The Ten Commandments
Bible Law Course
Banking And The Mark Of The Beast

(1) Who is the first person in the Bible given credit for obeying God’s commandments, statutes and laws? (Genesis 26:1-5)

   ( ) Adam.  ( ) Abraham.  ( ) Jesus Christ.  ( ) Moses.

(2) Was this before or after the Law was given at Mt. Sinai?

   ( ) Before.  ( ) After.

(3) Because he kept God’s Law, what was his reward? (Genesis 17:4-6)

   He was made ___ ___ ___ ___ ___ of many ___ ___ ___ ___ ___ ___ ___ .
   His descendants would be ___ ___ ___ ___ ___ ___ ___ .

(4) One of these was King David. What did God promise to him?

   David’s throne was established ___ ___ ___ ___ ___ ___ . There shall ___ ___ ___ ___ ___ ___ ___ thee a man upon the throne of:

   ( ) The people called Jews, who claim and many believe, are God’s Chosen people. (2 Samuel 7 and 1 Kings 9:5)
   ( ) Israel.

(5) In today’s world the largest kingdom is called;

   ( ) a. The United Kingdom ruled by Queen Elizabeth II.
   ( ) b. Israeli ruled by King Begin.

(6) For the last thousand years, almost all Kings and Queens have been:

   ( ) a. Jewish  ( ) d. Negro.
   ( ) b. Caucasian.  ( ) e. Oriental.
   ( ) c. All races are the same so it doesn’t make any difference.

   Elizabeth II, the Queen of England, (and other Kings and Queens of Europe) are a direct racial descendants of King David. Included in a later Lesson you will find two articles on this subject. What Jeremiah Planted and The Stone of Destiny. An excellent source for more information on this subject is New Beginnings, P.O. Box 228, Waynesville, N.C. 28786

(7) If we keep God’s commandments, we have His promise that we, as a nation, will:

   ( ) a. Be able to earn our way to heaven.
   ( ) b. Be born again. (Exodus 15:26).
   ( ) c. Be healthy.
   ( ) b. Speak in tongues.
The Ten Commandments were first given at Mt. Sinai in Exodus 20.  

( ) True, and they are repeated in Deuteronomy 5.  

( ) False, because in Exodus 16, before the exodus from Egypt, God says, “How long refuse ye to keep My commandments and My laws?” (Read Exodus 16)

God shows ___ ___ ___ ___ ___ to those that keep His commandments.  

(Exodus 20:6)

Leviticus 26 lists a number of blessings for our nation IF we keep the commandments. Which blessing is NOT found in verses 4-13?  

( ) a. Abundant crops and good weather. (Implies that God has power over the weather.)  

( ) b. Peace and safety.  

( ) c. Going to heaven when you die.  

( ) d. Militarily invincible.

Beginning in Leviticus 26:4 God uses ______ verses to tell us the BLESSINGS for keeping His commandments and _______ verses to describe the CURSES He will bring upon us if we do not keep His commandments.

Deuteronomy chapter ______ is a second witness to describe the blessings and cursings associated with the commandments. (It’s Deuteronomy chapter 8, 18 or 28)

We are to keep the commandments “That it may go ___ ___ ___ ___ with thee and thy ___ ___ ___ ___ ___ ___ ___ ___ after thee and that thou may: . . .”  

( ) Be saved.  ( ) Go to Heaven.  ( ) Live a long life.  (Deuteronomy 4:40)

In Deuteronomy 5:29 God says, “O that there were such a heart in them, that they would fear Me, and __________ __________ __________ __________ __________ always, that it may be well with them and their: . . .”  

( ) Immortal souls forever.  ( ) Children forever.

What are we to diligently teach our children?  

( ) a. Sex education in school.  

( ) b. All races are equal and Billy Graham approves of Inter-racial marriages.  (Deuteronomy 6:7).  

( ) c. Reading, writing and arithmetic.  

( ) d. The commandments.

Our Choice, The Mark Of The Beast Or The Mark Of God

The commandments are for a sign upon thine ___ ___ ___ ___ and as frontlets:  

( ) a On your wrist.  ( ) b. Between your eyes.  (Deuteronomy 6:8)

What does Deuteronomy 11:18 say is to be in your heart?  

( ) a. Christ is to be in my heart.  

( ) b. Christ’s words are to be in my heart.
(18) In Revelation 7:3, where are the servants of God sealed?
   In their ________________________________________.

(19) In Ezekiel 9:4 a ___ ___ ___ ___ is set on the ________________ of the men who ________________________________.

(20) Who has sealed us? (2 Corinthians 1:22)
   ______________________________________________________________

(21) In Ezekiel 9:6 this seal is called a mark. Revelation 13:16, states that the Beast caused people to receive a mark. This mark is also in the right __________________________
or in the ___ ___ ___ ___ ___ ___ ___ ___.

(22) So, we have The Mark of God and The Mark of the Beast. The mark of God has to do with lawfulness and the keeping of the commandments. Likewise, the mark of the Beast has to do with:
   ( ) a. Not working on Saturday and working on Sunday.
   ( ) b. It’s the Social Security Number.
   ( ) c. A tattoo that will be placed on our forehead.
   ( ) d. Lawlessness and violation of the commandments.

(23) God preserves alive those that are sealed and receive His mark. Deuteronomy 6:24-25 reads, “And the Lord commanded us to do all these statutes, to fear the Lord, for our __ __ __ __ __ __ __ __ __ __, That He might __ __ __ __ __ __ __ __ __ __ as it is this day, and it shall be our righteousness, if we observe to do all these ___________________________________________ before the Lord our God, as He hath commanded us.”

(24) In Ezekiel 9:4-6, everyone who did not have the Mark of God upon his ___ ___ ___ ___ ___ ___ ___ ___ was ___ ___ ___ ___ ___.

   **God Tests Us**

(25) From time to time God will test or prove us. The test is to see if we will __________________________

   (Deuteronomy 8:2)

(26) In Deuteronomy 8:5 God compares Himself to a loving father raising children. Read chapter 8 to find the answer to this question. Why does God prove us?
   To do thee ___ ___ ___ ___ at thy ___ ___ ___ ___ ___ __ __ __.

(27) Why is America so wealthy?
   ______________________________________________________________

   (Deuteronomy 8:17-18)

(28) If other nations are poor, why are they poor?
   ______________________________________________________________
(29) If our nation has drought, floods and other weather problems, what is the very probable cause?

(Deuteronomy 11:13-18)

(30) If we as a nation keep God’s commandments, and our soldiers “keep from every wicked thing” (Deuteronomy 23:9), what does God say about our army?

(Deuteronomy 11:25 and 7:16)

(31) If there arises a preacher who claims visions, and does great signs and wonders, even predicting the future accurately and that preacher teaches “the Law is done away,” is he a minister of Jesus Christ or not?

( ) No. God is testing us.
( ) Yes. Only God can predict the future. (Deuteronomy 13:1-5).

(32) What is a civil ruler to do all the days of his life? (Deuteronomy 17:18-20)

( ) Eat drink and be merry. ( ) Study God’s Law.

(33) Why did God reject Saul as King over Israel?

(1 Samuel 15:1-23)

(34) What command did Saul violate?

(Deuteronomy 7:2, 16 and 20:16-17, Luke 19:27)

(35) The king of Assyria conquered Israel and carried them away into captivity. Why? (2 Kings 18:12-20)

( ) a. They were outnumbered in battle.
( ) b. The Assyrians had better weapons.
( ) c. Israel transgressed the covenant and broke the commandments.

(36) In America we are taught that any child could grow up to be President. Psalms 78:1-8 tells us to teach God’s Law to our _____________________________________________.

Why not sit down with your children and study the Book of Deuteronomy. Or, perhaps, enroll them in this Bible Law Course. You do not have to ask them if they want to take the course. Just sit them down and make them take it. In the Public School system it is called compulsory education.

(37) How can we help our children be mighty upon the earth?

(Psalms 112)

(38) What do the wise in heart receive?

(Proverbs 10:8)

(39) What is the whole duty of man?

(Ecclesiastes 12:13)
The Number Of The Beast

The Mark of the Beast had to do with lawlessness. Or more accurately, doing what is right in man’s eyes rather than doing what is right in God’s eyes. (Man’s law versus God’s Law)

In Revelation 13:18 the Greek word translated “beast,” in the dictionary of Strong’s Concordance is:

#2342 Therion: A dangerous animal.

The word Therion is based upon the word “thera” (#2339) which, in Romans 11:9 is translated “trap.” So we have a dangerous animal that lays in wait or entraps its prey.

It is a common teaching that this beast is a person. This is based upon the use of the word “his” in the King James Translation. It is also correct to translate verse 16, “and its number is six hundred three score and six.”

In this lesson we put forth the point of view that the “beast” of Revelation is not a literal animal or literal person but rather a device, system or thing in which God’s people can become entrapped.

(40) The number 666 is found three times in the Old Testament. Ezra 2:13, 2 Chronicles 9:13 and 1 Kings 10:14. How much gold did Solomon take in each year?

In the New Testament the number 666 is apparently found only in Revelation 13:18. In the Greek, the words “six hundred, threescore and six” are simply the three letters of the Greek alphabet; Chi, Xi, and Sigma. (600, 60, 6 = 666)

A table of Greek letters is found in most large dictionaries. Look in the back under the heading Special Signs and Symbols. This numeration table shows that each Greek letter has a numerical value. Just as numbers can be turned into words, words can be turned into numbers. For example, to turn the word “Paul” into a number:

PAUL in Greek is “Paulos”

There are many words and names in the New Testament that add up to many different numbers. Many Christians know this secret of the Greek and Hebrew alphabet. Believing that the Beast is a man, they, therefore, looked for a name of a person who’s name added up to 666. They felt that, if they found a name of a person adding up to 666, then they would have identified the Beast of Revelation 13.

But there is no name that adds up to 666. There is a word that does. In fact, it is the only word in the New Testament that does add up to 666. It is found in Acts 19:25 which reads, “Whom he called together with the workmen of like occupation, and said, Sirs, ye know that by this craft we have our wealth.” In Strong’s Concordance the Greek word translated “wealth” is listed as word #2142 - EUPORIA: meaning pecuniary resources.
So, there we have it. The New Testament identifies the Beast with wealth. But not just riches or money, but much, much more! We have studied two words:

1. **The Beast.** A dangerous system or device that lays in wait or entraps its prey.
2. **Wealth.** Pecuniary resources.

"Permit me to issue and control the money of a nation, and I care not who makes the laws."

Spoken in the year 1700 by Mayer A. Rothschild.

So, together with lawlessness, the “mark” of the Beast, we have a definition of the Beast. It is a lawless, dangerous system of pecuniary resources or devices that lays in wait or entraps its prey.

In this lesson we also put forth the point of view that the “beast” of Revelation is not a literal animal or a person but rather an unlawful money wealth device, system or thing in which God’s people can become and are entrapped.

On the subject of the number 666, almost all literature in the Christian community has some money connection. For example, as reported in The Gospel Truth published by Southwest Radio Church in January 1984:

The Roman numerals for 6 are V & I. (VI = 5+1 = 6)

The Greek letter for 6 is the Sigma which is an “s.”

In the Chaldean language of Babylon the letter “a” represents 6.

Now to put them all together:

EUPORIA (Wealth) = 666

<table>
<thead>
<tr>
<th>E</th>
<th>U</th>
<th>P</th>
<th>O</th>
<th>R</th>
<th>I</th>
<th>A</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>400</td>
<td>80</td>
<td>70</td>
<td>100</td>
<td>10</td>
<td>1</td>
</tr>
</tbody>
</table>

Better Than A Money Tree.

Better Than A Goose That Lays Golden Eggs.

What would it be like if you had a way to create from nothing all the money you could imagine? What would it be like if you had “pecuniary resources” so powerful that you could, without concern, destroy any amount of money knowing that you could recreate it at will.

To illustrate: You have a room full of money. But guests are coming for the weekend. To make room for the guests you clear the room by simply burning the money in the fireplace!
After you say good-bye to your guests, with a simple motion of the hand, recreate all the money you
destroyed a few days ago. It is simple to do if you are a system of commercial banks. Below, by quoting the
banks' own literature, we show you how the “beast,” through fraud and deception, creates or destroys wealth,
at will and for whatsoever purpose it desires.

If you had this unlimited power to create and destroy money, you could set up trust accounts and
invest in commerce and industry, oil and communications. You could buy newspapers, book publishers, radio,
T.V. stations and national news wires. But not to make money, you would already have that.

You could set up Political Action Committees and make generous contributions to candidates who
advocate your point of view and to promote more or less government regulation, especially less regulation of
banks.

Meanwhile, you and your colleagues could meet secretly in organizations like the Federal Reserve
Open Market Committee and the American Bankers Association. You could plan the nation's economic future.
You could determine whether interest rates would be high or low. You could determine whether credit would
expand or contract. You could determine whether industry flourished or floundered. You could control the
employment rate through your manipulation of credit. You would have the power in your hands to ruin the
life savings of millions of Americans. (The power to destroy money) You could easily cause thousands of peo-
ple to lose their homes, lose their businesses and lose their farms for no good reason. They would tend to
blame themselves. Perhaps your controlled media would tell them they made bad business decisions.And,
because you hold the mortgage, at default, the homes, farms and businesses would all become yours. All you
would need to do to create a depression would be to keep credit tight and interest rates high. The fate of
industry, commerce, the factory worker, the farmer, the nations would be in your hands. You would rule the
world!

Credit Unions, Savings & Loans And Commercial Banks

In lesson 2 we studied paper money and coins. In Lesson 5 we discovered that interest on money was
a violation of God's Law. In this lesson we will take the mystery out of modern banking with an explanation
of “check-book money.”

These are the two basic types of money:

   **Lesson 2**

2. **Demand Deposits**: Demand deposits are checking accounts in commercial banks. Deposits (checks) are merely bookkeeping entries.  
   **Lesson 9**

The confusion (mystery) can start here with the word “deposit.” A “demand deposit” is a confusing term for a checking account balance. *(Demand deposit = checking account balance)* It is your deposit in a bank. You can demand your deposit at any time by writing a check. Therefore it is called “demand deposit.” Technically, coins and currency are the only true legal tender; but as a nation we have come to accept, and exchange, checks as money. The modern banking system depends upon:

1. Interest on money. (Theft - Lesson 5))
2. Confusing the issue by making the operation of the money system complex, mysterious, and difficult to understand. (Deception)

God’s Law forbids interest on money. When Christians reject God’s Law, God sees to it that they can
not understand the deceptive and fraudulent nature of the modern banking system. Rejection of God’s Law
allows the bankers to confuse the issue by making economics a very difficult and mysterious subject. Today,
God is keeping his word as found in Deuteronomy 28:43-44. Read all Deuteronomy 28 to notice the use of the
words “the Lord shall.” This not “cause and effect” but rather a statement of what God says that He will do.
An accurate understanding of the money system is also hidden by the common belief that commercial banks are just like Credit Unions and Savings & Loans. When a Savings & Loan association, an insurance company, or a Credit Union makes a loan, it lends the very dollar that its customers have previously paid in. Here is how they do business. For example, in a credit union:

1. Members deposit their savings. The Credit Union pays interest on the savings.

2. The Credit Union loans out the member’s savings at a higher rate of interest. Very simply, the difference between the rate paid and the rate charged is their gross profit.

<table>
<thead>
<tr>
<th>SAVINGS of members:</th>
<th>LOANS to members:</th>
</tr>
</thead>
<tbody>
<tr>
<td>$25,000.</td>
<td>$20,000. in loans</td>
</tr>
<tr>
<td>$25,000. (owed to members)</td>
<td>$5,000. cash on hand</td>
</tr>
<tr>
<td>Assets $25,000.</td>
<td>(Vault cash and money owed to the credit Union)</td>
</tr>
</tbody>
</table>

If the above Credit Union charged 15% interest on the loans, they would collect $3,000 in interest. If the above Credit Union pays 5% interest on savings then they would pay $1,250 in interest to members. The Credit Union’s gross profit would be $1,750. ($3,000 - $1,250 = $1,750) The $5,000 cash on hand would be used as a reserve to pay any member wishing to make a withdrawal from his savings account.
Commercial Banks

(A bank does not loan money. A bank loans credit)

The above is quoted from, Page 6, Mysteries of the Federal Reserve System by Representative Jerry Voorhis. (Democrat from California serving 1936-46)

To clarify; the word “deposit” above underlined can mean:

1. Deposit: Money deposited in a savings account.
2. Deposit: Money or credit deposited in a checking account.
3. There are other definitions also.

Before we can see clearly how modern commercial banks operate, we must study history. On the next page we quote, word for word, from pages 116-118 of Money & Banking by David R. Kamerschen, Professor and head of the Department of Economics, University of Georgia, Published by South-Western Publishing Co.

THE GOLDSMITHS

(Quoting from Money & Banking)

“The first bankers in the modern sense were the goldsmiths who frequently accepted bullion and coins for storage. Individuals fortunate to possess money savings faced the problem of safeguarding them against loss. If they wished to hold them as money, they had only two alternatives - to hide or store the coins themselves, or to turn them over to someone else to store. Since the goldsmiths ordinarily possessed the strongest vaults, they soon became the principle warehouse of other people’s gold and silver. Incidentally, during this same period in history, Europe’s stock of gold and silver money was being swollen by the tons of bullion being carried from the New World in the Spanish treasure ships. Proper storage became more important than before.

When people store money, they need not receive back the same coins they surrendered earlier. The goldsmiths had only to agree to return the same number of coins they received. One result was that the goldsmiths temporarily could lend part of the gold left with them. If few customers would be likely to come in immediately and demand gold, the goldsmiths could take a chance. If they made only short-term, well-secured loans with properly spaced maturities, they could expect to have their loans constantly maturing. Every week gold would flow back into their vaults, with interest, as the loans were repaid. Here was something new! Until now interest had been receivable, if at all, on one’s own funds. Here was a way to gain interest by using the funds of others.”

NOTE ISSUE:

“These loans of their customers’ gold were soon replaced by a revolutionary technique. To see how this worked, we look first at the notes the goldsmiths issued.

When people brought in gold, the goldsmiths gave them notes promising to pay that amount of gold on demand. The notes, first made payable to an individual, were changed later to bearer obligations. In the previous form, a note payable to the order of Harold Walt would be paid to no one else unless Walt had endorsed the note. This was a desirable feature if, as was normally assumed when goldsmiths first issued their notes, Walt intended to hold the note until he wanted gold. There would be little point in stealing it or in failing to return it to him if someone found it.
But notes were soon being used in an unforeseen way. The noteholders found that, when they wanted to buy something, they could use the note itself in payment more conveniently and let the other person go after the gold, which the person rarely did; As the note continued to circulate, perhaps for years after it was issued, the original purpose of the endorsement disappeared. Since it was no longer a desirable requirement, it was discontinued, and the notes were issued payable to the bearer.

The specie, then, tended to remain in the goldsmith's vaults. As long as there was no doubt about its security there the public found that the goldsmith's notes offered certain advantages over the gold and silver just as in more recent times, most people preferred to carry silver certificates rather than exchange them for the silver dollars with which they were.

The goldsmiths realized, of course, that if everyone who held their notes were to come in the same day and demand redemption, their stocks of specie would be exhausted and some noteholders would never be paid. Remember that the goldsmiths issued additional notes as loans. With what could borrowers repay the goldsmiths?

1. They might use the goldsmith's own notes. If not reissued, these particular notes could not be presented for redemption since they were already in the hands of the goldsmith, not the public.

2. Or they might use the notes of other goldsmiths, in which case the goldsmiths receiving the notes could present them to the other firm, demand gold and use that gold to retire their own notes.

3. Or the loans might be repaid in gold or silver, and again the goldsmiths would then have specie to retire some more of their own notes."

LIMITS ON NOTE ISSUE

"So long as there are no loan losses, or as long as interest receipts offset the occasional bad loans, there really would be no limit to the amount of notes that might be issued on the basis of the specie held by the goldsmith. All could be repaid eventually.

However, no firm wants to liquidate to pay off a line of noteholders. The important thing was to see that no general demand for redemption took place. Nor was a run likely to begin as long as the public continued to have confidence in the firm. The best way to maintain that confidence was to manage affairs in such a way that the public would never doubt that all notes presented would be redeemed promptly. On that basis the lenders might continue indefinitely lending and relending the money they had printed themselves. And they were to find that the profitability of their lending operations would exceed the profit from their original trade. The goldsmiths became bankers as their interest in manufacture was replaced by their concern with credit policies and lending activities.

They discovered early that, although an unlimited note issue would be unwise, they could issue notes up to several times the specie they held. As long as credit was expanded gradually, the public could be counted upon to absorb the added notes and keep them in circulation."

Modern Money Mechanics
Published by the Federal Reserve Bank of Chicago

At the end of this lesson we have reprinted on pink paper pages 2, 3, 4, 14, 29, 30, and 31 of Modern Money Mechanics as published by The Federal Reserve Bank of Chicago.

(42) On the prior page, in the quote from Money & Banking, we found out that goldsmiths made loans merely by giving borrowers their promises to pay. In this way, goldsmiths began to create money.

( ) True. ( ) False.

(43) In the past the goldsmith created a form of money by issuing notes for gold that he did not have. Today, where does money creation take place? (See pink page “b” the reprint of page 3, Modern Money Mechanics)

( ) a. In the Treasury Dept. of the U.S. Government.
( ) b. In commercial banks.
On page 4 of *Modern Money Mechanics* we read, “bankers discovered that they could make loans by giving borrowers their promise to pay.” (A check is a promise to pay) “In this way, banks began to create money.”

**Where did the banker “discover” how to create money?**

From the G ___ ___ ___ ___ ___ ___ ___ ___ (See pink page “b”)

Here is how the sleight of hand, rather sleight of pen, works. To illustrate we start with an oversimplified bank balance sheet as follows:

<table>
<thead>
<tr>
<th>Savings Accounts</th>
<th>$25,000.</th>
<th>Cash on hand</th>
<th>$25,000.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Liabilities</td>
<td>$25,000.</td>
<td>Assets</td>
<td>$25,000.</td>
</tr>
<tr>
<td>(Owed to Customers)</td>
<td></td>
<td>(vault cash customer savings)</td>
<td></td>
</tr>
</tbody>
</table>

The “demand deposits” are the savings accounts. These savings accounts are a liability of the bank. At the same time, because the bank has the use of that same money, the savings account money is also an asset. On the bank’s books, assets equal liabilities. Now watch what happens when the above bank makes a home loan for $25,000.

<table>
<thead>
<tr>
<th>Savings Accounts</th>
<th>$25,000.</th>
<th>Cash on hand</th>
<th>$25,000.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loan to customer by check</td>
<td>$25,000.</td>
<td>Mortgage on home</td>
<td>$25,000.</td>
</tr>
<tr>
<td>Liabilities</td>
<td>$50,000.</td>
<td>Assets</td>
<td>$50,000.</td>
</tr>
<tr>
<td>(Owed to customers)</td>
<td></td>
<td>(vault cash + mortgage)</td>
<td></td>
</tr>
</tbody>
</table>

Look what happened! After loaning the $25,000 the bank still has the $25,000! And the bank’s assets have doubled?

Where did the $25,000 come from that the bank loaned to the customer? (See *Modern Money Mechanics*, page 3 - pink page “b”)

( ) a. The bank simply increased the borrower’s checking account by the amount of the loan.

( ) b. The bank went to another bank and borrowed the money.

Modern Money Mechanics mentions that “this unique attribute was discovered several centuries ago.”

Who made this discovery several centuries ago?

The G___ ___ ___ ___ ___ ___ ___ ___ (Pink page “b”)

This system is called “fractional reserve banking.” According to the bankers rules, a commercial bank may loan out several times its reserves. In the above example, the reserves are the $25,000 cash deposited by customers. Quoting from page 4 of *Modern Money Mechanics* as published by the Federal Reserve Bank of Chicago, pink page “c,” “If reserves (customer savings) of 20% were required, demand deposits (check book loans) could expand only until they were five times as large as reserves. Ten million dollars of reserves (customer savings) would support $50 million of deposits (loans).”

In a Credit Union, reserves are a portion of the customer’s deposits. In a bank reserves are all the customer’s deposits. Banks never lend the reserves.

Now watch what happens when the bank makes another loan. A loan that would bring its total loans to five times its reserves. This time a loan of $100,000 to a business. (The bank loaned out five times more than it has.)
At this point the bank has created $125,000 in new money. ($25,000 - $100,000). The bank’s gross profit is as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest paid on savings</td>
<td>$1,250.00</td>
</tr>
<tr>
<td>Interest charged to customer</td>
<td>$18,750.00</td>
</tr>
</tbody>
</table>

The Bank’s gross profit $18,750. - $1,250. = $17,500.00

The bank made $17,500 on the customers savings (deposits) of only $25,000! That is a 70% interest return on the customer’s money!

(47) By the modern definition, usury is excessive interest. In your opinion, using the modern definition, is a 70% interest return usury?

( ) Yes. ( ) No.

The bank can keep up this “sleight of hand” as long as people do their business with checks (or computers) rather than cash. Now watch what happens when the loans of credit are repaid.

The payment of the loan principle covered the checks presented for payment.

The $17,500.00 usury went into the banker’s pocket.

“The important aspect of this process from an economic standpoint is that commercial banks **create** “money” by credit extensions to borrowers in the form of additions to checking accounts and, conversely, banks **destroy** “money” when borrowers later write down their accounts to pay the loans. Commercial banks have the function in our economy of creating or wiping out checkbook money by increasing or decreasing loan volume.”

The above paragraph is quoted from “Your Bank” by David H. McKinley, Associate Dean and Professor of Banking, and George L. Leffler, Assistant Dean and Professor of Finance. Both are of Pennsylvania State University. Published by Pennsylvania Bankers Association, Harrisburg, PA.

Money Supply Charts are often seen in newspapers and magazines. When the money supply increases bankers are **creating money**. When the money supply decreases they are **destroying money**.
Lesson Nine - Page 13

Comparing The Goldsmith And The Commercial Bank

(48A) Goldsmiths created credit to loan through a fraudulent process. They issued more notes payable in gold and silver than they had on deposit to back such notes. Thus creating bookkeeping entry deposits which were then transferred as money from one person to another.

( ) True.  ( ) False.

(49A) When making a loan, goldsmiths loaned a "promise to pay gold" in the form of a note which was backed by a bookkeeping entry.

( ) True.  ( ) False.

(50A) The goldsmith committed fraud when he issued a note backed by gold that did not exist knowing that all notes would not be presented at one time.

( ) True.  ( ) False.

(51A) The goldsmith collected interest on his notes which he created at no cost to himself thus unjustly enriching himself.

( ) True.  ( ) False.

(52A) The goldsmith loaned out gold beyond what its depositors had brought into the vault and in the process committed "fraud" for the purpose of gaining undeserved wealth.

( ) True.  ( ) False.

(53A) Did the goldsmith do something wrong when he issued more "notes" than he had gold or silver to back up these notes?

( ) Yes.  ( ) No

(48B) Banks create credit to loan through a process known as fractional reserve banking. This practice is based upon the fraudulent practices of the goldsmiths by writing checks for dollar values far in excess of cash reserves to back up such checks thus creating bookkeeping entry deposits which are then transferred by check from one account to another.

( ) True.  ( ) False.

(49B) When making a loan, banks loan a "promise to pay money" in the form of a check which is backed by a bookkeeping entry.

( ) True.  ( ) False.

(50B) The Bank commits fraud when it writes a check on money that does not exist knowing that all checks will not be presented for payment at one time.

( ) True.  ( ) False.

(51B) The Bank collects interest on its checks which it created at no cost to itself thus unjustly enriching itself.

( ) True.  ( ) False.

(52B) The bank loans out more money than its depositors bring into the bank and in the process commit "fraud" for the purpose of gaining undeserved wealth.

( ) True.  ( ) False.

(53B) Does the bank do something wrong when it writes more checks than it has deposited to back up these checks?

( ) Yes.  ( ) No.
Proclaim Liberty Throughout All The Land
To All The Inhabitants Thereof

How do we proclaim liberty throughout all the land? God’s Law calls for the cancelation of debt every seven years. Every fifty years lost or foreclosed real estate is returned to the original owner or his heir. This is called the Jubilee. The applicable verses are Leviticus 25:8 and Deuteronomy 15:1-6.

LEVITICUS 25

The year of the jubilee

1 And the lord spake unto Moses in mount Si'nai, saying,
2 Speak unto the children of Israel, and say unto them. When ye come into the land which I give you, then shall the land keep a sabbath unto the lord.
3 Six years thou shalt sow thy field, and six years thou shalt prune thy vineyard, and gather in the fruit thereof;
4 But in the seventh year shall be a sabbath of rest unto the land, a sabbath for the lord: thou shalt neither sow thy field, nor prune thy vineyard.
5 That which growth of its own accord of thy harvest thou shalt not reap, neither gather the grapes of thy vine undressed: for it is a year of rest unto the land.
6 And the sabbath of the land shall be meat for you; for thee, and for thy servant, and for thy maid, and for thy hired servant, and for thy stranger that sojourneth with thee.
7 And for thy cattle, and for the beast that are in thy land, shall all the increase thereof be meat.
8 I And thou shalt number seven sabbaths of thy land, shall all the increase thereof be meat.
9 Then shall thou cause the trumpet of the Jubilee to sound on the tenth day of the seventh month, in the day of atonement shall ye make the trumpet sound throughout all your land.
10 And ye shall hallow the fiftieth year. and proclaim the jubilee throughout all your land. This year shall be to you a sabbath of rest.
11 A jubilee shall that fiftieth year be unto you: from ye shall let go free the bondmen of the land, and they shall be servants no more.
12 For it is the jubilee: it shall be holy unto you: ye shall eat the increase thereof out of the field.
13 In the year of this jubilee ye shall return every man unto his family.
14 And it thou sell eough unto thy neighbour, or buyest ought of thy neighbour’s hand, ye shall not oppress one another.
15 According to the number of years after the Jubilee thou shalt buy of thy neighbour, and according unto the number of years of the fruits he shall sell unto thee:
16 According to the multitude of years thou shalt increase the price thereof, and according to the fewness of years thou shalt diminish the price of it: for according to the number of the years of the fruits doth he sell unto thee.
17 Ye shall not therefore oppress one another, but thou shalt fear thy God: for I am the lord your God.
18 Wherefore ye shall do my statutes, and keep my judgments, and do them; and ye shall dwell in the land in safety.
19 And the land shall yield her fruit, and ye shall eat your fill, and dwell therein in safety.
20 And if ye shall say. What shall we eat the seventh year? behold, we shall not sow, nor gather in our increase:
21 Then I will command my blessing upon you in the sixth year, and it shall bring forth fruit for three years.
22 And ye shall sow the eighth year, and eat yet of old fruit until the ninth year, until her fruits come in ye shall eat of the old store.
23 The land shall not be sold for ever: for the land is mine; for ye are strangers and sojourners with me.
24 And in all the land of your possession ye shall grant a redemption for the land.
25 If thy brother be waxen poor, and hath sold away some of his possession, and if any of his kin come to redeem it, then shall he redeem that which his brother sold.
26 And if the man have none to redeem it, and himself be able to redeem it;
27 Then let him count the years of the sale thereof, and restore the overplus unto the man to whom he sold it; that he may return unto his possession.
28 But if he be not able to redeem it to him, then that which is sold shall remain in the hand of him that hath bought it until the year of jubilee:
29 And if it be not redeemed within the space of a full year, then the house that is in the walled city shall be established for ever to him that bought it throughout his generations: it shall not go out in the jubilee.
30 And if it be not redeemed within the space of a full year, then the house that is in the walled city shall be established for ever to him that bought it throughout his generations: it shall not go out in the jubilee.
31 But the houses of the villages which have no wall round about them shall be counted as the fields of the country: they may be redeemed, and they shall go out in the jubilee.
32 Notwithstanding the cities of the Levites, and the houses of the cities of their possession, may the Levites redeem at any time.
33 And if a man purchase of the Levites, then the house that was sold, and the city of his possession, shall go out in the year of jubilee: for the houses of the cities of the Levites are their possession among the children of Israel.
34 But the field of the suburbs of their cities may not be sold; for it is their perpetual possession.

DEUTERONOMY 15

1 At the end of every seven years thou shalt make a release.
2 And this is the manner of the release: Every creditor that lendeth ought unto his neighbour shall release it; he shall not exact it of his neighbour, or of his brother; because it is called the Lord’s release.
3 Of a foreigner thou mayest exact it again: but that which is thine: with thy brother thine hand shall release;
4 Save when there shall be no poor among you: for the lord shall greatly bless thee in the land which the lord thy God giveth thee for an inheritance.
5 Only if thou carefully hearken unto the voice of the lord thy God, to observe to do all these commandments which I command thee this day.
6 For the lord thy God blesseth thee, as he hath sworn to thee: and the lord thy God shall greatly bless thee in the land.
7 If there be among you a poor man of one of thy brethren within any of thy gates in thy land
8 And this is the manner of the release: Every creditor that lendeth ought unto his neighbour shall release it; he shall not exact it of his neighbour, or of his brother; because it is called the Lord’s release.
9 For a foreigner thou mayest exact it again: but that which is thine: with thy brother thine hand shall release;
10 Save when there shall be no poor among you: for the lord shall greatly bless thee in the land which the lord thy God giveth thee for an inheritance.
11 Only if thou carefully hearken unto the voice of the lord thy God, to observe to do all these commandments which I command thee this day.
12 For the lord thy God blesseth thee, as he hath sworn to thee: and the lord thy God shall greatly bless thee in the land.
13 If there be among you a poor man of one of thy brethren within any of thy gates in thy land which the lord thy God giveth thee, thou shalt not harden thine heart, nor shut thine hand from thy poor brother:

To illustrate how Real Estate laws of the Bible worked; let’s assume that your grandfather had a family farm. If your grandfather wanted to sell, then Leviticus 25:14-16 operated. Today this is called a lease. Your grandfather could not sell but only lease the family homestead for the number of years remaining until the next Jubilee year. This could be, at most, 49 years.

(54) Could your grandfather, or near relative, redeem the family farm by buying back the leasehold?

( ) Yes. ( ) No. (See Leviticus 25:23-27)
(55) But, what if your grandfather, for whatever reason, went into debt and lost his property. Perhaps, a banker foreclosed upon him. What then? (Leviticus 25:28)

( ) A The banker would now own the farm and the farmer or his heirs have no interest at all.

( ) B The banker must return the farm to your grandfather, or his heirs, in the year of Jubilee.

(56) How often are debts to be cancelled?

(Deuteronomy 15:1-2)

(57) Deuteronomy 15:4 reads, “Save when there shall be no poor among you, . . .” A better translation is, “To the end there be no poor among you.” Many politicians are busy “fighting poverty.” What is the Bible way to fight poverty?

( ) a. Tax the workers to help the poor.

( ) b. Cancel all debts over seven years old.

Compare Deuteronomy 15:6 and Deuteronomy 28:43-44.

DEUTERONOMY 15:16
5 Only if thou carefully hearken unto the voice of the lord thy God, to observe to do all these commandments which I command thee this day.
6 For the lord thy God blesseth thee, as he promised thee: and thou shalt lend unto many nations, but thou shalt not borrow; and thou shalt reign over many nations, but they shall not reign over thee.
7 If there be among you a poor man of one of thy brethren within any of thy gates in thy land which the lord thy God giveth thee, thou shalt not harden thine heart, nor shut thine hand from thy poor brother:

DEUTERONOMY 28
15 But it shall come to pass, if thou wilt not hearken unto the voice of the lord thy God, to observe to do all his commandments and his statutes which I command thee this day; that all these curses shall come upon thee, and overtake thee:
43 The stranger that is within thee shall get up above thee very high; and thou shall come down very low.
44 He shall lend to thee, and thou shall not lend to him: he shall be the head, and thou shall be the tail.
45 Moreover all these curses shall come upon thee, and shall pursue thee, and overtake thee, till thou be destroyed; because thou hearkenedst not unto the voice of the Lord thy God, to keep; his commandments and his statutes which he commanded thee:

Everyone has heard of the cycle of hard times. The regularity with which the panic and depression appear has long seemed to puzzle economists. They claim to have studied the situation from every angle.

The solution is simple. God, in effect is saying to his people in America, “If you obey My laws you will be prosperous. In fact, so prosperous that you can take a vacation one year in seven, and two years every fifty. But then, if you will not have it my way, I will bring a recession upon you about every seven years and a depression every fifty years.” The great depression began in 1929. Our recent severe “recession” began 50 years later in 1979 and it lasted until 1984.

So the first step to the Biblical solution to our money problems is for Congress to apply Public Law 97-280 by, in Congress’ own words, “our national need to study and apply the teachings of Holy Scriptures.” (See Lesson One) Congress has the power and authority to cancel all debts and require the bankers to restore the wealth they have robbed from us through deception and extortion.

There are several ways to restore to America a Biblical, Constitutional honest money system. We have reprinted a letter showing how Senator Jack Metcalf would cancel part of the national debt by returning to the bankers exactly what they lent us. Nothing but paper and ink.

Others suggest that the stolen gold and silver be confiscated from the bankers and their agents by the police and military. The silver and gold could be coined into money. Rather than tax the people, Congress could, for many years, use this money to pay the cost of government. Wouldn’t it be nice to have the government give rather than take?
What About Your Home?

(58) While an individual can only lend something he actually has, banks create substance to lend and hide behind a mountain of words and terms which only they understand so as to conceal their illegal “con game.” (See pink page “h”)

( ) True. ( ) False.

(59) Unlike a Credit Union, the bank’s lending power depends primarily on the bank’s power to create money.

( ) True. ( ) False.

(60) Commercial banks loan and collect interest on credit, not interest on legal tender money.

( ) True. ( ) False.

(61) A bank materially misrepresents a fact and commits fraud when it loans “money” it doesn’t have.

( ) True. ( ) False.

(62) What does the customer think that he receives from a bank when he borrows “money”?

( ) a. Money. ( ) b. An I.O.U. (A promise to pay)

(63) What does the customer actually receive from a bank when he borrows “money”?

( ) a. Money.
( ) b. The bank’s promise to pay money.

(64) When a bank loans money for a home-loan, the banking system creates its “money” by bookkeeping entry and obtains it without work for the cost of ink and paper. In contrast, the home-buyer has to work hard to earn “legal tender” money to make payments on that home loan.

( ) True.
( ) False.

(65) Suppose that you purchased a home with the help of a $47,000 - 30 year loan from a commercial bank. Over ten years you make payments of $404 a month at 9.75% for ten years. That would amount to $48,480. You still owe the bank $42,818 on the principal. Now, due to hard times brought on by Federal Reserve Bank policies, you are out of work and a member bank is foreclosing on your home. What would you like to do if you could?

( ) a. Give your home to the bank and have nothing. The Bank gets the home. The bank keeps your hard earned $48,480 dollars. The bank pays nothing for the landscaping and other improvements that you added over the years.

( ) b. Look into suing the bankers for fraud.
(66) Who has a greater interest in the home?

( ) a. The bank that created out of nothing the $47,000 credit loaned to you to help purchase the home. The bank that has also thus far received $48,480 of your hard earned money.

( ) b. You the home owner. The borrower owes what he borrowed, in this case, nothing.

THE BANK . . . Besides the Bank’s money, the Bank holds the Title Deed cards and houses and hotels prior to purchase and use by the players. The Bank pays salaries and bonuses. It sells and auctions properties and hands out their proper Title Deed cards; it sells houses and hotels to the players and loans money when required on mortgages. The Bank collects all taxes, fines, loans and interest, and the price of all properties which it sells and auctions. The Bank never “goes broke.” If the Bank runs out of money it may issue as much as may be needed by merely writing on any ordinary paper.

(67) In the popular game Monopoly, if the bank runs out of money, what does it do?
It is possible to:

- Eliminate $130 billion from the national debt
- Reduce interest payments on the national debt by over $10 billion a year
- Slow the growth of the national debt and deficit:

This may sound like a fairy tale in this era of ever increasing budgets and deficits and a $1.5 trillion national debt - but Congress could do all of the above quickly and easily by simply calling in all the Federal Reserve Notes now in circulation and issue, instead, United States Treasury currency on which no interest would be charged. In other words, our currency would be issued the same way our coins are issued.

The next very essential step would be to use the called in Federal Reserve Notes to buy back the bonds that created them, thus extinguishing both the bonds and the FRNS. By this action, we would reduce the national debt by $130 billion and reduce interest payments by over $10 billion a year.

This simple plan could become the basic start toward having a debt-free money system in our nation. There are other steps necessary to achieve the Honest Money system envisioned by our forefathers, but these 3 steps are simple and could be accomplished quickly.
Money is such a routine part of everyday living that its existence and acceptance are ordinarily taken for granted. A user may sense that money must come into being either automatically as a result of economic activity or as an outgrowth of some government operation. But just how this happens all too often remains a mystery.

What is money?

If money is viewed simply, as a tool used to facilitate transactions, only those media that are readily accepted in exchange for goods, services, and other assets need to be considered. Many things—from stones to cigarettes—have served this monetary function through the ages. Today in the United States, there are only two kinds of money in use in significant amounts—currency (paper money and coins in the pockets and purses of the public) and demand deposits (checking accounts in commercial banks). Since $1 in currency and $1 in demand deposits are freely convertible into each other at the option of a bank’s customer, both are money to an equal degree.

The stock, or supply of money, then, has two components: currency and demand deposits held by private businesses and individuals (the public). The distribution between these two components depends solely on the preferences of the public. When a depositor “cashes” a check at a commercial bank, he reduces the amount of deposits and increases the amount of currency in circulation. Conversely, when more currency is in circulation than is needed, some is returned to the banks in exchange for deposits. Vault cash held by banks is not considered a part of the stock of money available for spending by the nonbank public.

While currency is used for a great variety of small transactions, most of the money payments in our economy are made by check. More than 75 percent, or $220 billion, of the $290 billion total money stock at the end of 1974 was in the form of demand deposits.

What makes money valuable?

Neither paper currency nor deposits have value as commodities. Intrinsically, a dollar bill is just a piece of paper. Deposits are merely book entries. Coins do have some intrinsic value as metal, but far less than their face amount.
At one time, bankers were merely financiers and money-lenders. This unique business activity derived its value from its scarcity in relation to its usefulness. Money's usefulness is its unique ability to command other goods and services and to permit a holder to be constantly ready to do so. How much is demanded depends on three factors—the total volume of transactions in the economy at any given time, the payments habits of the society, and the amount of money that individuals and businesses want to keep on hand to take care of unexpected or future transactions.

Control of the quantity of money is essential if its value is to be kept stable. Money's value can be measured only in terms of what it will buy. Therefore, its value varies inversely with the general level of prices. Assuming a constant rate of use, if the volume of money grows more rapidly than the rate at which the output of real goods and services can be increased—because of the limitations of time and physical facilities—prices will rise.

This will happen because there will be more money than there will be goods to spend it on at prevailing prices. The increase in prices would reduce the value of money even though the monetary unit were "backed" by and redeemable in the soundest assets imaginable. But if, on the other hand, growth in the supply of money does not keep pace with the economy's current production, either prices will fall or, more likely, manpower, factories, and other production facilities will not be fully employed.

Just how large the stock of money needs to be in order to handle the transactions of the economy without exerting undue influence on the price level depends on how intensively money is being used. Every demand deposit balance and every dollar bill is a part of somebody's spendable funds at any given time, ready to move to other owners as transactions take place. Some holders spend money quickly after they get it, making these dollars available for other uses. Others, however, hold dollars for longer periods. Obviously, when some dollars remain idle, a larger total is needed to accomplish any given volume of transactions.

Who creates money?

Changes in the quantity of money may originate with actions of the Federal Reserve System (the central bank), the commercial banks, or the public, but the major control rests with the central bank.

The actual process of money creation takes place in commercial banks. As noted earlier, demand liabilities of commercial banks are money. These liabilities are customers' accounts. They increase when the customers deposit currency and checks and when the proceeds of loans made by the banks are credited to borrowers' accounts.

Banks can build up deposits by increasing loans and investments so long as they keep enough currency on hand to redeem whatever amounts the holders of deposits want to convert into currency. This unique attribute of the banking business was discovered several centuries ago. At one time, bankers were mere middlemen. They made a profit by accepting gold and coins brought to them for safekeeping and lending them to borrowers. But they soon found that the receipts they issued to depositors were being used as a means of payment. These receipts were acceptable as money since whoever held them could go to the banker and exchange them for metallic money.

Then, bankers discovered that they could make loans merely by giving borrowers their promises to pay (bank notes). In this way, banks began to create money. More notes could be issued than the gold and coin on hand because only a portion of the notes outstanding would be presented for payment at any one time. Enough metallic money had to be kept on hand, of course, to redeem whatever volume of notes was presented for payment.

Demand deposits are the modern counterpart of bank notes. It was a small step from printing notes to...
What limits the amount of money banks can create?

If deposit money can be created so easily, what is to prevent banks from making too much—more than sufficient to keep the nation's productive resources fully employed without price inflation? Like its predecessor, the modern bank must keep available, to make payment on demand, a considerable amount of currency and funds on deposit with the central bank. The bank must be prepared to convert deposit money into currency for those depositors who request currency. It must make remittance on checks written by depositors and presented for payment by other banks (settle adverse clearings). Finally, a member bank must maintain cash and/or balances at its Federal Reserve bank (legal reserves) equal to a prescribed percentage of its deposits.

The public's demand for currency varies greatly, but generally follows a seasonal pattern that is quite predictable. The effects on bank funds of these variations in the amount of currency held by the public are usually offset by the central bank, which replaces the reserves absorbed by currency withdrawals from commercial banks, (just how this is done will be explained later.) Moreover, for all banks taken together, there is no net drain of funds through clearings. A check drawn on one bank will normally be deposited to the credit of another account, if not in the same bank, then in some other bank.

These operating needs, therefore, are of relatively minor importance as a restraint on aggregate deposit expansion in the banking system. Such expansion cannot continue, however, beyond the point where the amount of reserves that all banks have is just sufficient to satisfy legal requirements under our "fractional reserve" system. For example, if reserves of 20 percent were required, demand deposits could expand only until they were five times as large as reserves. Ten million dollars of reserves would support $50 million of deposits. The lower the percentage requirement, the greater the deposit expansion that can be supported by each additional reserve dollar. Thus, the legal reserve ratio together with the dollar amount of bank reserves are the factors that set the upper limit to money creation.

What are bank reserves?

Currency held in member bank vaults may be counted as legal reserves. The major part of member bank reserves, however, is in the form of deposits (reserve balances) at the Federal Reserve banks. Both are equally acceptable in satisfaction of reserve requirements. A bank can always obtain reserve balances by sending currency to the Reserve bank and can obtain currency by drawing on its reserve balance. Because either can be used to support a much larger volume of deposit liabilities of commercial banks, currency and, member bank reserve balances together are often referred to as "high-powered money." Reserve balances and vault cash in banks are not counted as part of the money stock held by the public.

For individual banks reserve balances also serve as clearing accounts. Member banks may increase their reserve balances by depositing checks as well as currency. Or they may draw down these balances by writing checks on them or by authorizing a debit to them in payment for currency or remittance for customers' checks.

Although reserve accounts are used as working balances, each bank must maintain, on the average for a seven-day period ending every Wednesday, deposit balances at the Reserve bank and vault cash which together are equal to its required reserves, as determined by the amount of its deposits.

Bank Reserves — How They Change

Money has been defined as the sum of demand deposits in commercial banks and currency in the hands of the public. Currency is something almost everyone uses every day. Therefore, when most people think of money, they think of currency. Contrary to this popular impression, however, demand deposits are the most significant part of the money stock. People keep enough currency on hand to effect small face-to-face transactions, but they write checks to cover most large expenditures. Most businesses probably hold even smaller amounts of currency in relation to their total transactions than do individuals.

Because the most important component of money is demand deposits, and because these deposits must be supported by reserves, the central bank's influence over money hinges on its control over the aggregate volume of reserves and the conditions under which banks can obtain them.

2 Throughout this booklet, for reasons of simplicity, all commercial banks are assumed to be members of the Federal Reserve System.
The preceding illustrations of the expansion and contraction processes have demonstrated how the central bank by purchasing and selling government securities, can deliberately change bank reserves in order to affect deposits. But open market operations are only one of a number of kinds of transactions or developments that cause changes in reserves. Some changes originate from actions taken by the public, by the Treasury Department, or by foreign and international institutions. Other changes arise from the service functions and operating needs of the Reserve banks themselves.

The various factors that provide and absorb member bank reserve funds, together with symbols indicating the effects of these developments, are listed on the opposite page. This tabulation also indicates the nature of the balancing entries on the Federal Reserve's books. (To the extent that the impact is absorbed by changes in banks' vault cash, the Federal Reserve's books are unaffected.)

Independent factors versus policy action

It is apparent that member bank reserves are affected in several ways that are independent of the control of the central bank. Most of these "independent" elements are changing more or less continually. Sometimes their effects may last only a day or two before being reversed automatically. This happens, for instance, when bad weather slows up the check collection process, giving rise to an automatic increase in Federal Reserve credit in the form of "float." Other influences, such as changes in the public's currency holdings, may persist for longer periods of time.

Still other variations in bank reserves result solely from the mechanics of institutional arrangements among the Treasury, the Federal Reserve banks, and the commercial banks. The Treasury, for example, keeps part of its working balance on deposit with commercial banks, against which fractional reserve requirements apply. But disbursements are made only from its balance in the Reserve banks. The transfer of these deposits to the Reserve banks prior to expenditure by the Treasury causes a dollar-for-dollar drain on member bank reserves.

In contrast to these independent elements that affect reserves are the policy actions taken by the Federal Reserve System. The way System purchases and sales of securities affect reserves has already been described. In addition, there are two other ways in which the System can affect bank reserves and potential deposit volume directly; first, through loans to member banks; and second, through changes in reserve requirements. A change in the required reserve ratio, of course, does not directly alter the total volume of reserves but does change the amount of deposits that a given amount of reserves can support.

Any reserve change has the same potential effect on deposits regardless of its origin. Therefore, in order to achieve the net reserve effects consistent with its cyclical and long-run monetary objectives, the Federal Reserve System continuously must take account of what the independent factors are doing to reserves and then, through its policy action, offset or supplement them as the situation may require.

Why the Reserve Multiplier Varies

The deposit expansion and contraction associated with a given change in bank reserves, as illustrated earlier in this booklet, assumed a fixed reserve-to-deposit multiplier. That multiplier was determined by the percentage reserve requirement specified for demand deposits. Such an assumption is an oversimplification of the actual relationship between changes in reserves and changes in money, especially in the short run. Because reserves are not always fully utilized and because reserves are required against certain bank liabilities other than private demand deposits, the quantity of reserves associated with a given quantity of demand deposit money is constantly changing.

One leakage affecting the reserve multiplier is variation in the amount of excess reserves. There are always some excess reserves in the banking system, reflecting frictions and lags as funds flow among thousands of individual commercial banks.

Excess reserves present a problem for monetary management only because the amount changes. To the extent that new reserves supplied are offset by rising excess reserves, actual money growth falls short of the theoretical maximum. Conversely, a reduction in excess reserves by the banking system has the same effect on monetary expansion as the injection of an equal amount of new reserves.

Even more important factors affecting the reserve multiplier are flows of funds between larger and smaller banks and between member and non-member banks, conversions of deposits into currency or vice versa, and shifts from demand deposits into any of the several other bank liabilities.
Because legal reserve requirements against demand deposits are higher for larger banks than for smaller banks, a net flow of funds through check payments from large bank customers to small bank customers increases the deposit expansion potential of a given volume of reserves.

Moreover, an injection of reserves will have widely different effects depending on how it is absorbed. Only a dollar-for-dollar increase in money supply would result if the new reserves were paid out in currency to the public, while expansion via demand deposits would vary depending on the percentage reserve requirement applicable. One dollar of new reserves would support $20 of time deposits (at a 5 percent requirement), but none of this would count as an addition to the money stock as it has been defined here. See figure 1. Normally, an increase in reserves would be absorbed by some combination of currency and deposit changes.

**Figure 1 — The Growth Potential of a $1 Million Reserve Injection**

Time deposits increased rapidly in the Sixties and early Seventies. As interest rates rose, the public chose to keep a smaller proportion of their liquid assets in demand deposits—on which the payment of interest is prohibited. Bankers actively sought to acquire deposits by offering investors new instruments, such as time deposit certificates. These deposits absorbed a large part of reserve growth during this period.

Time deposits are not the only bank liabilities that absorb reserves but do not count as money. Much smaller in amount, but often subject to wide short-run changes, are the deposits of other banks and of the U.S. Government. As explained earlier, the U.S. Government keeps part of its balances at commercial banks, transferring funds to the Federal Reserve banks as needed to make current expenditures. These balances, which by definition are excluded from the money stock, often rise sharply in periods of tax payments and Treasury borrowing, with corresponding shrinkage in private demand deposits. Several weeks may elapse before these funds get back into private deposits as government expenditures take place. Meanwhile, because reserve requirements are the same for all types of demand deposits, the level of private (money stock) deposits must decline unless additional reserves are provided to permit the commercial banks to restore it.

Finally, some part of the reserve base may be absorbed or released by changes in certain types of nondeposit liabilities. For example, funds borrowed by domestic banks from their foreign branches are subject to reserve requirements.

These factors are to some extent predictable and are taken into account along with the desired monetary expansion when reserves are supplied. They explain why short-run fluctuations in bank reserves often are disproportionate to, and sometimes in the opposite direction from, changes in the deposit component of money. The relationship between changes in reserves and changes in deposit money is highly variable on a weekly basis, but is much more stable on a year-to-year basis. See figure 2. This reflects a tendency for temporary changes in deposits other than private demand accounts and shifts in funds between large and small banks—some of which are seasonal—to be reversed and to be mutually offsetting in the long run.

**Money creation and reserve management**

Another reason for short-run variation in the amount of reserves supplied is that credit extension—and thus deposit creation—is variable, reflecting
uneven timing of credit demands. Although commercial bank loan policies normally take account of the general availability of funds, the size and timing of loans and investments made under those policies depend largely on customers’ credit needs.

In the real world a bank's lending is not normally constrained by the amount of excess reserves it has at any given moment. Rather, loans are made, or not made, depending on the bank's expectations about its ability to obtain the funds necessary to pay is customers' checks and maintain required reserves in a timely fashion, in fact, because Federal Reserve regulations specify that required reserves for a given week are based on deposit levels two weeks earlier, deposit creation actually precedes the provision of supporting reserves. The banker does not know today precisely what his reserve position will be at the time the proceeds of today's loans are paid out. Nor does he know when new reserves are being supplied to the banking system. Reserves are distributed among thousands of banks and the individual banker cannot distinguish between inflows originating from additions to reserves through Federal Reserve action and shifts of funds from other banks that occur in the normal course of business.

To equate short-run reserve needs with available funds, therefore, many banks turn to the money market—borrowing funds to cover deficits or lending temporary surpluses. When the demand for reserves is strong relative to the supply/money market funds to cover deficits tend to become more expensive and harder to obtain, which, in turn, may induce banks to adopt more restrictive loan policies and thus slow the rate of deposit growth.

Federal Reserve open market operations exert control over the creation of deposits mainly through their impact on the availability and cost of funds in the money market. When the total amount of reserves supplied to the banking system through open market operations falls short of the amount required, some banks are forced to borrow at the Federal Reserve discount window. Because such borrowing is restricted to short periods, the need to repay it tends to induce restraint on further deposit expansion by the borrowing bank. Conversely, when there are excess reserves in the banking system/individual banks find it easy and relatively inexpensive to acquire reserves, and expansion in loans/investments, and deposits is encouraged.

Figure 2 — The Relationship of Demand Deposits to Bank Reserves Is Erratic in the Short Run . . .

Figure 2 — The Relationship of Demand Deposits to Bank Reserves Is Erratic in the Short Run . . .

Figure 2 — The Relationship of Demand Deposits to Bank Reserves Is Erratic in the Short Run . . .

Figure 2 — The Relationship of Demand Deposits to Bank Reserves Is Erratic in the Short Run . . .

Figure 2 — The Relationship of Demand Deposits to Bank Reserves Is Erratic in the Short Run . . .

Figure 2 — The Relationship of Demand Deposits to Bank Reserves Is Erratic in the Short Run . . .

Figure 2 — The Relationship of Demand Deposits to Bank Reserves Is Erratic in the Short Run . . .

Figure 2 — The Relationship of Demand Deposits to Bank Reserves Is Erratic in the Short Run . . .

Figure 2 — The Relationship of Demand Deposits to Bank Reserves Is Erratic in the Short Run . . .

Figure 2 — The Relationship of Demand Deposits to Bank Reserves Is Erratic in the Short Run . . .

Figure 2 — The Relationship of Demand Deposits to Bank Reserves Is Erratic in the Short Run . . .

Figure 2 — The Relationship of Demand Deposits to Bank Reserves Is Erratic in the Short Run . . .

Figure 2 — The Relationship of Demand Deposits to Bank Reserves Is Erratic in the Short Run . . .

Figure 2 — The Relationship of Demand Deposits to Bank Reserves Is Erratic in the Short Run . . .
Now, the reason that the Federal Reserve can increase the money supply by buying government securities on the open market and decrease the money supply by selling government securities is because the Federal Reserve has a unique responsibility — it can literally create its own credit. Let me use an everyday example to make the point. If I were to buy a government bond from one of you, what that would mean is that I would give you a check for, say, $10,000, and you would in return give me that government bond worth $10,000. What left my checking account when I bought the bond entered your checking account when you sold it. The total volume of checking account money in the economy has not changed one penny. What has happened is a simple transfer of some of that money from one account to another. Put another way, I cannot, legally or morally, write a check payable to you unless I have at least that much in my checking account at the time I write the check.

The Federal Reserve is different. It is the central bank; it is a depository for all of the member banks, but it, itself, has no bank deposit anywhere in the country because it is the central bank for the entire country. When you or I write a check there must be sufficient funds in our account to cover that check, but when the Federal Reserve writes a check there is no bank deposit on which that check is drawn. When the Federal Reserve writes a check it is creating money. That check, written by the Federal Reserve, is deposited in the account of one commercial bank. But it is not deducted from the account of another commercial bank. Likewise, when the Federal Reserve sells a government security, the check paying for it is deducted from the account of the commercial bank on which it is drawn, but it is not deposited to the account of another commercial bank. Put another way, when the Federal Reserve buys government securities, it is by the mere stroke of a pen putting new money into the banking system...
Save Your Home

The following is reproduced from an article by Martin A. Larson from the March 5, 1984 issue of “The Spotlight” newspaper

You will recall reading how Jerome Daly achieved widespread attention about 20 years ago when a trial held in the court of the justice of the peace in Credit River Township in Minnesota prevented a bank from seizing and selling his home because he was delinquent on some mortgage payments. (SPOTLIGHT, May 23, 1983.)

Daly’s defense was that the bank had not lent him any actual money, but had simply created credit on its books by the technique of fractional reserve banking; and that, therefore, since nothing of value had been advanced by the bank, it was not entitled to seize an asset consisting of real estate as a forfeiture.

A jury of farmers sided with Daly, and he recovered, or rather retained, his property. The bank did not appeal. For years, the courts, the Fed and the politicians have kept this burning issue under wraps. But now that foreclosures have become quite common, especially among farmers, there is a concerted movement to prevent the seizure of property and the ouster of the owners therefrom.

An increasing number of citizens whose property has been sold at sheriffs’ auctions are still occupying them, pending the outcome of lawsuits which have been filed against the banking institutions for fraud because of violations of the Truth-in-Lending Act and other very significant reasons.

We learn, for example, that as of November, 1983, Barbara Jasso of Lake Orion, Michigan, was still occupying the property sold by the sheriff 14 months previously. Frank Verhoff’s family in Alabama is still operating its farm which was auctioned in the same manner more than a year ago. Both have filed suits against the lending institutions and no eviction seems possible while these are pending. They are demanding jury trials and must, under the law, be given the benefit of these.

The banks fear such trials, which is not difficult to understand.

A FISTFULL OF DOLLARS

When the property of Chris Lampton was offered for sale in Franklin, Wisconsin, he offered 21 silver dollars containing 371 1/2 grains of pure metal. He is now suing the sheriff for refusing to obey the Constitution by turning down his bid and accepting another consisting of Federal Reserve notes.

Jerry Wright of Compo, Colorado, has filed a $100-million suit against the bank and the Farmers Home Administration, charging them with fraud. As SPOTLIGHT readers know, Wright’s property was sold at auction in February, 1983. But he is still operating it, pending the outcome of his litigation (SPOTLIGHT, Jan. 24 and 31, 1983).

Many other suits have been and are being filed. Not one has come to trial and no one who has taken such action has been evicted.

These are the principal charges being leveled against the banks:

• Since no real money has been lent, they are in violation of Art. 1, Sec. 10 of the U.S. Constitution;
• Federal Reserve notes are not dollars, and Congress has no authority to issue bills of credit; and
• Since the banks never lent any money at all, but merely advanced credit created out of nothing on their books, they are not entitled to seize the real estate.

The banks now have loans so created totaling at least $2 trillion, on which they collect more than $200 billion a year in interest. Thus we find that about 97 percent of all “money” in existence or circulation is only checkbook or debt money.

Curiously enough, the courts, including the highest, have declared on numerous occasions that “credit” money is not lawful currency. And thereby hangs a momentous issue, which must sooner or later be resolved. I suggest everyone whose property has been foreclosed on take action similar to that described in this article. If thousands of such people obtain what is their right—jury trials—I predict that the monetary system in the United States will have to be drastically revised and restructured in order to meet Constitutional requirements.

ON THE BACK OR THIS SHEET WE HAVE REPRODUCED THE FINAL COURT JUDGEMENT OF FIRST NATIONAL BANK OF MONTGOMERY VS. DALY.
STATE OF MINNESOTA  IN JUSTICE COURT
COUNTY OF SCOTT TOWNSHIP OF CREDIT RIVER
MARTIN V. MAHONEY, JUSTICE

First National Bank of Montgomery,

Plaintiff.

vs.

Jerome Daly,

Defendant.

The above entitled action came on before the Court and a Jury of 12 on December 7, 1968 at 10:00 a.m. Plaintiff appeared by its' President Lawrence V. Morgan and was represented by its Counsel Theodore R. Melby. Defendant appeared on his own behalf.

A Jury of 12 were called impaneled and sworn to try the issues in this Case. Lawrence V. Morgan was the only witness called for Plaintiff and Defendant testified as the only witness in his own behalf.

Plaintiff brought this as a Common Law action for the recovery of the possession of Lot 19, Fairview Beach, Scott County, Minn. Plaintiff claimed title to the Real Property in question by foreclosure of a Note and Mortgage Deed dated May 8, 1964 which Plaintiff claimed was in default at the time foreclosure proceedings were started.

Defendant appeared and answered that the Plaintiff created the money and credit upon its own books by bookkeeping entry as the consideration for the Note and Mortgage of May 8, 1964 and alleged failure of consideration for the Mortgage Deed and alleged that the Sheriff's sale passed no title to plaintiff.

The issues tried to the jury were whether there was a lawful consideration and whether Defendant had waived his rights to complain about the consideration having paid on the Note for almost 3 years.

Mr. Morgan admitted that all of the money or credit which was used as a consideration was created upon their books, that this was standard banking practice exercised by their bank in combination with the Federal Reserve Bank of Minneapolis, another private bank, further that he knew of no United States Statute or Law that gave the Plaintiff the authority to do this. Plaintiff further claimed that Defendant by using the ledger book created credit and by paying on the Note and Mortgage waived any right to complain about the Consideration and that Defendant was estopped from doing so.

At 12:15 on December 7, 1968 the jury returned a unanimous verdict for the Defendant.

Now therefore, by virtue of the authority vested in me pursuant to the Declaration of Independence, the Northwest Ordinance of 1787, the Constitution of the United States and the Constitution and laws of the State of Minnesota not inconsistent therewith;

IT IS HEREBY ORDERED, ADJUDGED AND DECREED:

1. That Plaintiff is not entitled to recover the possession of Lot 19, Fairview Beach, Scott County, Minnesota according to the Plat thereof on file in the Register of Deeds office.

2. That because of failure of a lawful consideration the Note and Mortgage dated May 8, 1964 are null and void.

3. That the Sheriff's sale of the above described premises held on June 26, 1967 is null and void, of no effect.

4. That Plaintiff has no right, title or interest in said premises or lien thereon, as is above described.

5. That any provision in the Minnesota Constitution and any Minnesota Statute limiting the Jurisdiction of this Court is repugnant to the Constitution of the United States and the Bill of Rights of the Minnesota Constitution and is null and void and that this Court has Jurisdiction to render complete Justice in this Cause.

6. That Defendant is awarded costs in the sum of $75.00 and execution is hereby issued therefore.

7. A 10 day stay is granted.

8. The following memorandum and any supplemental memorandum made and filed by this Court in support of this Judgment is hereby made a part hereof by reference.

Dated December 9, 1968

BY THE COURT
MARTIN V. MAHONEY
Justice of the Peace
Credit River Township
Scott County, Minnesota

MEMORANDUM

The issues in this case were simple. There was no material dispute on the facts for the Jury to resolve.

Plaintiff admitted that it, in combination with the Federal Reserve Bank of Minneapolis which are for all practical purposes, because of their interlocking activity and practices, and both being Banking Institutions Incorporated under the Laws of the United States, are in the Law to be treated as one and the same Bank, did create the entire $14,000.00 in money or credit upon its own books by bookkeeping entry. That this was the Consideration used to support the Note dated May 8, 1964 and the Mortgage of the same date. The money and credit first came into existence when they created it. Mr. Morgan admitted that no United States Law or Statute existed which gave him the right to do this. A lawful consideration must exist and be tendered to support the Note. See Anheuser-Busch Brewing Co. v. Emma Mason, 44 Minn. 318, 46 N.W. 598. The Jury found there was no lawful consideration and I agree. Only God can create something of value out of nothing.

Even if Defendant could be charged with waiver or estoppel as a matter of Law this is no defense to the Plaintiff. The Law leaves wrongdoers where it finds them. See sections 50, 51 and 52 of Am Jur 2d “Actions” on page 584 — no action will lie to recover on a claim based upon, or in any manner depending upon, a fraudulent, illegal, or immoral transaction or contract to which Plaintiff was a party.

Plaintiff's act of creating credit is not authorized by the Constitution and Laws of the United States, is unconstitutional and void, and is not a lawful consideration in the eyes of the Law to support any thing or upon which any lawful rights can be built.

Nothing in the Constitution of the United States limits the Jurisdiction of this Court, which is one of original Jurisdiction with right of trial by Jury guaranteed. This is a Common Law Action. Minnesota cannot limit or impair the power of this Court to render Complete Justice between the parties. Any provisions in the Constitution and laws of Minnesota which attempt to do so is repugnant to the Constitution of the United States and void. No question as to the Jurisdiction of this Court was raised by either party at the trial. Both parties were given complete liberty to submit any and all facts and law to the Jury, at least in so far as they saw fit.

No complaint was made by Plaintiff that Plaintiff did not receive a fair trial. From the admissions made by Mr. Morgan the path of duty was made direct and clear for the Jury. Their Verdict could not reasonably have been otherwise. Justice was rendered completely and without denial, promptly and without delay, freely and without purchase, conformable to the laws in this Court on December 7, 1968.

December 9, 1966

BY THE COURT
MARTIN V. MAHONEY
Justice of the Peace
Credit River Township
Scott County, Minnesota

Note: It has never been doubted that a Note given on a Consideration which is prohibited by law is void. It has been determined, independent of Acts of congress, that sailing under the license of an enemy is illegal. The emission of Bills of Credit upon the books of these private Corporations for the purposes of private gain is not warranted by the Constitution of the United States and is unlawful. See Craig v. Mo. 4 Peters Reports 912. This Court can tread only that path which is marked out by duty.

M V M
2. ( ) Before. ( ) After.
3. He was made __________________ of many __________________. His descendants would be ____________.
4. One of these _________ was King David. David's throne was established __________ __________. There shall _______ ________ thee a man upon the throne of; ( ) The people called Jews. ( ) Israel.
5. ( ) a. 6. ( ) a. ( ) d. 7. ( ) a. ( ) c. 8. ( ) True. ( ) b. ( ) b. ( ) e. ( ) b. ( ) d. ( ) False. ( ) c.
9. God shows __________ to those that keep His commandments.
10. ( ) a. ( ) c. 11. _____ verses to tell the BLESSINGS. ( ) b. ( ) d. _____ verses to tell the CURSES.
12. Deuteronomy chapter _____ is a second witness.
13. “That it may go __________ with thee and thy ________________
   ( ) Be saved. ( ) Go to Heaven ( ) Live a long life.
14. “O that there were such a heart in them, that they would fear “... and __________ __________
   __________ ____________ always, that it may be well with them and their;
   ( ) Immortal souls forever. ( ) Children forever.
15. ( ) a. ( ) c. 16. For a sign upon thine ____________ and as frontlets;
   ( ) b. ( ) d. ( ) On your wrist. ( ) Between your eyes.
17. ( ) a. 18. In their _________________.
   ( ) b.
19. In Ezekiel 9:4 a ____________ is set on the __________________
   of the men that ____________________________
   ____________________________ .
20. Who has sealed us? 21. In the right ________________
   ____________________________ or in the ________________
22. ( ) a. 23. And the Lord commanded us to do all these statutes, to fear the Lord, for our
   ( ) b. ____________________, That He might ____________________.
   ( ) c. as it is this day, and it shall be our righteousness, if we observe to do all these
   ( ) d. ____________________ before the Lord our god, as He hath commanded us.”
24. In Ezekiel 9:4-6, everyone that did NOT have the MARK OF GOD
upon their ______________________ was ________________.

25. The test is to see if we will ______________________________ or not.

26. To do thee ______________ at thy ________________.

27. ______________________________________________________

28. ______________________________________________________

29. ______________________________________________________ 30. ______________________________________________________

31. ( ) No. 32. ( ) Eat, drink and be merry.
( ) Yes. ( ) Study God's Law.

33. ______________________________________________________

34. ______________________________________________________

35. ( ) a. ( ) b. ( ) c. 36. to our ______________________________

37. ______________________________________________________

38. ______________________________________________________

39. ______________________________________________________

40. ______________________________________________________ 41. ______________________________________________________

42. ( ) True. 43. ( ) a. ( ) b. 44. ______________________________________________________

45. ( ) a. 46. _________________________ 47. ( ) Yes.
( ) b. ( ) No.

48-A ( ) True. ( ) False. 48-B ( ) True. ( ) False.

49-A ( ) True. ( ) False. 49-B ( ) True. ( ) False.

50-A ( ) True ( ) False. 50-B ( ) True. ( ) False.

51-A ( ) True ( ) False. 51-B ( ) True ( ) False.

52-A ( ) True ( ) False. 52-B ( ) True ( ) False.

53-A ( ) True ( ) False. 53-B ( ) True ( ) False.

54. ( ) Yes. 55. ( ) a. 56. _________________________ 57. ( ) a.
( ) No. ( ) b. ( ) b.

58. ( ) True. 59. ( ) True. 60. ( ) True. 61. ( ) true. 62. ( ) a.
( ) False. ( ) False. ( ) False. ( ) False. ( ) b.

63. ( ) a. 64. ( ) True. 65. ( ) a. 66. ( ) a.
( ) b. ( ) False. ( ) b. ( ) b.

67. ______________________________________________________
Bible Law Course
Lesson Nine
Answer Sheet


2. (X) Before. ( ) After.

3. He was made **FATHER** of many **NATIONS**.
   His descendants would be **KINGS**.

4. One of these **KINGS** was King David.
   David’s throne was established **FOR EVER**. There shall **NOT FALL**
   thee a man upon the throne of; ( ) The people called Jews. (X) Israel.

5. (X) a. 6. ( ) a. ( ) d. 7. ( ) a. (X) c. 8. ( ) True.
   ( ) b. ( ) e. ( ) b. ( ) d. (X) False.
   ( ) c.

9. God shows **MERCY** to those that keep His commandments.

10. ( ) a. (X) c. 11. **7** verses to tell the BLESSINGS.
    ( ) b. ( ) d. **27** verses to tell the CURSES.

12. Deuteronomy chapter **28** is a second witness.

13. “That it may go **WELL** with thee and thy **CHILDREN**
    ( ) Be saved. ( ) Go to Heaven (X) Live a long life.

14. “O that there were such a heart in them, that they would fear “... and **KEEP ALL MY COMMANDMENTS** always, that it may be well with them and their;
    ( ) Immortal souls forever. (X) Children forever.

15. ( ) a. ( ) c. 16. For a sign upon thine **HAND** and as frontlets;
    ( ) b. (X) d. ( ) On your wrist. (X) Between your eyes.

17. ( ) a. 18. In their **FOREHEADS**.
    (X) b.

19. In Ezekiel 9:4 a **MARK** is set on the **FOREHEADS**
    of the men that **CRY FOR ALL THE ABOMINATIONS THAT ARE DONE IN THE MIDST THEREOF**.

20. Who has sealed us? 21. In the right **HAND**
    **JESUS CHRIST** or in the **FOREHEAD**

22. ( ) a. 23. And the Lord commanded us to do all these statutes, to fear the Lord, for our
    ( ) b. **GOOD ALWAYS**, That He might **PRESERVE US ALIVE**.
    ( ) c. as it is this day, and it shall be our righteousness, if we observe to do all these
    (X) d. **COMMANDMENTS** before the Lord our god, as He hath commanded us.”
24. In Ezekiel 9:4-6, everyone that did NOT have the MARK OF GOD upon their **FOREHEAD** was **SLAIN**.

25. The test is to see if we will **KEEP HIS COMMANDMENTS** or not.

26. To do the **GOOD** at thy **LATTER END**.

27. **JESUS CHRIST IS KEEPING THE PROMISES HE MADE TO OUR ANCESTORS.**

28. **THEY HAVE NOT ACCEPTED CHRIST** (i.e. they are not Christian Nations) __AND/OR THESE PROMISES WERE NOT MADE TO THEIR ANCESTORS.__

29. **WE HAVE SERVED OTHER GODS AND BROKE HIS LAWS.**

30. **OUR ARMIES WOULD BE INVINCIBLE.**

31. (X) No. 32. ( ) Eat, drink and be merry. ( ) Study God's Law.

33. **SAUL DISOBEYED A DIRECT ORDER FROM GOD.**

34. **SAUL DID NOT UTTERLY DESTROY GOD'S ENEMIES.**

35. ( ) a. ( ) b. (X) c. 36. to our **CHILDREN**

37. **TEACH THEM GOD'S LAW.**

38. **THE WISE IN HEART WILL RECEIVE COMMANDMENTS.**

39. **FEAR GOD (Jesus Christ) AND KEEP HIS COMMANDMENTS.**

40. **666 TALENTS OF GOLD.**

41. **VISA**

42. (X) True. 43. ( ) a. 44. **GOLDSMITH**

45. (X) a. 46. **GOLDSMITH** 47. (X) Yes. ( ) False.

48-A (X) True. 48-B (X) True. ( ) False. ( ) False.

49-A (X) True. 49-B (X) True. ( ) False. ( ) False.

50-A (X) True. 50-B (X) True. ( ) False. ( ) False.

51-A (X) True. 51-B (X) True. ( ) False. ( ) False.

52-A (X) True. 52-B (X) True. ( ) False. ( ) False.

53-A (X) True. 53-B (X) True. ( ) False. ( ) False.

54. (X) Yes. 55. ( ) a. 56. **IN THE SEVENTH YEAR.** 57. ( ) a. ( ) No. (X) b. (X) b.

58. (X) True. 59. (X) True. 60. (X) True. 61. (X) True. 62. (X) a. ( ) False. ( ) False. ( ) False. ( ) False. ( ) b.

63. ( ) a. 64. (X) True. 65. ( ) a. 66. ( ) a. (X) b. ( ) False. (X) b. (X) b.

67. **The bank nevers goes broke. It may issue money by merely writing on any ordinary paper.**