those groups to GRAB control over the whole Parliament.

"But," one might say, "the 'Episcopalians,' 'Presbyterians' and 'Congregationalists' are churches (trying to be 'the English Church' of the Magna Carta)!" "Well, maybe so," the Earl of Shaftesbury said, "but all that I have in mind is the fitting vehicle with which to GRAB that power to control the credit-belief-faith of the people of England as it rests in Parliament on the 'hot potato' basis that it now does."

That organization, so organized by the Earl of Shaftesbury to make that GRAB, was the world's first POLITICAL PARTY, the "Whig Party." ALL POLITICAL PARTIES trace their origin back to it.

Secularizing

This now brings us to the heart of this chapter on Communism.

"Essentially, what was it that lost out when the Kaiser and Pope listened to Machiavelli and made their GRAB to reestablish their right to manage the credit resources of Europe that had slipped from their control since the Crusades?" "What was it that lost out when the Earl of Shaftesbury came up with the concept of a 'political party' as the entity that would thereafter GRAB at that power?"

Let us see.

In the first place let us be forthright about a specific point. Although the word "Rebirth" ("Renaissance") euphemistically may make some few people think about Christ's "rebirth" doctrine, the Renaissance is NOT a glorification by the Kaiser and the Pope of Christ; it is a glorification by them of Socrates. It was Socrates that they wished to have "reborn" for contemplation by the people of Europe. According to Socrates they had the legitimate right to the power of control over the credit resources of the European people.

"Who lost in this shifting of the direction of what the people of Europe ought to contemplate?" Well, Christ lost in that.

Now let's have a look at the church organizations that the Earl of Shaftesbury was going to make use of in his successful GRAB for that same power that the Kaiser and Pope had unsuccessfully just GRABBED for; let us look in particular at that church organization which had been most successful in the struggle of all of those organizations one with another in England, that of the Congregationalists.

"What was it that, from 'immemorial time,' the organizations of each of these congregations, that was made up of the Christian people of each of the townships of England, had been organized for?" The Catholic Church said that it was for the peoples' custom to gather every week in their townships to take "the Lord's Supper" called "the communion" by the Catholics; that was THE reason that the Catholics called these English townships, "communes."

But, now here comes the Earl of Shaftesbury who just has a "restricted" use for this organization. ALL that he is going to need it for is just to serve as the most effective instrument coming to his mind with which to GRAB the power to control the credit resources of England — as that power rested in Parliament on the "hot potato" basis that it did.

This is an "open and shut case" of secularizing Jesus Christ out of something that had previously been considered to be exclusively devoted to Him. And, that brings up the next section which, in turn, will show us most clearly what Karl Marx and his Communists are talking about — that is, exactly what they take as their stand.

The "Enlightenment"

The Earl of Shaftesbury and those who thought like him in England and elsewhere, down to the time of the American Revolution, gave to History the turns of events in the mental orientation of the people in or from Europe that historians call, "The Enlightenment."

The critical issue during this phase of history — as it was before as well as after — was this question of which we have been speaking: "Who has the right to the power controlling the credit-belief-faith of the Christian people of Europe?"

THE ENTIRE CHANGE between what are called "medieval" and "modern" times was the Kaiser and Pope GRABBING at that power and using Socrates as their justification (instead of using Christ as their justification).

They failed. However their failure created the vacuum in the thinking of the people either in or from Europe that has created all thinking which we classify under the designation "modern." It is the quandary of that question, "Well, if, as regards the traditional parties, the Easterlings' Kaiser and the Pope, of whom, with lip-service, we have said since the Crusades that they have the right to control the credit resources of Europe, we now say that they don't have that right, WHO CAN HAVE THAT RIGHT?"

The way out of that quandary was found by the thinking that has been called, "The Enlightenment." Simply put they said, "The ultimate authority to which the Pope and the Kaiser

appealed in Socrates' sayings was just the idea to which Machiavelli pointed them — that ultimately the basis of power in Orthodoxy is that which goes to a politician just because he GRABS it. Now, we are going to have to rethink a few things. Instead of thinking of such things as the Parliament of England as the 'general conference' (as the term is used on the Wasatch Front) of the religion of the townships of England, we are going to have to start thinking of these 'folk congresses' of the people of Northern Europe as the Greek concept of 'Politics.' That done, that makes us leaders of these parliaments of Northern Europe, who find ourselves in this 'quandary,' into 'politicians.' That done, 'What is the difference between us and the people to whom it used to be customary to restrict that title, i.e. the Easterlings' Kaiser and the Pope?' We are politicians also, so we can GRAB at that power too, just the same way that Machiavelli told the Pope and Kaiser to."

This GRABBING by the parliamentary leadership of Europe gave to the world the Enlightenment. But, what we have said so far doesn't yet introduce us to what Marx felt that he had to say.

In the GRABBING, this new breed of "politician" came upon the phenomenon that, just as the Kaiser and the Pope had found that they could justify their GRAB to control the credit generated by the Christian faith of the European people by removing Christ from the debate, so they also found success in controlling that self-same credit resource as they removed Christ from the center of things.

To be brief, then, all that the Enlightenment is, is the new breed of politicians of Europe who, in their GRAB to control the credit resources of the Christian people of Europe, say: "Look, what do you need Christ for in this particular thing or in that particular thing? We are specialists, scientists, professionals, experts, philosophers, doctors, lawyers, engineers, teachers, thinkers, poets, technicians in this or that particular area. Therefore what do you need Christ for, in this or that area? You have us!" This is the thinking of "the Enlightenment" that has, in general, characterized the thought of the English-speaking people in North America from about the year 1700. And, although it was good enough for most of the people there, it wasn't good enough for Karl Marx.

Marxism

Interestingly enough, Marxism rests on the "casting in concrete" of the Enlightenment, into the Constitution of the U.S.A., by the adoption of the First Amendment — which thereafter has had the effect of almost totally secularizing thought in the U.S.A. Since, therefore, this "casting in concrete" has had such a profound effect we ought to spend a little time on its motivation.

In order to "slam shut" the door on any possibility that the black slaves of the American South (now that the U.S.A. part of North America was independent from the British Crown) would have any claim to the English freeholder rights held by all white Americans, which rights had been acquired by those white people through the initiation ceremonies into the Christian religion that had always been a part of the Gilds of English farmers, which ceremonies were instituted in the English colonies at their first founding, the principal thinker of the Big Slavery

Party in the American South made the statement that those freeholder rights have nothing to do with Christianity.

That stand has effectually secularized the U.S.A. ever since.

That stand sparked the French Revolution.

That stand is the basis of Communism. Let us now see how that came to be.

If you really get the "new breed of Politician" down and press him as to where he thinks he gets the right to control the credit-faith of the Christian people of Europe (such as the "hot potato" throwing "politicians" of England), you eventually get out of them that they are just doing what Machiavelli told the medieval breed of politicians to do: "GRAB IT."

The effectual means which they found to do this was to exclude Jesus Christ from the particular area of endeavor over which, at a given moment, they wanted to GRAB that power.

So, let's be blunt. We are talking about "Banking." "What is Banking?" It is the power to CREATE Credit. "How is it that this new breed of politicians of modern times CREATES credit, as they have made the modern institutions of Banking of which we have spoken in this Book?" "What is Banking?" "Where does it come from?" "What is the source of its power?" Bluntly put, Banking is the ability to "rip off" the FAITH which people have had in Christ by substituting Socrates' BELIEF in politicians for it.

So Marx, a Ph.D. in History, gets his answer from this new breed — middle-class breed — of politicians of modern times (in contrast to the "upper class" politicians of medieval times to whom Machiavelli had addressed his remarks) that they get their authority to GRAB control of the credit resources of the Christian people of Northern Europe through Machiavelli from Socrates, just as the Kaiser and Pope had. Call that their "Machiavellianism of the Middle Classes."

Marx has an answer. He says, "This is all crazy. The true group that has the right to GRAB the power to control the credit-belief-faith of the people of Europe are the 'masses' of those people, themselves."

"Yes," one answers, "but then how are they ever going to be able to organize to do such a thing — in the way that the Earl of Shaftesbury organized his medieval-English-church-without-Christ (his First Political Party in the World, the Whig Party) to grab that power?" He was able to use people who had experiences with real church organizations, to exclude Christ from this or that particular thing over which they wanted to GRAB the power at issue."

"I'll take care of that," said Marx. "I'll form a political party for them. And, for the experience part needed I'll use the knowledge of such things that I have from reading my history books."

"But, who'll listen to you," they said, "you would have to come up with such an incredibly stupefying statement, to be the point of this GRAB of yours for power, all of the way up from the very lowest sewer, your 'Machiavellianism of the Masses,' that it itself would be able to redo the entire thinking of Europe from its beginning?" "I can do that," says Marx. "My history books tell me that the means that your 'Machiavellianism of the Middle Classes' has used

to GRAB the power to control the credit resources of the people of Northern Europe —that exist because of the Good Faith in Jesus Christ which the rules of the Gild System require of them in order to deal one with another — is that means by which your Middle-Class Machiavellians remove Jesus Christ from this or that particular matter over which they wish to GRAB the power. The way that I and my Communists will GRAB ALL POWER over everyone on Earth, who has now picked up on that set of rules, is by expunging everything about Jesus Christ out of the heart of the life of Europe, as History has told it to us."

"And just how will you do that?" "By telling the World that the '-ism,' the credit-belief-faith, of the people of the 'communes' of Northern Europe — which North European townships Catholicism has from the beginning called 'communes' because of their basic function as the means whereby the people of Northern Europe could gather together every Sunday to take what they called 'the Lord's Supper' but which Catholicism called 'the Communion' — has nothing whatsoever to do with 'the Lord' Jesus Christ."

"The '-ism' or the belief of the communes of Northern Europe has nothing at all to do with 'belief in Jesus Christ,'" says Marx. Though they have solemnly believed that from 'immemorial time' or not," says Marx, "doesn't matter; all that that feature of it was, was a trick played upon them by Catholicism."

So Karl Marx founded his "political party" on the incredibly stupefying message to the people of Northern Europe that the belief of their fathers, back through 'immemorial time,' in Jesus Christ as the center and origin of the Good Faith which created the credit resource by which Northern Europe had recently taken over the Earth, was nothing but a trick upon them by Catholicism. That Good Faith that had become that credit resource was just the surviving legacy of the Gild System which never had anything at all to do with Catholicism nor the concept of Jesus Christ that Catholicism had introduced to Europe. And, all that the Gild System was, was the remnant of the folkways of Northern Europe, nothing more. In substantiation of this Marx merely pointed to his History books.

This incredibly stupefying message to the people of Europe has had an effect. It has created a number of States in Europe and elsewhere which have operated upon that idea just discussed. And, the idea producing that message has been the basis of power for a most effective GRAB of control over the credit resources of the people living in Russia as well as elsewhere. But it does have a weakness.

That weakness is that if, in fact, Jesus Christ does have something to do with the origin of the Good Faith of the townships of Northern Europe, the basis of power of Marx's idea vanishes. It would, so to speak, just "evaporate." With its vanishing Marx's Communist Party in the Soviet Union has no theory for its GRAB of the control of the credit resources of that country other than that it is just the last successful bank robber to have come along; and there is no way that it can continue to function, by its own law structure, under that theory.

So the basis of power of the Communist Party of the Soviet Union would just evaporate, as would that basis of the other Communist countries around the world, if, in fact, the Lord Jesus Christ did have something to do with the origin of the townships or communes of Northern Europe which were the basis of the Gild System, directed until late History by the Hansa.

It would take no bombs to do this, no missiles, no submarines, no massive armies, spy-systems etc., no trillion-dollar defense budgets, just a simple "yes" or "no."

GOOD FAITH

Value

Regardless of what side of the world's political fence one might choose to stand on, in the year 1982, either the "Free Enterprise" side or the Communist side, there is only one entity of value for the control of which the highest powers on either one of those sides is GRABBING.

That single entity of value is the resource of the credit-belief-faith of people somehow operating under those rules of the medieval Gild System that the English-speaking people call "the Law Merchant."

This single entity of value is at once the most valuable and useful thing which mankind has ever discovered. The "Good Faith" of the people of Northern Europe, which is the basis of the Law Merchant, is the one thing that mankind has ever discovered that is so much more valuable and useful than gold or silver ever were, as circulating exchange media, that the disappearance of both of the latter as circulating exchange media, is scarcely missed.

There are a number of different ways that the sociologist could identify this single entity which mankind has found to be the most valuable and useful thing which it has ever come upon. They could call it, "the survival of the ancient folkways of the North European people," "the surviving portion of the Gild System," "the organizational features of the Hansa that have been resuscitated by the United Nations and the International Court of Justice" or "the international customs that are evidence of general practices accepted as law" which are recognized by those latter two organizations. Or one could get general and call it such a thing as, "the perceptible structures of the Protestant Ethic." One could even get so imprecise and general as to call it, "the reaction of Northern Europe to the attempted GRAB by the Kaiser and Pope for the credit resources of that area, i.e. Protestantism."

The Answer

In view of these things, there is an answer to the observations of Socrates at the beginning of Part One of this Book, that "money is the most precious treasure that the human race owns" and that "money is nothing other than an unwavering faith of people in their politicians." It is indeed true that all of the instrumentalities of the Good Faith of the people who transmitted the rules of the Law Merchant to us, are called, "money." But that is where the identification ends. Today it is feasible that all true money, coins, could be totally done away with and not missed at all.

However, just as politics wishes people to use the term "money" and does not like to go into the specifics of the history of money, as it has been covered in these Books, nor the specifics of the origins of the Law Merchant as they have been covered in this Book, we have gone into those specifics.

So to Socrates we can now answer that the most useful and valuable thing that the human race has ever come upon, the Good Faith of the people of the townships of Northern Europe, is

far more valuable and useful than money. And not only does that Good Faith not have anything at all to do with his invention of money, it has nothing to do with his concepts of Orthodoxy, Politics and his System for Learning. And, most of all, it has nothing whatsoever to do with him.