

Beware of the “Leaven”

“Truth is the only thing that never changes. In all the world there are two things; the one is truth; the other is falsehood; truth is that which is, and falsehood is that which seems to be.”

– the bodhisattva issa

Ponder upon the continuing cycle of bailing out the banks. (From various sources) It is out there, read it. I write every little in this, as cut & paste replaces lazy.

Question: Are they playing on our emotions to get their rewards?

INVOLUNTARY SERVITUDE

Involuntary servitude is a United States legal and constitutional term for a person laboring against that person's will to benefit another, under some form of coercion other than the worker's financial needs. While laboring to benefit another occurs also in the condition of slavery, involuntary servitude does not necessarily connote the complete lack of freedom experienced in chattel slavery; involuntary servitude may also refer to other forms of unfree labor. Involuntary servitude is not dependent upon compensation or its amount.

The Thirteenth Amendment to the United States Constitution makes involuntary servitude illegal under any U.S. jurisdiction whether at the hands of the U.S. government or in the private sphere, except as punishment for a crime: "Neither slavery nor involuntary servitude, except as a punishment for crime whereof the party shall have been duly convicted, shall exist within the United States, or any place subject to their jurisdiction."

Other interpretations of involuntary servitude

The Libertarian Party of the United States and other libertarians consider military conscription to be involuntary servitude in the sense of the Thirteenth Amendment. Some libertarians consider compulsory schooling and income taxation forms of involuntary servitude. John Taylor Gatto, a retired schoolteacher and libertarian activist critical of compulsory schooling writes of what he terms "The Cult Of Forced Schooling"¹. Republican Congressman Ron Paul has described income tax as, "a form of involuntary servitude"², and has written, "...

¹ ^ Gatto, John Taylor (2001), "Chapter 16. A conspiracy Against Ourselves", *The Underground History of American Education*, Oxford Village Press, ISBN 9780945700043, <http://www.johntaylorgatto.com/chapters/16c.htm>

² ^ Ron Paul (April 13, 2009), *Fewer Taxes for Real Economic*

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things like Selective Service and the income tax make me wonder how serious we really are in defending just basic freedoms³. – “Involuntary servitude” from Wikipedia

History repeating itself? (Source: Wikipedia & FDIC: Learning Bank)

The **Panic of 1819** was the first major financial crisis in the United States

The **Panic of 1837** was a financial crisis in the United States built on a speculative fever.

The **Panic of 1857** was a financial panic in the United States caused by the declining international economy and overexpansion of the domestic economy.

The **Panic of 1873** triggered a severe international economic depression in both Europe and the United States that lasted until 1879, and even longer in some countries

The **Panic of 1884** was a panic during the Recession of 1882-85. Gold reserves of Europe were depleted and the New York City national banks, with tacit approval of the United States Treasury Department, halted investments in the rest of the United States and called in outstanding loans.

The **Panic of 1890** was an acute depression, although less serious than other panics of the era. It was precipitated by the near insolvency of Barings Bank in London.

The **Panic of 1893** was a serious economic depression in the United States that began in that year.[1] Similar to the Panic of 1873, this panic was marked by the collapse of railroad overbuilding and shaky railroad financing which set off a series of bank failures.

The **Panic of 1896** was an acute economic depression in the United States that was less serious than other panics of the era precipitated by a drop in silver reserves and market concerns on the effects it would have on the gold standard

The **Panic of 1901** was the first stock market crash on the New York Stock Exchange, caused in part by struggles between E. H. Harriman, Jacob Schiff, and J. P. Morgan/James J. Hill for the financial control of the Northern Pacific Railway.

The **Panic of 1907**, also known as the 1907 Bankers' Panic, was a financial crisis that occurred in the United States when the New York Stock Exchange fell close to 50% from its peak the previous year

³ ^ Ron Paul (2009), *On Reinstating the Draft*, house.gov, http://www.house.gov/htbin/blog_inc?BLOG,tx14_paul,blog,999,All,Item%20not%20found,ID=090216_2679,TEMPLATE=postingdetail.shtml, retrieved 2009-06-05

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*The **Panic of 1910-1911** was a slight economic depression that followed the enforcement of the Sherman Anti-Trust Act.*

*The **Great Depression** was a severe worldwide economic depression in the decade preceding World War II. The timing of the Great Depression varied across nations, but in most countries it started in about 1929 and lasted until the late 1930s or early 1940s.[1] It was the longest, most widespread, and deepest depression of the 20th century. In the 21st century, the Great Depression is commonly used as an example of how far the world's economy can decline.[2] The depression originated in the U.S., starting with the fall in stock prices that began around September 4, 1929 and became worldwide news with the stock market crash of October 29, 1929 (known as Black Tuesday). From there, it quickly spread to almost every country in the world.*

As the Depression eases into a national emergency, reaching its height between 1932 and 1933, the U.S. government establishes several agencies as a means for discharging new and emergency functions. The FDIC is one of these agencies.

*President Franklin D. Roosevelt initiates a legislative agenda, known as the New Deal, for rescuing the U.S. from the Great Depression. The major initiatives of the New Deal: **stock market reform, aid to the unemployed, and strengthening the banking system.***

"First New Deal" (1933) and a "Second New Deal" (1934–36).

The "**First New Deal**" (1933) **dealt with** diverse groups, from **banking** and railroads to industry and farming, all of **which demanded help for economic recovery.**

A "**Second New Deal**" in 1934–36 included the Wagner Act to promote labor unions, the Works Progress Administration (WPA) relief program, the Social Security Act, and new programs to aid tenant farmers and migrant workers.

Reconstruction Finance Corporation (RFC) Act of 1932

This act is President Herbert Hoover's attempt to stimulate the economy. The act:

Provides loans to banks, savings banks, building and loan associations, credit banks, industrial banks, mutual savings banks, and life insurance companies

Makes loans to railroads, many of which cannot meet their bonded indebtedness payments.

Federal Home Loan Bank Act of 1932

This act:

Establishes the Federal Home Loan Bank Board (FHLBB), which charters and supervises federal S&Ls

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Establishes the Federal Home Loan Banks (FHLBs)

Gives the FHLBB authority to regulate and supervise S&Ls

Gives FHLBs the authority to lend to S&Ls to finance home mortgages.

The Securities Act of 1933

This act requires strong disclosure statements of publicly held corporations, which deprives bankers of their monopoly on information.

The Banking Act of 1933

U.S. Presidents during the 1930s Herbert Hoover(1929-1933), Franklin D. Roosevelt (1933-1945)

President Roosevelt signs this act on June 16, 1933, **to raise the confidence of the U.S.** public in the banking system by alleviating the disruptions caused by bank failures and bank runs.

Recession of 1937-1938

By 1936, believing the worst was over, President Roosevelt began cutting the spending and relief programs that had been set up as part of the New Deal to counter the Depression. As a result, the country slipped into another recession that lasted from 1937 until 1938

1938

74 FDIC-insured banks with **\$69.5 million in assets fail.**

1944

The Bretton Woods system of international economic management establishes the International Bank for Reconstruction and Development, later divided into the World Bank and Bank for International Settlements, and the International Monetary Fund. The system establishes rules for commerce and financial relations among the world's major industrial states.

1971

President Richard Nixon announces his "**New Economic Policy**" in an attempt to revive the economy and control inflation. This policy is a major shift from traditional economic policies. To increase demand for U.S. goods in foreign markets, President Nixon devalues the dollar and

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ends the gold convertibility of the dollar. This devaluation allows the dollar’s price to float on world markets.

President Nixon imposes wage and price controls. He presents Congress with legislation to repeal tax on cars, to provide tax credits for business investments, and to reduce individual income tax.

Home Mortgage Disclosure Act of 1975 (HMDA)

This act:

- Encourages banks and S&Ls to lend mortgage money in low-income areas
- Requires banks and S&Ls to document their lending practices

1980

- S&L combined net worth (capital) is a **negative \$18 billion**—85 percent of the S&Ls are losing money; 15 percent of S&Ls are broke.
- Problems with mutual savings banks begin. Most of these banks are in the Northeast and are supervised and insured by the FDIC.
- The FDIC employs 3,644: 2,544 are bank examiners and 460 are bank liquidators.
- Ten FDIC-insured banks with **\$236 million in assets fail.**
- FDIC's insurance fund has a balance of \$11 billion.

1982

- Penn Square Bank in Oklahoma City fails with **\$511 million in assets. The bank had generated billions of dollars in speculative oil and gas exploration loans, many of which are worthless.**

Recession of 1982

When President Jimmy Carter leaves office in 1981, the U.S. economy is in desperate circumstances.

International Lending Supervision Act of 1983

This act directs all banking regulatory agencies to ensure that all banking institutions maintain adequate capital levels. Failure to do so is made an unsafe and unsound practice.

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1984

Continental Illinois National Bank in Chicago, Illinois, **with \$34 billion in assets**, is the largest bank to ever fail in the FDIC’s history.

Competitive Equality Banking Act of 1987 (CEBA)

This act:

- **Authorizes \$10.75 billion** to recapitalize Federal Savings and Loan Insurance Corporation (FSLIC) over a three-year period
- Grants the FDIC bridge-bank authority
- Becomes the first legislation to explicitly state that insured deposits are backed by the full-faith-and-credit of the U.S. government

1987

Alan Greenspan becomes the chairman of the Federal Reserve Board.

- **Federal Savings and Loan Insurance Corporation (FSLIC) is insolvent by \$6 billion.**
- **S&Ls lose \$30 million each business day.**
- FDIC monitors 1,575 problem banks with \$385.5 billion in assets. More than 10 percent of banks are on the FDIC’s problem list.
- The **FDIC holds \$18.3 billion** in its insurance fund—the most ever.
- 184 FDIC-insured banks with **\$7 billion in assets fail.**
- The Dow falls 23 percent in one day (taking 18 months to recover); the Federal Reserve Board floods the economy with money.
- Vernon Savings in Dallas, Texas, an FSLIC-insured institution, **fails with \$1.2 billion in assets** (98 percent of its loans are in default).

1988

- **223 FSLIC-insured S&Ls fail.**
- **200 FDIC-insured banks with combined assets of \$35.7 billion fail.**
- **FDIC records a loss for the first time.**
- Despite growing problems, the banking industry earns record profits of \$24.8 billion.
- First Republic in Dallas and Houston, Texas, with **\$31.2 billion in assets, fails.** It is the costliest FDIC resolution to date at \$3.7 billion.
- First City Bank in Houston, Texas, with **\$12.3 billion in assets, fails.** The bank receives a \$900 million loan from FDIC. (It later closes in 1992.)

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- The central bank governors of the Group of Ten (**G-10**) countries adopt the **Basel Capital Accord**, known as Basel I Accord, which provides procedures for factoring on- and off-balance-sheet risks into the supervisory assessment of capital adequacy

1989

- FDIC has about 8,000 employees.
- 206 FDIC-insured banks with **\$29.2 billion in assets fail**—the most in FDIC history. Two-thirds of these banks are in Texas.
- Lincoln Savings and Loan in Irvine, California, with **\$5.5 billion in assets, fails**. Charles Keating, the owner, is investigated for violating investment rules. There are allegations of political influence.
- Texas’ second largest bank, MCorp in Dallas, Texas, with **\$15 billion in assets, fails**.
- The Berlin Wall comes down. The end of the Cold War results in a so-called peace dividend for the U.S. economy.

Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA)

FIRREA is the most important banking law since the Great Depression when the FDIC was created. FIRREA is the beginning of statutory attempts to re-regulate the banking and S&L industry. This act authorizes the use of taxpayer money to resolve S&L failures.

1991

- Two statutes provide the **Resolution Trust Corporation (RTC)** with **\$36.7 billion** in additional funding

Federal Deposit Insurance Corporation Improvement Act (FDICIA) of 1991

This act fixes problems not addressed in FIRREA.

1992

- RTC requests additional funds to continue resolving the S&L crisis. Congress does not approve the funding.

RTC Completion Act of 1993

This act:

- Provides final funding of **\$18 billion** for the RTC

1994

- 13 FDIC-insured banks with \$1.4 billion in assets fail

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Riegle Community Development and Regulatory Improvement Act of 1994

This act:

- Contains provisions aimed at curbing non-bank lenders’ practices of targeting low and moderate income homeowners, minorities, and the elderly for abusive lending practices

1995

- The RTC sunsets. Over its 6 1/2 years of existence, the RTC resolves 747 S&Ls with \$403 billion in assets **at a cost of \$160 billion to the taxpayer**

1996

- Banks control \$4.6 trillion in assets

Economic Growth and Regulatory Paperwork Reduction Act of 1996 (EGRPRA)

- Requires that one FDIC board member be a former bank regulator

1997

- The Asian financial crisis strikes several major Asian economies, revealing severe problems in the Asian banking and financial sectors.

1998

- Russia experiences a series of economic and fiscal crises, which occur as East Asia and Latin America are undergoing their own financial crises.

Gramm-Leach-Bliley Act of 1999

- Repeals the last provisions of the Glass-Steagall Act of 1933.
- Creates a new financial holding company authorized to:
 - Underwrite and sell insurance and securities
 - Conduct both commercial and merchant banking
 - Invest in and developing real estate activities
 - Underwrite municipal bonds (national banks only)

2000

Electronic Signatures in Global and National Commerce Act (2000)

2001

- The U.S. experiences a budget deficit.

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- CitiGroup reports bank and non-bank assets of \$1,484,000,000,000
- No Child Left Behind

2002

- WorldCom files for Chapter 11 bankruptcy, making it the largest filing in U.S. history.
- The euro replaces the currency of 12 of the 15 countries in the European Union.

2003

- For the first time, electronic payments (automatic transactions, credit cards, and debit cards) totaling \$44.5 billion outnumber paper checks totaling \$36.7 billion

Check Clearing for the 21st Century Act of 2003 (Check 21)

This act fosters innovation in payment systems. (*“Innovation in payment systems”?*)

2004

- Both J.P. Morgan Chase and Bank of America report more than \$1 trillion of bank and non-bank assets.
- Citigroup agrees to pay \$2.65 billion to settle a lawsuit involving underwriting work of WorldCom

2005

- Citigroup agrees to pay \$2 billion to settle a class-action lawsuit over its role in the Enron collapse.

<http://www.fdic.gov/about/learn/learning/index.html> That is where FDIC leaves off. But there is more.

But, 2008 and years to come “Bailouts for the banks”?

Capitalism or Aristocracy?

Capitalism,

as it has been sold to the American public, is an economic system that benefits the wealthy, the middle class and the poor. It has lasting qualities because it benefits a total society.

or

Aristocracy?

is a form of government in which a few elite citizens rule

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One might ask the question; What “Deal” will our members of Congress do next? They just put Americans over a Trillion dollars in debt additionally this past week.

Why do these members of Congress acts as if they are doing Americans a favor, yet in the same move, tack on something else into a bill they want to pass? I thought the term “pork belly” spending was over? They enact and receive their rewards, we react with complaints of more costs to us. Just exactly who is this helping? Is it elected officials that receive the reward as we foot the bill for their luxuries? These arrogant officials are wrecking our country. It is time to stop it.

Hubris (/hju:bris/), also hybris, means extreme haughtiness, pride or arrogance. *Hubris often indicates a loss of contact with reality and an overestimation of one's own competence or capabilities, especially when the person exhibiting it is in a position of power.*

We are rapidly approaching the critical point in time for the greatest economical disaster mankind has seen. We have continued to read, watch or listen to our political leaders and those who can't wait to get on the gravy train next, promise us it will get better. Ask yourself; “Has it?”. Yet our children don't stand a chance as our debt is so great it will be passed on to them. How do you explain that to them? How do we tell our children that because of our selfishness and greed, they will most likely not overcome during their lifetime? I believe our forefathers expected the debt to be paid off and not passed on to the next generation? And we wonder why kids act the way they do? They see you suffer.

Many articles and charts are provided⁴ for the world to read, understand and learn how the electronic world in the Secondary Market is a binary bit bucket used to favor those who understand how to manipulate a once valued paper secured debt, and convert it into an electronic payment intangible that ultimately clouded the paper secured debt in the guise of lawfulness.

⁴ www.ourlemon.com
www.scribd.com/alviec
www.Youtube.com/NegotiableGhost

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The Payment Intangible, is the payment stream for the Transferrable Record. The Transferrable Record is a combination of (all) once paper documents⁵, now electronic digitized copies⁶. The Authoritative Copy is a copy of the Transferrable Record⁷.

15 U.S.C. § 7021 : US Code - Section 7021: **Transferable records.**

Definitions

For purposes of this section:

(1) Transferable record **The term "transferable record" means an electronic record that –**

(A) would be a note under Article 3 of the Uniform Commercial Code **if** the electronic record were in writing;

(B) the issuer of the electronic record expressly has agreed is a transferable record; and

(C) relates to a loan secured by real property. A transferable record may be executed using an electronic signature

Both ESIGN & UETA excludes items governed by The Uniform Commercial Code, see 15 USC 7003;

15 U.S.C. §7003. Specific exceptions

(a) Excepted requirements

The provisions of section 7001 of this title shall not apply to a contract or other record to the extent it is governed by—

(1) a statute, regulation, or other rule of law governing the creation and execution of wills, codicils, or testamentary trusts;

(2) a State statute, regulation, or other rule of law governing adoption, divorce, or other matters of family law; or

(3) the Uniform Commercial Code, as in effect in any State, other than sections 1–107 and 1–206 and Articles 2 and 2A

This means **Negotiable Instruments (Article 3)** and **Security Instruments(Article 9)** are excluded from the electronic world of **ESIGN** and UETA. There is no law to support Electronic Promissory Notes. Only paper. Paper, YES; Electronic; NO. Do you think those playing this fiddle do not know this?

⁵ Paper Negotiable Instrument governed by UCC-3, Paper Security Instrument governed by UCC-9.

⁶ <http://www.scribd.com/doc/33631481/Florida-Banker-s-Association-Lost-Notes-09-1460-093009-comments-Fba-1>

⁷ National Book Entry system, MERS, Wall St.

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“If I were confronted with an “electronic promissory note”, I would walk very slowly away and break into a run as soon as I can. They are a logical impossibility, along with electronic chattel paper and UCC 7 electronic warehouse receipts.”

“Hence the logical impossibility of an electronic promissory note. “Promissory note” means unique piece of matter. “Electronic” means that there is no unique piece of matter, and we’re dealing with authoritative registries.”

“The courts will probably eventually define 7, 9, and UETA into registry systems of some kind. But until then, I would treat electronic negotiability systems as if they were rabid cows.”

-Joseph Sommer, NY FRB

They know there is no law to support them, yet through hubris acts these elite filled with evil have created such an enormously large Intangible debt, it cannot be paid off. Not in our or our children’s lifetime and possibly their children’s lifetime. And to think our forefathers warned us about this passing the debt to the next generation. Shame on all of us.

“My people are destroyed for lack of knowledge: because thou hast rejected knowledge, I will also reject thee, that thou shalt be no priest to me: seeing thou hast forgotten the law of thy God, I will also forget thy children.”

-Hosea, 4:6

“We the people...” All over the world need to act now or we will not survive the life and luxury as we know it now. Not just in America. Violence is not the way to solve it however tempting that may be as many really do deserve punishment. But *“We the people...”* have power to elect them out of office and the only way to ensure we get the right one(s) is to vote them all out. Send a message that will open eyes and ears of those who put you into servitude.

“These have one mind, and they give their power and authority to the beast.” – Rev. 17:13

Always remember this; these who created this servitude have forgotten there is One Greater than they. HE will bring the judgment. Eternity is a very long time my friends.

“Beware ye of the leaven of the Pharisees⁸, which is hypocrisy”. For there is nothing covered, that shall not be revealed; neither hid, that shall not be known,”

-St. Luke 12:1-2

Peace be with you,

⁸ An interchangeable word. Could be changed to; Politician, Publican, Republican, Democrat, Lawyer, Attorney, Candidate, elected official, public servant, etc.