

The Greatest Mistake

The printing of government bonds was the greatest mistake that has ever happened.

From every point of view, a government bond carries more trouble for a nation than anything that has ever been invented.

A government bond is like a pawnbroker's ticket. It puts the nation in hock to the money-changers, from where it is seldom redeemed without disaster and disgrace.

When the printing of government bonds has been discontinued, the money-changers will disappear and peace and good will among men will reign over the earth.

When the printing of Government bonds has been discontinued there will be no more war, because then, in the event of war, property will be conscripted as well as life and the money motive will thus be taken out of war.

When the printing of government bonds has been discontinued there will be no more incentive to corrupt governments, because the profits of industry will then go directly into the treasury of the nation instead of into the pockets of a few private individuals. The existence of a great special privilege always breeds political corruption. When the privilege is abolished the corruption disappears.

A Ridiculous and Dangerous System

All Canadian government business is done by the printing of government bonds. Even where the government (either federal, provincial or municipal) gives a direct contract for the building of a public work such as a post office, a highway or a street, the government pays for it by selling government bonds to the banking system; and then the government, federal, provincial or municipal, collects taxes from the people to pay the interest and sinking funds on these bonds. In this way the *Canadian Banking System* takes a heavy and ever increasing toll out of the people. For example, The Montreal Harbour Commission, a few years ago, built a bridge across the St. Lawrence River

at a cost of \$19,000,000.00. It was paid for by the sale of government bonds. These bonds bear interest at 5% and will not become due until 1969 (40 years after they were issued). The annual interest amounts to \$950,000.00, which is collected by taxes and tolls from the public. By 1969, this bridge will have cost the people of Canada \$38,000,000.00 for interest alone and with the principal the total cost of this bridge will be \$57,000,000.00. Of this amount, the sum of \$19,000,000.00 represents the cost of the bridge and \$38,000,000.00 will go to the Canadian Banking System. If we figure at the rate of 5% *compound interest*, this one government job would be worth to the *Banking System of Canada* the gigantic sum of \$114,760,000.00. If these bonds are not paid when they mature the ultimate cost of the bridge goes on mounting higher and higher. In 50 years it will be over \$210,000,000.00. What a ridiculous money system! It is the system of "usury" that was denounced by the founder of the Christian Era and which has been denounced by its disciples during the last nineteen hundred years. When people listen to and act in accordance with the teaching of Christ and curb the usurer, the living conditions of the masses improve. But just as soon as the usurer gains control, poverty, suffering and hardship revisits the earth like a retribution for the violation of an immutable law of God, which, of course, it is. Usury is a violation of a fundamental economic law that is as immutable as any law of natural science.

A Staggering Load

These government debts of Canada, together with her Great War debt, at present totals almost \$8,000,000,000.00 and the annual interest charges are fully \$365,000,000.00—one million dollars a day. That is what the Canadian people are paying to the *Banking System of Canada* for no particular reason. If that \$350,000,000.00 a year was turned into the Treasury of the Dominion Government the Minister of Finance could balance his budget and have a substantial surplus without the levy of a single tax of any kind whatever.

This \$8,000,000,000.00, of course, represents only the indebtedness of the Canadian Governments (Dominion, Provincial